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COPY



**JOURNAL of the PROCEEDINGS
of the
CITY COUNCIL
of the
CITY of CHICAGO, ILLINOIS**

Regular Meeting -- Wednesday, November 15, 2000

at 10:00 A.M.

(Council Chambers -- City Hall -- Chicago, Illinois)

OFFICIAL RECORD.

VOLUME I

RICHARD M. DALEY
Mayor

JAMES J. LASKI
City Clerk

JOURNAL OF THE PROCEEDINGS OF THE CITY COUNCIL
Regular Meeting -- Wednesday, November 15, 2000

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Attendance At Meeting.

Present -- The Honorable Richard M. Daley, Mayor, and Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone.

Absent -- Aldermen Dixon and Mell.

Call To Order.

On Wednesday, November 15, 2000 at 10:00 A.M., The Honorable Richard M. Daley, Mayor, called the City Council to order. The Honorable James J. Laski, City Clerk, called the roll of members and it was found that there were present at that time: Aldermen Granato, Haithcock, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Stone -- 44.

Quorum present.

At this point in the proceedings, The Honorable Richard M. Daley, Mayor, informed the City Council that Alderman Dixon was absent due to the recent death of her father and Alderman Mell was absent as a consequence of recent surgery.

Pledge Of Allegiance.

Alderman Wojcik led the City Council and assembled guests in the Pledge of Allegiance to the Flag of the United States of America.

Invocation.

Father John Dearhammer, Pastor of Saint Gall Parish, opened the meeting with prayer.

Rules Suspended -- REPORT OF COMMITTEE ON FINANCE.

Alderman Burke moved to *Suspend the Rules Temporarily* for the purpose of going out of the regular order of business for the immediate consideration of a report of the Committee on Finance. The motion *Prevailed*.

COMMITTEE ON FINANCE.

APPOINTMENT OF MS. JUDITH C. RICE AS CITY TREASURER.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration a communication recommending the appointment of Judith C. Rice as Treasurer of the City of

Chicago, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Approve* the proposed appointment transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, seconded by Aldermen Haithcock, Beavers, Rugai, Troutman, Burnett, E. Smith, Suarez, Colom, Natarus and M. Smith, the committee's recommendation was *Concurred In* and the said proposed appointment of Ms. Judith C. Rice as Treasurer of the City of Chicago was *Approved* by yeas and nays as follows:

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The Honorable James J. Laski, City Clerk, thereupon administered the oath of office to Ms. Judith C. Rice as Treasurer of the City of Chicago.

Alderman Burke then requested the record reflect that Ms. Judith C. Rice was administered the oath of office at 10:25 A.M., which was thereupon placed on file in the Office of the City Clerk.

REGULAR ORDER OF BUSINESS RESUMED.

**REPORTS AND COMMUNICATIONS FROM
CITY OFFICERS.**

Rules Suspended -- TRIBUTE TO LATE MR. LAWRENCE J. GORSKI.

The Honorable Richard M. Daley, Mayor, presented the following communication:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I transmit herewith a resolution honoring the life and memory of Lawrence J. Gorski.

Your favorable consideration of this resolution will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Alderman Burke moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the said proposed resolution. The motion *Prevailed*.

The following is said proposed resolution:

WHEREAS, The City of Chicago mourns the loss of Lawrence J. Gorski, who passed away at the age of fifty-three on Monday, November 6, 2000; and

WHEREAS, Chicago today can lay claim to the title of the most accessible city in the nation, thanks in large part to the pioneering efforts of Lawrence J. Gorski; and

WHEREAS, Lawrence J. Gorski grew up on Chicago's great northwest side, and he attended Saint Monica's Grade School and Lane Tech High School; and

WHEREAS, Lawrence J. Gorski enjoyed an active, athletic youth, relishing tennis, football and basketball, until a devastating illness at the age of twenty-two tragically confined him to a wheelchair; and

WHEREAS, Such was the character of Lawrence J. Gorski that this crushing setback did not break his spirit, and he resumed and completed his studies at Northwestern University; and

WHEREAS, After completing his studies, Lawrence J. Gorski went on to head a successful Chicago public affairs consulting firm, whose clients included Senator Paul Simon, Neil Hartigan, the Chicago Lighthouse for the Blind, and the Chicago Association of Neighborhood Development Organizations; and

WHEREAS, In 1990, Lawrence J. Gorski was named to head the Mayor's Office for People With Disabilities, believed to be the first cabinet-level municipal office of its kind in the world; and

WHEREAS, Under Lawrence J. Gorski's tireless stewardship, the Mayor's Office for People With Disabilities has boasted a decade of significant accomplishments, including overseeing the construction of ten thousand curb ramps in Chicago's downtown area, and a program targeting two hundred fifty thousand locations for curb cuts to afford greater mobility not only to people in wheelchairs and on crutches, but also to mothers with strollers, and people wheeling luggage or grocery carts; and

WHEREAS, Among the many achievements of Lawrence J. Gorski's office are including accessibility in the building permit process, expanding educational and job-training programs for people with disabilities, ensuring that major tourist attractions are accessible, and sponsoring an architecture competition for accessible schools and a haunted house for hearing-impaired children; and

WHEREAS, Lawrence J. Gorski's public service was characterized by dedication and compassion, and his endeavors have improved the lives of countless Chicagoans; and

WHEREAS, Lawrence J. Gorski is survived by his mother, Dorothy; his sister, Susan Gorski-Fee; and his brother, Jerome; and

WHEREAS, Lawrence J. Gorski was a beloved uncle of Nicholas, Christopher and Daniel; and

WHEREAS, Lawrence J. Gorski, a cherished friend of many and a man of character and vision, will be greatly missed and fondly remembered by his many family members, friends, associates, and by all who benefitted from his devotion to public service and hard work; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, assembled this fifteenth day of November, 2000, do hereby extend to the family of the late Lawrence J. Gorski our deepest condolences and heartfelt sympathies upon their loss; and

Be It Further Resolved, That a suitable copy of this resolution be presented to the family of the late Lawrence J. Gorski as a sign of our sympathy and good wishes.

On motion of Alderman Burke, seconded by Aldermen Rugai, M. Smith and Stone, the foregoing resolution was *Adopted* by a rising vote.

At this point in the proceedings, The Honorable Richard M. Daley, Mayor, rose to offer the prayers of his own family and the condolences of the people of Chicago to the family of Commissioner Lawrence J. Gorski. Hailing Mr. Gorski for his pioneering work as Commissioner of the world's first cabinet-level municipal office of its kind, Mayor Daley also remembered the Commissioner as a personal friend with a facile mind who "always wrote the best songs at Christmas parties". Through his wit and wisdom, Commissioner Gorski gave us all a new perspective on people with disabilities, Mayor Daley observed and declared that his passing has an impact on and leaves a void for all Chicago. Mayor Daley then left the Mayor's rostrum and strode to the commissioner's gallery where he presented a parchment copy of the memorial resolution to the family of Commissioner Lawrence J. Gorski.

*Rules Suspended -- CONGRATULATIONS EXTENDED TO
MR. OTHA HENNINGS FOR HEROIC
LIFE-SAVING RESCUE.*

The Honorable Richard M. Daley, Mayor, presented the following communication:

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COMMUNICATIONS, ETC.

45217

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- In conjunction with Alderman Mitts, I transmit herewith a congratulatory resolution for Otha Hennings.

Your favorable consideration of this resolution will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Alderman Burke moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the said proposed resolution. The motion *Prevailed*.

The following is said proposed resolution:

WHEREAS, At approximately 7:50 A.M. on April 1, 2000, the Chicago Fire Department's Battalion 13 was dispatched to a "still alarm" fire at 1419 North Karlov Avenue; and

WHEREAS, While en route to the fire, Battalion 13 was notified that the fire had been upgraded to "still and box alarm" status because children were reportedly trapped inside the burning building; and

WHEREAS, Upon arriving at the scene, Battalion 13 observed fire and smoke in the front bedroom and living room of the first floor apartment; and

WHEREAS, Observing that steel security bars were attached to the windows of these rooms, Battalion 13 quickly assessed the situation and ordered the fire companies into action; and

WHEREAS, Having initiated a plan to combat the fire, Battalion 13 was told that the trapped children were safe and had been rescued by Otha Hennings, who saw the fire and heard the youngsters' cries for help as he was walking his own children to the grocery store; and

WHEREAS, Wasting no time, Mr. Hennings told his wife to call "911" while he proceeded to jump to the window ledge and pull three children, ages five, four and three, through the security bars and to safety; and

WHEREAS, Thanks to Mr. Hennings' swift, selfless and heroic efforts, no one suffered serious injury or death as a result of this tragic fire; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, assembled this fifteenth day of November, 2000, do hereby applaud and express our gratitude to Otha Hennings, whose personal courage and selfless devotion to others saved the lives of three children; and

Be It Further Resolved, That a suitable copy of this resolution be presented to Otha Hennings as a token of our admiration and esteem.

On motion of Alderman Burke, seconded by Alderman Mitts, the foregoing proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

At this point in the proceedings, The Honorable Richard M. Daley, Mayor, rose and on behalf of the people of Chicago, expressed gratitude and appreciation to Mr. Otha Hennings for his heroic, life-saving rescue. Lauding Mr. Hennings for his courage and selflessness, Mayor Daley observed that individual citizens do, in fact, make a difference and extended his personal thanks to Mr. Hennings. Mayor Daley then invited Mr. Hennings, accompanied by Ms. Dianna Berrios, to the Mayor's rostrum where he presented Mr. Hennings with a parchment copy of the congratulatory resolution.

11/15/2000

COMMUNICATIONS, ETC.

45219

Referred -- APPOINTMENT OF WIDAD A. ALBASSAM AS MEMBER
OF ADVISORY COUNCIL ON ARAB AFFAIRS.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, at the request of two aldermen present (under the provisions of Council Rule 43) *Referred to the Committee on Human Relations*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I have appointed Widad A. Albassam as a member of the Advisory Council on Arab Affairs, to succeed Mona T. Khalidi, whose term has expired.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- APPOINTMENT OF VARIOUS INDIVIDUALS AS MEMBERS
OF ADVISORY COUNCIL ON GAY AND LESBIAN ISSUES.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, at the request of two aldermen present (under the provisions of Council Rule 43) *Referred to the Committee on Human Relations*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I have appointed the following persons as members of the Advisory Council on Gay and Lesbian Issues for the terms indicated:

Terms expiring July 1, 2002.

Damon K. Marquis, to succeed Shelton R. Watson, whose term has expired; Osvaldo Del Valle, to succeed Lisa M. Pickens, who has resigned; and Catherine J. Sikora, to succeed Teresa J. Scollon, who has resigned.

Terms expiring July 1, 2003.

John R. Spitzig, to succeed Gregory K. Seany, whose term has expired; and Kasey D. Reese, to succeed Neena J. Hemmady, whose term has expired.

Your favorable consideration of these appointments will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- APPOINTMENT OF MS. ALMA BEGICEVIC AS MEMBER
OF ADVISORY COUNCIL ON IMMIGRANT
AND REFUGEE AFFAIRS.

The Honorable Richard M. Daley, Mayor, submitted the following communication

11/15/2000

COMMUNICATIONS, ETC.

45221

which was, at the request of two aldermen present (under the provisions of Council Rule 43), *Referred to the Committee on Human Relations:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I have appointed Alma Begicevic as a member of the Advisory Council on Immigrant and Refugee Affairs for a term expiring July 1, 2002 to succeed Daria E. Prokip Kukuruza, whose term has expired.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- APPOINTMENT OF MR. JOSE A. VELGARA AS MEMBER
OF COMMISSION ON HUMAN RELATIONS.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, at the request of two aldermen present (under the provisions of Council Rule 43), *Referred to the Committee on Human Relations:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I have appointed Jose A. Velgara as a member of the Commission on Human Relations for a term expiring July 1, 2001, to succeed Stanley Balzekas, Jr., who has resigned.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- REAPPOINTMENT OF REVEREND DR. ARTHUR M. BRAZIER,
MS. ADELA M. CEPEDA AND MR. THEODORE R. TETZLAFF
AS MEMBERS OF PUBLIC BUILDING
COMMISSION OF CHICAGO.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, at the request of two aldermen present (under the provisions of Council Rule 43), *Referred to the Committee on Buildings:*

11/15/2000

COMMUNICATIONS, ETC.

45223

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I have reappointed the following persons as members of the Public Building Commission for the terms indicated: Reverend Dr. Arthur M. Brazier and Adela M. Cepeda, for terms expiring September 30, 2004; and Theodore R. Tetzlaff for a term expiring September 30, 2005.

Your favorable consideration of these appointments will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AMENDMENT OF TITLES 1 AND 2 OF MUNICIPAL
CODE OF CHICAGO CONCERNING MUNICIPAL
REFERENCE LIBRARY.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on the Budget and Government Operations*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of the Chicago Public Library, I transmit herewith an ordinance concerning the Municipal Reference Library.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AUTHORIZATION OF TAX LEVY FOR YEAR 2001.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Budget Director, I transmit herewith an ordinance authorizing the tax levy for the year 2001.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

11/15/2000

COMMUNICATIONS, ETC.

45225

Referred -- APPROVAL FOR RESTRUCTURING OF LOAN
AGREEMENT WITH BETHEL NEW LIFE, INC.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Housing, I transmit herewith a loan restructuring ordinance in connection with Bethel New Life, Inc.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AUTHORIZATION FOR ISSUANCE OF INDUSTRIAL
DEVELOPMENT BONDS FOR BENEFIT OF
SPEEDY REDI-MIX, L.L.C.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the issuance of industrial development bonds for the benefit of Speedy Redi-Mix, L.L.C.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AUTHORIZATION FOR ISSUANCE OF BONDS
FOR BENEFIT OF STONE TERRACE MANAGEMENT
COMPANY, L.L.C.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

11/15/2000

COMMUNICATIONS, ETC.

45227

LADIES AND GENTLEMEN -- At the request of the Commissioner of Housing, I transmit herewith an ordinance authorizing the provision of assistance to Stone Terrace Partners, L.P.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AUTHORIZATION FOR EXECUTION OF
INTERGOVERNMENTAL AGREEMENT WITH
CHICAGO PARK DISTRICT.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Fleet Management, I transmit herewith an ordinance authorizing the execution of an intergovernmental agreement with the Chicago Park District.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AUTHORIZATION FOR EXECUTION OF
REDEVELOPMENT AGREEMENT WITH
ROOSEVELT, L.L.C.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the execution of a redevelopment agreement with Roosevelt, L.L.C.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AUTHORIZATION FOR APPROVAL OF REDEVELOPMENT
PLAN, DESIGNATION OF REDEVELOPMENT PROJECT AREA
AND ADOPTION OF TAX INCREMENT ALLOCATION
FINANCING FOR LAKE CALUMET INDUSTRIAL
TAX INCREMENT FINANCING PROJECT AREA.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinances transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith three ordinances concerning creation of the Lake Calumet Area Industrial T.I.F.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AMENDMENT TO FUND 925 -- GRANT
FUNDS FOR YEAR 2000.

The Honorable Richard M. Daley, Mayor, submitted the following communication

which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on the Budget and Government Operations:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Budget Director, I transmit herewith a Fund 925 amendment.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AUTHORIZATION FOR FUNDING OF
CHICAGO WORKFORCE BOARD.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on the Budget and Government Operations:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

11/15/2000

COMMUNICATIONS, ETC.

45231

LADIES AND GENTLEMEN -- At the request of the Budget Director, I transmit herewith an ordinance authorizing funding for the Chicago Workforce Board.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- APPROVAL OF CITY'S ANNUAL CONTRIBUTION
TO CHICAGO TRANSIT AUTHORITY.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on the Budget and Government Operations*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Budget Director, I transmit herewith an ordinance authorizing the city's annual contribution to the Chicago Transit Authority.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AUTHORIZATION FOR EXPANSION OF SINGLE-FAMILY
PRESERVATION FINANCING FUND PROGRAM.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing and Real Estate*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Housing, I transmit herewith an ordinance concerning the preservation financing fund.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

11/15/2000

COMMUNICATIONS, ETC.

45233

Referred -- ACCEPTANCE OF BID FROM SHOREBANK CORPORATION
FOR PURCHASE OF BOARD OF EDUCATION PROPERTY
AT 5200 WEST HARRISON STREET.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing and Real Estate*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Board of Education, I transmit herewith an ordinance authorizing a surplus asset sale.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- AUTHORIZATION FOR ACCEPTANCE OF GIFT
OF VARIOUS PRIVATELY-OWNED PROPERTIES.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Special Events and Cultural Affairs*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

November 15, 2000.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Cultural Affairs, I transmit herewith an ordinance concerning acceptance of a gift.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

**City Council Informed As To Miscellaneous
Documents Filed In City Clerk's Office.**

The Honorable James J. Laski, City Clerk, informed the City Council that documents have been filed in his office relating to the respective subjects designated as follows:

Placed On File -- NOTIFICATION OF SALE OF CITY OF CHICAGO
TAX INCREMENT ALLOCATION BONDS (CENTRAL LOOP
REDEVELOPMENT PROJECT) SERIES 2000A, TAXABLE
SERIES 2000B AND SUBORDINATE TAX INCREMENT
ALLOCATION BONDS (CENTRAL LOOP
REDEVELOPMENT PROJECT)
SERIES 2000A.

A communication from Mr. Walter K. Knorr, Chief Financial Officer, under the date

of October 8, 2000, transmitting the Notification of Sale of Tax Increment Allocation Bonds (Central Loop Redevelopment Project) Series 2000A, Taxable Series 2000B, Subordinate Tax Increment Allocation Bonds (Central Loop Redevelopment Project) Series 2000A; the Trust Indenture; Amendment Number 1 to the Trust Indenture; the Third Supplemental Indenture; the Fourth Supplemental Indenture; the Senior Bond Purchase Agreement; the Preliminary Official Statement; the Official Statement; the Continuing Disclosure Undertaking and the Escrow Agreement for City of Chicago Tax Increment Allocation Bonds (Central Loop Redevelopment Project) Series 2000A (Senior Lien Bonds) and Taxable Series 2000B Bonds; and the Trust Indenture; the First Supplemental Indenture; the Subordinate Bond Purchase Agreement; the Preliminary Official Statement; the Official Statement; and the Continuing Disclosure Undertaking for City of Chicago Subordinate Tax Increment Allocation Bonds (Central Loop Redevelopment Project) Series 2000A, which was *Placed on File*.

Placed On File -- TABULATED STATEMENT OF RETURNS AND
PROCLAMATION OF RESULTS OF CANVASS OF ELECTION
RETURNS FOR NOVEMBER 7, 2000
GENERAL ELECTION.

A communication from Mr. Lance Gough, Executive Director, Board of Election Commissioners, transmitting the Tabulated Statement of the Returns and Proclamation of the Results of the Canvass of the Election Returns for the general election of November 7, 2000, which was *Placed on File*.

Placed On File -- COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF METROPOLITAN WATER RECLAMATION DISTRICT OF
GREATER CHICAGO FOR YEAR 1999.

A communication from Ms. Mary C. West, Director of Finance/Clerk of the District, under the date of November 1, 2000, transmitting the year 1999 Comprehensive Annual Financial Report of the Metropolitan Water Reclamation District of Greater Chicago, which was *Placed on File*.

City Council Informed As To Certain Actions Taken.

PUBLICATION OF JOURNAL.

The City Clerk informed the City Council that all those ordinances, et cetera, which were passed by the City Council on November 8, 2000 and which were required by statute to be published in book or pamphlet form or in one or more newspapers, were published in pamphlet form on November 15, 2000 by being printed in full text in printed pamphlet copies of the Journal of the Proceedings of the City Council of the regular meeting held on November 8, 2000, published by authority of the City Council, in accordance with the provisions of Title 2, Chapter 12, Section 050 of the Municipal Code of Chicago, as passed on June 27, 1990.

**Miscellaneous Communications, Reports, Et Cetera,
Requiring Council Action (Transmitted To
City Council By City Clerk).**

The City Clerk transmitted communications, reports, et cetera, relating to the respective subjects listed below, which were acted upon by the City Council in each case in the manner noted, as follows:

*Referred -- ZONING RECLASSIFICATIONS
OF PARTICULAR AREAS.*

Applications (in duplicate) together with the proposed ordinances for amendment of the Chicago Zoning Ordinance, as amended, for the purpose of reclassifying particular areas, which were *Referred to the Committee on Zoning*, as follows:

BP Amoco Oil Company -- to classify as a B4-1 Restricted Service District instead of an R5 General Residence District the area shown on Map Number 16-C bounded by:

East 67th Street; the alley next east of South Jeffery Avenue; a line 187.28 feet south of East 67th Street; and South Jeffery Avenue.

Daniels Alignment & Brake, Inc. -- to classify as a C2-1 General Commercial District instead of a B4-1 Restricted Service District the area shown on Map Number 14-I bounded by:

the public alley parallel to and next north of West 59th Street; South Talman Avenue; West 59th Street; and a line 133.22 feet west of and parallel to South Talman Avenue.

Lakeshore East, L.L.C. -- to classify as Residential-Business Planned Development Number 70, as amended 2000, instead of Residential-Business Planned Development Number 70 the area shown on Map Number 1-E bounded by:

the south dock line of the Chicago River as established by ordinance passed August 15, 1952 and amended by ordinance passed December 11, 1952; a line 3,095 feet east of the west line of North Michigan Avenue; a line 140 feet south of the north line of East Randolph Street, or the line thereof if extended where no street exists; a line 2,022 feet east of the west line of North Michigan Avenue; the north line of East Randolph Street; the east line of North Stetson Street; the north line of East Lake Street; North Michigan Avenue; the north line of East South Wacker Drive; a line 55.53 feet west of the east line of North Beaubien Court, or the line thereof if extended where no street exists; the south line of the alley next north of and parallel to East South Water Street; the east line of the alley next east of and parallel to North Michigan Avenue; a line 138.74 feet north of the north line of the alley next north of and parallel to East South Water Street, or the line thereof if extended where no alley exists; a line 55.53 feet west of the east line of North Beaubien Court, or the line thereof if extended where no street exists; a line 428.773 feet north of the north line of East South Water Street; a line 19.69 feet west of the east line of North Beaubien Court, or the line thereof if extended where no street exists; a line 468.819 feet north of East South Water Street; and a line 68.43 feet east of the east line of North Beaubien Court, or the line thereof if extended where no street exists.

Lyondel Corporation -- to classify as a C2-2 General Commercial District instead of an M2-3 General Manufacturing District the area shown on Map Number 10-H bounded by:

starting at the point of beginning being a point 1,271.60 feet north of the north line of West 43rd Street and 932.90 feet west of the west line of South Ashland Avenue; thence from that point a line running southwesterly following the line of the railroad tracks ending at a point 2,102.8 feet west of the west line of South Ashland Avenue and 619.0 feet north of the north line of West 43rd Street; a line 619.0 feet north of and parallel to West 43rd Street running east for 1,122.30

feet; a line 980.5 feet west of and parallel to the west line of South Ashland Avenue, running south 619.0 feet; the north line of West 43rd Street; and a line 932.80 feet west of and parallel to South Ashland Avenue running north 1,271.60 feet to the point of beginning.

McDonald's Corporation -- to classify as a B4-1 Restricted Service District instead of a B2-1 Restricted Retail District the area shown on Map Number 22-F bounded by:

the alley next north of and parallel to West 95th Street; a line 156 feet west of South Lafayette Avenue; West 95th Street; and South Perry Avenue.

Mr. Alex Melnychuk, individually and on behalf of Taissa Magnus -- to classify as an R4 General Residence District instead of an R3 General Residence District the area shown on Map Number 1-H bounded by:

the alley next north of and parallel to West Erie Street; a line 314 feet west of North Damen Avenue; West Erie Street; and a line 338 feet west of North Damen Avenue.

Mount Vernon Missionary Baptist Church, in care of Mr. James J. Banks -- to classify as an R4 General Residence District instead of an R3 General Residence District the area shown on Map Number 1-J bounded by:

the alley next north of and parallel to West Huron Street; a line 58 feet east of North Drake Avenue; West Huron Street; and North Drake Avenue.

Ms. Sally Weiner, in care of Mr. James J. Banks -- to classify as an R4 General Residence District instead of a B2-2 Restricted Retail District the area shown on Map Number 5-G bounded by:

the alley next south of and parallel to West Armitage Avenue; the alley next west of and parallel to North Seminary Avenue; a line 67.50 feet south of the alley next south of and parallel to West Armitage Avenue; the alley next northeasterly of and parallel to North Maud Avenue; and a line 240.33 feet west of North Seminary Avenue.

Ms. Suzie Baba Wilson -- to classify as a C2-2 General Commercial District instead of a C1-1 Restricted Commercial District the area shown on Map Number 1-L bounded by:

West Huron Street; North Cicero Avenue; a line 54.3 feet south of and parallel to West Huron Street; and the public alley next west of and parallel to North Cicero Avenue.

Referred -- CLAIMS AGAINST CITY OF CHICAGO.

Claims against the City of Chicago, which were *Referred to the Committee on Finance*, filed by the following:

Alvarez Maria;

Bender Linda and Hervie;

Cubitt Geoffrey R.;

Ewers Katherine M.;

Gordon Aaron;

Halawa Naim, Hanson Lela M.;

Johnson Carrie;

Lebajo Farah O., Lee Leona;

McDowell Lakisha R., McGuire Eva L., Mello James B., Mendoza Patricia;

Osario Anna;

Repelin Brian M., Robinson Yvonne M.;

Sanchez Salomon;

Wiese Richard L.;

Zlotorzynski Sandie.

Referred -- AUTHORIZATION FOR ALLEY IMPROVEMENTS
BY SPECIAL ASSESSMENT.

A communication from Mr. Morgan Connolly, Superintendent of Special Assessments, Board of Local Improvements, Department of Transportation, transmitting proposed ordinances which would authorize alley improvements by special assessment within the areas specified, which were *Referred to the Committee on Transportation and Public Way*, as follows:

Ward	Location
1	West Le Moyne Street, West Julian Street, North Ashland Avenue and North Paulina Street;
8	East 91 st Street, East 92 nd Street, South Jeffery Avenue and South Euclid Avenue;
11	West Archer Avenue, West 29 th Street, South Poplar Avenue and South Quinn Street;
19	West 109 th Street, West 110 th Street, South Millard Avenue and South Lawndale Avenue;
19	West 117 th Place, West 118 th Street, South Maplewood Avenue and South Rockwell Street;

Ward	Location
38	West Eddy Street, West Cornelia Avenue, North Lavergne Avenue and North Laramie Avenue;
39	Gompers Park, West Argyle Street, North Pulaski Road and North Keystone Avenue.

Referred -- AUTHORIZATION FOR ISSUANCE OF PERMIT
TO INSTALL SIGN/SIGNBOARD AT
8650 SOUTH COMMERCIAL AVENUE.

A communication from Mr. Chuck Zenn, Olympic Signs, Inc., transmitting a proposed order which would authorize the installation of a sign/signboard at 8650 South Commercial Avenue, which was *Referred to the Committee on Buildings*.

Referred -- AUTHORIZATION FOR ISSUANCE OF PERMITS
TO INSTALL SIGNS/SIGNBOARDS AT
10309 SOUTH PULASKI ROAD.

A communication from Ms. Sheri Biscan, Doyle Signs, Inc., transmitting two proposed orders which would authorize the installation of signs/signboards at 10309 South Pulaski Road, which were *Referred to the Committee on Buildings*.

Referred -- AUTHORIZATION FOR ISSUANCE OF PERMITS
TO INSTALL SIGNS/SIGNBOARDS AT
1922 WEST 103RD STREET.

A communication from Ms. Sheri Biscan, Doyle Signs, Inc., transmitting two proposed orders which would authorize the installation of signs/signboards at 1922 West 103rd Street, which were *Referred to the Committee on Buildings*.

REPORTS OF COMMITTEES.

COMMITTEE ON FINANCE.

AUTHORIZATION FOR ISSUANCE OF CITY OF CHICAGO GENERAL
OBLIGATION BONDS, SERIES 2001 AND ASSOCIATED LEVY
AND COLLECTION OF DIRECT ANNUAL TAX.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

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 General Obligation Bonds, Series 2001 and the levy and collection of a direct annual tax sufficient to pay the principal of

and interest on said bonds in an amount of \$425,000,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

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 Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

Alderman Beavers 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:

WHEREAS, The City of Chicago (the "City") is a body politic and corporate under the laws of the State of Illinois and a home rule unit under Article VII of the Illinois Constitution of 1970; and

WHEREAS, The City has heretofore issued its (i) General Obligation Bonds, Series of April, 1981 (the "Series 1981 Bonds"), (ii) General Obligation Bonds, Project Series 1991 (the "Series 1991 Bonds"), (iii) General Obligation Bonds, Project Series 1993 (the "Series 1993 Bonds"), (iv) General Obligation Bonds, Project Series 1995 (the "Series 1995 Bonds"), (v) General Obligation Bonds, Project and Refunding Series 1995A, Series 1995A-1 Project Bonds (the "Series 1995A-1 Bonds"), (vi) General Obligation Bonds, Project and Refunding Series 1995B (the "Series 1995B Bonds"), (vii) General Obligation Library Bonds, Series 1997 (the "Series 1997 Bonds"), (viii) General Obligation Bonds, Project and Refunding Series 1998 (the "Series 1998 Bonds"), (ix) General Obligation Bonds, Project and Refunding Series 1999A (the "Series 1999A Bonds"), (x) General Obligation Bonds, Series 2000A (the "Series 2000A Bonds"), (xi) General Obligation Bonds, Series 2000B (the "Series 2000B Bonds") and (xii) General Obligation Bonds, Project and Refunding Series 2000C (the "Series 2000C Bonds", and together with the Series 1981 Bonds, the Series 1991 Bonds, the Series 1993 Bonds, the Series 1995 Bonds, the Series 1995A-1 Bonds, the Series 1995B Bonds, the Series 1997 Bonds, the Series 1998 Bonds, the Series 1999A Bonds, the Series 2000A Bonds and the Series 2000B Bonds, the "Prior Bonds"), which Prior Bonds mature and are subject to optional and mandatory redemption as provided in the respective proceedings authorizing the Prior Bonds; and

WHEREAS, It is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to authorize refunding all or a portion of the Prior Bonds to achieve debt service savings for the City or to restructure debt service of the City's general obligation bonds; and

WHEREAS, It is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to finance (i) public right-of-way infrastructure improvements in City neighborhoods, including street and alley construction and improvements, lighting improvements, sidewalk improvements and replacement, and curb and gutter repairs and replacement; (ii) infrastructure improvements to enhance the development of economic activity, including industrial street construction and improvements, streetscaping, median landscaping, hazardous building demolition, shoreline reconstruction, residential and commercial infrastructure redevelopment and railroad viaduct clearance improvements; (iii) transportation improvements, including street resurfacing, bridge and freight tunnel rehabilitation, traffic signal modernization, new traffic signal installation, intersection safety improvements and transit facility improvements; (iv) grants to assist not-for-profit organizations or educational or cultural institutions, or to assist other municipal corporations or units of local government or school districts; (v) the

acquisition of personal property, including, but not limited to, computer hardware and software, vehicles or other capital items useful or necessary for City purposes; (vi) the duly authorized acquisition of improved and unimproved real property within the City for industrial, commercial or residential purposes, or any combination thereof, and the improvement, demolition and/or remediation of any such property; (vii) constructing, equipping, altering and repairing various municipal facilities including fire stations, police stations, libraries, senior and health centers and other municipal facilities; (viii) the enhancement of economic development within the City by making direct grants to, or deposits to funds or accounts to secure the obligations of, not-for-profit or for-profit organizations doing business or seeking to do business in the City; (ix) the funding of (A) judgments entered against the City, (B) certain settlements or other payments required to be made by the City as a condition to the resolution of litigation or threatened litigation and (C) such escrow accounts or other reserves as shall be deemed necessary for any of said purposes; and (x) the payment of certain contributions to the Policemen's Annuity and Benefit Fund, the Firemen's Annuity and Benefit Fund and the Municipal Employee's, Officers' and Officials' Annuity and Benefit Fund (collectively, the "Pension Funds") through the fiscal year ending December 31, 2004 (the "Pension Contributions") (the purposes described in clauses (i) through (x) above being referred to herein as the "Project"); and

WHEREAS, The cost of refunding the Prior Bonds and paying the cost of the Project is estimated to be not less than Four Hundred Twenty-five Million Dollars (\$425,000,000), and the City expects to pay a portion of such costs by borrowing money and issuing its general obligation bonds in the aggregate principal amount of not to exceed Four Hundred Twenty-five Million Dollars (\$425,000,000) (plus the amount of any original issue discount as herein provided); and

WHEREAS, The City has determined that it is advisable and necessary to authorize the borrowing of the sum necessary at this time for any or all of the purposes of (i) refunding all or a portion of the Prior Bonds, (ii) paying costs of the Project, including capitalizing such interest on the bonds herein authorized for said purpose as may be necessary, and (iii) paying the expense of issuing the bonds herein authorized for the purposes described herein, and in evidence thereof to authorize the issuance of its General Obligation Bonds, Series 2001 (the "Bonds"), as herein provided, such borrowing being for a proper public purpose and in the public interest, and the City, by virtue of its constitutional home rule powers and all laws applicable thereto, has the power to issue such Bonds; now, therefore,

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

SECTION 1. The City Council, after a public meeting heretofore held on this ordinance by the Committee on Finance of the City Council, pursuant to proper notice and in accordance with the findings and recommendations of such

Committee, hereby finds that all of the recitals contained in the preambles to this ordinance are full, true and correct and does incorporate them into this ordinance by this reference.

SECTION 2. There shall be borrowed on the credit of and for and on behalf of the City the sum of not to exceed Four Hundred Twenty-five Million Dollars (\$425,000,000) plus an amount equal to the amount of any net original issue discount used in the marketing of the Bonds (not to exceed ten percent (10%) of the principal amount thereof) for the purposes aforesaid; and the Bonds shall be issued from time to time in said aggregate principal amount, or such lesser amount, as may be determined by 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 (such officer being referred to herein as the "Chief Financial Officer").

All or any portion of the Bonds may be issued as Bonds payable in one (1) payment on a fixed date ("Capital Appreciation Bonds"). Any Bonds issued as Capital Appreciation Bonds shall be dated the date of issuance thereof and shall also bear the date of authentication, shall be in fully registered form, shall be numbered as determined by the Bond Registrar (as hereinafter defined), and shall be in denominations equal to the original principal amounts of such Capital Appreciation Bonds or any integral multiple thereof, each such original principal amount representing Compound Accreted Value (as hereinafter defined) at maturity of Five Thousand Dollars (\$5,000) or any integral multiple thereof (but no single Bond shall represent Compound Accreted Value maturing on more than one (1) date). As used herein, the "Compound Accreted Value" of a Capital Appreciation Bond on any date of determination shall be an amount equal to the original principal amount (or integral multiple thereof) plus an investment return accrued to the date of such determination at a semiannual compounding rate which is necessary to produce the yield to maturity borne by such Capital Appreciation Bond (the "Yield to Maturity").

All or any portion of the Bonds may be issued as Bonds bearing interest at fixed rates and paying interest semiannually as described below (the "Current Interest Bonds"). Current Interest Bonds shall be dated such date as shall be agreed upon by the Chief Financial Officer and the purchasers of such Current Interest Bonds, shall be in fully registered form, shall be in denominations of Five Thousand Dollars (\$5,000) each and any integral multiple thereof (but no single Current Interest Bond shall represent installments of principal maturing on more than one (1) date), and shall be numbered as determined by the Bond Registrar.

The Bonds may be initially issued as Capital Appreciation Bonds containing provisions for the conversion of the Compound Accreted Value of such Bonds into Current Interest Bonds (the "Convertible Bonds") at such time following the initial issuance as shall be approved by the Chief Financial Officer. While in the form of

Capital Appreciation Bonds, such Convertible Bonds shall be subject to all of the provisions and limitations of this ordinance relating to Capital Appreciation Bonds and while in the form of Current Interest Bonds, such Convertible Bonds shall be subject to all of the provisions and limitations of this ordinance relating to Current Interest Bonds. In particular, when Convertible Bonds are in the form of Capital Appreciation Bonds prior to their conversion to Current Interest Bonds, the transfer, exchange and replacement provisions of this ordinance with respect to Capital Appreciation Bonds shall apply to such Convertible Bonds; provided that the Convertible Bonds delivered in the form of Capital Appreciation Bonds in connection with any such transfer, exchange or replacement shall have identical provisions for conversion to Current Interest Bonds as set forth in the Convertible Bonds being transferred, exchanged or replaced. In connection with the issuance and sale of any Convertible Bonds, the terms and provisions relating to the conversion of the Compound Accreted Value of such Convertible Bonds into Current Interest Bonds shall be as approved by the Chief Financial Officer at the time of sale of such Convertible Bonds.

All or any portion of the Bonds may be issued as Bonds bearing interest at variable rates adjustable and payable from time to time as described herein (the "Variable Rate Bonds"). Variable Rate Bonds shall be dated such date as shall be agreed upon by the Chief Financial Officer and the purchasers of such Bonds, shall be in fully registered form, shall be in such denominations as shall be agreed upon by the Chief Financial Officer and the purchasers of the Bonds (but no single Bond shall represent installments of principal maturing on more than one (1) date), and shall be numbered as determined by the Bond Registrar. Variable Rate Bonds may be issued pursuant to, and have such terms and provisions as are set forth in, a trust indenture between the City and a bank or trust company selected by the Chief Financial Officer. The Mayor or the Chief Financial Officer is hereby authorized to enter into such a trust indenture on behalf of the City. Such trust indenture shall be in substantially the form of trust indentures previously entered into by the City in connection with the sale of general obligation bonds or notes, but with such revisions in text as the Mayor or the Chief Financial Officer shall determine are necessary or desirable, the execution thereof by the Mayor or the Chief Financial Officer to evidence the City Council's approval of all such revisions.

The principal of the Bonds shall become due and payable on or before January 1, 2041. Current Interest Bonds shall bear interest at a rate or rates and Capital Appreciation Bonds shall have Yields to Maturity not to exceed twenty percent (20%) per annum. Variable Rate Bonds shall bear interest from time to time at such rates determined by such remarketing or other indexing agent as shall be selected by the Chief Financial Officer for that purpose or as provided in the related trust indenture referred to above not to exceed twenty percent (20%) per annum. Any portion of the Bonds may be issued as bonds the interest on which is includible in the gross income of the owner thereof for federal income tax purposes

if determined by the Chief Financial Officer to be beneficial to the City.

Each Capital Appreciation Bond shall accrue interest from its date at the rate per annum compounded semiannually on each January 1 and July 1, commencing on such January 1 or July 1 as determined by the Chief Financial Officer at the time of sale of such Capital Appreciation Bonds, which will produce the Yield to Maturity identified therein until the maturity date thereof. Interest on the Capital Appreciation Bonds shall be payable only at the respective maturity dates thereof.

Each Current Interest Bond shall bear interest from the later of its date or the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid, such interest (computed upon the basis of a three hundred sixty (360) day period of twelve (12) thirty (30) day months) being payable on January 1 and July 1 of each year, commencing on such January 1 or July 1 as shall be determined by the Chief Financial Officer at the time of the sale of such Current Interest Bonds. Interest on each Current Interest Bond shall be paid to the person in whose name such Bond is registered at the close of business on the fifteenth (15th) day of the month next preceding the interest payment date, by check or draft of the Bond Registrar, or, at the option of any registered owner of One Million Dollars (\$1,000,000) or more in aggregate principal amount of Current Interest Bonds, by wire transfer of immediately available funds to such bank in the continental United States as the registered owner of such Bonds shall request in writing to the Bond Registrar.

Each Variable Rate Bond shall bear interest (computed from time to time at such rates and on such basis as shall be determined by the Chief Financial Officer or at the time of sale of such Variable Rate Bonds) payable on such dates as shall be determined by the Chief Financial Officer at the time of sale of the Variable Rate Bonds. Any Variable Rate Bonds may be made subject to optional or mandatory tender for purchase by the owners thereof at such times and at such prices (not to exceed one hundred three percent (103%) of the principal amount thereof) as shall be determined by the Chief Financial Officer at the time of sale of such Variable Rate Bonds. In connection with the remarketing of any Variable Rate Bonds so tendered for purchase under the terms and conditions so specified by the Chief Financial Officer, the Mayor and the Chief Financial Officer are each hereby authorized to execute on behalf of the City a remarketing agreement with respect to such Variable Rate Bonds in substantially the form previously used for variable rate financings of the City with appropriate revisions to reflect the terms and provisions of such Bonds sold as Variable Rate Bonds and such other revisions in text as the Chief Financial Officer shall determine are necessary or desirable in connection with the sale of such Bonds as Variable Rate Bonds.

The Compound Accreted Value of the Capital Appreciation Bonds, the principal of the Current Interest Bonds and the Variable Rate Bonds and any redemption

premium shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Bond Registrar.

Each of the Bonds shall be designated "General Obligation Bonds, Series 2001", with such additions, modifications or revisions as shall be determined to be necessary by the Chief Financial Officer at the time of the sale of such Bonds to reflect the calendar year of issuance of the Bonds, the order of sale of the Bonds, whether the Bonds are Capital Appreciation Bonds, Current Interest Bonds, Convertible Bonds or Variable Rate Bonds, whether the Bonds are being issued and sold for the purpose of refunding all or a portion of the Prior Bonds, paying costs of the Project or a combination thereof and any other authorized features of the Bonds determined by the Chief Financial Officer as desirable to be reflected in the title of the Bonds being issued and sold.

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

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

SECTION 3. (a) Registration And Transfer. The City shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds as provided in this ordinance to be kept at the principal corporate trust office of a bank or trust company designated by the Chief Financial Officer (the "Bond Registrar"), as the registrar for the City in connection with such Bonds. The City is authorized to prepare multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or its attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees (a) in the case of any Capital Appreciation Bond, a new fully registered Capital Appreciation Bond or Bonds of the same maturity of authorized denominations, for a like aggregate original principal amount of Capital Appreciation Bond or Bonds of the same maturity of other authorized denominations, or (b) in the case of any other Bonds, one (1) or more fully registered Bonds of the same type (Current Interest Bonds or Variable Rate Bonds), interest rate (or in the case of Variable Rate Bonds, method of interest rate determination) and maturity of authorized denominations, for a like principal amount. Any Capital Appreciation Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate original principal amount of Capital Appreciation Bond or Bonds of the same maturity of other authorized denominations. Any Current Interest Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bonds of the same type, interest rate and maturity of other authorized denominations. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; provided that (a) the aggregate original principal amount of outstanding Capital Appreciation Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized aggregate original principal amount of Capital Appreciation Bonds of such maturity less previous retirements and (b) the principal amount of Current Interest Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Current Interest Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange (a) any Capital Appreciation Bond after the close of business on the fifteenth (15th) day of the calendar month next preceding the maturity date for such Bond, (b) any Current Interest Bond during the period beginning at the close of business on the fifteenth (15th) day of the calendar month next preceding any interest payment date on such Bond and ending on such interest payment date, (c) any Bond after notice calling such Bond for redemption has been mailed, or (d) any Bond during a period of fifteen (15) days next preceding mailing of a notice of redemption of such Bond.

Provisions relating to the transfer or exchange of Variable Rate Bonds shall be as determined by the Chief Financial Officer at the time of the sale thereof and may be set forth in the trust indenture securing such Variable Rate Bonds as authorized in Section 2 hereof.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the Compound Accreted Value of, principal of, redemption premium, if any, or interest on any Bond, as appropriate, shall be made only to or upon the order of the registered owner thereof or its legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except that no such payment may be required in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(b) Book-Entry Only System. If so determined and directed by the Chief Financial Officer in connection with the sale of any of the Bonds, such Bonds may be issued in book-entry only form. In connection with the issuance of Bonds in book-entry only form, the Chief Financial Officer is authorized to execute and deliver to the book-entry depository selected by the Chief Financial Officer such depository's standard form of representation letter. If any of the Bonds are registered in the name of a securities depository which uses a book-entry system, the standing of the beneficial owner to enforce any of the covenants herein may be established through the books and records of such securities depository or a participant therein.

(c) Bonds Lost, Destroyed, Et Cetera. If any Bond, whether in temporary or definitive form, is lost (whether by reason of theft or otherwise), destroyed (whether by mutilation, damage, in whole or in part, or otherwise) or improperly cancelled, the Bond Registrar may authenticate a new Bond of like date, maturity date, interest rate (or, in the case of Capital Appreciation Bonds, Yield to Maturity, and in the case of Variable Rate Bonds, method of interest rate determination), denomination and original principal amount (in the case of Capital Appreciation Bonds) or principal amount (in the case of other Bonds) and bearing a number not contemporaneously outstanding; provided that (a) in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Bond Registrar, and (b) in the case of any lost Bond or Bond destroyed in whole, there shall be first furnished to the Bond Registrar evidence of such loss or destruction, together with indemnification of the City and the Bond Registrar, satisfactory to the Bond Registrar. If any lost, destroyed or improperly cancelled Bond shall have matured or is about to mature, or has been called for redemption, instead of issuing a duplicate Bond, the Bond Registrar shall pay the same without surrender thereof if there shall be first furnished to the Bond Registrar evidence of such loss, destruction or cancellation, together with indemnity, satisfactory to it. Upon the issuance of any substitute

Bond, the Bond Registrar may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

(d) Redemption. The Bonds may be made subject to redemption prior to maturity at the option of the City, in whole or in part on any date, at such times and at such redemption prices (to be expressed as a percentage of the principal amount of Current Interest Bonds or Variable Rate Bonds being redeemed and expressed as a percentage of the Compound Accreted Value of Capital Appreciation Bonds to be redeemed) not to exceed one hundred three percent (103%), plus, in the case of Current Interest Bonds and Variable Rate Bonds, accrued interest to the date of redemption, as determined by the Chief Financial Officer at the time of the sale thereof. If fewer than all of the outstanding Bonds are to be optionally redeemed, the Bonds to be called shall be called from such maturities as may be determined by the City and if less than all of a single maturity is so redeemed, then by lot within a maturity in the manner hereinafter provided. Certain of the Bonds may be made subject to mandatory redemption, at par and accrued interest to the date fixed for redemption, as determined by the Chief Financial Officer at the time of the sale thereof.

The Current Interest Bonds shall be redeemed only in the amounts equal to the respective authorized denominations thereof and integral multiples thereof and the Capital Appreciation Bonds shall be redeemed only in amounts representing Five Thousand Dollar (\$5,000) Maturity Amount and integral multiples thereof. In the event of the redemption of fewer than all the Bonds of the same maturity, the aggregate principal amount or Maturity Amount (as appropriate) thereof to be redeemed shall be Five Thousand Dollars (\$5,000) or an integral multiple thereof, and the Bond Registrar shall assign to each Bond of such maturity a distinctive number for each Five Thousand Dollar (\$5,000) principal amount (or other minimum authorized denomination) or Maturity Amount (as appropriate) of such Bond and shall select by lot from the numbers so assigned as many numbers as, at Five Thousand Dollars (\$5,000) (or other minimum authorized denomination) for each number, shall equal the principal amount or Maturity Amount (as appropriate) of such Bonds to be redeemed. The Bonds to be redeemed shall be those to which were assigned numbers so selected; provided that only so much of the principal amount or Maturity Amount (as appropriate) of each Bond shall be redeemed as shall equal Five Thousand Dollars (\$5,000) (or other minimum authorized denomination) for each number assigned to it and so selected. The City shall, at least forty-five (45) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the principal amount or Maturity Amount (as appropriate) of Bonds to be redeemed. For purposes of any redemption of fewer than all of the outstanding Bonds of a single maturity, the particular Bonds or portions thereof to be redeemed shall be selected not more than sixty (60) days prior to the redemption date by the Bond Registrar.

In connection with any mandatory redemption of Bonds as authorized above, the principal amounts of Bonds (or the Compound Accreted Value of the Capital Appreciation Bonds) to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the Chief Financial Officer may determine. In addition, on or prior to the sixtieth (60th) day preceding any mandatory redemption date of Bonds, the Bond Registrar may, and if directed by the Chief Financial Officer shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount (or Compound Accreted Value, as appropriate) thereof shall be credited against the payment required on such next mandatory redemption date with respect to such Bonds.

The Bond Registrar shall promptly notify the City in writing of the Bonds, or portions thereof, selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount, Compound Accreted Value or Maturity Amount (as appropriate) thereof to be redeemed.

Subject to the limitation on redemption price set forth above, in the case of redemption of any Variable Rate Bonds, the terms of such redemption shall be determined by the Chief Financial Officer at the time of sale of such Variable Rate Bonds and may be set forth in the Trust Indenture securing such Variable Rate Bonds as authorized in Section 2 hereof.

SECTION 4. Except as may otherwise be determined as provided below for Variable Rate Bonds, unless waived by any owner of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least thirty (30) days and not more than forty-five (45) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar, but the failure to mail any such notice or any defect therein as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond. Any notice of redemption mailed as provided in this section shall be conclusively presumed to have been given whether or not actually received by the addressee. In the case of redemption of any Variable Rate Bonds, the time and manner of giving such notice shall be determined by the Chief Financial Officer at the time of sale of such Variable Rate Bonds and may be set forth in the trust indenture securing such Variable Rate Bonds as authorized in Section 2 hereof.

All notices of redemption shall state:

- (1) the series designation of the Bonds to be redeemed;
- (2) the redemption date;
- (3) the redemption price;
- (4) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts, Compound Accreted Values or Maturity Amounts) of the Bonds to be redeemed;
- (5) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue or compound from and after said date;
- (6) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar; and
- (7) such other information as shall be deemed necessary by the Bond Registrar at the time such notice is given to comply with law, regulation or industry standard.

With respect to an optional redemption of any Bonds, such notice may state that said redemption is conditioned upon the receipt by the Bond Registrar on or prior to the date fixed for redemption of monies sufficient to pay the redemption price of the Bonds. If such monies are not so received, such redemption notice shall be of no force and effect, the City shall not redeem such Bonds and the Bond Registrar shall give notice, in the same manner in which the notice of redemption was given, that such monies were not so received and that such Bonds will not be redeemed. Unless the notice of redemption shall be made conditional as provided above, on or prior to any redemption date, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions thereof which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Bonds, or portions thereof, so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds, or portions thereof, shall cease to bear, accrue or compound interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior

to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption (i) of any Current Interest Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same type, interest rate, method of interest rate determination and maturity in the amount of the unpaid principal or (ii) of any Capital Appreciation Bond, there shall be prepared for the registered owner a new Capital Appreciation Bond or Bonds of the same Yield to Maturity and maturity date in the amount of the unpaid Maturity Amount.

If any Current Interest Bond or portion thereof called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by such Bond, or portion thereof, so called for redemption. If any Capital Appreciation Bond, or portion thereof, called for redemption shall not be so paid upon surrender thereof for redemption, the Compound Accreted Value at such redemption date shall continue to accrue interest from such redemption date at the Yield to Maturity borne by such Capital Appreciation Bond, or portion thereof, so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

If any Bond is not presented for payment when the principal amount, Compound Accreted Value or Maturity Amount thereof becomes due, either at maturity or at a date fixed for redemption thereof or otherwise, and if monies sufficient to pay such Bond are held by the Bond Registrar for the benefit of the registered owner of such Bond, the Bond Registrar shall hold such monies for the benefit of the registered owner of such Bond without liability to the registered owner for interest. The registered owner of such Bond thereafter shall be restricted exclusively to such funds for satisfaction of any claims relating to such Bond.

SECTION 5. The Capital Appreciation Bonds and the Current Interest Bonds shall be prepared in substantially the following forms with such insertions and revisions as shall be necessary to reflect the terms and provisions of the sale of the Bonds pursuant to Section 12 hereof; provided that if the text of any Bond is to be printed in its entirety on the front side of such Bond, then the text shown or appearing on the reverse side of such Bond shall replace paragraph [2] and the legend, "See Reverse Side for Additional Provisions", shall be omitted. The Convertible Bonds shall be prepared incorporating the provisions of the forms of Capital Appreciation Bonds and Current Interest Bonds set forth below as necessary to reflect the terms and provisions of the sale of the Convertible Bonds pursuant to Section 12 hereof. The Variable Rate Bonds shall be prepared in substantially the form of the Current Interest Bonds set forth below, or as provided in the trust indenture securing such Variable Rate Bonds as authorized in Section 2 hereof, with such insertions and revisions as shall be necessary to reflect the terms and provisions of the sale of the Variable Rate Bonds pursuant to Section 12 hereof.

[Form Of Capital Appreciation Bond -- Front Side]

Registered Number:

\$ _____
Compound Accreted
Value at Maturity
("Maturity Amount")

United States Of America

State Of Illinois

City Of Chicago

General Obligation Bond

Series 2001.

Registered Owner:

[1] The City of Chicago (the "City") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Maturity Amount identified above. The amount of interest payable on this Bond on the Maturity Date hereof is the amount of interest accrued from the Dated Date hereof at a semiannual compounding rate necessary to produce the Yield to Maturity set forth above, compounded semiannually on each January 1 and July 1, commencing _____ 1, 200__. The Maturity Amount of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of _____, Chicago, Illinois, or its successor, as bond registrar and paying agent (the "Bond Registrar"). The Compound Accreted Value of this Bond per Five Thousand Dollar (\$5,000) Maturity Amount on January 1 and July 1 of each year, commencing _____ 1, 20__, determined by the semiannual compounding described in this paragraph shall be as set forth in the Table of Compound Accreted Value Per Five Thousand Dollars (\$5,000) of Compound Accreted Value at Maturity on the reverse side hereof.

[2] Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

[3] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the City, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax sufficient to pay the Maturity Amount hereof at maturity.

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

[5] In Witness Whereof, Said City of Chicago by the City Council has caused its corporate seal to be imprinted by facsimile hereon and this Bond to be signed by the duly authorized facsimile signatures of the Mayor and the Chief Financial Officer and attested by the facsimile signature of the City Clerk, all as of the Dated Date identified above.

(Facsimile Signature)

Mayor
City of Chicago

Attest:

(Facsimile Signature)

City Clerk
City of Chicago

(Facsimile Signature)

Chief Financial Officer
City of Chicago

Certificate Of Authentication.

This Bond is one of the Bonds described in the within-mentioned Bond Ordinance and is one of the General Obligation Bonds, Series 2001, of the City of Chicago.

By: (Manual Signature)
Authorized Officer

[Form Of Capital Appreciation Bond -- Reverse Side]

City Of Chicago

General Obligation Bond

Series 2001.

[6] For the prompt payment of the Maturity Amount of this Bond as the same becomes due, and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

[7] This Bond is one of a series of Bonds aggregating the original principal amount of \$_____ issued pursuant to the constitutional home rule powers of the City for the purposes of (i) refunding certain outstanding general obligation bonds of the City, (ii) paying costs of the Project described in the hereinafter-defined Bond Ordinance, and (iii) paying expenses incidental to the issuance of the Bonds, and was authorized by an ordinance adopted by the City Council of the City on _____ 2000 (the "Bond Ordinance").

[8] The Bonds maturing on or after January 1,____, are redeemable prior to maturity at the option of the City, in whole or in part on any date on or after _____ 1, ____, and if less than all of the outstanding Bonds are to be redeemed, the Bonds to be called shall be called from such maturities as shall be determined by the City, and if less than all of a single maturity is so redeemed, then by lot within a maturity in the manner hereinafter provided, the Bonds to be redeemed at the redemption prices (being expressed as a percentage of the Compound Accreted Value of the Bonds to be redeemed) set forth below:

Dates Of Redemption

Redemption Price

[9] In the event of the redemption of less than all the Bonds of like maturity, the aggregate Maturity Amount thereof to be redeemed shall be Five Thousand Dollars (\$5,000) or an integral multiple thereof, and the Bond Registrar shall assign to each Bond of such maturity a distinctive number for each Five Thousand Dollar (\$5,000) Maturity Amount of such Bond and shall by lot from the numbers so assigned as many numbers as, at Five Thousand Dollars (\$5,000) for each number, shall equal the Maturity Amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided that only so much of the Maturity Amount of each Bond shall be redeemed as shall equal Five Thousand Dollars (\$5,000) for each number assigned to it and so selected.

[10] Notice of any such redemption shall be sent by first class mail not fewer than thirty (30) days nor more than forty-five (45) days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar; provided that the failure to mail any such notice or any defect therein as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond. When so called for redemption, this Bond shall cease to accrue interest on the specified redemption date, provided that funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

[11] This Bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations, of the same maturity and for the same aggregate Original Principal Amount will be issued to the transferee in exchange therefor. The Bond Registrar shall not be required to transfer or exchange this Bond (A) during the period beginning at the close of business on the fifteenth (15th) day of the calendar month next preceding the Maturity Date for this Bond, (B) after notice calling this Bond for redemption has been mailed, or (C) during a period fifteen (15) days next preceding mailing of a notice of redemption of this Bond.

[12] The Bonds are issued in fully registered form in Original Principal Amounts representing Five Thousand Dollars (\$5,000) Maturity Amount or any integral multiple thereof. This Bond may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate Original Principal Amount of Bonds of the same maturity, upon the terms set forth in the Bond Ordinance.

[13] The City and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of the Maturity Amount hereof and redemption premium, if any, hereon and for all other purposes and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

Table Of Compound Accreted Value Per \$5,000
Of Compound Accreted Value At Maturity.

(Assignment)

For Value Received, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Signature guaranteed: _____

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

[Form Of Current Interest Bond -- Front Side]

Registered Number:

Registered:

\$ _____

United States Of America

State Of Illinois

City Of Chicago

General Obligation Bond

Series 2001.

Interest Rate:	Maturity Date:	Dated Date:	C.U.S.I.P.:
_____ %	January 1, 20__	_____, 20 __	_____

Registered Owner:

Principal Amount:

[1] The City of Chicago (the "City") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months) on such Principal Amount from the later of the date of this Bond or the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on January 1 and July 1 of each year commencing _____ 1, 200__, until said Principal Amount is paid. Principal of this Bond and redemption premium, if any, shall be payable in lawful money of the United States of America upon presentation and surrender at the principal corporate trust office of _____, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar at the close of business on the fifteenth (15th) day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar or, at the option of any Registered Owner of One Million Dollars (\$1,000,000) or more in aggregate principal amount of the Bonds, by wire transfer of immediately available funds to such bank in the continental United States as the Registered Owner hereof shall request in writing to the Bond Registrar.

[2] Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

[3] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the City, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax sufficient to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

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

[5] In Witness Whereof, Said City of Chicago by the City Council has caused its corporate seal to be imprinted by facsimile hereon and this Bond to be signed by the duly authorized facsimile signatures of the Mayor and the Chief Financial Officer and attested by the facsimile signature of the City Clerk, all as of the Dated Date identified above.

(Facsimile Signature)

Mayor
City of Chicago

Attest:

(Facsimile Signature)

City Clerk
City of Chicago

(Facsimile Signature)

Chief Financial Officer
City of Chicago

Date of Authentication: _____, _____

Certificate Of Authentication.

This Bond is one of the Bonds described in the within-mentioned Bond Ordinance and is one of the General Obligation Bonds, Series 2001, of the City of Chicago.

By: (Manual Signature)
Authorized Officer

[Form Of Current Interest Bond -- Reverse Side]

City Of Chicago

General Obligation Bond,

Series 2001.

[6] For the prompt payment of this Bond, both principal and interest, as aforesaid, as the same become due, and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

[7] This Bond is one of a series of Bonds aggregating the principal amount of \$_____ issued pursuant to the constitutional home rule powers of the City for the purposes of (i) refunding certain outstanding general obligation bonds of the City, (ii) paying costs of the Project described in the hereinafter-defined Bond Ordinance, and (iii) paying expenses incidental to the issuance of the Bonds, and was authorized by an ordinance adopted by the City Council of the City on _____, 2000 (the "Bond Ordinance").

[8] The Bonds maturing on or after January 1, ____, are redeemable prior to maturity at the option of the City, in whole or in part on any date on or after _____ 1, ____, and if less than all of the outstanding Bonds are to be redeemed, the Bonds to be called shall be called from such maturities as shall be determined by the City and if less than all of a single maturity is so redeemed then by lot within a maturity in the manner hereinafter provided, the Bonds to be

redeemed at the redemption prices (being expressed as a percentage of the principal amount) set forth below, plus accrued interest to the date of redemption:

Dates Of Redemption

Redemption Price

[9] The Bonds maturing on January 1, _____, are subject to mandatory redemption prior to maturity on January 1 of the years _____ to _____, inclusive, and the Bonds maturing on January 1, _____, are subject to mandatory redemption prior to maturity on January 1 of the years _____ to _____, inclusive, in each case at par and accrued interest to the date fixed for redemption.

[10] In the event of the redemption of less than all the Bonds of like maturity, the aggregate principal amount thereof to be redeemed shall be Five Thousand Dollars (\$5,000) or an integral multiple thereof, and the Bond Registrar shall assign to each Bond of such maturity a distinctive number for each Five Thousand Dollar (\$5,000) principal amount of such Bond and shall select by lot from the numbers so assigned as many numbers as, at Five Thousand Dollars (\$5,000) for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each Bond shall be redeemed as shall equal Five Thousand Dollars (\$5,000) for each number assigned to it and so selected.

[11] Notice of any such redemption shall be sent by first class mail not less than thirty (30) days nor more than forty-five (45) days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar; provided that the failure to mail any such notice or any defect therein as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond. When so called for redemption, this Bond shall cease to bear interest on the specified redemption date, provided that funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

[12] This Bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Ordinance, and upon surrender

and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations, of the same interest rate, series and maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Bond Registrar shall not be required to transfer or exchange this Bond (A) during the period beginning at the close of business on the fifteenth (15th) day of the calendar month next preceding any interest payment date for this Bond and ending on such interest payment date, (B) after notice calling this Bond for redemption has been mailed, or (C) during a period of fifteen (15) days next preceding mailing of a notice of redemption of this Bond.

[13] The Bonds are issued in fully registered form in the denomination of Five Thousand Dollars (\$5,000) each or authorized integral multiples thereof. This Bond may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same interest rate, series and maturity of other authorized denominations, upon the terms set forth in the Bond Ordinance.

[14] The City and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and redemption premium, if any, and for all other purposes and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

(Assignment)

For Value Received, The undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Signature guaranteed: _____

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

SECTION 6. Each Bond shall be a direct and general obligation of the City for the payment of which (as to Compound Accreted Value, principal, interest and redemption premium, if any, as appropriate) the City pledges its full faith and credit. Each Bond shall be payable (as to Compound Accreted Value, principal, interest and redemption premium, if any, as appropriate) from any monies, revenues, receipts, income, assets or funds of the City legally available for such purpose, including but not limited to the proceeds of the Pledged Taxes (as defined in Section 7 hereof).

SECTION 7. For the purpose of providing the funds required to pay the principal of and interest on the Bonds (including the Compound Accreted Value of any Capital Appreciation Bonds) promptly as the same become due, there is hereby levied and there shall be collected a direct annual tax upon all taxable property in the City sufficient to produce the sum of Five Million Dollars (\$5,000,000) for the year 2000 and the sum of Twenty-four Million Five Hundred Thousand Dollars (\$24,500,000) for each of the years 2001 to 2039, inclusive, provided, that such levies shall be reduced and abated by the Chief Financial Officer if such reduction is necessary in connection with the sale of the Bonds as provided in Section 12 hereof.

The term "Pledged Taxes" means (i) the taxes hereinabove levied for collection for the purpose of providing the funds required to pay principal of and interest on the Bonds and (ii) the proceeds of taxes levied for the years from and after 2000 for the payment of the Prior Bonds to the extent such tax collections are not necessary for the payment of the Prior Bonds due to the refunding thereof as authorized herein or pursuant to any other authorization, and the term "Pledged Taxes" shall also include any amounts deposited into the hereinafter-defined Bond Fund or deposited with the hereinafter described Ad Valorem Tax Escrow Agent by the Chief Financial Officer for the purpose of paying principal of and interest on the Bonds and any accrued interest received and deposited in the Bond Fund or the Ad Valorem Tax Escrow Account, if established pursuant to Section 9 hereof.

The City reserves the right to abate all or a portion of the Pledged Taxes required to be levied in any year if and to the extent on or before March 31 of the next succeeding calendar year (or such earlier date as may be required by law), the City has on hand amounts dedicated to the payment of principal of and interest on the Bonds (including the Compound Accreted Value of any Capital Appreciation Bonds) due during the one (1) year period commencing on January 2 of such succeeding calendar year.

SECTION 8. The City shall appropriate amounts sufficient to pay principal of and interest on the Bonds (including the Compound Accreted Value of any Capital Appreciation Bonds) for the years such amounts are due, and the City hereby covenants to take timely action as required by law to carry out the provisions of this

section, but, if for any such year it fails to do so, this ordinance shall constitute a continuing appropriation ordinance of such amounts without any further action on the part of the City Council.

SECTION 9. The Chief Financial Officer is authorized to establish a special account, if determined to be necessary in connection with the sale of any of the Bonds, separate and segregated from all other funds and accounts of the City, which shall either be (i) held by the Chief Financial Officer (the "Bond Fund") or (ii) maintained with a bank or trust company to be designated by the Chief Financial Officer (the "Ad Valorem Tax Escrow Account") pursuant to an escrow agreement (the "Ad Valorem Tax Escrow Agreement"), between the City and the Escrow Agent named therein (the "Ad Valorem Tax Escrow Agent"), and the Mayor and the Chief Financial Officer, or either of them, are hereby authorized to execute and deliver an Ad Valorem Tax Escrow Agreement in connection with the sale of the Bonds in such form as the officers so executing such agreement may deem appropriate in accordance with the provisions of this ordinance.

In lieu of the proceeds of such taxes being deposited with the City Treasurer, such Ad Valorem Tax Escrow Agreement may authorize the County Collectors of Cook and DuPage Counties to deposit the proceeds of such taxes directly into the Ad Valorem Tax Escrow Account, if such Account has been created.

SECTION 10. If the Pledged Taxes to be applied to the payment of the Bonds are not available in time to make any payments of principal of or interest on the Bonds when due, then the fiscal officers of the City are hereby directed to make such payments from any other monies, revenues, receipts, income, assets or funds of the City that are legally available for that purpose in advancement of the collection of such Pledged Taxes, and when the proceeds thereof are received, such other funds shall be replenished, all to the end that the credit of the City may be preserved by the prompt payment of the principal of and interest on the Bonds as the same become due.

SECTION 11. A copy of this ordinance, duly certified by the City Clerk, shall be filed in the respective offices of the County Clerks of Cook and DuPage Counties, Illinois (the "County Clerks"), and such filing shall constitute the authority for and it shall be the duty of said County Clerks, in each year beginning in 2001, to and including 2040, to extend the taxes levied pursuant to Section 7 hereof for collection in such year, such taxes to be in addition to and in excess of all other taxes heretofore or hereafter authorized to be levied by the City on its behalf.

A copy of this ordinance, duly certified by the City Clerk, shall also be filed with the Ad Valorem Tax Escrow Agent, if any, the Bond Registrar, and if the County Collectors of Cook and DuPage Counties are authorized to deposit the proceeds of the taxes levied pursuant to Section 7 hereof directly with the Ad Valorem Tax

Escrow Agent pursuant to Section 9 hereof, with such County Collectors.

SECTION 12. The Chief Financial Officer is hereby authorized to sell all or any portion of the Bonds from time to time to or at the direction of an underwriter or group of underwriters to be selected by the Chief Financial Officer (the "Underwriters"), with the concurrence of the Chairman of the Committee on Finance of the City Council, on such terms as he may deem to be in the best interests of the City within the limitations set forth in this ordinance; provided that the principal amount of and the interest on the Bonds (including the Compound Accreted Value of any Capital Appreciation Bonds and based on reasonable estimates of the interest to be paid on Variable Rate Bonds) sold of each maturity (after taking into account mandatory redemptions) shall not exceed the amount levied therefor as specified in Section 7 hereof. The Bonds may be sold from time to time as the Chief Financial Officer shall determine that the proceeds of such sales are needed.

Concurrent with the sale of any Bonds, the Chief Financial Officer shall file in the office of the City Clerk a certification stating that the issuance, sale and delivery of such Bonds as provided in this ordinance is not expected to cause property taxes in any year to exceed any limitation on the amount of such taxes provided in the Chicago Property Tax Limitation Ordinance, adopted by the City Council of the City on March 8, 1995, as amended.

Subsequent to the sale of any Bonds, the Chief Financial Officer shall file in the Office of the City Clerk a notification of sale directed to the City Council setting forth (i) the series designation, the aggregate principal amount of, maturity schedule and redemption provisions for the Bonds sold, (ii) the principal amounts of the Bonds sold as Current Interest Bonds, Capital Appreciation Bonds, Convertible Bonds and Variable Rate Bonds, respectively, (iii) in the case of Bonds sold as Capital Appreciation Bonds, (A) the Original Principal Amounts of and Yields to Maturity on the Capital Appreciation Bonds being sold and (B) a table of Accreted Amounts per Five Thousand Dollars (\$5,000) Accreted Amount at maturity for any Capital Appreciation Bonds being sold, setting forth the Accreted Amount of each such Capital Appreciation Bond on each semiannual compounding date, (iv) the interest rates on the Current Interest Bonds sold or, in the case of Variable Rate Bonds, a description of the method of determining the interest rate applicable to such Variable Rate Bonds from time to time, (v) the specific maturities and amounts of the Prior Bonds to be refunded with proceeds of the Bonds, (vi) the date on and price at which the Prior Bonds shall be redeemed (if such redemption shall occur prior to stated maturity or pursuant to mandatory sinking fund redemption); (vii) the disposition of the taxes levied for the years from and after 2000 for the payment of the Prior Bonds as authorized by Section 15 hereof, (viii) the identity of the insurer issuing the insurance policy, if any, referred to below, and the identity of the provider of a Credit Facility, as hereinafter defined, if any, (ix) the identity of the Underwriters selected by the Chief Financial Officer, (x) the identity of the Bond

Registrar and any trustee selected by the Chief Financial Officer, (xi) the identity of the remarketing agent retained in connection with the issuance of Variable Rate Bonds, (xii) the compensation paid to the Underwriters in connection with such sale, and (xiii) any other matter authorized by this ordinance to be determined by the Chief Financial Officer at the time of the sale of the Bonds.

The Chief Financial Officer is hereby authorized and directed to cause all necessary notices of redemption of the Prior Bonds selected for refunding as provided above in accordance with the terms of the respective ordinances authorizing the Prior Bonds.

The Mayor or the Chief Financial Officer is hereby authorized to execute and deliver a contract of purchase with respect to each sale of the Bonds in substantially the form previously used for similar general obligation bonds of the City with appropriate revisions to reflect the terms and provisions of the Bonds and such other revisions in text as the Chief Financial Officer shall determine are necessary or desirable in connection with the sale of the Bonds. The compensation paid to the Underwriters in connection with any sale of Bonds shall not exceed three percent (3%) of the principal amount of the Bonds being sold. Nothing contained in this ordinance shall limit the sale of the Bonds or any maturity or maturities thereof at a price or prices in excess of the principal amount thereof.

In connection with any sale of the Bonds, the Chief Financial Officer is hereby authorized to obtain a policy of bond insurance from a recognized bond insurer selected by the Chief Financial Officer, if said Chief Financial Officer determines such bond insurance to be desirable in connection with such sale of the Bonds. The Chief Financial Officer may, on behalf of the City, make covenants with such bond insurer that are not inconsistent with the provisions of this ordinance and are necessary to carry out the purposes of this ordinance.

In connection with any sale of the Bonds, the Mayor or the Chief Financial Officer is hereby authorized to obtain a letter of credit, line of credit or similar credit facility (a "Credit Facility") with one (1) or more financial institutions. The Mayor or the Chief Financial Officer is hereby authorized to enter into a reimbursement agreement and to execute and issue a promissory note in connection with the provisions of a Credit Facility. Any Credit Facility and any reimbursement agreement shall be in substantially the form of the credit facilities and reimbursement agreements previously entered into by the City in connection with the sale of general obligation bonds or notes, but with such revisions in text as the Mayor or the Chief Financial Officer shall determine are necessary or desirable, the execution thereof by the Mayor or the Chief Financial Officer to evidence the City Council's approval of all such revisions. The annual fee paid to any financial institution that provides a Credit Facility with respect to all or a portion of the Bonds shall not exceed three-quarters of one percent (0.75%) of the average

principal amount of the Bonds outstanding during such annual period. The final form of any reimbursement agreement entered into by the City with respect to the Bonds shall be attached to the notification of sale filed with the City Clerk pursuant to this section. Each such promissory note shall be a general obligation of the City for the payment of which, both principal and interest, the City pledges its full faith, credit and resources. Each promissory note shall bear interest at a rate not exceeding twenty percent (20%) per annum and shall mature not later than the final maturity date of the related Bonds secured by such reimbursement agreement. The Mayor or the Chief Financial Officer is hereby authorized to execute and deliver any such reimbursement agreement, under the seal of the City affixed and attached by the City Clerk or the Deputy City Clerk.

If upon any sale of the Bonds, the Bonds have been sold so as to require the levy of taxes in any year (after taking into account mandatory redemptions) less than the amount specified therefor in Section 7 hereof, then the Chief Financial Officer shall include, in the notification of sale to the City Council described in the second paragraph of this Section 12, the amount of reduction in the amount levied in Section 7 hereof for each year resulting from such sale with lesser maturities (after taking into account mandatory redemptions) or lesser payments of interest, and, in addition, the Chief Financial Officer shall file in the respective offices of the County Clerks certificates of tax abatement for such year or years. If any of the Bonds are not to be sold and issued as provided herein, the corresponding taxes herein levied to pay debt service thereon shall be abated in full. Any certificate of abatement delivered pursuant to this paragraph shall refer to the amount of taxes levied pursuant to Section 7 hereof, shall indicate the amount of reduction in the amount of taxes levied by the City resulting from the sale of the Bonds or the non-issuance thereof, which reduced amount is to be abated from such taxes, and shall further indicate the remainder of such taxes which is to be extended for collection by said County Clerks.

The preparation, use and distribution of a preliminary official statement and an official statement relating to each sale and issuance of the Bonds are hereby ratified and approved. The Mayor and the Chief Financial Officer are each hereby authorized to execute and deliver an official statement relating to each sale and issuance of the Bonds on behalf of the City. The preliminary official statement and official statement herein authorized shall be in substantially the forms previously used for general obligation bonds of the City with appropriate revisions to reflect the terms and provisions of the Bonds and to describe accurately the current condition of the City and the parties to the financing.

In connection with any sale of the Bonds, the Chief Financial Officer is hereby authorized to execute and deliver a Continuing Disclosure Undertaking (the "Continuing Disclosure Undertaking") evidencing the City's agreement to comply with the requirements of Section (b)(5) of Rule 15c2-12, adopted by the Securities

and Exchange Commission under the Securities Exchange Act of 1934, in a form approved by the Corporation Counsel. Upon its execution and delivery on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City, and the officers, employees and agents of the City are hereby authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. The Chief Financial Officer is hereby further authorized to amend the Continuing Disclosure Undertaking in accordance with its terms from time to time following its execution and delivery as said officer shall deem necessary. Notwithstanding any other provision of this ordinance, the sole remedies for any failure by the City to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

The Bonds shall be duly prepared and executed in the form and manner provided herein and delivered to the purchasers in accordance with the terms of sale.

The Mayor, the Chief Financial Officer, the City Comptroller, the City Treasurer, the City Clerk and the Deputy City Clerk are each hereby authorized to execute and deliver such other documents and agreements (including such contracts, such intergovernmental agreements or such grant agreements with not-for-profit organizations, educational or cultural institutions or for-profit organizations or to assist other municipal corporations or units of local government or school districts within the City receiving proceeds of the Bonds as the Chief Financial Officer or the City Comptroller shall deem necessary and appropriate) and perform such other acts as may be necessary or desirable in connection with the Bonds, including, but not limited to, the grants to pay costs of the Project described in Section 13 hereof and the exercise following the delivery date of the Bonds of any power or authority delegated to such official under this ordinance with respect to the Bonds upon original issuance, but subject to any limitations on or restrictions of such power or authority as herein set forth.

SECTION 13. The proceeds from the sale of any of the Bonds shall be used as follows:

(a) The sum representing the accrued interest received, if any, shall be used to pay the first interest becoming due on the Bonds sold, and to that end, shall be deposited in the Bond Fund or the Ad Valorem Tax Escrow Account, if established.

(b) From the sale proceeds derived from any such sale of the Bonds, (i) such sum as may be determined by the Chief Financial Officer to be necessary to pay not more than three (3) years of interest on the Bonds issued to pay costs of the Project may be used to pay such interest, and to that end, may be deposited in the

Bond Fund or the Ad Valorem Tax Escrow Account, if established; (ii) the sum determined by the Chief Financial Officer to be necessary to pay the costs of the Project shall be set aside, held and invested at the direction of the Chief Financial Officer, as separate finds of the City pending such payment, provided, that proceeds of the Bonds issued to finance the Pension Contributions shall be paid into the Pension Funds as and when required by law; and (iii) the sum determined by the Chief Financial Officer to be sufficient to pay the Prior Bonds being refunded at or prior to their respective maturities, at a price of par, the applicable redemption premium and accrued interest thereon up to and including said redemption or maturity dates shall be deposited into the respective debt service funds established for the Prior Bonds or into a "Refunded Bonds Escrow Account" to be held by a bank or trust company to be designated by the Chief Financial Officer pursuant to the terms of an escrow agreement (the "Refunding Escrow Agreement"), and the Mayor, the Chief Financial Officer and the City Clerk, or any of them, are hereby authorized to execute and deliver the Refunding Escrow Agreement in such form as the officer so executing shall deem appropriate to effect the refunding described in this paragraph. Notwithstanding any provision of the Municipal Code of Chicago (the "Municipal Code"), investments acquired with proceeds of the Bonds or investment income thereon may mature beyond one (1) year from the date of acquisition, and may include agreements entered into between the City and providers of securities under which agreements providers agree to sell to the City specified securities on specific dates at predetermined prices, all as established at the time of execution of any such agreement and as set forth in such agreement.

(c) From the sale proceeds of the Bonds not applied as provided in paragraphs (a) and (b), above, the amount deemed necessary by the Chief Financial Officer shall be applied to the payment of the costs of issuance of the Bonds, including the premium or fee for bond insurance or other credit enhancement, if any, and any unexpended portion of the sale proceeds shall be paid to the City.

The costs of the Project may be paid directly by the City or may be financed by the making of grants for the implementation of the Project to (i) not-for-profit organizations, educational or cultural institutions or for-profit organizations or (ii) other units of local government, political subdivisions, municipal corporations or school districts in the State of Illinois, including any operating division thereof, all as determined by the Chief Financial Officer or the City Comptroller.

The Chief Financial Officer shall report to the City Council with respect to the expenditure of the proceeds of the Bonds issued hereunder to pay the costs of the Project. Such reports shall be made no later than April 1 of each year, commencing

April 1, 2002, with respect to expenditures made during the preceding calendar year. No report shall be required hereunder following any calendar year in which no proceeds of the Bonds are expended to pay costs of the Project.

SECTION 14. The Mayor or the Chief Financial Officer is hereby authorized to execute and deliver from time to time one (1) or more agreements with counterparties selected by the Chief Financial Officer, the purpose of which is to limit, reduce or manage the City's interest cost with respect to the Bonds, or to limit, reduce or manage the City's exposure to fluctuations in the interest rate or rates payable on the Bonds or to insure, protect or preserve its investments from any loss (including, without limitation, loss caused by fluctuations in interest rates, markets or in securities). The stated aggregate notional amount under all such agreements authorized hereunder shall not exceed the principal amount of the Bonds issued hereunder (net of offsetting transactions entered into by the City). Any such agreement to the extent practicable shall be in substantially the form of either the Local Currency -- Single Jurisdiction version or the Multicurrency -- Cross Border version of the 1992 I.S.D.A. Master Agreement accompanied by the *United States Municipal Counterparty Schedule* published by the International Swap Dealers Association (the "I.S.D.A.") or any successor form to either published by the I.S.D.A., and in the appropriate confirmations of transactions governed by that agreement, with such insertions, completions and modifications thereof as shall be approved by the officer of the City executing the same, his or her execution to constitute conclusive evidence of the City Council's approval of such insertions, completions and modifications thereof. Amounts payable by the City under any such agreement shall (i) be payable solely from the sources pledged to the payment of the Bonds, or (ii) constitute operating expenses of the City payable from any monies, revenues, income, assets or funds of the City available for such purpose, all as shall be determined by the Chief Financial Officer. Nothing contained in this Section 14 shall limit or restrict the authority of the Mayor or the Chief Financial Officer to enter into similar agreements pursuant to prior or subsequent authorization of the City Council.

SECTION 15. The taxes levied for the years from and after 2000 for the payment of the Prior Bonds, to the extent the collection of such taxes is not necessary for the payment of the Prior Bonds due to the refunding thereof as authorized herein or pursuant to any other authorization, may, at the direction of the Chief Financial Officer, (i) be collected and applied to the payment of the Bonds, (ii) be collected and applied to the payment of the costs of any capital projects for which funds have been lawfully appropriated or (iii) be abated. The Chief Financial Officer is hereby directed to prepare and file with the County Clerks a certificate of reduction of taxes heretofore levied for the payment of the Prior Bonds selected for refunding by the Chief Financial Officer as provided in Sections 12 and 13 hereof and directing the abatement of the taxes heretofore levied to pay the Prior Bonds being refunded, including the taxes levied for the years from and after 2000, if so determined by the

Chief Financial Officer as provided in the preceding sentence. In addition, any proceeds of the Prior Bonds being held for the payment of the Prior Bonds, to the extent such proceeds are not necessary for the payment of the Prior Bonds due to the refunding thereof as authorized herein or pursuant to any other authorization, may, at the direction of the Chief Financial Officer, be applied to the payment of the Bonds.

SECTION 16. The City covenants that it will take no action in the investment of the proceeds of the Bonds (other than Bonds issued as bonds the interest on which is includible in the gross income of the owner thereof for federal income tax purposes, which would result in making the interest payable on any of such Bonds subject to federal income taxes by reason of such Bonds being classified as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as heretofore or hereafter amended (the "Code").

The City further covenants that it will act with respect to the proceeds of Bonds (other than Bonds issued as bonds the interest on which is includible in the gross income of the owner thereof for federal income tax purposes), the earnings on the proceeds of such Bonds and any other monies on deposit in any fund or account maintained in respect of such Bonds, including, if necessary, a rebate of such earnings to the United States of America, in a manner which would cause the interest on such Bonds to continue to be exempt from federal income taxation under Section 103(a) of the Code, or any successor Internal Revenue Code of the United States of America. The Chief Financial Officer is hereby authorized to execute such agreements as shall be necessary, in the opinion of nationally recognized bond counsel, to evidence the City's compliance with the covenants contained in this paragraph.

SECTION 17. This ordinance is prepared in accordance with the powers of the City as a home rule unit under Article VII of the 1970 Illinois Constitution. The appropriate officers of the City are hereby authorized to take such actions and do such things as shall be necessary to perform, carry out, give effect to and consummate the transactions contemplated by this ordinance and the Bonds, 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.

SECTION 18. The Mayor and the Chief Financial Officer may each designate another to act as their respective proxy and to affix their respective signatures to the Bonds whether in temporary or definitive form, and any other instrument, certificate or document required to be signed by the Mayor or the Chief Financial Officer pursuant to this ordinance and any instrument, certificate or document required thereby. In such 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 and the Chief Financial Officer, respectively. A written signature of the Mayor or of the Chief Financial Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with the signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed with 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 Chief Financial Officer is so affixed to an instrument, certificate or document at the direction of the Chief Financial Officer, the same, in all respects, shall be as binding on the City as if signed by the Chief Financial Officer in person.

SECTION 19. If requested by the Bond Registrar, the Mayor, the Chief Financial Officer and the City Clerk are authorized to execute the standard form of agreement between the City and the Bond Registrar with respect to the obligations and duties thereof.

SECTION 20. If payment or provision for payment is made, to or for the registered owners of the Bonds, of the Compound Accreted Value of any Capital Appreciation Bond and the principal of and interest due and to become due on any Current Interest Bond or Variable Rate Bond at the times and in the manner stipulated therein, and there is paid or caused to be paid to the Bond Registrar, the Ad Valorem Tax Escrow Agent as provided in Section 9 hereof or such bank or trust company as shall be designated by the Chief Financial Officer (such bank or trust company hereinafter referred to as a "Defeasance Escrow Agent"), all sums of money due and to become due according to the provisions hereof, then these presents and the estate and rights hereby granted shall cease, determine and be void except for purposes of registration, transfer and exchange of Bonds and any such payment from such monies or obligations. Any Bond shall be deemed to be paid within the meaning of this section when payment of the Compound Accreted Value of any such Capital Appreciation Bond or the principal of any such Current Interest Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this ordinance or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided for by irrevocably depositing with the Bond Registrar, the Ad Valorem Tax Escrow Agent as provided in Section 9 hereof or the Defeasance Escrow Agent, in trust and exclusively for such payment, (1) monies sufficient to make such payment or (2) (A) direct obligations of the United States of America; (B) obligations of agencies of the United States of America, the timely payment of principal of and interest on which are guaranteed by the United States of America; or (C) instruments evidencing an ownership interest in obligations described in the preceding clauses (A) and (B), or (3) a combination of the

investments described in clauses (1) and (2) above, such amounts so deposited being available or maturing as to principal and interest in such amounts and at such times, without consideration of any reinvestment thereof, as will insure the availability of sufficient monies to make such payment (all as confirmed by a nationally recognized firm of independent public accountants). At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this ordinance, except for the purposes of registration, transfer and exchange of Bonds and any such payment from such monies or obligations.

No such deposit under this section shall be made or accepted hereunder and no use made of any such deposit unless, in the case of Bonds other than Bonds issued as bonds the interest on which is includible in the gross income of the owner thereof for federal income tax purposes, the Bond Registrar, the Ad Valorem Tax Escrow Agent or the Defeasance Escrow Agent, as the case may be, shall have received an opinion of nationally recognized municipal bond counsel to the effect that such deposit and use would not cause any of such Bonds to be treated as arbitrage bonds within the meaning of Section 148 of the Code or any successor provision thereto.

Nothing in this ordinance shall prohibit a defeasance deposit of escrow securities as provided in this section or a defeasance deposit with respect to the Prior Bonds pursuant to the Refunding Escrow Agreement authorized by Section 13(b) hereof, from being subject to a subsequent sale of such escrow securities and reinvestment of all or a portion of the proceeds of that sale in escrow securities which, together with money to remain so held in trust, shall be sufficient to provide for payment of principal, redemption premium, if any, and interest on any of the defeased Bonds or Prior Bonds, as appropriate. Amounts held by the Bond Registrar, the Ad Valorem Tax Escrow Agent, the Defeasance Escrow Agent or an escrow agent pursuant to a Refunding Escrow Agreement (such escrow agent hereinafter referred to as a "Refunding Escrow Agent") in excess of the amounts needed so to provide for payment of the defeased Bonds or Prior Bonds, as appropriate, may be subject to withdrawal by the City. The Mayor or the Chief Financial Officer is hereby authorized to execute and deliver from time to time one (1) or more agreements with counterparties selected by the Chief Financial Officer, with respect to the investment and use of such excess amounts held by the Bond Registrar, the Ad Valorem Tax Escrow Agent, the Defeasance Escrow Agent or Refunding Escrow Agent.

SECTION 21. Notwithstanding any other provisions of this ordinance, the terms and provisions of the trust indenture securing Variable Rate Bonds as authorized in Section 2 hereof with respect to (a) the authentication, registration, transfer and destruction or loss of such Variable Rate Bonds, (b) subject to the limitation on

redemption price set forth in Section 3(d) hereof, the redemption of such Variable Rate Bonds, or (c) the method of payment or defeasance of such Variable Rate Bonds, shall apply to such Variable Rate Bonds issued pursuant to this ordinance.

SECTION 22. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall be controlling. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance. 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 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 23. All references in that certain ordinance (the "Note Ordinance") adopted by the City Council on November 17, 1999 and published at pages 17594 to 17661, inclusive, in the Journal of Council Proceedings for such date, with respect to the Pension Notes (as defined in the Note Ordinance) are hereby repealed and rescinded, and the levy of taxes made in Section 6(a) of the Note Ordinance for the payment of the Pension Notes is hereby abated in full. Sections 6 and 14 of the Note Ordinance are hereby repealed and rescinded in full. The financing of certain Pension Contributions is authorized as part of the Project. All actions of the officers of the City heretofore taken and all obligations of the City incurred pursuant to the Note Ordinance, other than those specifically repealed and rescinded with respect to the Pension Notes, are hereby ratified, approved and confirmed.

SECTION 24. This ordinance shall be published by the City Clerk, by causing to be printed in special pamphlet form at least twenty-five (25) copies hereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 25. This ordinance shall be in full force and effect from and after its adoption, approval by the Mayor and publication as provided herein.

AUTHORIZATION FOR ISSUANCE OF CITY OF CHICAGO GENERAL
OBLIGATION NOTES TO PROVIDE FUNDING FOR
CORPORATE FUND, CHICAGO PUBLIC LIBRARY
FUND AND CITY RELIEF FUND.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

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 General Obligation Notes for the purpose of providing funding for the Corporate Fund, the Chicago Public Library Fund and the City Relief Fund in an amount of \$170,000,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

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 Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

Alderman Beavers 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:

WHEREAS, The City of Chicago (the "City") is a body politic and corporate under the laws of the State of Illinois and a home rule unit of local government under Article VII of the Illinois Constitution of 1970; and

WHEREAS, The City has determined that it is desirable and in the public interest to issue notes of the City to provide funds to pay amounts appropriated for specific purposes by the City for the year 2001; and

WHEREAS, It is necessary for the City to issue its notes for the additional purpose hereinafter provided, such borrowing being for a proper public purpose and in the public interest and the City by virtue of its constitutional home rule powers and all laws applicable thereto, has the power to issue such notes; now, therefore,

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

SECTION 1. Finding. The City Council, after a public meeting held on this ordinance by the Committee on Finance of the City Council, pursuant to proper notice, and in accordance with the findings and recommendations of such committee, adopts the recitals contained in the preambles to this ordinance as legislative findings and incorporates them into this ordinance by this reference.

SECTION 2. Definitions. The terms defined in the form of trust indenture attached hereto as Exhibit A (the "Indenture") shall, for all purposes of this ordinance, have the meanings therein specified, unless the context herein clearly requires otherwise.

SECTION 3. Authorization Of Notes. (a) For the purposes of providing monies to pay amounts appropriated for specific purposes by the City for the year 2001, it is hereby declared necessary that the City authorize and issue from time to time, and the City hereby authorizes the issuance from time to time, of one (1) or more series of General Obligation Notes (each such series a "Series" and all such Series collectively the "Notes"), each such Series to be entitled to the benefit, protection and security of this ordinance and an Indenture securing the same, in an aggregate

principal amount determined as provided herein, payable as to principal, purchase price and interest from the sources specified in this ordinance. The Notes shall be designated by the title "City of Chicago General Obligation Notes" (together with such additional designation as may be appropriate to designate the specific Series). The Notes of each Series shall be dated, bear interest at such fixed or variable rate or rates established in accordance with the related Indenture not to exceed twelve percent (12%) per annum, mature, be subject to payment, redemption and purchase, be of the form and be secured as provided in the related Indenture.

(b) The Notes may be issued for the following purposes in an aggregate principal amount not to exceed the amount set forth below opposite such purpose:

Purpose	Maximum Amount
To pay amounts appropriated for the year 2001 from the Corporate Fund, the Chicago Public Library (Maintenance and Operation) Fund, the Chicago Public Library (Building and Sites) Fund and the City Relief (General Assistance) Fund.	\$170,000,000

(c) The Notes shall mature no later than the earlier of (i) April 30, 2003 or (ii) twenty-four (24) months following their date of issuance.

(d) The Notes shall be issued at one (1) or more times in such number of separate Series as the Mayor or the Chief Financial Officer of the City shall determine.

(e) The Notes and the obligation to reimburse any bank or banks for the payment of drawings or advances to pay the principal or purchase price of and interest on the Notes shall be a direct and general obligation of the City for the payment of which, both principal and interest, the City pledges its full faith, credit and resources. The principal and purchase price of and interest on the Notes and such payments to any bank shall be payable from any monies, revenues, receipts, income, assets or funds of the City legally available for such purposes and there are hereby appropriated all such monies, revenues, receipts, income, assets or funds as may be necessary for such purposes.

(f) The City shall promptly pay or cause to be paid the principal or purchase price of and interest on each Note issued pursuant to this ordinance and each related Indenture at the place, at the time and in the manner provided in such Indenture and in the Notes to the true intent and meaning thereof.

(g) Notes shall not be issued by the City pursuant to this ordinance prior to the adoption by the City Council of (i) the annual appropriation ordinance of the City for the year 2001, and (ii) ordinances providing for the levy of taxes for corporate, library and city relief purposes for the City for the year 2001.

(h) If in the opinion of co-bond counsel the interest on any Series of Notes is not excluded from the gross income of the holders thereof for federal income tax purposes, then the designation of "Taxable" shall be included in the title of such Series.

SECTION 4. Proceeds Of The Notes. The proceeds from the sale of the Notes shall be deposited in the Corporate Fund, Chicago Public Library (Maintenance and Operation) Fund, Chicago Public Library (Building and Sites) Fund and City Relief (General Assistance) Fund, as designated by the Chief Financial Officer in the notification of sale to the City Council described in Section 6(c) hereof, and shall be used for the purpose of paying amounts appropriated from such respective funds for the year 2001.

SECTION 5. Tax Levy For Reimbursement Of Any Bank Or Banks For Drawings Or Advances To Pay The Notes Or For The Payment Of The Notes. Unless the Chief Financial Officer shall determine on or before the thirtieth (30th) day prior to the maturity date of the Notes that sufficient funds are legally available and will be used (a) to reimburse any bank or banks appointed pursuant to the provisions of Section 9 hereof on the maturity date of the Notes for any unpaid drawing or advance under a credit facility (as described in Section 9 hereof) issued by such bank or banks to pay the principal or purchase price of and interest on the Notes, or (b) to pay the principal or purchase price of and interest on the Notes, a tax levy ordinance shall be adopted by the City Council and a certified copy thereof filed with the County Clerks of Cook and DuPage Counties, Illinois (the "County Clerks"), and a certified copy thereof mailed to such bank or banks, on or before the maturity date of the Notes, such ordinance to levy an amount sufficient to reimburse the Bank or Banks pursuant to the terms of the related Credit Agreement (as described in Section 9 hereof) on or before a date twelve (12) months following such maturity date, or to pay the principal or purchase price of and interest on the Notes. If such reimbursement obligation or payment of the principal or purchase price of and interest on the Notes is thereafter paid from any other funds or revenues of the City prior to the extension date for such levy, such taxes so levied shall be abated. The City Treasurer is hereby ordered and directed to deposit the proceeds of any taxes so levied pursuant to this Section 5 into the Note Fund established under the Indenture securing such Notes with respect to which such taxes were so levied.

SECTION 6. Sale And Delivery Of The Notes. (a) Each Series of Notes shall be sold and delivered to or at the direction of an underwriter or group of underwriters to be selected by the Chief Financial Officer, subject to the terms and

conditions of one (1) or more contracts of purchase related thereto. The Mayor or the Chief Financial Officer is hereby authorized to execute on behalf of the City, with the concurrence of the Chairman of the Committee on Finance of the City Council, such contracts of purchase in substantially the form previously used for similar financings of the City with appropriate revisions to reflect the terms and provisions of the Notes of each Series and such other revisions in text as the chief financial officer shall determine are necessary or desirable in connection with the sale of the Notes. The compensation paid to the underwriters in connection with any sale of Notes shall not exceed seventy-five hundredths percent (.75%) of the principal amount of the Notes being sold. All or a portion of each Series of Notes may be sold separately or in combination with any other Series of Notes from time to time in accordance with the following paragraph. In connection with the offering and delivery of the Notes at separate times, the Mayor or the chief financial officer is authorized to enter into any additional agreements comparable to any agreement authorized hereunder and described in the Indenture related thereto and to deliver any certificates required of the City in connection with such separate sale.

(b) Concurrent with the sale of any Notes, the Chief Financial Officer shall file in the office of the City Clerk a certification that the issuance, sale and delivery of such Notes as provided in this Ordinance is not expected to cause property taxes in any year to exceed any limitation on the amount of such taxes provided in the Chicago Property Tax Limitation Ordinance, adopted by the City Council on March 8, 1993, as amended.

(c) Subsequent to the sale of any Notes, the Chief Financial Officer shall file in the office of the City Clerk a notification of sale directed to the City Council setting forth (i) the aggregate principal amount of Notes sold of each Series and the maturity dates thereof, (ii) the initial interest rate determination method or methods for such Notes, the maximum length of any Short-Term Intermediate Rate Period and the initial interest rates determined within each such interest rate determination method, (iii) the compensation paid to the underwriters in connection with such sale, (iv) the identity of the underwriter(s), the trustee and the remarketing agent selected by the Chief Financial Officer and (v) the principal amounts of Notes that were sold for each of the respective funds or purposes set forth in Section 3(b) hereof. An executed copy of each Indenture providing for the issuance of the Notes which are the subject of such notification of sale shall be attached thereto.

(d) In connection with any sale of Notes, the Mayor or the Chief Financial Officer is hereby authorized to execute and deliver, and the underwriters are hereby authorized to use and distribute, such disclosure documents as they shall deem appropriate on behalf of the City, which disclosure documents shall be in substantially the forms previously used for similar financings of the City with appropriate revisions to reflect the terms and provisions of the Notes and to describe accurately the current condition of the City and the parties to the financing.

(e) The Notes of any Series may be issued in either certificated or book-entry form as determined by the chief financial officer. In connection with the issuance of any Series of Notes issued in book-entry form, the Chief Financial Officer is authorized to execute and deliver a representation letter to the book-entry depository.

SECTION 7. Appointment Of Trustee; Authorization Of Indentures. The Chief Financial Officer is hereby authorized to appoint the trustee under each Indenture for the purposes and upon the express terms and conditions set forth in the Indenture. The acceptance of the trustee shall be evidenced by its execution of an Indenture. The Mayor or the Chief Financial Officer is hereby authorized to execute and deliver an Indenture in connection with the issuance of each Series of Notes, under the seal of the City, affixed and attested by the City Clerk, each such Indenture to be in substantially the form of Exhibit A attached hereto, but with such revisions in text as the chief financial officer shall determine are necessary or desirable in connection with the sale of any such Series of Notes, including any changes necessary to reflect the terms and provisions of any, credit facility (as defined in Section 9 hereof), or to reflect that the Notes were issued without the benefit of any credit facility.

SECTION 8. Remarketing Agent. The Chief Financial Officer is hereby authorized to appoint the remarketing agent and to execute and deliver a remarketing agreement in connection with the issuance of the Notes or any Series of Notes. The annual fee paid to any remarketing agent pursuant to any remarketing agreement shall not exceed twenty-five hundredths percent (.25%) of the average principal amount of Notes covered by such remarketing agreement and outstanding during such annual period.

SECTION 9. The Bank Or Banks. The Chief Financial Officer is hereby authorized to obtain a letter of credit, line of credit or other facility (a "Credit Facility") for any Series of Notes if determined by the Chief Financial Officer to be desirable in connection with the marketing and remarketing of the Notes of such Series. The Chief Financial Officer is hereby further authorized to (a) appoint one (1) or more bank or banks to issue such Credit Facility; (b) execute and deliver a credit agreement (a "Credit Agreement") relating to any Notes so secured in substantially the form previously used for similar financings of the City with appropriate revisions to reflect the terms and provisions of the Notes and such other revisions in text as the Chief Financial Officer shall determine are necessary or desirable in connection with the sale of such Notes; and (c) execute and deliver a credit facility note (a "Credit Facility Note") in substantially the form previously used for similar financings of the City with appropriate revisions to reflect the terms and provisions of such Notes and such other revisions in text as the Chief Financial Officer shall determine are necessary or desirable in connection with the sale of the Notes. The annual fee paid to any bank or banks for the provision of a Credit Facility shall not exceed seventy-five hundredths percent (.75%) of the amount available to be drawn or advanced under such Credit Facility. Nothing contained

herein shall limit or restrict the chief financial officer's ability to appoint separate banks to issue separate Credit Facilities in connection with the issuance of separate Series of Notes or to appoint more than one (1) Bank to issue a single Credit Facility.

Any Credit Facility Note shall be a direct and general obligation of the City for the payment of which, both principal and interest, the City pledges its full faith, credit and resources. Each Credit Facility Note shall be payable, both principal and interest, from any monies, revenues, receipts, income, assets or funds of the City legally available for such purpose and there are hereby appropriated all such monies, receipts, income, assets or funds as may be necessary for such purpose. Any Credit Facility Note shall bear interest at a rate not exceeding eighteen percent (18%) per annum.

SECTION 10. Interest Rate Agreement. The Mayor or the Chief Financial Officer is hereby authorized to execute and deliver from time to time one (1) or more agreements with counterparties selected by the, Chief Financial Officer, the purpose of which is to reduce the City's interest cost with respect to one or more Series of Notes or to reduce the City's exposure to fluctuations in the interest rate or rates payable on such obligations or to insure, protect or preserve its investments from any loss (including, without limitation, loss caused by fluctuations in interest rates, markets or in securities). The stated aggregate notional amount under all such agreements authorized hereunder shall not exceed the principal amount of Notes issued hereunder (net of offsetting transactions entered into by the City). Any such agreement may be effective for the full term or any part of the term of any Series of Notes. Any such agreement to the extent practicable shall be in substantially the form of either the Local Currency -- Single Jurisdiction version or the Multicurrency -- Cross Border version of the 1992 I.S.D.A. Master Agreement accompanied by the *United States Municipal Counterparty Schedule* published by the International Swap Dealers Association (the "I.S.D.A.") or any successor form to either published by the I.S.D.A., and in the appropriate confirmations of transactions governed by that agreement, with such insertions, completions and modifications thereof as shall be approved by the officer of the City executing the same, his or her execution to constitute conclusive evidence of the City Council's approval of such insertions, completions and modifications thereof. Amounts payable by the City under any such agreement shall constitute operating expenses of the City payable from any monies, revenues, receipts, income, assets or funds of the City available for such purpose. Such amounts shall not constitute an indebtedness of the City for which its full faith and credit is pledged. Nothing contained in this Section 10 shall limit or restrict the authority of the Mayor or the Chief Financial Officer to enter into similar agreements pursuant to, prior or subsequent authorization of the City Council.

SECTION 11. Note Insurance. The Chief Financial Officer is hereby authorized to obtain a policy of note insurance from recognize note or bond insurers if it is determined by him or her to be desirable in connection with the marketing and

remarketing of any Series of Notes. The Chief Financial Officer may, on behalf of the City, make covenants with the provider of such insurance that are not inconsistent with the provisions of this ordinance and are necessary to carry out the purposes of this ordinance.

SECTION 12. Appropriations. The City shall appropriate amounts sufficient to (a) reimburse each bank or banks appointed pursuant to the provisions of Section 9 hereof at the times and in the amounts as provided in the related Credit Agreement, (b) pay the principal or purchase price of and interest on the Notes, and (c) pay the fees and expenses of the trustee in a timely manner, and the City hereby covenants to take timely action as required by law to carry out the provisions of this Section 12, but, if for any such year it fails to do so, this ordinance shall constitute a continuing appropriation of such amounts without any further action on the part of the City Council.

In the event that proceeds of the taxes levied or to be levied hereunder are not available in time to make any payments when due under the Notes or any related Credit Agreement, then the Chief Financial Officer and the City Treasurer are hereby directed to make such payments in accordance with the Notes or such Credit Agreement from any other monies, revenues, receipts, income, assets or funds of the City that are legally available for that purpose in advance of the collection of the taxes and when the proceeds of such taxes are received, such other funds shall be replenished, all to the end that the credit of the City may be preserved by the prompt payment of its obligations under the Notes, the Credit Agreement and the related Credit Facility Note as the same become due.

SECTION 13. Additional Authorizations. The Mayor, the Chief Financial Officer, the City Treasurer and the City Clerk are hereby authorized to execute and deliver such other documents and perform such other acts as may be necessary or desirable in connection with each Series of Notes, including, but not limited to, the exercise following the delivery date of any Series of Notes of any power or authority delegated to such official of the City under this ordinance with respect to such Series of Notes upon the initial issuance thereof, including but not limited to the provision of any Alternate Letter of Credit, but subject to any limitations on or restrictions of such power or authority as herein set forth. The Chief Financial Officer is hereby authorized to execute and deliver a continuing disclosure undertaking (the "Continuing Disclosure Undertaking") evidencing the City's agreement to comply with the requirements of Section (b)(5) of Rule 15(c)2-12, adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, in a form approved by the Corporation Counsel. Upon its execution and delivery on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City, and the officers, employees and agents of the City are hereby authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. The Chief

Financial Officer is hereby further authorized to amend the Continuing Disclosure Undertaking in accordance with its terms from time to time following its execution and delivery as said officer shall deem necessary. Notwithstanding any other provision of this ordinance, the sole remedies for any failure by the City to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Note to seek mandamus or specific performance by court order to cause the City to comply with its obligations under the Continuing Disclosure Undertaking. Notwithstanding any provision of the Municipal Code of Chicago (the "Municipal Code"), investments acquired with proceeds of the Notes or investment income thereon may mature within two (2) years from the date of acquisition and may include agreements entered into between the City and providers of securities under which agreements providers agree to sell to the City specified securities on specific dates at predetermined prices, all as established at the time of execution of any such agreement and as set forth in such agreements.

SECTION 14. Designation Of Another To Affix Signature. The seal of the City or a facsimile of the seal shall be affixed to each of the Notes, and the Notes shall be executed by the manual or facsimile signatures of the Mayor and the Chief Financial Officer and attested by the manual or facsimile signature of the City Clerk, and in case any officer whose signature shall appear on any Note shall cease to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. The use of such facsimile signatures to execute the Notes are authorized by this ordinance, and such facsimile signatures are hereby adopted as the respective manual signatures of such officers, without further action on the part of such officers. The Mayor, the City Clerk and the Chief Financial Officer may each designate another person to act as their respective proxy and to affix their respective signature to the Notes, whether in temporary or definitive form, and any instrument, agreement, certificate or document required to be signed by the Mayor, the City Clerk or the Chief Financial Officer pursuant to this ordinance, and in such 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, the City Clerk and the Chief Financial Officer, respectively. A written signature of the Mayor, the City Clerk or of the Chief Financial Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with the signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed with 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 City Clerk is placed on an instrument, certificate or document at the direction of the City Clerk in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the City Clerk in person. When the signature of the Chief Financial Officer is so affixed to an instrument, certificate or

document at the direction of the Chief Financial Officer, the same, in all respects, shall be as binding on the City as if signed by Chief Financial Officer in person.

SECTION 15. Defeasance. (a) The Notes shall be subject to defeasance as provided in the related Indenture.

(b) Nothing in this ordinance shall prohibit a defeasance deposit of escrow securities, as provided in the related Indenture, from being subject to a subsequent sale of such escrow securities and reinvestment of all or a portion of the proceeds of that sale in escrow securities which, together with money to remain so held in trust, shall be sufficient to provide for payment of principal, redemption premium, if any, and interest on any defeased Notes as provided in and subject to the conditions set forth in the related Indenture. Amounts held by the trustee or an escrow trustee in excess of the amounts needed so to provide for payment of the defeased Notes may be subject to withdrawal by the City. The Mayor or the Chief Financial Officer is hereby authorized to execute and deliver from time to time one (1) or more agreements with counter parties selected by the Chief Financial Officer, with respect to the investment and use of such excess amounts held by the trustee or escrow trustee.

SECTION 16. Repealer. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall be controlling. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance. 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, including the Notes or any related Indenture, or to impair the rights of the owners of the Notes to receive payment of the principal of, premium, if any, or interest on the Notes or to impair the security for the Notes; 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 17. Publication. This ordinance shall be published by the City Clerk, by causing to be printed in special pamphlet form at least twenty-five (25) copies hereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 18. Effective Date. This ordinance shall be in full force and effect from and after its adoption, approval by the Mayor and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
(To Ordinance)

City Of Chicago

To

[Name Of Trustee]
As Trustee

Trust Indenture

Dated As Of January 1, 2001

Securing

City Of Chicago

General Obligation Tender Notes

Series 2001A.

This Trust Indenture dated as of January 1, 2001, from the City of Chicago (the "City"), a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois, located in Cook and DuPage Counties, Illinois, to [Name of Trustee], a national banking association, having its principal corporate trust office in the City of Chicago, Illinois, as trustee (said association, and any successor or successors as trustee hereunder, being herein referred to as the "Trustee");

Witnesseth:

Whereas, By virtue of Article VII of the Illinois Constitution of 1970 and pursuant to an ordinance duly adopted by the City Council of the City on _____, 2000, the City is authorized to enter into this Indenture and to do or cause to be done all the acts and things herein provided or required to be done; and

Whereas, The execution and delivery of this Indenture have been in all respects duly and validly authorized by the City Council; and

Whereas, In order to provide the funds needed to pay amounts appropriated for Corporate Fund, Chicago Public Library Fund (Maintenance and Operation), Chicago Public Library Fund (Building and Sites) and City Relief Fund (General Assistance) purposes for the year 2001, the City has duly authorized the issuance and sale of its General Obligation Tender Notes, Series 2001A (the "Series 2001A Notes"); and

Whereas, In furtherance thereof, the City, [Name of Remarketing Agent] (the "Remarketing Agent") and the Trustee have entered into a Remarketing Agreement, dated as of January 1, 2001 (the "Remarketing Agreement"), pursuant to which the Remarketing Agent will arrange for the purchase of Notes tendered for purchase by Noteholders and attempt to remarket said tendered Notes on behalf of the City; and

Whereas, The Notes are to be entitled to the benefits of an irrevocable Letter of Credit (the "Letter of Credit") issued to the Trustee by [Name of Bank] (the "Bank"), for the account of the City, pursuant to the terms hereof and the Reimbursement Agreement dated as of January 1, 2001 (the "Reimbursement Agreement"), between the Bank and the City; and

Whereas, The execution and delivery of the Notes and of this Indenture have in all respects been duly authorized and all things necessary to make such Notes, when executed by the City and authenticated by the Trustee, the valid and binding legal obligations of the City and to make this Indenture a valid and binding agreement, have been done;

Now, Therefore, This Indenture Witnesseth, That to secure all Notes issued and outstanding under this Indenture, the payment of the principal of or purchase or redemption price thereof and interest thereon, the rights of the Noteholders and the performance and observance of all of the covenants contained in the Notes and herein, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Notes by the Noteholders, from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the City does hereby sell, assign, transfer, set over and pledge unto the Trustee, its successors in trust and its assigns forever, and grant to the Trustee, its successors in trust and its assigns forever a security interest in any monies, revenues, receipts, income, assets or funds of the City legally available for such purposes, all to the extent provided in this Indenture.

This Trust Indenture Further Witnesseth, That to provide for the security of the obligations of the City arising under the Reimbursement Agreement, the City does hereby sell, assign, transfer, set over and pledge unto the Trustee, its successors in trust and its assigns, for the benefit of the Bank, a security interest in any monies, revenues, receipts, income, assets or funds of the City legally available for such purposes, all to the extent provided in this Indenture.

To Have And To Hold, The same and any other revenues, property, contracts or contract rights, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, which may, by delivery, assignment or otherwise, be subject to the lien and security interest created by this Indenture.

In Trust Nevertheless, First, for the equal and ratable benefit and security of all present and future holders of Notes issued and to be issued under this Indenture, without preference, priority or distinction (except as otherwise specifically provided herein) of any one Note over any other Note and thereafter for the benefit of the Bank.

Provided, However, That if the City, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of and interest on the Notes due or to become due thereon, at the times and in the manner set forth in the Notes according to the true intent and meaning thereof, and shall cause the payments to be made on the Notes as required under Article II hereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee the entire amount due or to become due thereon, and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of this Indenture, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof to the extent provided herein and shall pay or cause to be paid the obligations under the Reimbursement Agreement and cause the Trustee to surrender the Letter of Credit to the Bank, then upon the final payment thereof this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture shall remain in full force and effect.

Article I.

Definitions.

Section 1.01 Definitions.

The terms defined in this section shall, for all purposes of this Indenture, have the meanings herein specified, unless the context clearly requires otherwise:

“Alternate Letter of Credit” means an irrevocable letter of credit delivered in accordance with Section 5.04 hereof.

“Authorized Denominations” means (a) while the notes bear interest at a weekly rate or a short-term intermediate rate, One Hundred Thousand Dollars (\$100,000) or any integral multiple thereof, provided that a single note may be issued in an

amount greater than One Hundred Thousand Dollars (\$100,000) in integral multiples of Five Thousand Dollars (\$5,000), and (b) while the notes bear interest at a fixed rate, Five Thousand Dollars (\$5,000) or any integral multiple thereof.

"Bank" means [name of bank] in its capacity as issuer of the letter of credit, its successors in such capacity and its assigns and, if an Alternate Letter of Credit has been issued in accordance with Section 5.04 hereof, "bank" shall mean the issuer of any Alternate Letter of Credit in its capacity as issuer of such Alternate Letter of Credit, its successors in such capacity and its assigns.

"Beneficial Owner" means the owner of a beneficial interest in notes registered in the name of Cede & Co., as nominee of the depository trust company (or a successor securities depository or nominee therefor).

"Bond Counsel" means one (1) or more firms of nationally recognized bond counsel designated by the Corporation Counsel of the City.

"Business Day" means any day of the year on which banks located in the city or cities, respectively, in which are located the principal offices of the trustee, the remarketing agent and the Bank are not required or authorized to remain closed and on which The New York Stock Exchange, Inc. is not closed.

"Chief Financial Officer" means the chief financial officer of the city appointed by the Mayor, or the City Comptroller of the city at any time a vacancy exists in the office of the chief financial officer.

"City" means the city of Chicago.

"City Council" means the governing body of the City as from time to time constituted.

"Code" means the Internal Revenue Code of 1986, as amended.

"Custody Account" means the account established on behalf of the Bank pursuant to Section 3.08 hereof.

"D.T.C." means the depository trust company, New York, New York, or any successor securities depository.

"Determination Date" means the date a fixed rate on the notes is established pursuant to Section 2.02(c)(i) hereof.

"Event of Default" means any of the events described in Section 7.01(a) hereof.

“Fixed Rate” means, with respect to any note, the interest rate on such note set in accordance with Section 2.02(c) hereof.

“Fixed Rate Period” means the fixed rate period as defined in Section 2.02(c)(ii) hereof.

“Government Obligations” means direct obligations of the United States of America.

“Indenture” means this trust indenture as amended or supplemented in accordance with the terms hereof.

“Interest Payment Date” is defined in the form of note attached hereto as (Sub)Exhibit A.

“Interest Period” is defined in the form of Note attached hereto as (Sub)Exhibit A.

“Interest Rate” means the rate or rates established from time to time for the notes pursuant to Section 2.02 hereof.

“Interest Rate Determination Method” means the method pursuant to which the Interest Rate is determined from time to time in accordance with Section 2.02 hereof.

“Letter of Credit” means the irrevocable letter of credit issued by the Bank upon the original issuance of the notes, except that upon the issuance and delivery of an Alternate Letter of Credit in accordance with Section 5.04 hereof, “Letter of Credit” means such Alternate Letter of Credit.

“Letter of Credit Fund” means the fund created by Section 5.02 hereof.

“Letter of Credit Note” means a note of the City issued pursuant to the reimbursement agreement.

“Moody’s” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the City in its place by notice to the trustee, the remarketing agent and the Bank.

“Notes” means the notes issued pursuant to this Indenture, as more fully described in Article II hereof.

"Note Fund" means the fund created by Section 5.01 hereof.

"Noteholder", "Owner" or "Holder" means the person in whose name any Note is registered on the registration books of the City kept by the trustee.

"Note Ordinance" means the ordinance duly adopted by the City Council on _____, 2000 authorizing the issuance, sale and delivery of the Notes.

"Notice by Mail" means a written notice mailed by first class mail to Noteholders at their addresses as shown on the registration books kept pursuant to Section 2.09 hereof.

"Opinion of Bond Counsel" means a written opinion of Bond Counsel.

"Outstanding", when used in reference to the Notes, means, at any particular date, the aggregate of all Notes authenticated and delivered under this Indenture except:

- (a) Notes cancelled at or prior to such date or delivered to or acquired by the trustee at or prior to such date for cancellation;

- (b) matured or redeemed Notes which have not been presented for payment in accordance with the provisions of this Indenture and for the payment of which the City has deposited funds with the trustee;

- (c) Notes purchased by the City for cancellation pursuant to Section 4.02 hereof; and

- (d) Notes in lieu of or in exchange or substitution for which other Notes shall have been authenticated and delivered pursuant to this Indenture.

"Permitted Investments" means any of the following obligations or securities permitted under state law:

- (a) interest-bearing general obligations of the United States, the state or the City;

- (b) United States treasury bills and other non-interest bearing general obligations of the United States when offered for sale in the open market at a price below the face value of same, so as to afford the City a return on such investment in lieu of interest;

- (c) short-term discount obligations of the United States Government or United States Government agencies;

(d) certificates of deposit of national banks or banks located within the City which are either (i) fully collateralized at least one hundred ten percent (110%) by marketable United States Government securities marked to market at least monthly, or (ii) secured by a corporate surety bond issued by an insurance company licensed to do business in the state and having a claims-paying rating in the top rating category as rated by a nationally recognized statistical rating organization and maintaining such rating during the term of such investment;

(e) banker's acceptances of banks and commercial paper of banks whose senior obligations are rated in the top two (2) rating categories by two (2) national rating agencies and maintaining such rating during the term of such investment;

(f) tax-exempt securities exempt from federal arbitrage provisions applicable to investments of proceeds of the City's tax-exempt debt obligations;

(g) domestic money market mutual funds, including those offered by the trustee or an affiliate thereof, in good standing with the Securities and Exchange Commission;

(h) any other suitable investment instrument permitted by state laws governing municipal investments generally, subject to the reasonable exercise of prudence in making investments of public funds; or

(i) any other obligation or security permitted under the reimbursement agreement.

All securities so purchased, excepting tax anticipation warrants, shall show on their face that they are fully payable as to principal and interest, where applicable, if any, within two (2) years from the date of purchase.

"Pledged Notes" means Notes held to the credit of the Custody Account pursuant to Section 3.08 hereof.

"Principal Office" means (i) with respect to the Bank, its principal office in _____ and the office at which drawings under the Letter of Credit are made, (ii) with respect to the trustee, its principal office in Chicago, Illinois, and (iii) with respect to the remarketing agent, the address supplied in writing by the remarketing agent to the City, the trustee and the Bank.

"Rating Agency" means _____.

"Record Date" is defined in the form of Note attached hereto as (Sub)Exhibit A.

“Reimbursement Agreement” means an agreement between the City and the Bank, pursuant to which the Letter of Credit is issued by the Bank and delivered to the trustee, and any and all modifications, alterations, amendments and supplements thereto.

“Remarketing Agent” means the remarketing agent, appointed by the City in accordance with Section 8.18 hereof.

“Remarketing Agreement” means the agreement among the City, the Remarketing Agent and the trustee entered into pursuant to Section 8.18 hereof, and any and all modifications, alterations, amendments and supplements thereto.

“Short-Term Intermediate Rate” means, with respect to any Note, the interest rate for such Note set in accordance with Section 2.02(b) hereof.

“Short-Term Intermediate Rate Period” means, with respect to any Note, the period (which may be from one (1) day to three hundred sixty-six (366) days) determined as provided in Section 2.02(b) hereof.

“Short-Term Rate” means a weekly rate or a Short-Term Intermediate Rate.

“State” means the state of Illinois.

“S & P” means Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies, Inc., its successors and their assigns, and, if such division shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S & P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the City in its place by notice to the trustee, the Remarketing Agent and the Bank.

“Supplemental Indenture” means any indenture modifying, altering, amending, supplementing or confirming this Indenture duly entered into in accordance with the terms hereof.

“Treasurer” means the duly acting treasurer of the City.

“Trustee” means [Name of Trustee] as trustee under this Indenture, and its successors and assigns.

“Weekly Rate” means, with respect to any Note, the interest rate for such Note set in accordance with Section 2.02(a) hereof.

Section 1.02 Construction.

This Indenture, except where the context by clear implication shall otherwise require, shall be construed and applied as follows:

- (a) All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa.
- (b) Pronouns include both singular and plural and cover all genders.
- (c) Any percentage of Notes, for the purposes of this Indenture, shall be computed on the basis of the Notes Outstanding at the time the computation is made or is required to be made hereunder.
- (d) Headings of sections herein are solely for convenience of reference and do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.
- (e) Unless otherwise expressly provided, all times specified herein shall mean New York City time.
- (f) The words "hereof", "herein", "hereto", "hereby" and "hereunder" (except in the form of the Note), refer to the entire Indenture.

Article II.

The Notes.

Section 2.01 Authorization Of Notes.

(a) Upon the execution and delivery of this Indenture, the City shall execute the Notes and deliver them to the Trustee for authentication. At the direction of the City, the Trustee shall authenticate the Notes and deliver them to the purchasers thereof. The Notes shall be designated "City of Chicago General Obligation Tender Notes, Series 2001A". The Notes shall be dated as provided in Section 2.05(e) hereof.

(b) The Notes shall be issued in the aggregate principal amount of \$_____, bear interest at the rate or rates established hereunder (not to exceed ___ percent (___%) per annum), shall mature on _____, and shall be subject to redemption and optional and mandatory tender as herein provided, for the purpose of providing funds to pay mounts appropriated for Corporate Fund and Chicago Public Library (Maintenance and Operation) Fund, Chicago Public Library (Building and Sites)

Fund and City Relief (General Assistance) Fund purposes for the year 2001.

(c) The total aggregate principal amount of Notes that may be issued under this Indenture is expressly limited to that authorized by Section 2.01(b) hereof.

(d) Distinct portions of the aggregate principal amount of the Notes (a "Sub-series") may bear interest at a Weekly Rate, a Short-Term Intermediate Rate or a Fixed Rate and one (1) or more other distinct portions of the Notes may bear interest at a different Short-Term Rate or a Fixed Rate, and, in addition, distinct Sub-series of the Notes may bear interest at distinct Short-Term Intermediate Rates for distinct Short-Term Intermediate Rate Periods; provided, however, that (i) each Sub-series shall not be less than Ten Million Dollars (\$10,000,000) in principal amount, and ii) the aggregate principal amount of all such Sub-series of Notes shall equal the aggregate principal amount of Outstanding Notes.

Section 2.02 Interest Rate Determination Methods For The Notes.

The Notes (or Sub-series, if applicable) shall bear interest at a Weekly Rate, a Short-Term Intermediate Rate or Fixed Rate determined by the Chief Financial Officer in accordance with the provisions of this Indenture. The determination of the Interest Rates on the Notes as provided in this Indenture shall be conclusive and binding upon the Noteholders. Commencing upon the delivery date of the Notes, the Notes shall bear interest at a Short-Term Intermediate Rate unless and until the Interest Determination Method for the Notes is changed to a different Interest Rate Determination method in accordance with this Indenture.

(a) Weekly Rate.

(i) Determination Of Weekly Rate. When interest on the Notes (or Sub-series, if applicable) is payable at a Weekly Rate, the Chief Financial Officer shall determine a Weekly Rate on Tuesday of each calendar week (if Tuesday is not a Business Day, then Monday; if Monday and Tuesday are not Business Days, then Wednesday whether or not a Business Day). Each Weekly Rate shall be the rate necessary (as determined by the Chief Financial Officer) for the Remarketing Agent to sell such Notes on the day the rate is set at one hundred percent (100%) of the principal amount of such Notes plus accrued interest, if any.

(ii) Duration Of Weekly Rate. Each Weekly Rate determined by the Chief Financial Officer shall be in effect from and including Wednesday of each week to and including the following Tuesday, whether or not such days are Business Days.

(iii) Notice Of Weekly Rate. The Chief Financial Officer shall give telephonic or facsimile notice (promptly confirmed in writing) of each Weekly Rate to the Trustee, the Remarketing Agent and the Bank not later than 4:00 P.M., New York City time, on the day each Weekly Rate is determined.

(iv) Weekly Rate Invalid Or Unenforceable. If for any reason the Chief Financial Officer does not set a Weekly Rate while the Notes (or Sub-series, if applicable) bear interest at a Weekly Rate, or a court holds that a Weekly Rate is invalid or unenforceable, then the Weekly Rate in effect for the immediately preceding week shall remain in effect.

(b) Short-Term Intermediate Rate.

(i) Determination Of Short-Term Intermediate Rate. When interest on the Notes (or Sub-series, if applicable) is payable at a Short-Term Intermediate Rate, the Chief Financial Officer shall establish the Short-Term Intermediate Rate for such Notes on the first Business Day of each Short-Term Intermediate Rate Period. Each Short-Term Intermediate Rate shall be the rate necessary (as determined by the Chief Financial Officer) for the Remarketing Agent to sell such Notes on the date such rate is set at one hundred percent (100%) of the principal amount of such Notes plus accrued interest, if any.

(ii) Determination Of Short-Term Intermediate Rate Period. Each Short-Term Intermediate Rate Period shall be determined by the Chief Financial Officer (which may be from one to three hundred sixty-six (366) days) based upon the Chief Financial Officer's judgment that the length of the Short-Term Intermediate Rate Period will be beneficial to the City. Interest on the Notes (or Sub-series thereof, if applicable) bearing interest at a Short-Term Intermediate Rate will accrue from the first day of the applicable Short-Term Intermediate Rate Period to and including the last day of such Period. Notwithstanding the foregoing, (x) the day following the last day of any Short-Term Intermediate Rate Period shall be a Business Day or the maturity date of the Notes, and (y) if the Chief Financial Officer has previously determined that the Notes (or Sub-series thereof, if applicable) are to bear interest at a rate other than the Short-Term Intermediate Rate effective as of a future date, no new Short-Term Intermediate Rate Period shall be established for such Notes unless the last day of such Short-Term Intermediate Rate Period occurs before the effective date of the change to such other rate, and (z) in no event shall the last day of any Short-Term Intermediate Rate Period be a date later than the sixteenth (16th) day preceding the then applicable expiration date of the Letter of Credit (unless such last day is a maturity date).

(iii) Notice Of Short-Term Intermediate Rate And Short-Term Intermediate Rate Period. The Chief Financial Officer shall give telephonic or facsimile notice (promptly confirmed in writing) of each Short-Term Intermediate Rate and Short-Term Intermediate Rate Period to the Trustee, the Remarketing Agent and the Bank not later than 11:00 A.M., New York City time, on the date such rate and period are determined.

(iv) Short-Term Intermediate Rate Or Short-Term Intermediate Rate Period Invalid Or Unenforceable. If for any reason the Chief Financial Officer does not set a Short-Term Intermediate Rate or the duration of a Short-Term Intermediate Rate Period while the Notes (or Sub-series, if applicable) bear interest at a Short-Term Intermediate Rate, or a court holds that a Short-Term Intermediate Rate or the duration of any Short-Term Intermediate Rate Period is invalid or unenforceable, then a thirty (30) day Short-Term Intermediate Rate Period for such Notes will follow, and the Short-Term Intermediate Rate for such Notes for such Short-Term Intermediate Rate Period shall be that annual rate of interest equal to eighty-five percent (85%) of the interest rate applicable to ninety (90) day United States Treasury bills determined on the basis of the average per annum discount rate at which such ninety (90) day United States Treasury bills shall have been sold at the most recent Treasury auction within the preceding thirty (30) days.

(c) Fixed Rate.

(i) Determination Of Fixed Rate. If the interest rate on the Notes (or Sub-series, if applicable) is initially established as a Fixed Rate, the interest rate on such Notes shall be established by the Chief Financial Officer no later than the date the Notes are initially issued. If the interest rate on the Notes (or Sub-series, if applicable) is changed to a Fixed Rate pursuant to Section 2.03 hereof, the Chief Financial Officer shall establish the Fixed Rate for such Notes not less than seven (7) nor more than fifteen (15) days before the effective date of such Fixed Rate. The Fixed Rate shall be the rate necessary (as determined by the Chief Financial Officer on the date such rate is established) for the City to sell the Notes on the date such rate is set at one hundred percent (100%) of the principal amount thereof plus accrued interest, if any.

(ii) Fixed Rate Period. The Fixed Rate shall remain in effect from its effective date to the maturity date of the Notes (the "Fixed Rate Period").

(iii) Notice Of Fixed Rate. If the interest rate on any Notes is changed to a Fixed Rate pursuant to Section 2.03 hereof, the Chief Financial Officer shall give telephonic or facsimile notice (promptly confirmed in writing) of such Fixed Rate to the Trustee, the Remarketing Agent and the Bank not later than 4:00 P.M., New York City time, on the date the Fixed Rate is determined.

(iv) Conditions To Fixed Rate Not Satisfied. If any condition to a change in the Interest Rate Determination Method to the Fixed Rate for the Notes (or Sub-series, if applicable) pursuant to Section 2.03 hereof shall not have been satisfied on the effective day of the proposed Fixed Rate Period, such change shall not be effective, and the Notes shall bear interest at a Weekly Rate commencing on the day that was to be the first (1st) day of the proposed Fixed Rate Period and lasting until another Interest Rate Determination Method is validly established for such Notes hereunder.

Section 2.03 Change In Interest Rate Determination Method.

(a) Change Directed By The City. The City may, acting through the Chief Financial Officer, change the Interest Rate Determination Method for the Notes (or Sub-series, applicable) by notifying the Trustee, the Bank and the Remarketing Agent at least sixteen (16) days prior the proposed effective date of such change. Such notice shall contain (i) the effective date of the new Interest Rate Determination Method (which effective date must be a current Interest Payment Date for the Notes, and if the Notes currently bear interest at a Short-Term Intermediate Rate, the effective date of any new Interest Rate Determination Method may not be earlier than the end of any effective Short-Term Intermediate Rate Period), (ii) the new Interest Rate Determination Method, and (iii) if the change is to a Fixed Rate, the Determination Date. If the change is to a Fixed Rate, the notice must be accompanied by an Opinion of Bond Counsel stating the change is not prohibited by the laws of the State or this Indenture and will not adversely affect the exclusion of interest on the Notes from the gross income of the owner thereof for federal income tax purposes under the Code. If the Chief Financial Officer's notice complies with this paragraph, interest on such Notes will become payable on the basis of the new Interest Rate Determination Method on the effective date specified in the notice unless and until the Interest Rate Determination Method is changed as provided in this section.

(b) Change Directed By The Remarketing Agent. If directed to do so by the Chief Financial Officer, the Remarketing Agent shall consider whether the Interest Rate Determination Method for the Notes (or Sub-series, if applicable) should be changed to a different Short-Term Rate because in the Remarketing Agent's judgment, conversion to a different Short-Term Rate will be beneficial to the market for, or the relative yield of, such Notes. If a change is to be made, the Remarketing Agent will promptly so notify the Trustee, the City and the Bank and will specify the

effective date of the change, which effective date must be a current Interest Payment Date for the Notes and shall not be before the end of any effective Short-Term Intermediate Rate Period for such Notes. For purposes of this Section 2.03(b), the Remarketing Agent's determination that a different Short-Term Rate will be "beneficial to the market for, or relative yield of, the Notes" shall be based upon (i) the performance of such Notes, measured by market supply and demand and yield, relative to other securities which bear interest at the current rate or the other Short-Term Rate or which, in the judgment of the Remarketing Agent, are otherwise comparable to such Notes, or (ii) any fact or circumstance relating to such Notes or affecting the market for such Notes or affecting such other comparable securities in a manner which in the judgment of the Remarketing Agent will affect the market for such Notes, which in any event leads the Remarketing Agent to conclude that such Notes should bear interest at the Short-Term Rate specified in such notice. As used in this Section 2.03(b), "beneficial" means beneficial to the City. The Remarketing Agent may use or not use any inputs and resources it deems appropriate, which may but need not include conversations with the City, and will make its decision based solely upon its judgment. On the effective date specified in such notice, unless a different determination shall have been made by the Remarketing Agent hereunder or by the City pursuant to paragraph (a) above, such Notes shall bear interest at the Short-Term Rate specified in such notice.

The Remarketing Agent will not have any obligation, responsibility or liability of any kind to the Noteholders, the Trustee, the City, the Bank or to any other person with respect to any determination that the Notes (or Sub-series, if applicable) will or will not bear interest at the current or any other Short-Term Rate, including but not limited to any omission by the Remarketing Agent to consider any facts or circumstances or any resources or inputs, it being the intent of this Indenture that the Remarketing Agent may, in its unrestricted judgment, choose to consider no inputs or resources other than its own expertise.

(c) Limitations On Changes In Interest Rate Determination Method. Any change in the method of determining interest on the Notes (or Sub-series, if applicable) pursuant to either Section 2.03(a) or (b) above must comply with the following:

(i) if a Short-Term Intermediate Rate is then in effect, the effective date of any change must be the day following the last day of the Short-Term Intermediate Rate Period of all Notes or applicable Sub-series;

(ii) if a Weekly Rate is then in effect, the effective date of any change must be the first (1st) Business Day of a month; and

(iii) no change shall be made in the Interest Rate Determination Method if the Trustee shall receive written notice prior to such change that the Opinion of Bond Counsel required under Section 2.03(a) has been withdrawn. If the Trustee shall

have sent any notice to the Noteholders regarding a change in Interest Rate Determination Method under Section 2.03(d), then in the event of such withdrawal of opinion, the Trustee shall promptly notify all Noteholders of such withdrawal.

(d) Notice To Noteholders Of Change In Interest Rate Determination Method. When a change in the Interest Rate Determination Method is to be made as to the Notes (or Sub-series, if applicable), the Trustee will notify the Owners of such Notes by Notice by Mail at least fourteen (14) but not more than sixty (60) days before the effective date of the change. The notice will be accompanied by the Opinion of Bond Counsel if required by Section 2.03(a). The notice will state:

(i) that the Interest Rate Determination Method will be changed and what the new method will be;

(ii) the effective date of the new Interest Rate Determination Method;

(iii) a description of the new Interest Rate Determination Method, including a statement that the Remarketing Agent will provide each new rate (and Short-Term Intermediate Rate Period when applicable) upon request;

(iv) the applicable Interest Payment Dates and Record Dates;

(v) whether Owners of such Notes have a right to tender their Notes while such Notes bear interest at the new Interest Rate Determination Method; and

(vi) that such Notes will be subject to mandatory tender for purchase on the effective date of the change.

In addition, if the change is to a Fixed Rate, the notice will state:

(i) the Determination Date;

(ii) that the Remarketing Agent will provide the Fixed Rate upon request and describing how to make such request;

(iii) the end of the Fixed Rate Period, which shall be the maturity date of the Notes;

(iv) any ratings assigned the Notes by the Rating Agencies effective on the change;

(v) that during the Fixed Rate Period there will be no right to tender the Notes;

(vi) that the Notes are not subject to redemption at the option of the City during the Fixed Rate Period; and

(vii) that during the Fixed Rate Period Notes will be issued in denominations of Five Thousand Dollars (\$5,000) or integral multiples thereof.

In addition, if the change is to a Short-Term Intermediate Rate, the notice will state:

(i) that during the Short-Term Intermediate Rate Period there will be no right to tender such Notes at the option of the Owner thereof;

(ii) that such Notes are not subject to redemption at the option of the City during the Short-Term Intermediate Rate Period; and

(iii) that on the first (1st) Business Day following the last day of each Short-Term Intermediate Rate Period for such Notes, each such Note will be subject to mandatory tender for purchase without further notice.

Section 2.04 Calculation Of Interest Due On Notes.

The Trustee will calculate the amount of interest payable on the Notes from the Interest Rates supplied to the Trustee by the person setting them and will confirm such amounts when calculated with the Remarketing Agent. The Trustee will confirm any Interest Rate by telephone or in writing to any Noteholder who requests it in writing. The calculation of the interest payable on the Notes as provided in this Indenture will be conclusive and binding on all parties, including the holders of the Notes.

Section 2.05 Form, Payment And Dating Of Notes; Authorized Denominations.

(a) The Notes and the certificate of authentication to be executed on the Notes by the Trustee are to be in substantially the form thereof set forth in (Sub)Exhibit A hereto, with necessary or appropriate variations, omissions and insertions as permitted or required by this Indenture.

(b) The Notes shall be issuable only as fully registered Notes in Authorized Denominations. Notes shall be numbered from one (1) consecutively upwards and shall contain an appropriate prefix to such numbers to identify such Notes.

(c) The principal or redemption price of each Note shall be payable upon surrender of such Note at the Principal Office of the Trustee. Payments of principal or redemption price of the Notes shall be payable in immediately available funds except as provided in paragraph (d)(iv) below. Such payments shall be made to the Owner of the Note so surrendered, as shown on the registration books maintained by the Trustee on the applicable Record Date.

(d) Each Note shall bear interest and be payable as to interest as follows:

(i) Each Note shall bear interest (at the applicable rate determined pursuant to Article II hereof) from the date of authentication, if authenticated on an Interest Payment Date to which interest has been paid, or from the last preceding Interest Payment Date to which interest has been paid (or the date of original issuance of the Notes if no interest thereon has been paid) in all other cases.

(ii) Subject to the provisions of subparagraph (iii) below, the interest due on any Note on any Interest Payment Date shall be paid to the Noteholder of such Note as shown on the registration books kept by the Trustee on the applicable Record Date. The amount of interest so payable on any Interest Payment Date shall be computed by the Trustee on the basis of a three hundred sixty-five (365) or three hundred sixty-six (366) day year as applicable for the number of days actually elapsed while the Notes bear interest at a Weekly Rate or a Short-Term Intermediate Rate, and on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months while the Notes bear interest at a Fixed Rate.

(iii) If the available funds under this Indenture or the Letter of Credit are insufficient on any Interest Payment Date to pay the interest then due, the regular applicable Record Date shall no longer be applicable with respect to the Notes. If sufficient funds for the payment of such overdue interest thereafter become available, the Trustee shall immediately establish a special interest payment date for the payment of the overdue interest and a special record date (which shall be a Business Day) for determining the Noteholders entitled to such payments. Notice of each date so established shall be mailed by the Trustee to each Noteholder at least ten (10) days prior to the special record date, but not more than thirty (30) days prior to the special interest payment date. The overdue interest shall be paid on the special interest payment date to the Noteholders, as shown on the registration books kept by the Trustee as of the close of business on the special record date.

(iv) All payments of interest on the Notes shall be paid to the persons entitled thereto pursuant to Section 2.05(d)(ii) or (iii) above by the Trustee on the Interest Payment Date or special interest payment date, as applicable, (x) upon instructions to the Trustee from such person entitled to payment in immediately available funds (by federal funds check or by deposit to the account of the Owner of Notes if such Owner maintains an account with the Trustee or, upon request

of any Owner of Notes in the principal amount of One Million Dollars (\$1,000,000) or more, by federal funds wire) on the Interest Payment Date or special interest payment date, as applicable, according to such instructions, or (y) if no instructions are given as aforesaid, by clearinghouse funds check or draft mailed on the Interest Payment Date or special interest payment date, as applicable, to the persons entitled thereto at such address appearing on the registration books of the Trustee or such other address as has been furnished to the Trustee in writing by such person.

(v) The payment of the purchase price of Notes tendered pursuant to Section 3.01 or 3.02 shall be made in immediately available funds to the tendering Noteholder in the same manner as interest on Notes pursuant to subparagraph (iv) above.

(e) All Notes will be dated the date of their original issuance.

(f) Interest on the Notes will accrue and be payable during the periods and at the times provided for in the form of the Notes.

Section 2.06 Execution Of Notes.

Each of the Notes shall be signed and executed on behalf of the City by the manual or facsimile signature of the Mayor and the manual or facsimile signature of the Chief Financial Officer of the City and attested by the manual or facsimile signature of its City Clerk, and the corporate seal of the City shall be impressed, printed or lithographed on each Note. The Notes bearing the manual or facsimile signatures of individuals who were at the time of the execution thereof the proper officers of the City shall bind the City notwithstanding that such individuals shall cease to hold such offices prior to the registration, authentication or delivery of such Notes or shall not have held such offices at the dated date of such Notes.

Section 2.07 Delivery And Registration.

No Note shall be entitled to any right or benefit under this Indenture, or be valid or obligatory for any purpose, unless there appears on such Note a certificate of authentication substantially in the form provided in (Sub)Exhibit A hereto, executed by the Trustee by manual signature, and such certificate upon any such Note shall be conclusive evidence that such Note has been duly authenticated, registered and delivered.

Section 2.08 Lost, Destroyed, Improperly Cancelled Or Undelivered Notes.

If any Note, whether in temporary or definitive form, is lost (whether by reason of theft or otherwise), destroyed (whether by mutilation, damage or otherwise) or improperly cancelled, the Trustee may authenticate a new Note of like series, date and denomination and bearing a number not contemporaneously outstanding; provided that (a) in the case of any mutilated Note, such mutilated Note shall first be surrendered to the Trustee and (b) in the case of any lost Note or Note destroyed in whole, there shall be first furnished to the Trustee evidence of such loss or destruction, together with indemnification satisfactory to the City, the Trustee and the Bank. In the event any lost, destroyed or improperly cancelled Note shall have matured or is about to mature, or has been called for redemption, instead of issuing a duplicate Note, the Trustee shall pay the same without surrender thereof if there shall be first furnished to the Trustee evidence of such loss, destruction or cancellation, together with indemnification satisfactory to the City, the Trustee and the Bank. Upon the issuance of any substitute Note, the Trustee may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto. The Trustee may charge the Noteholder reasonable fees and expenses in connection with any transaction described in this Section 2.08, except for improper cancellation by the Trustee.

If the City elects to purchase for cancellation any Note tendered for purchase as provided in Section 4.02(a) and funds are deposited with the Trustee sufficient for the purchase, whether or not the Note subject to tender is ever delivered, interest on such Note shall cease to be payable to the prior holder thereof from and after the purchase date, such holder shall cease to be entitled to the benefits or security of this Indenture and shall have recourse solely to the funds held by the Trustee for the purchase of such Note and the Trustee shall not register any further transfer of such Note by such prior holder.

All Notes shall be owned upon the express condition that, to the extent permitted by law, the foregoing provisions are exclusive with respect to the replacement or payment of lost, destroyed or improperly cancelled Notes, notwithstanding any law or statute now existing or hereafter enacted.

Section 2.09 Transfer, Registration And Exchange Of Notes.

The Trustee shall maintain and keep, at its Principal Office, books for the registration and transfer of Notes, which at all reasonable times shall be open for inspection by the City.

The transfer of any Note shall be registered upon the books of the Trustee at the written request of the Noteholder or its attorney duly authorized in writing, upon surrender thereof at the Principal Office of the Trustee, together with a written

instrument of transfer satisfactory to the Trustee duly executed by the Noteholder or its duly authorized attorney.

The City, the Trustee and the Remarketing Agent may deem and treat the Noteholder as the absolute owner of such Note, whether such Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on, or the purchase price of, such Note and for all other purposes, and neither the City, the Trustee nor the Remarketing Agent shall be affected by any notice to the contrary. All such payments so made to any such Noteholder shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note, upon surrender thereof at the Principal Office of the Trustee may, at the option of the Noteholder, be exchanged for an equal aggregate principal amount of Note or Notes of any Authorized Denomination of the same series and bearing interest pursuant to the same Interest Rate Determination Method as the Note being surrendered.

In all cases in which the privilege of exchanging Notes or registering the transfer of Notes is exercised, the City shall execute and the Trustee shall authenticate and deliver Notes in accordance with the provisions of this Indenture. For every such exchange or registration of transfer of Notes, whether temporary or definitive, the Trustee may make a charge in an amount sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, which sum or sums shall be paid by the person requesting such exchange or registration of transfer as a condition precedent to the exercise of the privilege of making such exchange or registration of transfer. During the Fixed Rate Period for such Notes, the Trustee shall not be obligated to make any such exchange or registration of transfer of Notes during the ten (10) days next preceding the date of the mailing of notice of any redemption of Notes nor shall the Trustee be required to make any exchange or registration of transfer of any Notes called for redemption.

Section 2.10 Temporary Notes.

Pending the preparation of definitive Notes, the City may execute and the Trustee shall authenticate and deliver temporary Notes. Temporary Notes may be issuable as Notes of any Authorized Denomination and substantially in the form of the definitive Notes but with omissions, insertions and variations as may be appropriate for temporary Notes, all as may be approved by the City, as evidenced by the execution and delivery thereof. Temporary Notes may contain such reference to any provisions of this Indenture as may be appropriate. Every temporary Note shall be executed by the City and be authenticated by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Notes.

As promptly as practicable the City shall execute and shall furnish definitive Notes and thereupon temporary Notes may be surrendered in exchange therefor without charge at the Principal Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Notes a like aggregate principal amount of definitive Notes of Authorized Denominations. Until so exchanged the temporary Notes shall be entitled to the same benefits under this Indenture as definitive Notes.

Section 2.11 Cancellation Of Notes.

All Notes which shall have been surrendered to the Trustee for payment or redemption, and all Notes which shall have been surrendered to the Trustee for exchange or registration of transfer, shall be cancelled by the Trustee and cremated or otherwise destroyed, and counterparts of a certificate of destruction evidencing such cremation or other destruction shall be furnished by the Trustee to the City. The Trustee shall furnish to the City, the Bank and the Remarketing Agent, a certificate evidencing any such cancellation and specifying such Notes by number.

Section 2.12 Book-Entry Provisions:

(a) Except as provided in paragraph (c) below, the Noteholder of all of the Notes shall be The Depository Trust Company ("D.T.C."), and the Notes shall be registered in the name of Cede & Co., as nominee for D.T.C.. Payment of interest for any Note registered in the name of Cede & Co. shall be made by wire transfer of immediately available funds to the account of Cede & Co. on the applicable Interest Payment Date for the Notes at the address indicated for Cede & Co. in the registration books of the City kept by the Trustee.

(b) The Trustee, the Remarketing Agent and the City may treat D.T.C. (or its nominee) as the sole and exclusive Noteholder of the Notes registered in its name for the purposes of payment of the principal of or interest on, or redemption or purchase price of, the Notes, selecting the Notes or portions thereof to be redeemed or purchased, giving any notice permitted or required to be given to Noteholders under this Indenture, registering the transfer of Notes, obtaining any consent or other action to be taken by Noteholders and for all other purposes whatsoever; and neither the Trustee, the Remarketing Agent nor the City shall be affected by any notice to the contrary. Except as otherwise provided in paragraph (c) below, no Beneficial Owner shall receive an authenticated Note. Upon delivery by D.T.C. to the Trustee of written notice to the effect that D.T.C. has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Indenture with respect to transfers of Notes, the words "Cede & Co." in this Indenture shall refer to such new nominee of D.T.C.

(c) In the event the Noteholder of all the Notes shall be D.T.C. and the City

determines to discontinue D.T.C.'s book-entry system, the City may notify D.T.C., the Trustee, the Bank and the Remarketing Agent, whereupon D.T.C. will notify its participating organizations (the "Participants") of the availability through D.T.C. of certificated Notes. In such event, the Trustee shall issue, transfer and exchange Note certificates as requested by D.T.C. in appropriate amounts in accordance with the provisions of this Indenture. D.T.C. may determine to discontinue providing its services with respect to the Notes at any time by giving written notice to the City, the Trustee and the Remarketing Agent and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the City and the Trustee shall be obligated (at the sole cost and expense of the City) to make available for delivery Note certificates as described in this Indenture. Whenever D.T.C. requests the City and the Trustee to do so, the City will direct the Trustee (at the sole cost and expense of the City) to cooperate with D.T.C. in taking appropriate action after reasonable notice (i) to make available one (1) or more separate certificates evidencing the Notes to any Participant having Notes credited to its D.T.C. account or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Notes.

(d) So long as any Note is registered in the name of Cede & Co., as nominee of D.T.C. all payments with respect to the principal of and interest on, and redemption or purchase price of, such Note and all notices with respect to such Note shall be made and given, respectively, to D.T.C. or its nominee as provided in the City's representation letter to D.T.C.

(e) In connection with any notice or other communication to be provided to Noteholders pursuant to this Indenture by the City or the Trustee, or by the Trustee with respect to any consent or other action to be taken by Noteholders, the City or the Trustee, as the case may be, shall establish a record date for such consent or other action and give D.T.C. notice of such record date not fewer than fifteen (15) calendar days in advance of such record date to the extent possible. Such notice to D.T.C. or its nominee shall be given only when D.T.C. is the sole Noteholder.

(f) Neither the City, the Trustee nor the Remarketing Agent will have any responsibility or obligation to the Participants or the Beneficial Owners with respect to (i) the accuracy of any records maintained by D.T.C. or any Participant; (ii) the payment by D.T.C. or any Participant of any amount due to any Beneficial Owner in respect of the principal of or interest on, or redemption or purchase price of, the Notes; (iii) the delivery by D.T.C. or any Participant of any notice to any Beneficial Owner which is required or permitted under the terms of this Indenture to be given to Noteholders; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Notes; (v) the delivery of Notes upon tender thereof; or (vi) any consent given or other action taken by D.T.C. as Noteholder.

(g) So long as Cede & Co. is the registered owner of the Notes, as nominee of D.T.C., references herein to the Noteholders or holders of the Notes or Owners of Notes shall mean Cede & Co. and shall not mean the Beneficial Owners of the Notes.

(h) So long as Cede & Co. is the registered owner of the Notes:

(i) selection of Notes to be redeemed upon partial redemption, presentation of Notes to the Trustee upon partial redemption, delivery of Notes to the Trustee in connection with an optional or mandatory tender, or redelivery of such Notes by the Trustee to Noteholders following a remarketing or failed conversion to the Fixed Rate shall be deemed made when the right to exercise ownership rights in such Notes through D.T.C. or D.T.C.'s Participants is transferred by on D.T.C.'s books;

(ii) notice of a demand for purchase of Notes pursuant to Section 3.01 hereof shall be given by the Beneficial Owner of such Notes exercising ownership rights through D.T.C. or D.T.C.'s Participants by telephonic notice (confirmed in writing) or written notice;

(iii) any notices of the interest rate on the Notes to be provided by the Trustee shall be provided to anyone identifying itself to the Trustee as a person entitled to exercise ownership rights with respect to such Notes through D.T.C. or its Participants;

(iv) D.T.C. may present notices, approvals, waivers or other communications required or permitted to be made by Noteholders under this Indenture on a fractionalized basis on behalf of some or all of those persons entitled to exercise ownership rights in the Notes through D.T.C. or its Participants;

(v) Notes held in the Custody Account on the records of D.T.C. will be registered in the name of the Trustee, or its nominee, as collateral security for the Bank; and

(vi) Nothing contained in this Indenture shall limit or restrict the ability of the Trustee to effect the provisions of this Section 2.12 by or through one (1) or more agents selected by the Trustee in the exercise of its reasonable discretion; provided, however, the retention of one (1) or more agents for such purpose shall not relieve the Trustee of any duty or responsibility contained in this Indenture.

Section 2.13 Application Of Proceeds Of The Notes.

The proceeds of the sale of the Notes shall be deposited with the Treasurer and used to make deposits into the following funds of the City in the following amounts for the purpose of paying amounts appropriated for such funds for the year 2001:

Fund	Amount
Corporate Fund	\$
Chicago Public Library Fund (Maintenance and Operation)	\$
Chicago Public Library Fund (Building and Sites)	\$
City Relief Fund (General Assistance)	\$

Article III.

*Optional And Mandatory Tenders Of Notes;
Remarketing Of Purchased Notes.*

Section 3.01 Optional Tender Of Notes.

Holders of Notes bearing interest at a Weekly Rate shall have the right to tender a Note, or a portion thereof, provided that such portion is an Authorized Denomination, for purchase at a purchase price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest, if any, to the date of purchase and to receive payment of the purchase price therefor, all as provided in the form of the Notes attached hereto as (Sub)Exhibit A.

Section 3.02 Mandatory Tender Of Notes.

The Notes are subject to mandatory tender and are required to be tendered to the Trustee for purchase at a purchase price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest, if any, as follows:

- (i) When the Notes (or Sub-series, if applicable) bear interest at a Short-Term Intermediate Rate, each such Note shall be subject to mandatory tender for purchase on each Interest Payment Date for such Note;
- (ii) On the effective date of any change in the Interest Rate Determination Method for the Notes (or Sub-series, if applicable); and

(iii) On the fifth (5th) Business Day prior to the then applicable scheduled expiration date of the Letter of Credit if on the fifteenth (15th) day preceding the scheduled expiration date of the Letter of Credit occurring prior to the final maturity of the Notes, the Letter of Credit has not been extended or an Alternate Letter of Credit has not been delivered.

Section 3.03 Purchase Of Tendered Notes.

(a) In performing its duties under this Article III, the Trustee shall act as a conduit and not be considered to be purchasing Notes for its own account. No acceptance of Notes by the Trustee hereunder shall effect any merger or discharge of the indebtedness of the City evidenced by the Notes. The Trustee shall accept all Notes properly tendered to it for purchase in accordance with the provisions of the Notes as set forth in the form of Note attached hereto as (Sub)Exhibit A; provided, however, that the Trustee shall not accept any Notes tendered if at the time of the tender the principal of the Notes shall have been accelerated pursuant to Section 7.01 of this Indenture.

(b) The Trustee shall establish a special trust fund designated as the Purchase Fund. The Trustee shall hold all Notes delivered to it in trust for the benefit of the respective Noteholders delivering such Notes until monies representing the purchase price of such Notes have been delivered to or for the account of such Noteholders. The Trustee shall hold all monies delivered to it for the purchase of Notes in such fund in trust and without investment, solely for the benefit of the persons delivering such monies until the Notes purchased with such monies have been delivered to or for the account of such persons. The City hereby authorizes and directs the Trustee to withdraw sufficient funds from the Purchase Fund to pay the purchase price of tendered Notes as the same becomes due and payable, which authorization and direction the Trustee accepts.

Section 3.04 Remarketing Of Tendered Notes; Payment Of Purchase Price.

(a) The Remarketing Agent shall use its best efforts to remarket tendered Notes at a price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest, if any.

(b) Upon receipt of a duly tendered written notice of an optional tender of Notes conforming to the requirements in the form of Note attached hereto as (Sub)Exhibit A, the Trustee shall notify the Remarketing Agent, the Bank and the City of the principal amount of Notes tendered and the date fixed for purchase.

(c) Prior to 11:00 A.M., New York City time, on each purchase date (whether optional or mandatory), the Remarketing Agent shall give telephonic or facsimile

notice (promptly confirmed in writing) to the Bank, the City and the Trustee of the principal amount of such Notes remarketed, the names, addresses and taxpayer identification numbers of the purchasers and the denominations in which the Notes are to be issued to each purchaser. If less than all of the Notes to be tendered on such purchase date have been remarketed, the Remarketing Agent shall, in addition, notify the Trustee, the Bank and the City prior to 11:00 A.M., New York City time, on the purchase date, of the principal amount of Notes which have not been remarketed and the amount of accrued interest to be paid on such Notes on such purchase date. Purchasers of Notes which have been remarketed shall be required to deliver the purchase price thereof directly to the Remarketing Agent for delivery to the Trustee for deposit in the Purchase Fund not later than 11:00 A.M., New York City time, on the purchase date. By 12:00 Noon, New York City time, on the purchase date, the Trustee shall notify the Remarketing Agent, the City and the Bank of any Notes which have been remarketed and for which payment has not been received.

(d) By 12:30 P.M., New York City time, on the purchase date (whether optional or mandatory), the Trustee shall draw upon the Letter of Credit in an amount equal to the purchase price of: (1) any tendered Notes not remarketed; and (2) any tendered Notes remarketed and for which payment has not been received.

(e) Any Note tendered for purchase after the date on which the Trustee has notified the Noteholders of a change in Interest Rate Determination Method in accordance with the provisions of Section 2.03 hereof shall not be remarketed unless the purchaser has been notified of the change in Interest Rate Determination Method. Any such notice shall contain the same provisions as the notice required of the Trustee pursuant to Section 2.03(d) of this Indenture. Any purchaser so notified must deliver a notice to the Trustee stating that such purchaser will tender his Notes for purchase on the effective date of the change in Interest Rate Determination Method, and agreeing not to resell the Notes before such date.

Section 3.05 Funds For Purchase Price Of Notes.

On the date Notes are to be purchased pursuant to the provisions of this Indenture, the Trustee shall deliver the purchase price to the tendering Noteholder only from the funds listed below, in the order of priority indicated:

(a) the proceeds of the sale of such Notes which have been remarketed by the Remarketing Agent to any person other than the City and delivered to the Trustee by 11:00 A.M., New York City time, on the purchase date;

(b) monies drawn under the Letter of Credit (which shall include amounts held in the Letter of Credit Fund to the extent of amounts held therein); and

(c) monies deposited by the City with the Trustee pursuant to this Indenture.

Section 3.06 Delivery Of Purchased Notes.

The Trustee shall make available by 1:30 P.M., New York City time, on a purchase date (whether optional or mandatory), at its Principal Office, Notes purchased with monies described in Section 3.05(a) hereof for receipt by the purchaser thereof. Notes purchased with monies described in Section 3.05(a) hereof shall be registered in the manner directed by the Remarketing Agent and delivered to the Remarketing Agent for redelivery to the purchasers thereof. Notes purchased with monies described in Section 3.05(b) hereof shall be held by the Trustee, and registered by the Trustee in the name of the City indicating their status as Pledged Notes pursuant to Section 3.08 hereof. Notes purchased with monies described in Section 3.05(c) hereof shall be registered in the name of the City and held for the account of the City.

Section 3.07 Delivery Of Proceeds Of Sale Of Purchased Notes.

Except in the case of the sale of any Pledged Notes, the proceeds of the sale of any Notes, to the extent not required to pay the purchase price thereof, shall be paid to or upon the order of the City.

Section 3.08 Custody Account.

(a) There is hereby created by the City and ordered established with the Trustee a separate and segregated trust account to be designated the Custody Account.

(b) If any Note is purchased by the Trustee pursuant to Section 3.03 hereof with monies drawn under the Letter of Credit pursuant to Section 3.05(b) hereof, that Note shall be delivered to and held by the Trustee, shall be registered in the name of the City (and shall thereafter constitute a Pledged Note until released as herein provided), shall be deposited in the Custody Account, and shall be released only upon receipt by the Trustee of (i) an amount equal to the principal amount thereof plus accrued interest, if any, thereon to the date of purchase, and (ii) evidence satisfactory to the Trustee that either (A) the Letter of Credit has been (or simultaneously with the release of the Pledged Note from the Custody Account, will be) reinstated or (B) an Alternate Letter of Credit has been issued, in each case in the amount required by Section 5.03 of this Indenture; provided, however, that in connection with such reinstatement of the Letter of Credit or issuance of an Alternate Letter of Credit if the Notes bear interest at a Short-Term Intermediate Rate or a Fixed Rate and the stated amount of the Letter of Credit or Alternate Letter of Credit has not been increased in accordance with the last sentence of Section

5.03(d) hereof, sufficient amounts shall be drawn under the Letter of Credit and deposited into the Letter of Credit Fund (and the Bank reimbursed therefor) so that the amount then held in the Letter of Credit Fund is not less than the amount that would have been deposited in such Fund as a result of draws pursuant to Section 5.03(d) hereof if such Note did not constitute a Pledged Note hereunder; provided, further, however, that no single draw pursuant hereto may be made with respect to more than fifty-nine (59) days interest on the Notes being remarketed at the maximum rate of interest used for purposes of calculating the stated amount of the Letter of Credit. The Remarketing Agent shall use its best efforts to remarket Pledged Notes. If the Remarketing Agent remarkets any Pledged Note, the Remarketing Agent shall give the notice described in the first sentence of Section 3.04(c) hereof, and shall direct the purchaser of such Pledged Note to transfer on the purchase date, the purchase price of such remarketed Pledged Note directly to the Remarketing Agent for delivery to the Trustee not later than 11:00 A.M., New York City time, on the purchase date. The Remarketing Agent shall deliver remarketed Pledged Notes to the purchasers thereof in accordance with Section 3.06 hereof.

(c) The proceeds of the remarketing of Pledged Notes or purchase of Pledged Notes by the City shall be deposited into the Custody Account and held by the Trustee for the account of, and in trust solely for, the Bank, shall not be commingled with any other monies held by the Trustee, and shall be paid over immediately to the Bank.

(d) On each Interest Payment Date prior to the release of Pledged Notes held in the Custody Account, the Trustee shall apply monies in the applicable account of the Note Fund to the payment of principal of and interest on such Pledged Notes, but shall not draw on the Letter of Credit or use monies in the Letter of Credit Fund for such purpose to any extent whatsoever; and the Trustee shall receive for the account of the Bank the interest and principal paid in respect of such Pledged Notes held in the Custody Account, and immediately upon such receipt the Trustee shall pay such interest and principal over to the Bank; provided, however, that if at such time the Trustee has been notified in writing by the Bank that there shall not remain any amount due and owing to the Bank under the Reimbursement Agreement, such interest and principal payments shall be paid over to the City.

(e) If, on any date prior to the release of Pledged Notes held in the Custody Account, all Notes are called for redemption pursuant to Article IV hereof, or the Trustee declares an acceleration of the Notes pursuant to Section 7.01 hereof, Pledged Notes held in the Custody Account shall be deemed to have been paid, and shall thereupon be cancelled by the Trustee.

(f) It is recognized and agreed by the Trustee that while it holds Pledged Notes, such Pledged Notes are held by the Trustee for the benefit of the Bank as a first priority secured creditor.

Article IV.

Redemption And Purchase Of Notes By City.

Section 4.01 Redemption Of Notes Prior To Maturity.

The Notes shall be subject to redemption prior to maturity at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest, if any, to the date of redemption, as follows:

(a) Any Notes bearing interest at a Weekly Rate shall be subject to redemption prior to maturity in whole or in part at the option of the City on the first (1st) Business Day of any month.

(b) Any Notes bearing interest at a Short-Term Intermediate Rate or a Fixed Rate shall not be subject to optional redemption by the City.

(c) All Notes shall be subject to mandatory redemption by the City (i) in the event that the Trustee receives written notice from the Bank not later than ten (10) calendar days from the date of a drawing that the Letter of Credit in respect of such Notes will not be reinstated in accordance with the provisions of the Letter of Credit or (ii) if the Trustee receives written notice from the Bank that an event of default has occurred under the Reimbursement Agreement. If notice of either of such events shall have been received by the Trustee, the Notes shall be called for mandatory redemption in accordance with the provisions of Section 4.03(b) hereof and the Trustee shall promptly notify the City and the Remarketing Agent that it has received such notice from the Bank.

(d) The Notes shall be subject to mandatory redemption on the sixtieth (60th) day after the last date for payment without interest or penalty of the taxes levied by the City to pay the amounts appropriated for the funds referred to in Section 2.01 hereof. If such day is not a Business Day, such redemption shall occur on the first (1st) Business Day next prior to such day. Any such mandatory redemption shall include all Notes, whether bearing interest at a Fixed Rate, a Weekly Rate or a Short-Term Intermediate Rate during a Short-Term Intermediate Rate Period that ends after such redemption date. The Chief Financial Officer shall give notice to the Bank and the Trustee of such redemption no fewer than forty-five (45) days prior to such redemption date.

Section 4.02. Purchase Of Notes By City.

(a) The City, acting through the Chief Financial Officer, reserves the right to purchase for cancellation any Note tendered for purchase pursuant to Section 3.01

hereof or subject to mandatory tender pursuant to Section 3.02 hereof or to purchase any Note held to the credit of the Custody Account, upon notice to the Trustee, the Bank and the Remarketing Agent given by irrevocable telephonic or facsimile notice (promptly confirmed in writing) (i) in the case of the purchase of a Note tendered pursuant to Section 3.01 hereof or a Note held to the credit of the Custody Account, given not later than 2:00 P.M., New York City time, on the Business Day preceding such day of purchase and (ii) in the case of the purchase of a Note subject to mandatory tender pursuant to Section 3.02 hereof, given not later than 3:00 P.M., New York City time, on the second-to-last Business Day before the mandatory tender date for such Note (or the first (1st) Business Day of any Short-Term Intermediate Rate Period which is shorter than two (2) Business Days for Notes subject to mandatory tender at the end of such Short-Term Intermediate Rate Period). Such notice from the Chief Financial Officer shall state the principal amount of Notes to be purchased and whether any of the Notes to be purchased are being purchased on a mandatory tender date pursuant to Section 3.02 hereof. Prior to the applicable date of notice set forth in the first sentence of this Section 4.02(a), the City shall deposit with the Trustee funds sufficient to purchase such Notes. Any Notes so purchased for cancellation shall be selected first (1st), from Notes held to the credit of the Custody Account, second (2nd), from any Notes as such become available upon optional tender, and thereafter from any Notes as such become available upon mandatory tender pursuant to Section 3.02 hereof; provided, however, that if fewer than all of the Notes subject to mandatory tender pursuant to Section 3.02 hereof are to be purchased for cancellation, the Notes so purchased shall be selected by lot in such manner as the Trustee deems appropriate.

(b) Notwithstanding the provisions of Section 4.02(a), the City may buy, sell, own and hold any of the Notes for its own account; provided, however, that such Notes may be sold or remarketed only if the City and the Remarketing Agent have received an Opinion of Bond Counsel that such sale or remarketing will not adversely affect the exclusion of interest on the Notes from the gross income of the owners thereof for federal income tax purposes under the Code. No purchase of Notes by the City or use of any funds to effectuate any such purchase shall be deemed to be a payment or redemption of the Notes or of any portion thereof and such purchase shall not operate to extinguish or discharge the indebtedness evidenced by such Notes.

Section 4.03 Procedure For Redemption.

(a) In order to exercise its option to redeem the Notes prior to maturity pursuant to paragraph (a) of Section 4.01 hereof, the City shall notify the Trustee, the Bank and the Remarketing Agent no later than forty-five (45) days prior to the designated redemption date.

(b) Notice by Mail of the redemption of Notes prior to maturity pursuant to Section 4.01 hereof shall be given by the Trustee in the name of the City: (i) in the case of the redemption of Notes pursuant to paragraph (a) or (d) of Section 4.01, not fewer than thirty (30) days nor more than sixty (60) days prior to the redemption date; (ii) in the case of the redemption of Notes pursuant to paragraph (c) of Section 4.01, not fewer than five (5) days nor more than ten (10) days after the receipt by the Trustee of a notice given by the Bank pursuant to such paragraph. A copy of each such redemption notice shall be given to the City and the Bank.

(c) Each such redemption notice shall specify (i) the Notes to be redeemed by C.U.S.I.P. number, (ii) the redemption date (which shall be not more than fifteen (15) days after the date on which the Trustee receives notice from the Bank pursuant to paragraph (c) of Section 4.01 hereof); (iii) the place where amounts due upon such redemption will be payable (which shall be the Principal Office of the Trustee); (iv) if less than all the Notes are to be redeemed, specify the specific Notes to be redeemed, identified by number, and the principal amounts of such Notes to be redeemed, and (v) that on the redemption date, the Notes shall cease to bear interest. Such notice may set forth any additional information relating to such redemption as shall be deemed necessary or appropriate by the Trustee.

(d) Failure to give Notice by Mail of optional redemption as to any Notes to any Noteholder, or any defect therein, shall not affect the validity of any proceedings for the redemption of Notes in respect of which no failure or defect occurs. Failure to give Notice by Mail of the mandatory redemption of any Notes to any Noteholder, or any defect therein, shall not affect the validity of any proceedings for redemption of such Notes. Any notice mailed as provided in this paragraph shall be conclusively presumed to have been given, whether or not actually received by the addressee.

(e) When Notes are called for partial redemption as provided in paragraph (a) of Section 4.01 hereof, the specific Notes to be redeemed shall be selected by the Trustee in Authorized Denominations.

If it is determined that one (1) or more, but not all, of the units of Authorized Denominations represented by any Note is to be called for redemption, then, upon notice of intention to redeem such unit or units, the Noteholder shall forthwith surrender such Note to the Trustee for (i) payment to such Noteholder of such unit of the redemption price of such Note called for redemption and (ii) delivery to such Noteholder of a new Note or Notes of the same series and in the aggregate principal amount of the unredeemed balance of the principal amount of such Note, without charge therefor.

If the Noteholder of any such Note of a denomination, greater than the amount called for partial redemption shall fail to present such Note to the Trustee for payment and exchange as aforesaid, such Note shall, nevertheless, become due and

payable on the date fixed for redemption to the extent of the applicable unit or units of principal amount called for redemption (and to that extent only).

(f) Any Notes, or portions thereof, which have been duly selected for redemption shall be deemed to be paid and shall cease to bear interest on the specified redemption date if monies sufficient to pay such Notes are held by the Trustee for the benefit of the Noteholders.

Section 4.04 No Partial Redemption Of Notes After Default.

Anything in this indenture to the contrary notwithstanding, if there shall have occurred and be continuing an Event of Default defined in paragraphs (i), (ii) or (iii) of Section 7.01(a) hereof, there shall be no redemption of fewer than all of the Notes at the time Outstanding.

Article V.

Creation Of Funds And Security For Notes.

Section 5.01 The Note Fund.

(a) There is hereby created by the City and established with the Trustee a trust fund to be designated "City of Chicago General Obligation Tender Notes, Series 2001A Note Fund".

(b) Subject to the right of the City and the Bank to make alternate arrangements with respect to the reimbursement of the Bank by the City for draws under the Letter of Credit, the City shall deposit into the Note Fund amounts sufficient to reimburse the Bank in accordance with the terms and provisions of the Reimbursement Agreement for amounts drawn under the Letter of Credit or, if the Bank shall have failed to honor a properly presented and conforming drawing under the Letter of Credit, the City shall deposit into the Note Fund amounts sufficient to pay the principal of and interest on the Notes as the same become due.

(c) Monies on deposit in the Note Fund shall be applied by the Trustee to reimburse the Bank in accordance with the terms and provisions of the Reimbursement Agreement for amounts drawn under the Letter of Credit or, if the Bank shall have failed to honor a properly presented and conforming drawing under the Letter of Credit, directly to pay the principal of or interest on the Notes as the same become due.

(d) Pending the use of monies held in the Note Fund, the Trustee shall invest such monies in Permitted Investments upon the direction of the Chief Financial Officer, but subject to the requirements of the Reimbursement Agreement, if applicable. Income from such investments shall be credited to the Note Fund.

Section 5.02 The Letter Of Credit Fund.

(a) There is hereby created by the City and established with the Trustee a trust fund to be designated "City of Chicago General Obligation Tender Notes, Series 2001A Letter of Credit Fund".

(b) The City shall cause to be deposited into the Letter of Credit Fund amounts drawn under the Letter of Credit with respect to the payment of principal of and interest on the Notes. Monies on deposit in the Letter of Credit Fund shall not be commingled with any other monies held by the Trustee.

(c) Monies on deposit in the Letter of Credit Fund shall be applied by the Trustee to pay the principal of and interest on the Notes (including interest on Notes tendered for purchase in accordance with Section 3.01 hereof).

(d) Pending the use of monies held in the Letter of Credit Fund, the Trustee shall invest such monies upon the direction of the Chief Financial Officer in general obligations of, or obligations the principal of and interest on which are fully guaranteed as to timely payment by, the United States of America, which obligations shall mature not later than the date or dates on which such funds will be needed for the purposes for which such funds were deposited into the Letter of Credit Fund, and in any event, not later than the earlier of (i) thirty (30) days from the date of such investment, or (ii) the date as of which the Trustee shall have declared the Notes to be due and payable in accordance with Section 7.01(b) hereof. Income from such investments shall be credited to the Letter of Credit Fund.

Section 5.03 The Letter Of Credit.

(a) So long as any Notes are Outstanding under this Indenture, the City covenants and agrees to maintain the Letter of Credit for the benefit the holders of the Notes. The Letter of Credit shall entitle the Trustee to draw up to (a) an amount sufficient (i) to pay the principal amount of the Notes, or (ii) to pay the portion of the purchase price equal to the principal amount of the Notes delivered to it for purchase, plus (b) an amount not less than fifty-nine (59) day interest on the Notes (calculated at the rate of ____ percent per annum) (i) to pay interest on the Notes, or (ii) to pay the portion of the purchase price equal to the accrued interest, if any, on the Notes delivered to it for purchase.

(b) The Letter of Credit shall be held by the Trustee in its capacity as Trustee under this Indenture. The Trustee shall not sell, assign or transfer the Letter of Credit except to a successor Trustee designated in accordance with the terms and provisions hereof.

(c) The Trustee shall make drawings under the Letter of Credit in accordance with the terms thereof to make timely payments of the principal of and interest on the Notes (other than Pledged Notes) as the same become due whether upon maturity, redemption or acceleration on an Interest Payment Date. The Trustee shall also make drawings under the Letter of Credit to pay the purchase price of tendered Notes in accordance with Section 3.04(d) hereof.

(d) During any period when the Notes (or Sub-series, if applicable) bear interest at a Short-Term Intermediate Rate or a Fixed Rate, commencing on the date on which such Notes begin to bear interest at a Short-Term Intermediate Rate or a Fixed Rate, and on the first (1st) Business Day of each calendar month thereafter while such Notes bear interest at a Short-Term Intermediate Rate or a Fixed Rate, the Trustee shall draw under the Letter of Credit an amount sufficient to cause the amount on deposit in the Letter of Credit Fund on such day to equal (i) the accrued and unpaid interest on such Notes, plus (ii) the interest that would accrue on such Notes from such day to and including the first (1st) Business Day of the following month assuming such Notes remain Outstanding until such day, calculated (x) at the actual rate of interest on such Notes for any day interest is to accrue at a rate known on the day such draw is made, and (y) at the rate of ___ percent for any day interest is to accrue at a rate unknown on the date such draw is made. Notwithstanding the deposit of any such monies under the Indenture and the reimbursement of the Bank for any such drawing under the Letter of Credit, the City shall have no right, title and interest in and to such monies, which shall be held exclusively for the holders of the Notes in accordance with the provisions of this Indenture. In the event the City causes to be delivered to the Trustee an effective amendment or supplement to the Letter of Credit increasing the stated amount thereof to an amount sufficient to pay the principal amount of the Notes plus four hundred (400) days interest with respect to Notes bearing interest at a Short-Term Intermediate Rate and two hundred fifteen (215) days interest with respect to Notes bearing interest at a Fixed Rate, and if so directed in writing by the City, the Trustee shall make drawings under the Letter of Credit in accordance with paragraph (c) of this Section 5.03 rather than this paragraph (d).

Section 5.04 Alternate Letter Of Credit.

(a) Upon not fewer than thirty (30) Business Days written notice to the Trustee, the Remarketing Agent and the Bank, and the satisfaction of conditions specified in this Section 5.04, the City may deliver to the Trustee an irrevocable letter of credit in substitution for the letter of credit then held by the Trustee. Upon receipt of

notice from the City that it intends to deliver an Alternate Letter of Credit to the Trustee, the Trustee shall give Notice by Mail to Noteholders of the intended delivery of such Alternate Letter of Credit (which notice shall be given not fewer than twenty (20) Business Days prior to the proposed delivery date thereof). The extension of the scheduled expiration date of the Letter of Credit shall not be subject to the provisions of this Section 5.04.

(b) Any Alternate Letter of Credit shall be an irrevocable letter of credit issued by one (1) or more commercial banks having the same material terms and provisions as the Letter of Credit delivered upon the original issuance of the Notes.

(c) On or prior to the date of delivery of an Alternate Letter of Credit to the Trustee, there shall be delivered to the Trustee (i) written evidence from Moody's, if the Notes are rated by Moody's, and from S&P, if the Notes are rated by S&P, in each case to the effect that such rating agency has reviewed the proposed Alternate Letter of Credit and that the substitution of the proposed Alternate Letter of Credit for the Letter of Credit will not, by itself, result in a reduction or withdrawal of its ratings on the Notes from those which then prevail, and (ii) an opinion of counsel to the issuer of the Alternate Letter of Credit to the effect that the Alternate Letter of Credit is a valid and binding obligation of the Bank issuing such Alternate Letter of Credit.

(d) An Alternate Letter of Credit may not be delivered while any of the Notes bear interest at a Short-Term Intermediate Rate unless the effective date of such Alternate Letter of Credit coincides with an Interest Payment Date for all Notes that bear interest at a Short-Term Intermediate Rate.

(e) Upon delivery of an Alternate Letter of Credit to the Trustee satisfying the requirements of this Section 5.04, the Trustee shall accept such Alternate Letter of Credit and, when all outstanding draws on the existing Letter of Credit have been honored, shall concurrently surrender the existing Letter of Credit to the Bank for cancellation. If the existing Letter of Credit and the Alternate Letter of Credit are contemporaneously effective for any period and all conditions precedent to the effectiveness of the Alternate Letter of Credit have been satisfied, any draws made during such period shall be made under the Alternate Letter of Credit.

Section 5.05 Tax Levy To Reimburse Bank Or Pay Notes.

Unless the Chief Financial Officer shall certify to the Bank on or before _____ that sufficient funds are legally available and will be used to reimburse the Bank on _____ for drawings under the Letter of Credit to pay the principal of and interest on, or the purchase price of, the Notes, or to pay directly the principal of and interest on, or purchase price of, the Notes, a tax levy ordinance shall be adopted by the City Council and a certified copy thereof filed with

the County Clerks of Cook and DuPage Counties, Illinois, and a certified copy thereof mailed to the Bank, on or before the maturity date of the Notes, such ordinance to levy an amount sufficient to reimburse the Bank for such drawing or drawings on or before _____, or to pay the principal of and interest on, or the purchase price of, the Notes if the Bank shall have failed to honor a properly presented and conforming draw under the Letter of Credit. If such reimbursement obligation or payment of principal of and interest on, or the purchase price of, the Notes is thereafter paid from any other funds or revenues of the City prior to the extension date for such levy, the taxes so levied shall be abated.

The Chief Financial Officer is hereby ordered and directed to deposit the proceeds of any taxes so levied pursuant to this paragraph into the applicable account of the Note Fund in accordance with the terms of the Reimbursement Agreement.

Section 5.06 Insufficiency Of Taxes To Reimburse Bank.

In the event that proceeds of the taxes levied or to be levied hereunder are not available in time to make any payments when due under the Reimbursement Agreement, then the Chief Financial Officer is hereby directed to make such payments in accordance with the Reimbursement Agreement from any other monies, revenues, receipts, income, assets or funds of the City that are legally available for that purpose in anticipation of the collection of the taxes.

Section 5.07 Notes Not Presented For Payment.

(a) In the event any Notes shall not be presented for payment when the principal thereof becomes either at maturity or at the date fixed for redemption thereof or otherwise, if monies sufficient to pay such Notes are held by the Trustee for the benefit of the Noteholders, the Trustee shall segregate and hold such monies in a trust account separate and apart from the other funds and accounts held hereunder, without liability to Noteholders for interest thereon, for the benefit of Noteholders who shall (except as provided in the following paragraph) thereafter be restricted exclusively to such fund or funds for the satisfaction of any claim of whatever nature on their part under this Indenture. Any such monies shall be invested in conformity with the provisions of paragraph (d) of Section 5.02 hereof relating to monies in the Letter of Credit Fund.

(b) Any monies which the Trustee shall segregate and hold in trust for the payment of the principal of or interest on, or the purchase price of, any Note and which shall remain unclaimed for two (2) years after such principal or interest or purchase price has become due and payable shall, upon the City's, and, so long as the Reimbursement Agreement is in effect, the Bank's, written request to the Trustee, be paid to the City. After the payment of such unclaimed monies to the

City, the holder of such Note shall thereafter look only to the City for the payment thereof, unless an abandoned property law of the State designates another person, and all liability of the Trustee and the Bank with respect to such monies shall thereupon cease.

Article VI.

General Covenants Of City.

Section 6.01 Pledge Of Full Faith, Credit And Resources Of The City.

The Notes are direct and general obligations of the City for the payment of which the City hereby pledges its full faith, credit and resources. The principal of and interest on the Notes shall be paid by the City as the same become due at the place, at the time and in the manner provided herein and in the Notes from any monies, revenues, receipts, income, assets or funds of the City legally available for such purpose.

Section 6.02 Indenture To Constitute Contract.

In consideration of the purchase and acceptance of the Notes by the holders from time to time of the Notes, the provisions of this Indenture and any Supplemental Indenture shall constitute a contract among the City, the Trustee and the Owners from time to time of the Notes.

Section 6.03 Performance Of Covenants.

The City shall faithfully perform at all times to the extent applicable to the City any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Note executed, authenticated and delivered hereunder, in the Reimbursement Agreement, in the Letter of Credit Note and in the Remarketing Agreement, and in all proceedings pertaining thereto.

Section 6.04 Arbitrage And Tax Exemption Covenants.

(a) The City covenants for the benefit of the holders of the Notes that it will not act so as to cause the proceeds of the Notes, the earnings thereon and any other monies on deposit in any fund or account maintained in respect of the Notes (whether such monies were derived from the proceeds of the sale of the Notes or from other

sources) to be used in a manner which would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or any comparable provision of any successor Internal Revenue Code of the United States of America.

(b) The City agrees to comply with all provisions of the Code, which if not complied with by the City, would adversely affect the tax-exempt status of the Notes. The City further agrees: (i) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (ii) to comply with all covenants, representations and assurances contained in any certificate or agreement executed and delivered by the City in connection with the issuance of the Notes; (iii) to establish with the Trustee a Rebate Fund into which the City shall deposit amounts required to be rebated to the United States; (iv) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Notes; (v) to file such forms, statements and supporting documents as may be required and in a timely manner; and (vi) if deemed necessary or advisable by its officers, to retain fiscal agents, financial advisors, attorneys and other persons to assist the City in such compliance.

Article VII.

Events Of Default And Remedies.

Section 7.01 Events Of Default.

(a) Each of the following events shall constitute and is referred to in this Indenture as an "Event of Default":

(i) a failure to pay the principal of the Notes when the same shall become due and payable at maturity, upon redemption or otherwise;

(ii) a failure to pay an installment of interest on the Notes upon the day when the same shall become due;

(iii) a failure to pay the purchase price of any validly tendered Note under the provisions of Section 3.01 or 3.02 hereof, to the holder thereof upon the same Business Day such Note is tendered;

(iv) a failure by the City to maintain the Letter of Credit as provided in this Indenture; or

(v) a failure by the City to observe and perform any covenant, condition,

agreement or provision (other than as specified in clauses (i), (ii), (iii) or (iv) of this Section 7.01) contained in the Notes or in this Indenture on the part of the City to be observed or performed, which failure shall continue for a period of ninety (90) days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the Trustee and the City by Noteholders owning not less than a majority in aggregate principal amount of Notes then Outstanding.

(b) Upon the occurrence and continuance of any Event of Default described in clauses (i), (ii), (iii), (iv) or (v) of paragraph (a) of this section, the Trustee may, and at the written request of Noteholders owning not less than a majority in aggregate principal amount of Notes then Outstanding, shall, by written notice to the City, the Remarketing Agent and the Bank, declare the Notes to be immediately due and payable, whereupon they shall, without further action, become and be immediately due and payable, and the Trustee shall give notice thereof to the City, the Remarketing Agent and the Bank, and shall give Notice by Mail thereof to all Owners of Outstanding Notes; provided, however, that no such declaration shall be effective following the occurrence of an Event of Default under clause (v) of paragraph (a) of this section without the express consent of the Bank unless the Bank shall have failed to honor a properly presented and conforming drawing under the Letter of Credit.

Section 7.02 Remedies.

Upon the occurrence and continuance of any Event of Default, then and in every such case the Trustee in its discretion may, and upon the written request of Noteholders owning not less than a majority in aggregate principal amount of the Notes then Outstanding or the Bank (but only if the Bank shall not have failed to honor a properly presented and conforming drawing under the Letter of Credit) and, in addition, receipt of indemnity to its satisfaction shall, in its own name and as the trustee of an express trust:

(i) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Noteholders, and require the City or the Bank to carry out any agreements with or for the benefit of the Noteholders and to perform its or their duties under this Indenture and the Letter of Credit;

(ii) bring suit upon the Notes; or

(iii) by action or suit at law or in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Noteholders.

Section 7.03 Rescission Of Notice Of Redemption; Restoration To Former Position.

(a) The provisions of Section 4.03(b) hereof are subject to the condition that any rescission and annulment of the consequences of the receipt of any notice given by the Bank pursuant to paragraph (c) of Section 4.01 hereof may constitute a rescission and annulment of the consequences thereof hereunder only if such notice of mandatory redemption shall not have been given to the Noteholders as provided herein and the Trustee shall have received written notice from the Bank that it has withdrawn the notice given pursuant to paragraph (c) of Section 4.01 and that the Letter of Credit is in force and effect in the amount required by Section 5.03 hereof. Notice of such rescission and annulment shall be given by the Trustee to the City, the Remarketing Agent and the Bank prior to the notice to the Noteholders of such mandatory redemption.

(b) In the event that any proceeding taken by the trustee to enforce any right under this Indenture shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then the City, the Trustee, the Bank, the Noteholders and the Remarketing Agent, respectively, shall be restored to their former positions and all rights, remedies and powers of each of such parties shall continue as though no such proceeding had been taken.

Section 7.04 Noteholders' Right To Direct Proceedings.

The Noteholders owning a majority in aggregate principal amount of the Notes then Outstanding hereunder shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings available to the Trustee under this Indenture or exercising any trust or power conferred on the Trustee by this Indenture; provided, however, that (a) such direction shall not be in conflict with any rule of law or this Indenture, including, but not limited to Section 7.01(b) hereof, (b) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction and (c) the Trustee need not take any action which might involve it in personal liability unless indemnified to its satisfaction or which might be unjustly prejudicial to the Noteholders not consenting to such direction.

Section 7.05 Limitation On Noteholders' Right To Institute Proceedings.

No Noteholder, in its capacity as such, shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust or power hereunder, or any other remedy hereunder or on said Notes, unless such Noteholder previously shall have given to the Trustee written notice of an Event of Default as herein above provided and unless also Noteholders of not less than a majority in

aggregate principal amount of the Notes then Outstanding shall have made written request of the Trustee so to do, after the right to institute said suit, action or proceeding shall have accrued, and shall have afforded the Trustee a reasonable opportunity to proceed to institute the same in either its or their name, and unless there also shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the institution of said suit, action or proceeding, it being understood and intended that no one (1) or more of the Noteholders shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder or under the Notes, except in the manner herein provided, and that all suits, actions and proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Noteholders.

Section 7.06 No Impairment Of Right To Enforce Payment.

Notwithstanding any other provision in this Indenture, the right of any Noteholder to receive payment of the principal of and interest on such Note on or after the respective due dates expressed therein, or to institute suit for the enforcement of any such payment on or after such respective dates shall not be impaired or affected without the consent of such Noteholder.

Section 7.07 Proceedings By Trustee Without Possession Of Notes.

All rights of action (including the right to file proof of claims) under this Indenture or under any of the Notes secured hereby which are enforceable by the Trustee may be enforced by it without the possession of any of the Notes, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the equal and ratable benefit of the Noteholders, subject to the provisions of this Indenture.

Section 7.08 No Remedy Exclusive.

No remedy herein conferred upon or reserved to the Trustee, the Bank or Noteholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 7.09 No Waiver Of Remedies.

No delay or omission of the Trustee, the Bank or any Noteholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given hereunder to the Trustee, to the Bank and to the Noteholders, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 7.10 Application Of Monies.

Any monies received by the Trustee except for proceeds of the remarketing of the Notes monies drawn under the Letter of Credit, which shall be applied solely to the purposes for which such monies were received or drawn, as provided herein, but including such Letter of Credit monies if the Bank shall have failed to honor a properly presented and conforming drawing under the Letter of Credit), by any receiver or by any Noteholder pursuant to any right given or action taken under the provisions hereof, after payment of the costs and expenses of the proceedings resulting in the collection of such monies and of the expenses, liabilities and advances incurred or made by the Trustee, shall be deposited in the Note Fund and all so deposited in the Note Fund during the continuance of an Event of Default (other than monies for the payment of Notes which have matured or otherwise become payable prior to such Event of Default or for the payment of interest due prior to such Event of Default) shall be applied as follows:

(a) Unless the principal of all the Notes shall have been declared due and payable, all such monies shall be applied (i) first, to the payment to the persons entitled thereto of all installments of interest then due on the Notes, in the order of maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment, and (ii) second, to the payment to the persons entitled thereto of the unpaid principal of any of the Notes which shall have become due (other than Notes called for redemption for the payment of which money is held pursuant to the provisions of this Indenture) and, if the amount available shall not be sufficient to pay in full Notes due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege.

(b) If the principal of all the Notes shall have been declared due and payable, all such monies shall be applied to the payment of the principal and interest then due

and unpaid upon the Notes, without preference or priority of principal over interest or interest over principal, or of any installment of interest over any other installment of interest, or of any Note over any other Note, ratably according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege. If principal and interest on the Notes and all other payments under this Indenture have been paid, any amounts remaining shall be paid to the Bank, to the extent that any amounts are owed to the Bank under and pursuant to the Reimbursement Agreement.

(c) If the principal of all the Notes shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 7.03 hereof, then, subject to the provisions of paragraph (b) of this Section 7.10 which shall be applicable in the event that the principal of all the Notes shall later become due and payable, the monies shall be applied in accordance with the provisions of paragraph (a) of this Section 7.10.

Whenever monies are to be applied pursuant to this Section 7.10, such monies shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such available for application and the likelihood of additional monies becoming available for such application in the future. Whenever the Trustee shall apply such funds it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give notice of the deposit with it of any such monies and of the fixing of any such date by Notice by Mail to all Owners of Outstanding Notes and shall not be required to make payment to any Owner until such Note shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 7.11 Severability Of Remedies.

It is the purpose and intention of this Indenture to provide rights and remedies to the Trustee, the Bank and the Noteholders which may be lawfully granted, but should any right or remedy herein granted be held to be unlawful, the Trustee, the Bank and the Noteholders shall be entitled, as above set forth, to every other right and remedy provided in this Indenture and by law.

Article VIII.

Appointment And Duties Of Trustee And Remarketing Agent.

Section 8.01 Appointment Of Trustee.

The City hereby appoints [Name of Trustee], Chicago, Illinois, as Trustee, for the purposes and upon the express terms and conditions set forth herein. The acceptance by the Trustee shall be evidenced by its execution and delivery of this Indenture. The City and the Noteholders by its delivery and their acceptance of delivery of any of the Notes agree to the terms set forth in this Indenture.

Section 8.02 No Responsibility For Recitals.

The recitals, statements and representations contained in this Indenture or in the Notes, save only the Trustee's authentication upon the Notes, shall be taken and construed as made by and on the part of the City, and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness thereof. Nothing contained in this Section 8.02 shall limit the responsibilities of the Trustee expressly set forth in this Indenture.

Section 8.03 Limitations On Liability.

The Trustee may execute any of the trusts or powers hereof and perform the duties required hereunder by or through attorneys, agents or receivers, and shall be entitled to, and may rely upon, written advice of counsel concerning all matters of trust and duty hereunder, and the Trustee shall not be answerable for the negligence or misconduct of any such attorney or agent selected with reasonable care. Except during the continuance of an Event of Default, the Trustee need perform only those duties that are specifically set forth in this Indenture and no others. The Trustee shall not be answerable for the exercise of any discretion or power under this Indenture or for anything whatsoever in connection with the trust created hereby, except only for its own negligence or bad faith. The Trustee shall be accountable for the use or application of the proceeds of any of the Notes issued hereunder.

Section 8.04 Compensation, Expenses And Advances.

The Trustee shall be entitled to reasonable compensation for its services rendered hereunder (not limited by any provision of law in regard to the compensation of the trustee of an express trust) and to reimbursement for its actual out-of-pocket

expenses (including the reasonable compensation and the expenses and disbursements of their agents and counsel) reasonably incurred in connection therewith except for such expenses incurred as a result of its negligence or bad faith. The City all have the right to contest in good faith any fees or expenses of the Trustee without creating default hereunder. If any Event of Default under this Indenture shall otherwise exist, the Trustee shall have, in addition to any other rights hereunder, a lien, prior to the lien of the Noteholders and the Bank, for the payment of its compensation and the reimbursement of its expenses and any advances made by the Trustee, as provided in this section, upon the monies and obligations in the Note Fund; provided, however, that such priority shall not relate or extend to (a) monies drawn under the Letter of Credit (unless the Bank shall have failed to honor a properly presented and conforming drawing under the Letter of Credit), (b) remarketing proceeds, (c) monies deposited with or paid to the Trustee for the payment or purchase of tendered Notes which are deemed to have been paid in accordance with the provisions hereof, or (d) funds held pursuant Section 5.07 hereof; and provided further, however, that nothing contained in this Section 8.04 shall limit or restrict the obligations of the Trustee (i) to draw upon the Letter of Credit at the times and in the manner required hereunder, or (ii) apply the proceeds of such draws to the payment of the principal of and interest on, or redemption or purchase price of, the Notes as required herein and in the Notes.

Section 8.05 Notice Of Events Of Default.

The Trustee shall not be required to take notice, or be deemed to have notice, of any default or Event of Default under this Indenture other than an Event of Default under clauses (i), (ii), (iii) or (iv) of Section 7.01(a) hereof, unless specifically notified in writing of such default or Event of Default by Owners of at least a majority in aggregate principal amount of the Notes then Outstanding.

Section 8.06 Trustee To Maintain Office.

If the City has discontinued the use of D.T.C.'s book-entry system, the Trustee shall maintain an office in New York, New York, where Notes may be presented for payment of the principal amount thereof upon maturity, redemption or tender.

Section 8.07 Good Faith Reliance.

The Trustee in the absence of negligence or bad faith on its part shall be protected and shall incur no liability in acting upon any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document or telephonic notice (where authorized by this Indenture) which it shall believe to be genuine and to have been passed or signed by the proper board,

body or person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any attorney, engineer, accountant or other expert, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements; provided, however, that the Trustee shall not be so protected if the Trustee has actual knowledge with respect to such matters to the contrary.

Neither the Trustee nor the Remarketing Agent shall be bound to recognize any person as a Noteholder or to take any action at the request of such person unless satisfactory evidence of the ownership of such Note shall be furnished to such entity.

Any request or direction of the City as provided in this Indenture shall be sufficiently evidenced by, and the Trustee may conclusively rely upon, a written instrument from the City signed by its Chief Financial Officer. As to any fact or circumstance concerning which the Trustee requests verification, the Trustee may conclusively rely upon a certificate signed by such Chief Financial Officer.

Section 8.08 Dealings In Notes And With City.

The Trustee, the Bank and the Remarketing Agent, in their individual capacities, may buy, sell, own, hold and deal in any of the Notes issued hereunder for their own account or that of any other person, and may join in any action which any Noteholder may be entitled to take with like effect as if they did not act in any capacity hereunder. The Trustee, the Bank and the Remarketing Agent, in their individual capacities, either as principal or agent, may also engage in or be interested in any financial or other transaction with the City and may act as depository, trustee or agent for any committee or body of Noteholders secured hereby or other obligations of the City as freely as if they did not act in any capacity hereunder.

Section 8.09 Resignation Of Trustee.

The Trustee may resign and be discharged of the trusts created by this Indenture by executing an instrument in writing resigning such trust and specifying the date when such resignation shall take effect, and filing the same with the City, the Remarketing Agent and the Bank, not fewer than forty-five (45) days before the date specified in such instrument when such resignation shall take effect, and by giving Notice by Mail of such resignation, not fewer than twenty-one (21) days prior to such resignation date, to the Owners of Outstanding Notes. Such resignation shall take effect on the day specified in such instrument and notice, but only if (i) a

successor Trustee shall have been appointed and shall have accepted the duties of the Trustee as hereinafter provided, and (ii) the resigning Trustee transfers and assigns the Letter of Credit in accordance with its terms to the successor Trustee, in which event such resignation shall take effect immediately upon the appointment of and acceptance by such successor Trustee and the transfer and assignment of the Letter of Credit. If the successor Trustee shall not have been appointed within a period of ninety (90) days following the giving of such notice, then the Trustee shall be authorized to petition any court of competent jurisdiction to appoint a successor Trustee as provided in Section 8.13 hereof.

Section 8.10 Removal Of Trustee.

The Trustee may be removed by the City at any time prior to an Event of Default by filing with the Trustee, the Remarketing Agent and the Bank, an instrument or instruments in writing executed by the City, appointing a successor. Such removal shall be effective thirty (30) days (or such longer period as may be set forth in such instrument) after delivery of the instrument; provided, however, that no such removal shall be effective until the successor Trustee appointed hereunder shall execute, acknowledge and deliver to the City an instrument accepting such appointment hereunder; and provided, further, that the Trustee shall transfer and assign the Letter of Credit to the successor Trustee in accordance with its terms upon such removal.

Section 8.11 Appointment Of Successor Trustee.

In case at any time the Trustee shall be removed, or be dissolved, or if its property or affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy, or for any other reason, then a vacancy shall forthwith and ipso facto exist in the office of the Trustee and successor may be appointed, and in case at any time the Trustee shall resign, then a successor may be appointed by the Chief Financial Officer. After any appointment by the Chief Financial Officer, the City shall cause notice of such appointment to be given to the predecessor Trustee, the successor Trustee, the Remarketing Agent and the Bank, and shall cause Notice by Mail to be given to all Noteholders. No such appointment shall be effective until the successor Trustee shall have accepted such appointment and the predecessor Trustee shall have transferred the Letter of Credit to the successor Trustee in accordance with its terms.

Section 8.12 Qualifications Of Successor Trustee.

Every successor Trustee (a) shall be a commercial bank with trust powers or a trust company other than any issuer of the Letter of Credit (i) duly organized under

the laws of the United States of America or any state or territory thereof, (ii) authorized by law to perform all the duties imposed upon it by this Indenture and the laws of the State, and (iii) capable of meeting its obligations hereunder and (b) shall have combined capital stock, surplus and undivided profits of at least One Million Dollars (\$1,000,000).

Section 8.13 Judicial Appointment Of Successor Trustee.

In case at any time the Trustee shall resign and no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Indenture prior to the date specified in the notice of resignation as the date when such resignation is to take effect, the retiring Trustee may forthwith apply to a court of competent jurisdiction for the appointment of a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee meeting the qualifications set forth in Section 8.12 hereof.

Section 8.14 Acceptance Of Trusts By Successor Trustee.

In order to evidence the acceptance of the position of Trustee hereunder, any successor Trustee appointed hereunder shall execute, acknowledge and deliver to the City an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become duly vested with all the estates, property, rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named Trustee herein. Upon request of such Trustee, such predecessor Trustee and the City shall execute and deliver an instrument transferring to such successor Trustee all the estates, property, rights, powers and trusts hereunder of such predecessor Trustee and, subject to the provisions of Section 8.04 hereof, such predecessor Trustee shall pay over and deliver to the successor Trustee all monies and other assets at the time held by it hereunder.

Section 8.15 Successor By Merger, Consolidation Or Sale Of Assets.

Any corporation into which any Trustee hereunder may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, or as a result of a sale of assets, shall be the successor Trustee under this Indenture, without the execution or filing of any paper or any further act on the part of the parties hereto, anything in this Indenture to the contrary notwithstanding.

Section 8.16 Standard Of Care; Action By Trustee.

Notwithstanding any other provisions of this Indenture, the Trustee shall, during the existence of an Event of Default of which the Trustee has actual notice, exercise such of the rights and powers vested in it by this Indenture and use the same degree of skill and care in its exercise as a prudent person would use and exercise under the circumstances in the conduct of his or her own affairs; provided, however, that the Trustee shall be under no obligation to take any action in respect of the execution or enforcement of any of the trusts hereby created, or to institute, appear in or defend any suit or other proceeding in connection therewith, unless requested in writing so to do by Noteholders of least a majority in aggregate principal amount of the Notes then Outstanding, and, if in its opinion such action may involve it in expense or liability, unless furnished from time to time as often as it may require, with security and indemnity satisfactory to it; but the foregoing provision intended only for the protection of the Trustee, and shall not affect any discretion or power given by any provisions of this Indenture to the Trustee to take action in respect of any default or event of Default without such notice or request from the Noteholders, or without such security indemnity. Except as otherwise provided herein during the continuance of an Event of Default, the Trustee need perform only those duties that are specifically set forth in this Indenture and no others. Nothing in this Section 8.16 shall permit the Trustee to delay the exercise of any mandatory power or direction hereunder, including but not limited to, giving of notice of mandatory tender or redemption, drawing upon the Letter of Credit at the times and in the manner set forth herein or declaring the Notes to be immediately due and payable in accordance with the terms and provisions of this Indenture.

Section 8.17 Duties Of The Trustee.

The Trustee covenants and agrees:

- (a) to keep such books and records as shall be consistent with prudent industry practice, and to make such books and records available for inspection by the City at all reasonable times; and
- (b) to provide such information and reports to the Chief Financial Officer and Bank as shall be reasonably requested in writing by the Chief Financial Officer or the Bank.

Section 8.18 Remarketing Agent.

The City hereby appoints (Name of Remarketing Agent) as Remarketing Agent for the purposes and upon the express terms set forth in the Remarketing Agreement.

Upon thirty (30) Business Days written notice, the Remarketing Agent may at any time resign or be removed and be discharged of the duties and obligations created by this Indenture under the terms described in the Remarketing Agreement. In the event of the resignation or removal of the Remarketing Agent, the Remarketing Agent shall pay over, assign and deliver any monies and Notes held by it in such capacity to its successor or, if there is no successor, to the Trustee.

In the event that the City shall fail to appoint a Remarketing Agent hereunder, or in the event that the Remarketing Agent shall resign or be removed, or be dissolved, or if the property or affairs of the Remarketing Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency or for any other reason, and the City shall not have appointed its successor as Remarketing Agent, the Trustee shall be deemed to be the Remarketing Agent for all purposes of this Indenture until the appointment by the City of and the acceptance of such appointment by the Remarketing Agent or successor Remarketing Agent as the case may be; provided, however, that the Trustee, in its capacity as Remarketing Agent, shall not be required to sell Notes or to perform the duties set forth in Sections 2.02 or 2.03 hereof.

Article IX.

Amendments To This Indenture.

Section 9.01 Limitations On Amendments Of This Indenture.

This Indenture shall not be modified or amended in any respect subsequent to the issuance of the notes except as provided in and in accordance with the provisions of this Article IX.

Section 9.02 Amendments Without Noteholder Consent.

(a) The City and the Trustee may, from time to time and at any time, without the consent of or notice to the Noteholders, but upon notice to and with the written consent of the Bank, amend this Indenture as follows:

(i) to cure any formal defect, omission, inconsistency or ambiguity in this Indenture;

(ii) to grant to or confer or impose upon the Trustee for the benefit of the Noteholders any additional rights, remedies, powers, authority, security, liabilities or duties which may lawfully be granted, conferred or imposed and which are not

contrary to or inconsistent with this Indenture as theretofore in effect, provided that no such additional liabilities or duties shall be imposed upon the Trustee without its consent;

(iii) to add to the covenants and agreements of, and limitations and restrictions upon the City in this Indenture other covenants, agreements, limitations and restrictions to be observed by the City which are not contrary to or inconsistent with this Indenture as theretofore in effect;

(iv) to confirm, as further assurance, any pledge under, and the subjection to any claim, lien or pledge created or to be created by, this Indenture, or of any monies, securities or funds;

(v) to authorize a different denomination or denominations of the Notes and to make correlative amendments and modifications to this Indenture regarding exchangeability of Notes of different denominations, redemptions of portions of Notes of particular denominations and similar amendments and modifications of a technical nature;

(vi) to comply with any applicable requirements of the Trust Indenture Act of 1939, as from time to time amended; or

(vii) to modify, alter, amend or supplement this Indenture in any other respect which is not materially adverse to the Noteholders or the Bank and which does not involve a change described in clause (i), (ii) or (iii) of Section 9.03(a) hereof and which, in the judgment of the Trustee (who may rely upon an Opinion of Bond Counsel), is not to the material prejudice of the Trustee.

(b) Before the City and the Trustee shall amend this Indenture pursuant to this Section 9.02, there shall have been delivered to the Trustee an Opinion of Bond Counsel stating that such amendment is authorized or permitted by this Indenture, complies with the terms hereof, will, upon the adoption thereof, be valid and binding upon the City in accordance with its terms and will not adversely affect the exclusion of interest on the Notes from the gross income of the owners thereof for federal income tax purposes under the Code, and the Trustee may rely conclusively upon such opinion as to such matters.

Section 9.03 Amendments With Noteholder Consent.

(a) Except for any amendment adopted pursuant to Section 9.02 hereof, subject to the terms and provisions contained in this section and not otherwise, the City and the Trustee may, from time to time, with the written consent of the Bank and the consent of Noteholders of not less than sixty percent (60%) in aggregate

principal amount of the Notes then Outstanding (excluding therefrom any Notes then owned by the City), enter into any Supplemental Indenture deemed necessary or desirable by the City for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in this Indenture; provided, however, that, unless approved in writing by the Bank and the Noteholders of all the Notes then Outstanding, nothing herein contained shall permit, or be construed as permitting: (i) a change in the times, amounts or currency of payment of the principal of or interest on any Outstanding Note, a change in the terms of the purchase thereof by the Trustee, or a reduction in the principal amount or redemption price of any Outstanding Note or the rate of interest thereon, or (ii) a preference or priority of any Note or Notes over any other Note or Notes, or (iii) a reduction in the aggregate principal amount of Notes the consent of the Noteholders of which is required for any such amendment.

(b) If at any time the City shall propose to enter into any Supplemental Indenture for any of the purposes of this section, the Trustee shall cause Notice by Mail of the proposed Supplemental Indenture to be given to all Owners of Outstanding Notes. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that a copy thereof is on file at the Principal Office of the Trustee for inspection by all Noteholders.

(c) Within six (6) months after the date of the first mailing of such notice, the City and the Trustee may enter into such Supplemental Indenture in substantially the form described in such notice, but only if there shall have first been delivered to the Trustee (i) the required consents, in writing, of Noteholders and the Bank, and (ii) an Opinion of Bond Counsel stating that such Supplemental Indenture is authorized or permitted by this Indenture, complies with the terms hereof and, upon the execution and delivery thereof, will be valid and binding upon the City in accordance with its terms and will not adversely affect the exclusion of interest on the Notes from the gross income of the owners thereof for federal income tax purposes under the Code. The Trustee may rely conclusively upon such opinion as to such matters.

(d) If Noteholders of not less than the percentage of Notes required by this section shall have consented to and approved the execution and delivery thereof as herein provided, no Noteholder shall have any right to object to the execution and delivery of such Supplemental Indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner question the propriety of the execution and delivery thereof, or to enjoin or restrain the City or the Trustee from executing and delivering the same or from taking any action pursuant to the provisions thereof.

Section 9.04 Effect Of Supplemental Indenture.

Upon the execution and delivery of any Supplemental Indenture pursuant to the provisions of this Indenture, this Indenture shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the City, the Trustee, the Bank and all Noteholders owning Notes then Outstanding shall thereafter be determined, exercised and enforced under this Indenture subject in all respects to such modifications and amendments.

Article X.

Miscellaneous.

Section 10.01 Defeasance.

(a) If the City shall pay or cause to be paid to the Noteholders, the principal of and interest to become due thereon, at the times and in the manner stipulated therein and in this Indenture, then the pledge of any monies securities, funds and property hereby pledged and all other rights granted hereby shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the City, execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver all monies or securities held by it pursuant to this Indenture which are not required for the payment or redemption of Notes not theretofore surrendered for such payment or redemption. If the City shall pay or cause to be paid, or there shall otherwise be paid, to the Noteholders of all Outstanding Notes the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, such Notes shall cease to be entitled to any lien, benefit or security hereunder and all covenants, agreements and obligations of the City to the owners of such Notes shall thereupon cease, terminate and become void and be discharged and satisfied.

(b) All Outstanding Notes that bear interest at a Fixed Rate shall, prior to the maturity or redemption date thereof, be deemed to have been paid as meant and with the effect expressed in paragraph (a) of this section if (i) in case any of said Notes are to be redeemed on any date prior to their maturity, the City shall have given to the Trustee in form satisfactory to it irrevocable instructions to give as provided in Article IV notice of redemption on said date of such Notes, (ii) there shall have been deposited with or held by the Trustee either monies in an amount which shall be sufficient, or noncallable, nonprepayable Government Obligations the principal of and the interest on which when due will provide monies which, together

with the monies if any, deposited with or held by the Trustee at the same time, shall be sufficient to pay when due the principal of and interest due and to become due on said Notes on and prior to the redemption date or maturity date thereof, as the case may be, as certified by an independent certified public accountant acceptable to the Trustee, and (iii) in the event said Notes do not mature and are not by their terms subject to redemption within the next succeeding sixty (60) days, the City shall have given the Trustee in form satisfactory to it irrevocable instructions to mail, as soon as practicable, by first class mail, postage prepaid, a notice to the Owners of such Notes that the deposit required by (ii) above has been made with the Trustee and that said Notes are deemed to have been paid in accordance with this section and stating such maturity or redemption date upon which monies are to be available for the payment of the principal of and interest on said Notes. Neither Government Obligations deposited with the Trustee pursuant to this section nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Notes; but any cash received from such principal or interest payments on such Government Obligations deposited with the Trustee, if not then needed for such purpose, shall to the extent practicable, be reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the principal of and interest to become due on said Notes on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City free and clear of any trust, lien or pledge, subject to any rights of the Bank under the Reimbursement Agreement.

(c) Upon the payment or the provision for payment of the Notes in accordance with this Section 10.01, the Trustee shall return the Letter of Credit to the Bank.

Section 10.02 Parties In Interest.

Except as herein otherwise specifically provided, nothing in this Indenture expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City, the Bank, the Trustee and the Noteholders any right, remedy or claim under or by reason of this Indenture, this Indenture being intended to be for the sole and exclusive benefit of the City, the Bank, the Trustee and the Noteholders. Section 6.02 hereof shall not be construed to limit or restrict any rights or benefits conferred on the Bank hereunder.

Section 10.03 Severability.

In case any one (1) or more of the provisions of this Indenture or of the Notes issued hereunder shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Indenture or such Notes,

and this Indenture and such Notes shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein or therein.

Section 10.04 No Personal Liability Of Officials Of City.

No covenant or agreement contained in the Notes or in this Indenture shall be deemed to be the covenant or agreement of any official, officer, agent or employee of the City in his or her individual capacity, and neither the members of the City Council nor any official executing the Notes shall be liable personally on the Notes, the Letter of Credit Note, the Indenture, the Remarketing Agreement or the Reimbursement Agreement or be subject to any personal liability or accountability by reason of the issuance of the Notes or the execution and delivery of the Letter of Credit Note, the Indenture, the Remarketing Agreement or the Reimbursement Agreement.

Section 10.05 Counterparts.

This Indenture may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one (1) and the same Indenture.

Section 10.06 Governing Law.

The laws of the State shall govern the construction and enforcement of this Indenture and of all Notes issued hereunder.

Section 10.07 Notices.

(a) Except as otherwise provided in this Indenture all notices, certificates, requests, requisitions or other communications by the City, the Trustee, the Remarketing Agent or the Bank pursuant to this Indenture shall be in writing and shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed as follows: if to the City, at the Chief Financial Officer's Office, City Hall, Room 501, 21 North LaSalle Street, Chicago, Illinois 60602, Attention: Chief Financial Officer; if to the Trustee, at _____, _____ Attention: Corporate Trust Department; if to the Remarketing Agent, other than with respect to tenders, at the address designated to the City by the Remarketing Agent and, with respect to tenders, at such other or similar address as shall be designated to the City by the Remarketing Agent; and if to the Bank, _____, _____ Attention: _____. Any of the foregoing may, by

notice given hereunder to each of the others, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder, including without limitation, telephonic, facsimile or other similar forms of notice.

(b) The City shall promptly give notice of (i) the designation of any successor Trustee, (ii) the termination or expiration of the Letter of Credit, (iii) the delivery of an Alternate Letter of Credit as provided in Section 5.04 hereof, (iv) any proposed amendment to this Indenture, (v) any amendment to the Letter of Credit, the Reimbursement Agreement or the Remarketing Agreement which, in the opinion of the City or the Trustee, is deemed to be a material change, (vi) any replacement of the Remarketing Agent, (vii) any defeasance, redemption or purchase for cancellation of all the Notes, (viii) any change in the Interest Rate Determination Method for the Notes (or Sub-series, if applicable), (ix) notice of any extension of the scheduled expiration date of the Letter of Credit or (x) notice of any declaration under Section 701(b) of this Indenture, directly to: Moody's at 99 Church Street, New York, New York 10007, Attention: Structured Finance Group, and to S&P at 55 Water Street, 38th Floor, New York, New York 10041, Attention: Public Finance -- Structured Finance Group, or to such other address as shall be provided to the City for such notice.

Section 10.08 Business Days And Times.

If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Indenture, and no interest shall accrue for the period after such nominal date.

Section 10.09 Repealer.

To the extent that any ordinances, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this Indenture, the provisions of this Indenture shall be controlling. If any section, paragraph, clause or provision of this Indenture shall be held invalid, the invalidity of such section, paragraph, clause or provisions shall not affect any of the other provisions of this Indenture.

In Witness Whereof, The City of Chicago has caused this Indenture to be executed by its Chief Financial Officer, attested by its City Clerk and its corporate seal to be affixed hereto; and [Name of Trustee], as Trustee, has caused this Indenture to be executed by one of its Authorized Signatories, attested by one (1) of its Authorized Signatories and its corporate seal to be affixed hereto, all as of the day and year first above written.

City of Chicago

[Seal]

Chief Financial Officer

Attest:

City Clerk

[Name of Trustee],
as Trustee

[Seal]

Title:

Attest:

Title:

(Sub) Exhibit "A" referred to in this Trust Indentures reads as follows:

(Sub)Exhibit "A".
(To Trust Indenture)

(Form Of Note)

A. Forms Generally. The Notes, the Certificate of Authentication and the form of Assignment to be printed on each of the Notes, shall be substantially in the forms set forth in this (Sub)Exhibit A with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Indenture and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an Opinion of Bond Counsel) thereon as may, consistently herewith, be established by the City or determined by the officers executing such Notes as evidenced by their execution thereof. Any portion of the text of any Notes may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Note.

The definitive Notes shall be printed, lithographed, typewritten or engraved, produced by any combination of these methods, or produced in any other similar manner, all as determined by the officers executing such Notes as evidenced by their execution thereof, but any temporary Note may be typewritten or photocopied or otherwise reproduced.

B. Form of Note.

(Front Side)

Registered
Number: _____

Principal Amount:
\$ _____

C.U.S.I.P.
Number: _____

United States Of America

State Of Illinois

City Of Chicago

General Obligation Tender Note,

Series 2001A.

Maturity Date

Date Of Original Issue:

Interest Rate

Interest Rate

Determination Method:

(Fixed Rate Only):

Registered Owner:

Principal Amount:

The City of Chicago (the "City") hereby acknowledges itself to owe and, for value received, hereby promises to pay to the Registered Owner (named above) or registered assigns (such Registered Owner or assigns being referred to herein as the "Noteholder"), on the Maturity Date (identified above), unless this Note shall have been previously called for redemption and payment of the redemption price made or provided for, or if purchased as provided herein and in the Indenture as hereinafter defined, upon the presentation and surrender hereof as hereinafter set forth, the Principal Amount (stated above) and interest on said Principal Amount from and including the Date of Original Issue (identified above) until payment of said Principal Amount or redemption price has been made or duly provided for at the rates determined in the manner and on the dates set forth herein. The principal, purchase price and redemption price of this Note are payable at the principal corporate trust office of [Name of Trustee], in the City of Chicago, Illinois, or its successors or assigns, as Trustee (the "Trustee"). The interest so payable on any Interest Payment Date (as hereinafter defined) will, subject to certain exceptions provided in the Indenture, be paid to the person in whose name this Note is registered at the close of business on the Record Date (as hereinafter defined) preceding such Interest Payment Date. Interest on this Note is payable by the Trustee in the manner provided in the Indenture.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed, precedent to and in the execution and delivery of the Indenture and the issuance of this Note, do exist, have happened and have been performed in regular and due form and time as required by law.

In Witness Whereof, The City of Chicago has caused the seal of the City to be impressed or reproduced hereon and this Note to be signed by the manual or facsimile signatures of the Mayor and Chief Financial Officer and attested by the manual or facsimile signature of the City Clerk.

City of Chicago

Mayor
City of Chicago

[Seal]

Chief Financial Officer
City of Chicago

Attest:

City Clerk
City of Chicago

Date: _____

Certificate of Authentication

This is to certify that this Note is one of the Notes described in the within mentioned Indenture.

[Name of Trustee],
as Trustee

By: _____
Authorized Signature

Date: _____

(D.T.C. Legend)

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("D.T.C."), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of D.T.C. (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of D.T.C.). Any Transfer, Pledge Or Other Use Hereof For Value Or Otherwise By Or To Any Person Is Wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

(Form Of Note -- Reverse Side)

1. Authorization. This Note is one of the duly authorized General Obligation Tender Notes, Series 2001A of the City of Chicago (the "Notes") issued under and pursuant to the City's powers as a home rule unit under Article VII of the Illinois Constitution of 1970, and a Trust Indenture, dated as of January 1, 2001, from the City to the Trustee (the "Indenture"), for the purpose of providing funds to pay amounts appropriated for Corporate Fund, Chicago Public Library Fund (Maintenance and Operation), Chicago Public Library Fund (Building and Sites) and City Relief Fund (General Assistance) purposes for the year 2001.

2. Definitions. Any term used herein but not defined herein shall be defined as in the Indenture.

3. Source Of Payments. The City has caused to be delivered to the Trustee an irrevocable letter of credit (the "Letter of Credit") of [Name of Bank] (the "Bank"), in its capacity as issuer of the Letter of Credit, its successors in such capacity and its assigns, which Letter of Credit will expire by its terms on _____ unless

extended by the Bank or sooner terminated pursuant to the terms of the Letter of Credit. The Trustee shall be entitled under the Letter of Credit to draw up to (a) an amount sufficient (i) to pay the principal of the Notes, or (ii) to enable the Trustee to pay the purchase price or the portion of the purchase price equal to the principal amount of the Notes delivered to it for purchase, plus (b) an amount sufficient to pay accrued interest on the Outstanding Notes (i) to pay interest on the Notes or (ii) to enable the Trustee to pay the portion of the purchase price of the Notes delivered to it equal to the accrued interest, if any, on such Notes. The City may, upon the conditions specified in the Indenture, provide for the delivery to the Trustee of an Alternate Letter of Credit.

This Note, and the issue of which it is a part, shall be direct and general obligations of the City for the payment of which, both principal and interest, the City pledges its full faith, credit and resources, and each such Note shall be payable from any monies, revenues, receipts, income, assets or funds of the City legally available for such purpose.

4. Interest Rate. Interest on the Notes will be paid at a Weekly Rate, a Short-Term Intermediate Rate or a Fixed Rate as determined by the City in accordance with the provisions of the Indenture. The City, acting through its Chief Financial Officer, or in certain cases, the Remarketing Agent, may change the Interest Rate Determination Method from time to time, which will result in a mandatory tender for purchase of the Notes (see "Tenders" below). Distinct portions of the aggregate principal amount of the Notes (a "Sub-series") may bear interest at a Weekly Rate, a Short-Term Intermediate Rate or a Fixed Rate and one (1) or more other distinct portions of the aggregate principal amount of the Notes may bear interest at a different Short-Term Rate or a Fixed Rate, and, in addition, distinct Sub-series of the Notes bearing interest at a Short-Term Intermediate Rate may bear interest at distinct Short-Term Intermediate Rates for distinct Short-Term Intermediate Rate Periods, all as set forth in the Indenture.

When interest is payable at a Weekly Rate or Short-Term Intermediate Rate it will be computed on the basis of the actual number of days elapsed over a year of three hundred sixty-five (365) or three hundred sixty-six (366) days, as applicable, and when payable at a Fixed Rate, on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months.

5. Interest Payment And Record Dates. Interest will accrue on the unpaid portion of the principal of this Note from the last date to which interest has been paid, or if no interest has been paid, from the date of the original issuance of the Notes until the entire principal amount of this Note is paid. When interest is payable at the rate in the first column below, interest accrued during the period (an "Interest Period") set forth in the second column will be paid on the date (an "Interest Payment Date") set forth in the third column to Noteholders of record on the date (a "Record Date") set forth in the fourth column:

Rate	Interest Period	Interest Payment Date	Record Date
Weekly	From any Interest Payment Date or the first day on which the Notes (or Sub-series, if applicable) bear interest at a Weekly Rate through the day preceding the next Interest Payment Date	First Business Day of each month and at maturity	Last Business Day before the Interest Payment Date
Short-Term Intermediate	From 1 to 366 days as determined for the Notes (or Sub-series, if applicable) pursuant to the Indenture ("Short-Term Intermediate Rate Period")	First Business Day immediately following the applicable Short-Term Intermediate Rate Period and at maturity	Last Business Day before the Interest Payment Date
Fixed	From any Interest Payment Date or the first day on which the Notes (or Sub-series, if applicable) bear interest at a Fixed Rate through each succeeding January 30, July 30 or the day preceding the maturity date	The day following the end of the Interest Period	The fifteenth day of January or July preceding the Interest Payment Date

The term "Business Day" is defined in the Indenture.

6. Method Of Payment. Noteholders must surrender Notes to the Trustee to collect principal or the redemption price (see "Tenders" below). All payments of interest on the Notes shall be paid by the Trustee to Noteholders of record as shown on the registration books kept by the Trustee on the applicable Record Date. Such interest shall be paid on the Interest Payment Date or special interest payment date, as applicable, in immediately available funds pursuant to instructions given in accordance with the provisions of the Indenture, or if no instructions are given as aforesaid, by clearinghouse funds check or draft mailed on the Interest Payment Date or special interest payment date, as applicable, to the persons entitled thereto at such address appearing on the registration books of the Trustee or at such other address as has been furnished to the Trustee in writing by such person. Principal

and interest will be paid in money of the United States that at the time of payment is legal tender for payment of public and private debts. If any payment on the Notes is due on a day other than a Business Day, it will be made on the next Business Day, and no interest will accrue as a result.

7. Tenders. "Tender" means to require, or the act of requiring, the purchase of a Note under the provisions of this paragraph 7 at one hundred percent (100%) of the principal amount thereof plus accrued interest, if any, to the date of purchase.

(a) Optional Weekly Rate Tender. When interest on the Notes (or Sub-series, if applicable) is payable at a Weekly Rate, a holder of a Note may tender the Note or portion thereof, provided that such portion is in an Authorized Denomination, by delivering:

(i) an irrevocable written notice to the Trustee and the Remarketing Agent (see addresses below) by 4:00 P.M., New York City time, on a Business Day, stating the principal amount of the Note and the purchase date (which must be a Business Day at least seven (7) days after delivery of such notice to the Remarketing Agent); and

(ii) the Note to the Trustee (see address below) by 12:00 Noon, New York City time, on the date of purchase (see additional requirements below), or while the Notes are in Book-entry form, other delivery arrangements satisfactory to the Trustee shall have been made.

Notes Not So Tendered On The Applicable Optional Tender Date Pursuant To Paragraph (a) Above Shall Be Deemed Tendered By The Noteholder Thereof As Of Such Date And The Notes Shall Thereafter Cease To Bear Interest Provided Funds For The Payment Of The Purchase Price Of Such Notes Have Been Deposited With The Trustee.

(b) Mandatory Tenders. The Notes (or Sub-series, if applicable) are required to be tendered to the Trustee for purchase at a purchase price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest, if any, to the date of purchase under the circumstances described below. By Acceptance Of This Note, The Registered Owner Agrees To Tender This Note For Purchase Under The Circumstances Described Below. Notes Not So Tendered On The Applicable Mandatory Tender Date Shall Be Deemed Tendered By The Noteholders Thereof As Of Such Date And The Notes Shall Thereafter Cease To Bear Interest Provided Funds For The Payment Of The Purchase Price Of Such Notes Have Been Deposited With The Trustee.

(i) Mandatory Tender On Each Interest Payment Date During Short-Term Intermediate Rate Period. When the Notes (or Sub-series, if applicable) bear interest at a Short-Term Intermediate Rate, such Notes shall be subject to mandatory tender as provided above on the Interest Payment Date for such Notes. If Notes are also subject to mandatory tender under paragraph (ii) below, the mandatory tender will be governed by that paragraph and not this paragraph.

(ii) Mandatory Tender Upon A Change In The Interest Rate Determination Method For The Notes. On the effective date of a change in the Interest Rate Determination Method for the Notes (or Sub-series, if applicable) such Notes are subject to mandatory tender as provided above on the effective date of such change.

(iii) On the fifth (5th) Business Day prior to the then applicable scheduled expiration date of the Letter of Credit if on the fifteenth (15th) day preceding the scheduled expiration date of the Letter of Credit occurring prior to the final maturity of the Notes, the Letter of Credit has not been extended or an Alternate Letter of Credit has not been delivered.

(c) Payment Of Purchase Price. The purchase price for a Note tendered for purchase will be paid in immediately available funds by the close of business on the date of purchase. In order to receive such purchase price, the Note must conform in all respects to the description contained in the applicable notice delivered by the Noteholder pursuant to paragraph 7(a)(i) above, and must be physically delivered to the Trustee properly endorsed for transfer, or while the Notes are in Book-entry form, other delivery arrangements satisfactory to the Trustee shall have been made. Any Note delivered to the Trustee must be accompanied by an instrument of transfer executed in blank by the Noteholder with the signature of such Noteholder guaranteed by a bank, trust company or member firm of The New York Stock Exchange, Inc. The Trustee may refuse to accept tender of a Note delivered to the Trustee if a proper instrument of transfer is not provided.

(d) Delivery Addresses; Additional Delivery Requirements. Notices in respect of tenders and Notes tendered must be delivered as follows:

Notices to
Remarketing Agent:

[Name of Remarketing Agent]
[Address]
Attention: Short-Term Municipal
Desk

Notes (if applicable) and
Notices to Trustee:

[Name of Trustee]
[Address]
Attention: Corporate Trust Department

These addresses may be changed by notice mailed by first class mail to the Noteholders at their addresses shown in the registration books maintained by the Trustee.

(e) Effect Of Redemption Or Mandatory Tender. Notes optionally tendered for purchase on a date after a call for redemption but before the redemption date, and Notes optionally tendered for purchase before a mandatory tender date, shall be purchased pursuant to the optional tender.

8. Redemption Of Notes Prior To Maturity. All redemptions will be made at a redemption price equal to one hundred percent (100%) of the principal amount of the Notes being redeemed plus interest, if any, accrued to the redemption date, as follows:

(a) Optional Redemption. When interest on the Notes (or Sub-series, if applicable) is payable at a Weekly Rate, such Notes may be redeemed in whole or in part at the option of the City on the first (1st) Business Day of any month. The Notes (or Sub-series, if applicable) are not subject to optional redemption during any Short-Term Intermediate Rate Period or any Fixed Rate Period.

(b) Mandatory Redemption For Failure To Reinstate The Letter Of Credit Upon An Event Of Default Under The Reimbursement Agreement Or Not More Than Sixty (60) Days Following The Last Date For Payment Of Taxes. All Notes shall be subject to mandatory redemption by the City (i) in the event that the Trustee receives notice from the Bank not later than ten (10) calendar days from the date of a drawing that the Letter of Credit in respect of the Notes will not be reinstated in accordance with the provisions of the Reimbursement Agreement and the Letter of Credit, (ii) in the event the Trustee receives notice from the Bank that an event of default has occurred under the Reimbursement Agreement or (iii) not more than sixty (60) days following the last date for payment without interest or penalty of the taxes levied to pay the amounts appropriated for the funds to which the proceeds of the Notes were deposited.

(c) Notice Of Redemption. Notice of the redemption of Notes shall be given by the Trustee by first-class mail to each Noteholder at his or her address shown on the registration books of the Trustee: (i) in the case of the redemption of Notes pursuant to paragraph 8(a) hereof and clause (iii) of paragraph 8(b) hereof, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, and (ii) in the case of the redemption of Notes pursuant to clause (i) or (ii) of

paragraph 8(b) hereof, not less than five (5) days nor more than ten (10) days after the receipt by the Trustee of the notice from the Bank described in clause (i) or (ii) of paragraph 8(b) hereof. Failure to give any required notice of optional redemption as to any Notes or any defect therein shall not affect the validity of the call for redemption of any Notes in respect of which no failure or defect occurs. Failure to give any required notice by mail of mandatory redemption of any Notes or any defect therein shall not affect the validity of the call for redemption of such Notes. Any notice mailed as provided in this paragraph will be conclusively presumed to have been given whether or not actually received by the addressee.

(d) Effect Of Notice Of Redemption. When notice of redemption is given as required, Notes (or portions thereof) called for redemption shall become due and payable on the redemption date at the applicable redemption price; provided that funds are deposited with the Trustee sufficient for such redemption, interest on the Notes (or portions thereof) to be redeemed shall cease to accrue as of the date of redemption.

9. Denominations; Transfer; Exchange. The Notes are issuable in fully registered form in Authorized Denominations. A holder may transfer or exchange Notes in accordance with the Indenture. The Trustee may exchange Notes in accordance with the Indenture. The Trustee may require a Noteholder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Notes may be exchanged for other Notes at the principal office of the Trustee upon the terms set forth in the Indenture.

10. Persons Deemed Owners. The registered Noteholder of this Note shall be treated as the owner of this Note for all purposes.

11. Unclaimed Money. If monies for the payment of principal, interest or purchase price remain unclaimed for two (2) years, the Trustee will, upon the request of the City and with consent of the Bank, pay such monies to or for the account of the City. Thereafter, Noteholders entitled to such monies must look only to the City and not to the Trustee or the Bank for payment.

12. Amendment And Supplement, Waiver. Subject to certain exceptions, the Indenture may be amended or supplemented, with the consent of the holders of sixty percent (60%) in aggregate principal amount of the Notes. Without the consent of any Noteholder, the City and the Trustee may enter into amendments or supplements to the Indenture as provided in the Indenture to, among other purposes, cure any ambiguity, omission, formal defect or inconsistency, or to make any change that does not materially adversely affect the rights of any Noteholder.

13. Defaults And Remedies. The Indenture provides that the occurrences of certain events constitute Events of Default. If certain Events of Default occur, the Trustee may, and at the written request of a majority in aggregate principal amount of the Notes shall, declare the principal of all the Notes to be due and payable immediately. An Event of Default and its consequences may be waived as provided in the Indenture. Noteholders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity satisfactory to it. Subject to certain limitations, holders of a majority in aggregate principal amount of the Notes may direct the Trustee in its exercise of any trust or power.

14. No Recourse Against Others. No member, official, officer, agent or employee, as such, of the City shall have any liability for any obligations of the City under the Notes or the Indenture or for any claim based on such obligations or their creation. Each Noteholder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

15. Authentication. This Note shall not be valid until the Trustee executes the certificate of authentication on this Note.

16. Abbreviations. Customary abbreviations may be used in the name of a Noteholder or an assignee, such as Ten. Com. (= tenants in common), Ten. Ent. (= tenants by the entireties), Jt. Ten. (= joint tenants with right of survivorship and not as tenants in common), Cust. (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(Form Of Assignment)

I or we assign and transfer to

Insert social security or other
identifying number of assignee

[_____]

[_____]

(Print or type name, address and zip code of assignee)

this Note and irrevocably appoint _____ as agent to transfer this Note on the books of the City. The agent may substitute another to act for such agent.

Dated: _____

Signed: _____
(Sign exactly as name appears on the other side of this Note)

Signature guaranteed: _____

AMENDMENT OF ORDINANCE WHICH AUTHORIZED ISSUANCE
OF CITY OF CHICAGO MULTI-FAMILY HOUSING REVENUE
BONDS, SERIES 2000, ISSUANCE OF CITY OF CHICAGO
MULTI-FAMILY HOUSING REVENUE NOTES, SERIES
2000 AND EXECUTION OF LOAN AGREEMENT
WITH HEARTS UNITED PHASE II LIMITED
PARTNERSHIP.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance amending an ordinance authorizing the issuance of Bonds and Notes and authorizing a loan on behalf of Hearts United Phase II Limited Partnership, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance.

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 Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

Alderman Beavers 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:

WHEREAS, The City of Chicago (the "City") is a home rule municipality within the meaning of Section 6(a), Article VII of the 1970 Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, Pursuant to the City's home rule powers, the City Council of the City (the "City Council"), by an ordinance enacted on June 28, 2000 and published at pages 36217 -- 36537 in the Journal of the Proceedings of the City Council (the "Original Ordinance"), authorized, among other things, (a) the issuance by the City

of its Multi-Family Housing Revenue Bonds, Series 2000 (G.N.M.A. Collateralized -- The Quincy Apartments) (the "Bonds") in an aggregate principal amount not to exceed Five Million Five Hundred Thousand Dollars (\$5,500,000), and its Multi-Family Housing Revenue Notes, Series 2000 (The Quincy Apartments) (the "Notes") in an aggregate principal amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000), and (b) the making of a loan by the City's Department of Housing (the "D.O.H. Loan") to Hearts United Phase II Limited Partnership, an Illinois limited partnership (the "Borrower"), all in connection with the financing of the cost of acquiring, constructing and equipping sixteen (16) residential structures (collectively, the "Project") to be owned by the Borrower and located within the City (and as further described in the Original Ordinance) in order to create approximately one hundred seven (107) rental units, of which approximately seventy-five (75) shall constitute affordable housing; and

WHEREAS, The City has not yet issued the Bonds or the Notes or made the D.O.H. Loan to the Borrower; and

WHEREAS, Subsequent to the adoption of the Original Ordinance, the costs of the Project have increased, and the Borrower has requested that the financing for the Project be restructured, including increasing the maximum authorized aggregate principal amount of the Bonds by Eight Hundred Thousand Dollars (\$800,000), decreasing the maximum authorized aggregate principal amount of the Notes by Eight Hundred Thousand Dollars (\$800,000), and decreasing the interest rate on the D.O.H. Loan; and

WHEREAS, D.O.H. has approved the Borrower's request and recommends that such restructuring to the financing for the Project be approved; now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Original Ordinance is hereby amended as follows:

(a) In Section 2.01 of the Original Ordinance, the reference to "Five Million Five Hundred Thousand Dollars (\$5,500,000)" shall be changed to "Six Million Three Hundred Thousand Dollars (\$6,300,000)".

(b) In Section 3.01 of the Original Ordinance, the reference to "Three Million Five Hundred Thousand Dollars (\$3,500,000)" shall be changed to "Two Million Seven Hundred Thousand Dollars (\$2,700,000)".

(c) In Exhibit B-1 to the Original Ordinance:

(i) Under the caption "Affordable Housing Loan", the interest rate shall be changed from "three and seventy-five hundredths percent (3.75%) per annum" to "three and zero hundredths percent (3.00%) per annum".

(ii) In Section (1) under the caption "Additional Financing", the reference to "Five Million Five Hundred Thousand Dollars (\$5,500,000)" shall be changed to "Six Million Three Hundred Thousand Dollars (\$6,300,000)".

(iii) In Section (4) under the caption "Additional Financing", the reference to "Four Million One Hundred Ninety-three Thousand Four Hundred Sixty-eight Dollars (\$4,193,468)" shall be changed to "Four Million Two Hundred Sixty Thousand Dollars (\$4,260,000)".

(d) In (Sub)Exhibit D to Exhibit E to the Original Ordinance:

(i) In Section (1) under the caption "Lender Financing", the references to "Five Million Four Hundred Fifty-seven Thousand Dollars (\$5,457,000)" shall be changed to "Six Million Two Hundred Seventy-three Thousand Dollars (\$6,273,000)", and the references to "Five Million Five Hundred Thousand Dollars (\$5,500,000)" shall be changed to "Six Million Three Hundred Thousand Dollars (\$6,300,000)".

(ii) In Section (2) under the caption "Lender Financing", the reference to "Three Million Five Hundred Thousand Dollars (\$3,500,000)" shall be changed to "Two Million Seven Hundred Thousand Dollars (\$2,700,000)".

(iii) In Section (3) under the caption "Lender Financing", the interest rate shall be changed from "three and seventy-five hundredths percent (3.75%) per annum" to "three and zero hundredths percent (3.00%) per annum".

(iv) Under the caption "Other Funds", the reference to "Four Million One Hundred Ninety-three Thousand Four Hundred Sixty-eight Dollars (\$4,193,468)" shall be changed to "Four Million Two Hundred Sixty Thousand Dollars (\$4,260,000)".

SECTION 3. Except as hereby amended, the Original Ordinance shall remain in full force and effect.

SECTION 4. If any provision of this ordinance is in conflict with or inconsistent with any ordinances or resolutions or parts of ordinances or resolutions or the proceedings of the City in effect as of the date hereof, the provisions of this ordinance shall supersede any conflicting or inconsistent provision to the extent of

such conflict or inconsistency. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance. No provision of the Municipal Code of Chicago (the "Municipal Code"), or violation of any provision of the Municipal Code, shall be deemed to impair the validity of this ordinance, or to impair the rights of the owners of the Bonds and the Notes to receive payment of the principal of, premium, if any, or interest on the Bonds and the Notes, or to impair the security for the Bonds or the Notes; provided, further, however, 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 5. This ordinance shall be in full force and effect immediately upon its adoption.

AUTHORIZATION OF TAX LEVY FOR SPECIAL
SERVICE AREA NUMBER 1.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 1 in the amount of \$1,050,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas-- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schuler, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On July 7, 1977, the City Council of the City of Chicago (the "City Council") enacted an ordinance, as amended by an ordinance enacted by the City Council on November 17, 1993, as further amended by an ordinance enacted by the City Council on December 21, 1994, as further amended by an ordinance enacted by the City Council on December 11, 1996 (collectively, the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 1 (the "Area") and authorized the levy of an annual tax not to exceed an annual rate of .00405 of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory including those properties fronting on State Street between Wacker Drive and Congress Parkway; and

WHEREAS, The Establishment Ordinance provided for the appointment of a commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Transportation, the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, and has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services; and

WHEREAS, The budget for the Area for fiscal year 2001 is Two Million Fifty-five Thousand Dollars (\$2,055,000); and

WHEREAS, The Commission advises the Mayor and the City Council concerning the annual tax to be levied in Special Service Area Number 1 for the 2000 tax year that a tax of One Million Fifty Thousand Dollars (\$1,050,000) be imposed to provide said Special Services; and

WHEREAS, It is anticipated that the Commission will recommend a service provider agreement and a contractor therefor to the Mayor and to the City Council in the near future for the provision of the Special Services funded by the Services Tax; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the sum of One Million Fifty Thousand Dollars (\$1,050,000) for the purposes of providing the Special Services in and for the Area, the source of funding for such amount to be the tax levy described in Section 3 below. Such sum of One Million Fifty Thousand Dollars (\$1,050,000) shall be expended pursuant to a service provider agreement to be authorized by the City Council.

SECTION 3. Levy Of Taxes. Pursuant to, and consistent with the Commission's advice as to the amount of taxes to be levied against all taxable property in the Area for the 2000 tax year, the City Council hereby approves and levies such tax in the amount of One Million Fifty Thousand Dollars (\$1,050,000) for the tax year 2000 for the Area. Such tax levy shall, however, in no event exceed the amount of .00405 of the assessed value, as equalized, of taxable property within the Area.

SECTION 4. Filing. The City Clerk is hereby authorized and directed to file a certified copy of this ordinance with the Clerk of the County of Cook (the "County Clerk") pursuant to 35 ILCS 200/27-5, et seq., on or prior to December 26, 2000,

noting that Fund 326 is the budget for the Area for 2001, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, such Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of such Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 6. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 7. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 8. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

AUTHORIZATION OF TAX LEVY AND SERVICE PROVIDER
AGREEMENT FOR SPECIAL SERVICE AREA NUMBER 2.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 2 in the

amount of \$213,000 and the execution of a Service Provider Agreement with Belmont/Central Parking Commission, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers; Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy; Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On June 30, 1982, the City Council of the City of Chicago (the "City Council") enacted an ordinance, as amended by an ordinance enacted by the City Council on March 25, 1983, as further amended by an ordinance enacted by the City Council on September 18, 1984, as further amended by an ordinance enacted

by the City Council on June 14, 1995 (collectively, the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 2 (the "Area") and authorized the levy of an annual tax not to exceed an annual rate of one and one-half percent (1.5%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory approximately bounded by Henderson Street on the north, George Street on the south and fronting on Central Avenue on both east and west sides; and Long Avenue on the east, Austin Avenue on the west, and fronting on Belmont Avenue on both north and south sides; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included the maintenance, operation and upkeep of an automobile parking facility and such other services as will tend to promote, assist or preserve the businesses located within, and foster commercial and economic development of, the Area; and

WHEREAS, The Establishment Ordinance provided for the appointment of the Belmont/Central Parking Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, and has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services and has recommended to the Department of Planning and Development, the Mayor and the City Council an agreement with the Service Provider, whose terms and conditions provide for the expenditure of the Services Tax for the provision of the Special Services for the fiscal year commencing January 1, 2001, in substantially the form attached hereto as Exhibit A; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

Belmont/Central Parking Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services	\$213,000
TOTAL BUDGET REQUEST:	\$213,000

Source Of Funding:

Tax levy at a rate not to exceed one and one-half percent (1.5%) of the assessed value, as equalized, of taxable property within Special Service Area Number 2	\$213,000

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(1)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Special Service Area Act and pursuant to the provisions of the Establishment Ordinance, the sum of Two Hundred Thirteen Thousand Dollars (\$213,000) as the amount of the Services Tax for the tax year 2000.

SECTION 4. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner of the Department of Planning and Development (the "Commissioner"), or a designee of the Commissioner are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver an agreement with the Belmont/Central Parking Commission, Inc., an Illinois not-for-profit corporation, in substantially the form attached hereto as Exhibit A and hereby made a part hereof (the "Service Provider Agreement"), and such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Service Provider Agreement.

SECTION 6. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 7. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 8. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 9. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 10. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Agreement For Special Service Area Number 2

Between

*The City Of Chicago
(Represented By The Special Service Area Commission)*

And

Belmont/Central Parking Commission, Inc.

Effective January 1, 2001 Through December 31, 2001.

This agreement for the management of Special Service Area Number 2 is entered into by and between the Belmont/Central Parking Commission, Inc., an Illinois not-for-profit corporation ("Contractor"), and the City of Chicago ("City"), a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, acting through the Special Service Area Commission at Chicago, Illinois.

Recitals.

Whereas, Special service areas may be established pursuant to Article VII, §§ 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq.; and

Whereas, The City Council of the City of Chicago ("City Council") has established a special service area known and designated as "Special Service Area Number 2" ("Area"), to provide special services in addition to those services provided generally

by the City ("Special Services"). The City Council has further authorized the levy of an annual ad valorem real property tax in the Area sufficient to produce revenues required to provide those Special Services but not to exceed one and one-half percent (1.5%) of the equalized assessed value of all property within the Area ("Service Tax"), all as provided in the Establishment Ordinance (hereinafter defined); and

Whereas, The City Council on _____, 2000 authorized the levy of the Service Tax and appropriation of the funds therefrom for the Area for fiscal year 2001 for the provision of the Special Services in the Area; and

Whereas, The Contractor and the City desire to enter into this Agreement to provide such Special Services in the Area and the Contractor is ready, willing and able to enter into this agreement to provide the Special Services to the full satisfaction of the City;

Now, Therefore, In consideration of the mutual promises contained in this agreement, the City and the Contractor agree as follows:

Article 1.

Incorporation Of Recitals.

The recitals set forth above are incorporated by reference as if fully set forth herein.

Article 2.

Definitions.

The following words and phrases shall have the following meanings for purposes of this Agreement:

"Agreement" means this Special Service Area Agreement, including all (sub)exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

“Commissioner” means the commissioner of the Department of Planning and Development or his duly authorized representative.

“Construction” means landscaping, building activities, including but not limited to, physical building improvements, installations, and other fixed works, but does not include predevelopment work (design and preparation of specifications).

“Days” means business days in accordance with the City of Chicago business calendar.

“Department” means the City of Chicago Department of Planning and Development.

“Establishment Ordinance” means an ordinance enacted on June 30, 1982, as amended by ordinances enacted on March 25, 1983, September 18, 1984, June 14, 1995, respectively, and any subsequent amendments thereto authorizing imposition of the Service Tax and setting forth the Special Services to be provided in the Area.

“Risk Management Division” means the Risk Management Division of the Department of Finance which is under the direction of the Comptroller of the City and is charged with reviewing and analyzing insurance and related liability matters for the City.

“Security Firm” means a business entity certified by the State of Illinois pursuant to the Private Detective, Private Alarm and Private Security Act of 1993, 225 ILCS 446/1, et seq., and whose employees are licensed by the State of Illinois.

“Services” means, collectively, the services, duties and responsibilities described in Article 3 and (Sub)Exhibit 1 (Scope of Services) of this Agreement and any revisions thereof and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

“Service Tax Funds” means the amount actually collected pursuant to the Service Tax.

“Special Service Area Commission (‘S.S.A.C.’)” means the body established pursuant to the Establishment Ordinance to prepare the Budget, identify a Contractor and supervise the provision of the Special Services in the Area.

“Subcontractor” means any person or entity with whom Contractor contracts to provide any part of the Services, including subcontractors of any tier, subconsultants of any tier, suppliers and materialmen, whether or not in privity with the Contractor.

*Article 3.**Duties And Responsibilities Of Contractor.***3.01 Scope Of Services.**

The Services which the Contractor shall provide include, but are not limited to, those described in this Article 3 and in (Sub)Exhibit 1 which is attached hereto and incorporated by reference as if fully set forth herein. The S.S.A.C. reserves the right to require the Contractor to perform revised services which are within the general scope of services of this Agreement and of the Special Services identified in the Establishment Ordinance subject to the same terms and conditions herein. Revised services shall be limited to changes or revisions to the line items in the Budget, shall not affect the maximum compensation, and shall require the prior written approval of the S.S.A.C.. The S.S.A.C. may by written notice to the Department and the Contractor delete or amend the figures contained and described in the Budget attached hereto as (Sub)Exhibit 2 and incorporated by reference as if fully set forth herein. The Contractor shall provide the Services in accordance with the standards of performance set forth in Section 3.02.

3.02 Standard Of Performance.

The Contractor shall perform all Services required of it with that degree of skill, care and diligence normally shown by a contractor performing services of a scope, purpose and magnitude comparable with the nature of the Services to be provided hereunder. The Contractor shall at all times use its best efforts on behalf of the City to assure timely and satisfactory rendering and completion of its Services.

The Contractor shall at all times act in the best interests of the City consistent with the professional obligations assumed by it in entering into this Agreement. The Contractor shall perform all Services in accordance with the terms and conditions of this Agreement and to the full satisfaction of the S.S.A.C.. The Contractor agrees to furnish efficient business administration and supervision to render and complete the Services at reasonable cost.

The Contractor shall assure that all Services which require the exercise of professional skills or judgment shall be accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. The Contractor shall remain responsible for the professional and technical accuracy of all Services provided, whether by the Contractor or its Subcontractors or others on its behalf.

If the S.S.A.C. determines that the Contractor has failed to comply with the foregoing standards, the Contractor shall perform again, at its own expense, all Services required to be reperfomed as a direct or indirect result of such failure. Any review, approval, acceptance or payment for any or all of the Services by the City shall not relieve the Contractor of its responsibility for the professional and technical accuracy of its Services. This provision in no way limits the City's rights against Contractor, either under this Agreement, at law or in equity.

3.03 Personnel.

A. Key Personnel.

The Contractor shall, immediately upon receiving a fully executed copy of this Agreement, assign and maintain during the term of this Agreement and any extension thereof an adequate staff of competent personnel which is fully equipped, licensed as appropriate, available as needed, qualified and assigned to perform the Services. Salaries and wages due of all employees of the Contractor performing Services under this Agreement shall be paid unconditionally and at least once a month without deduction or rebate on any account, except only for such payroll deductions as are mandatory by law or are permitted under applicable law and regulations.

B. Prevailing Wages.

If the Contractor engages in Construction, it shall comply, and shall cause all of its Subcontractors to comply by inserting appropriate provisions in their contracts, with 820 ILCS 130/10.01, et seq., regarding the payment of the general prevailing rate of hourly wage for all laborers, workers and mechanics employed by or on behalf of the Contractor and all Subcontractors in connection with any and all Construction work. The prevailing rates of wages applicable at the time of execution of this Agreement are included in (Sub)Exhibit 6 to this Agreement, which is incorporated by reference as though fully set forth herein.

C. Illinois Workers, Veterans' Preference And Steel Products.

If the Contractor engages in Construction, it shall comply, and shall cause all of its Subcontractors to comply by inserting appropriate provisions in their contracts, with the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0.01, et seq.; the Veterans Preference Act, 330 ILCS 55/0.01, et seq.; and the Steel Products Procurement Act, 35 ILCS 30/565/1, et seq.

3.04 Nondiscrimination.

A. Federal Requirements.

It shall be an unlawful employment practice for the Contractor (1) to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation or the terms, conditions, or privileges of his employment because of such individual's race, color, religion, sex, age, handicap or national origin; or (2) to limit, segregate or classify its employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee, because of such individual's race, color, religion, sex, age, handicap or national origin.

The Contractor shall comply with the Civil Rights Act of 1964, 42 U.S.C. § 2000, et seq., as amended. Attention is called to: Exec. Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. § 2000(e) note, as amended by Exec. Order No. 11,375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12,086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. §§ 6101-06; Rehabilitation Act of 1973, 29 U.S.C. §§ 793-94; Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq. and 41 C.F.R. Part 60, et seq.

B. State Requirements.

Contractor shall comply with the Illinois Human Rights Act, 775 ILCS 5/1-101, et seq., the Equal Employment Opportunity Clause, Ill. Admin. Code Title 5, § 750 Appendix A and the Public Works Employment Discrimination Act, 775 ILCS 10/0.01, et seq., as amended.

C. City Requirements.

Contractor shall comply with the Chicago Human Rights Ordinance, § 2-160-010, et seq., as amended, of the Municipal Code of Chicago.

3.05 Insurance.

The Contractor shall comply with the insurance provisions attached hereto as (Sub)Exhibit 4 and incorporated by reference as if fully set forth herein, or such other insurance provisions as may be required in the reasonable judgement of the Risk Management Division. If the Contractor enters into a subcontract with a Security Firm such Security Firm shall comply with the insurance provisions

attached hereto as (Sub)Exhibit 5 and incorporated by reference as if fully set forth herein, or such other insurance provisions as may be required in the reasonable judgement of the Risk Management Division. If the Contractor subcontracts with a Subcontractor other than a Security Firm, such Subcontractor shall comply with the insurance provisions required for the Contractor attached hereto as (Sub)Exhibit 4.

The Risk Management Division may waive or reduce any of the insurance requirements set forth herein. In addition, the Risk Management Division shall review any new Scope of Services which the S.S.A.C., in consultation with the Contractor, prepares in connection with any extension of this Agreement pursuant to Article 4 hereof and shall, if necessary, revise the insurance required herein.

3.06 Indemnification.

A. On written notice from the City of Losses the City believes are Losses Arising under this Agreement as defined in this Section 3.06, the Contractor shall defend, indemnify, and hold completely harmless the City Indemnitees from and against such Losses, regardless of whether Contractor challenges the City's belief. The defense, indemnification and hold harmless obligations of the Contractor toward City Indemnitees remain an affirmative obligation of Contractor following the City's notice of Losses the City believes are Losses Arising under this Agreement, unless and until a court of competent jurisdiction finally determines otherwise and all opportunities for appeal have been exhausted or have lapsed.

B. For purposes of this Section 3.06,

"City Indemnitees" means, individually and collectively, the City of Chicago, its officials, agents, employees and S.S.A.C. members.

"Losses" means, individually and collectively, all kinds of liabilities, losses, suits, claims, damages, judgments, fines and demands, including all reasonable costs for investigation, reasonable attorneys' fees, court costs and experts' fees, arising by reason of injury or death of any person, damage to property, patent or copyright infringement.

"Arising under this Agreement" means (i) arising out of awarding this Agreement, (ii) arising out of the enforcement of this Agreement, including the enforcement of this indemnification provision; (iii) arising out of or in connection with Contractor's performance or non-performance of this Agreement (including the acts or omission of Contractor, its officers, agents, employees, consultants, subconsultants, licensees or invitees), any breach by any of them of any warranty made under this Agreement, or any failure by any of them to meet any applicable standard of performance under this Agreement; or (iv) any combination of any of the foregoing.

C. To the extent permissible by law, Contractor waives any limits on Contractor's liability that it would otherwise have by virtue of the Workers' Compensation Act or any other related law or judicial decision (such as *Kotecki v. Cyclops Welding Corporation*, 146 Ill. 2d 155 (1991)). The City, however, does not waive any limitations it may have on its liability under the Workers' Compensation Act or under the Illinois Pension Code.

D. The City has the right, at its option and at its own expense, to participate in the defense of any suit without relieving Contractor of any of its obligations under this indemnity provision. The requirements set forth in this indemnity provision are separate from and not limited by the amount of insurance Contractor is required to obtain under this Agreement or by its bonds pursuant to other provisions in this Agreement. Further, the indemnities contained in this provision survive the expiration or termination of this Agreement.

3.07 Records And Audits.

The Contractor shall deliver or cause to be delivered all documents, data, studies, reports, findings or information to the S.S.A.C. promptly in accordance with the time limits prescribed herein and if no time limit is specified, then upon reasonable demand therefore, or upon termination or completion of the Services hereunder.

The Contractor and any Subcontractors shall furnish the S.S.A.C. with semi-annual reports or provide such information as may be requested relative to the performance and cost of the Services. The Contractor shall maintain records showing actual time devoted and costs incurred. The Contractor shall keep books, documents, paper, records and accounts in connection with the Services open to inspection, copying, abstracting, transcription, and an independent audit by City employees or agents or third parties, and shall make these records available to the City and any other interested governmental agency at reasonable times during the performance of its Services. In addition, Contractor shall retain them in a safe place and make them available for an independent audit, inspection, copying and abstracting for at least five (5) years after the final payment made in connection with this Agreement.

The Contractor Shall Not Commingle Service Tax Funds With Funds From Other Sources, and to the extent that the Contractor conducts any business operations separate and apart from the Services hereunder using, for example, personnel, equipment, supplies or facilities also used in connection with this Agreement, then the Contractor shall maintain and make similarly available to the City detailed records supporting the Contractor's allocation to this Agreement of the costs and expenses attributable to any such shared usages.

The Contractor shall provide an annual audited financial statement to the S.S.A.C. and the Department within one hundred twenty (120) calendar days after the end of the calendar year and the system of accounting shall be in accordance with generally accepted accounting principles and practices, consistently applied throughout. No provision in this Agreement granting the City a right of access to records and documents is intended to impair, limit or affect any right of access to such records and documents which the City would have had in the absence of such provisions.

3.08 Subcontracts And Assignments.

The Contractor shall not assign, delegate, subcontract or otherwise transfer all or any part of its rights or obligations under this Agreement or any part hereof, unless otherwise provided for herein or without the express written consent of the S.S.A.C.. The absence of such provision or written consent shall void the attempted assignment, delegation or transfer and shall be of no effect as to the Services or this Agreement.

All subcontracts, all approvals of Subcontractors and any assignment to which the S.S.A.C. consents shall be, regardless of their form, deemed conditioned upon performance by the Subcontractor or assignee in accordance with the terms and conditions of this Agreement.

If the Contractor subcontracts for security services, the Subcontractor shall be a Security Firm certified by the State of Illinois and the Security Firm's employees shall be licensed by the State of Illinois. The Contractor, upon entering into any subcontract with a Security Firm, shall furnish the S.S.A.C. and the Department with a copy of the subcontract for their approval. The City expressly reserves the right to approve all Security Firm subcontracts.

3.09 License, Permits And Safety Considerations.

A. Licenses And Permits.

If the Contractor engages in Construction, it shall be responsible for and, in a timely manner consistent with its obligations hereunder, shall secure and maintain at its expense such permits, licenses, authorizations and approvals as are necessary for it to engage Construction under this Agreement.

B. Safety Considerations.

If the Contractor engages in Construction, it shall at all times exercise reasonable care, shall comply with all applicable provisions of federal, state and local laws to prevent accidents or injuries, and shall take all appropriate precautions to avoid damage to and loss of City property and the property of third parties in connection with the Construction. The Contractor shall erect and properly maintain at all times all necessary safeguards, barriers, flags and lights for the protection of its' and its' Subcontractors' employees, City employees, and the public.

If the Contractor engages in Construction, it shall report to the Department any damage on, about, under or adjacent to City property or the property of third persons resulting from its' performance under this Agreement. The Contractor is responsible for any damage to City property or the property of third parties due, in whole or in part, to the Contractor's Construction activities under this Agreement, and the Contractor shall remedy such damage to a reasonably acceptable standard.

3.10 Performance Bond.

If the Contractor engages in Construction work where expenditures exceed Twenty-five Thousand Dollars (\$25,000), it shall, not later than the date the Contractor begins such work or executes a subcontract for such work, provide or cause to be provided to the Department a performance and payment bond in the amount allocated for the Construction work (but not including the amount allocated for design and preparation of specifications), by a surety or sureties acceptable to the City. The performance bond shall be in the form and to the effect of (Sub)Exhibit 7 hereto, which is incorporated by reference as if fully set forth herein.

If any of the sureties on such bond at any time fail financially, or are deemed to be insufficient security for the penalty of the bond, then the City may, on giving ten (10) days notice thereof in writing, require the Contractor to furnish a new and additional bond with sureties satisfactory to the City.

Article 4.

Term Of Services.

This Agreement shall take effect as of January 1, 2001 ("Effective Date") and shall

continue through December 31, 2001, or until the Agreement is terminated in accordance with its terms. The City may extend this Agreement by a written amendment in accordance with Section 8.03 for one (1) six (6) month period under the same terms and conditions except for a revised budget and scope of services. However, the extension shall expire whenever a new Agreement between the City and Contractor takes effect.

Article 5.

Compensation.

5.01 Basis of Payment.

The maximum compensation that the Contractor may be paid under this Agreement is Two Hundred Thirteen Thousand and no/100 Dollars (\$213,000.00) or the total amount of Service Tax Funds actually collected for tax year 2000, whichever is less.

The City Comptroller will transfer the Service Tax Funds to the Contractor as received. The Contractor shall reimburse its Subcontractors for Services satisfactorily performed pursuant to the Budget.

5.02 Budget For Services.

The Contractor in conjunction with the S.S.A.C. has prepared a Budget, attached hereto as (Sub)Exhibit 2 and incorporated by reference as if fully set forth herein, covering all services described in the Scope of Services. The S.S.A.C. reserves the right to transfer funds between line items or make Budget revisions which do not affect the maximum compensation set forth in Section 5.01. The S.S.A.C. shall revise the Budget if any part of the Contractor's Services is terminated.

5.03 Method Of Payment.

The Contractor shall establish a separate checking account ("Account") in a bank authorized to do business in the State of Illinois that is insured by the Federal Deposit Insurance Corporation. All Service Tax Funds that the Comptroller transfers to the Contractor shall be deposited in the Account and disbursements

from the Account shall be pursuant to this Agreement. The Contractor Shall Not Commingle Service Tax Funds With Funds From Other Sources. The Contractor shall provide to the S.S.A.C. the signature card and sample check from the bank which shows the signature(s) of the Contractor's authorized representative(s). The S.S.A.C. reserves the right to audit the account and require the Contractor to refund any funds which were not spent pursuant to the Budget or which were not approved by the S.S.A.C.. The name and address of the bank is _____ and the wire transfer and the Account numbers are _____.

All funds remaining in the Account at the expiration or early termination of this Agreement, including any interest earned, belong to the City for the benefit of the Area and shall be returned to the City to be used only for Special Services. However, if the City and the Contractor enter into a subsequent agreement for Special Services, the funds may remain in the Account to be used pursuant to the subsequent agreement.

5.04 Criteria For Payment.

The S.S.A.C., in its sole discretion, shall determine the reasonableness, allocability and allowability of any rates, costs and expenses charged or incurred by the Contractor.

5.05 Funding.

Payments under this Agreement shall be made from Service Tax Funds in fund number _____ and are subject to the availability of funds therein.

5.06 Non-Appropriation.

In the event that no funds or insufficient funds are appropriated and budgeted in any City fiscal period for payments to be made under this Agreement, then the City will notify the Contractor of such occurrence and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. No payments shall be made or due to the Contractor under this Agreement beyond those amounts collected, appropriated and budgeted by the City to fund payments hereunder.

*Article 6.**Special Conditions.*

6.01 Warranties And Representations.

In connection with the execution of this Agreement, the Contractor warrants and represents:

- A. That it is financially solvent; that it and each of its employees, agents and Subcontractors are competent to perform the Services required; that it is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated herein; and
- B. That it shall not knowingly use the services of any ineligible Subcontractor for any purpose in the performance of the Services; and
- C. That it and its Subcontractors are not in default at the time of the execution of this Agreement, or deemed by the Department to have, within five (5) years immediately preceding the date of this Agreement, been found to be in default on any contract awarded by the City; and
- D. That it and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of § 2-92-320 of the Municipal Code of Chicago, 720 ILCS 5/33E-1, et seq., of the Criminal Code of 1961, and 65 ILCS 5/11-42.1-1 of the Illinois Municipal Code; and
- E. That it shall be the duty of the Contractor, all Subcontractors and their respective officers, directors, agents, partners and employees to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code of Chicago; that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code of Chicago and all subcontracts shall inform Subcontractors of such provision and require understanding and compliance therewith; and
- F. That it shall comply with the MacBride Principles Ordinance, § 2-92-580 of the Municipal Code of Chicago, through which the City seeks to promote fair and equal employment opportunities and labor practice for religious minorities in Northern Ireland and provide a better working environment for all citizens in Northern Ireland; that in accordance with the MacBride Principles Ordinance, if the Contractor conducts any business operations in Northern Ireland, it shall make all reasonable and good faith efforts to

conduct such business operations in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390 (1988 Ill. Laws 3220); and

- G. That, except only for those representations, statements or promises expressly contained in this Agreement and any (sub)exhibits attached hereto, no representation, statement or promise, oral or written, or of any kind whatsoever, by the City, its officials, agents or employees, has induced the Contractor to enter into this Agreement; and
- H. That the Contractor understands and agrees that any certification, affidavit or acknowledgment made under oath in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination for default.

6.02 Economic Disclosure Statement And Affidavit.

The Contractor has provided the City with an Economic Disclosure Statement and Affidavit which is attached hereto as (Sub)Exhibit 3 and incorporated by reference as if fully set forth herein.

In addition, the Contractor shall provide the City with copies of its latest articles of incorporation, by-laws and resolutions, or partnership or joint venture agreement, as applicable, and evidence of its authority to do business in the State of Illinois, including without limitation, registrations of assumed names or limited partnerships and certifications of good standing with the Office of the Secretary of State of Illinois.

6.03 Conflict Of Interest.

Pursuant to Chapter 2-156 of the Municipal Code of Chicago, and 65 ILCS 5/3.1-55-10, no member of the governing body of the City or other unit of government, no other officer, employee, S.S.A.C. member or agent of the City or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement or any related subcontract pertain, and no relative of any S.S.A.C. member shall have any personal economic or financial interest, directly or indirectly, in this Agreement or any such subcontract except to the extent that such benefits are provided equally to all residents and/or business owners in the Area. Furthermore, no S.S.A.C. member, relative of any S.S.A.C. member, City official, agent or employee shall be a Subcontractor, employee or shareholder of the Contractor or receive anything of value from the Contractor.

No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee shall be admitted to any share or part of this Agreement or to any financial benefit to arise from it. The Contractor acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 shall be voidable by the City.

The Contractor covenants that it, its officers, directors and employees, and the officers, directors and employees of each of its members if a joint venture, and Subcontractors presently have no financial interest and shall acquire no interest, direct or indirect, in the Services undertaken by the Contractor pursuant to the Agreement which would conflict in any manner or degree with the performance of the Services. The Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed. The Contractor agrees that if the Commissioner in his reasonable judgment determines that any of the Contractor's services for others conflict with the Services the Contractor is to provide for the City under this Agreement, the Contractor shall terminate such other services immediately upon request of the City.

6.04 Non-Liability Of Public Officials.

No official, employee or agent of the City shall be charged personally by the Contractor, or by any assignee or Subcontractor of the Contractor, with any liability or expenses of defense or be held personally liable to them under any term or provision hereof, because of the City's execution or attempted execution hereof, or because of any breach hereof.

6.05 Independent Contractor.

The Contractor shall perform under this Agreement as an independent contractor to the City and not as a representative, employee, agent or partner of the City.

6.06 Business Relationships With Elected Officials.

Pursuant to Section 2-156-030(b) of the Municipal Code of the City of Chicago, 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 official has a business relationship, 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.

Violation of Section 2-156-030(b) by any elected official with respect to this Agreement is grounds for termination of this Agreement. The term "business relationship" is defined as set forth in Section 2-156-080 of the Municipal Code of Chicago.

Section 2-156-080 defines a "business relationship" as any contractual or other private business dealing of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a financial interest, with a person or entity which entitles an official to compensation or payment in the amount of Two Thousand Five Hundred Dollars (\$2,500) or more in a calendar year; provided, however, a financial interest shall not include: (i) any ownership through purchase at fair market value or inheritance of less than one percent (1%) of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" shall not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

6.07 Chicago "Living Wage" Ordinance.

Section 2-92-610 of the Municipal Code of Chicago requires eligible contractors and their subcontractors to pay a living wage (currently Seven and 60/100 Dollars (\$7.60) per hour minimum base wage) to covered employees employed in the performance of this contract. Contractor is an eligible contractor if at any time during the performance of the contract Contractor has twenty-five (25) or more full-time employees. If Contractor is, or becomes, eligible, Contractor and Contractor's subcontractors must pay at least the base wage to covered employees. Covered employees are: security guards (but only if Contractor and Contractor's subcontractors employ in the aggregate twenty-five (25) or more of them), and, in any number, parking attendants, day laborers, home and health care workers, cashiers, elevator operators, custodial workers and clerical workers. Section 2-92-610 does not apply to not-for-profit corporations with federal 501(c)(3) tax exempt status. Also, if the work being done under the contract is subject to payment of prevailing wages, and the prevailing wages are higher than the base wage, then prevailing wage rates apply and must be paid.

Article 7.

*Events Of Default, Remedies, Termination,
Right To Offset, Suspension.*

7.01 Events Of Default Defined.

The following shall constitute events of default:

- A. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Contractor to the City.
- B. Contractor's material failure to perform any of its obligations under the Agreement including, but not limited to, the following:
 - (1) failure to commence or ensure timely completion of the Services due to a reason or circumstance within Contractor's reasonable control;
 - (2) failure to perform the Services in a manner satisfactory to the City;
 - (3) failure to promptly re-perform within a reasonable time Services that were rejected as erroneous or unsatisfactory;
 - (4) discontinuance of the Services for reasons within the Contractor's reasonable control;
 - (5) failure to comply with a material term of this Agreement, including but not limited to the provisions concerning insurance and nondiscrimination; and
 - (6) any other acts specifically and expressly stated in this Agreement as constituting an event of default.
- C. The Contractor's default under any other agreement it may presently have or may enter into with the City during the life of this Agreement. The Contractor acknowledges and agrees that in the event of a default under this Agreement the City may also declare a default under any such other agreements.

7.02 Remedies.

The occurrence of any event of default which the Contractor fails to cure within thirty (30) calendar days after receipt of notice specifying such default or which, if such event of default cannot reasonably be cured within thirty (30) calendar days after notice, the Contractor fails, in the sole opinion of the Commissioner, to commence and continue diligent efforts to cure, shall permit the City to declare the Contractor in default. Whether to declare the Contractor in default is within the sole discretion of the Commissioner. Written notification of the default, and any intention of the City to terminate the Agreement, shall be provided to Contractor and such decision shall be final and effective upon Contractor's receipt of such notice. Upon receipt of such notice, the Contractor must discontinue any services, unless otherwise directed in the notice, and deliver all materials accumulated in the performance of this Agreement, whether completed or in the process of completion, to the City. At such time the City may invoke any legal or equitable remedy available to it including, but not limited to, the following:

- A. The right to take over and complete the Services or any part thereof as agent for and at the cost of the Contractor, either directly or through others. The Contractor shall have, in such event, the right to offset from such cost the amount it would have cost the City under the terms and conditions herein had the Contractor completed the Services.
- B. The right to terminate this Agreement as to any or all of the Services yet to be performed, effective at a time specified by the City.
- C. The right of specific performance, an injunction or any other appropriate equitable remedy.
- D. The right to money damages.
- E. The right to withhold all or any part of Contractor's compensation hereunder.
- F. The right to deem Contractor non-responsible in future contracts to be awarded by the City.

If the City considers it to be in its best interest, it may elect not to declare default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the City and that if the City permits the Contractor to continue to provide the Services despite one (1) or more events of default, the Contractor shall in no way be relieved of any of its responsibilities, duties or obligations under this Agreement nor shall the City waive or relinquish any of its

rights. No delay or omission to exercise any right accruing upon any event of default shall impair any such right nor shall it be construed as a waiver of any event of default or acquiescence therein, and every such right may be exercised from time to time and as often as may be deemed expedient.

7.03 Right To Offset.

The City reserves its rights under § 2-92-380 of the Municipal Code of Chicago and the Commissioner shall consult with the S.S.A.C. before exercising such rights.

7.04 Suspension.

The City may at any time request that the Contractor suspend its Services, or any part thereof, by giving fifteen (15) days prior written notice to the Contractor or upon no notice in the event of emergency. No costs incurred after the effective date of such suspension shall be allowed. The Contractor shall promptly resume its performance upon written notice by the Department. The Budget may be revised pursuant to Section 5.02 to account for any additional costs or expenses actually incurred by the Contractor as a result of recommencing the Services.

7.05 No Damages For Delay.

The Contractor agrees that it, its members, if a partnership or joint venture and its Subcontractors shall make no claims against the City for damages, charges, additional costs or hourly fees for costs incurred by reason of delays or hindrances by the City in the performance of its obligations under this Agreement.

7.06 Early Termination.

In addition to termination for default, the City may, at any time, elect to terminate this Agreement or any portion of the Services to be performed under it at the sole discretion of the Commissioner by a written notice to the Contractor. If the City elects to terminate the Agreement in full, all Services shall cease and all materials accumulated in performing this Agreement, whether completed or in the process of completion, shall be delivered to the Department within ten (10) days after receipt of the notice or by the date stated in the notice.

During the final ten (10) days or other time period stated in the notice, the Contractor shall restrict its activities, and those of its Subcontractors, to winding down any reports analyses or other activities previously begun. No costs incurred after the effective date of the termination shall be allowed. Payment for any Services actually and satisfactorily performed before the effective date of the termination shall be on the same basis as set forth in Article 5 hereof, but if any compensation is described or provided for on the basis of a period longer than ten (10) days, then the compensation shall be prorated accordingly.

If a court of competent jurisdiction determines that the S.S.A.C.'s election to terminate this Agreement for default has been wrongful, then such termination shall be deemed to be an early termination.

Article 8.

General Conditions.

8.01 Entire Agreement.

This Agreement, and the (sub)exhibits attached hereto and incorporated hereby, shall constitute the entire agreement between the parties and no other warranties, inducements, considerations, promises or interpretations shall be implied or impressed upon this Agreement that are not expressly addressed herein.

8.02 Counterparts.

This Agreement is comprised of several identical counterparts, each to be fully executed by the parties and each to be deemed an original having identical legal effect.

8.03 Amendments.

No changes, amendments, modifications or discharge of this Agreement, or any part thereof, shall be valid unless in writing and signed by the authorized agent of the Contractor and the Commissioner, or their successors and assigns. The City shall incur no liability for revised services without a written amendment to this Agreement pursuant to this section.

8.04 Compliance With All Laws.

The Contractor shall at all times observe and comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government, now existing or hereinafter in effect, which may in any manner affect the performance of this Agreement. Provisions required by law, ordinances, rules, regulations or executive orders to be inserted shall be deemed inserted whether or not they appear in this Agreement or, upon application by either party, this Agreement shall forthwith be amended to literally make such insertion; however, in no event shall the failure to insert such provisions prevent the enforcement of this Agreement.

8.05 Compliance With A.D.A. And Other Accessibility Laws.

If this Agreement involves services to the public, the Contractor warrants that all Services provided hereunder shall comply with all accessibility standards for persons with disabilities or environmentally limited persons including, but not limited to the following: Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq. and the Rehabilitation Act of 1973, 29 U.S.C. §§ 793-94. In the event that the above cited standards are inconsistent, the Contractor shall comply with the standard providing greater accessibility.

If this Agreement involves design for construction and/or Construction, the Contractor warrants that all design documents produced and/or used under this Agreement shall comply with all federal, state and local laws and regulations regarding accessibility standards for persons with disabilities or environmentally limited persons including, but not limited to, the following: Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq. and the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities; the Architectural Barriers Act, P.L. 90-480 and the Uniform Federal Accessibility Standards; and the Environmental Barriers Act, 410 ILCS 25/1, et seq. and the regulations promulgated thereto at Ill. Admin. Code Title 71, Ch. 1, § 400.110. In the event that the above cited standards are inconsistent, the Contractor shall comply with the standard providing greater accessibility. If the Contractor fails to comply with the foregoing standards, it shall perform again at no expense all services required to be reperformed as a direct or indirect result of such failure.

8.06 Assigns.

All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, transferees and assigns.

8.07 Cooperation.

The Contractor agrees at all times to cooperate fully with the City and to act in the City's best interests. Upon the termination or expiration of this Agreement, the Contractor shall make every effort to assure an orderly transition to another provider of the Services, if any, orderly demobilization of its operations in connection with the Services, uninterrupted provision of Services during any transition period and shall otherwise comply with reasonable requests of the Department in connection with this Agreement's termination or expiration.

8.08 Severability.

If any provision of this Agreement is held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision hereof or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering such provision inoperative or unenforceable in any other case or circumstances, or of rendering any other provision herein invalid, inoperative or unenforceable to any extent. The invalidity of any one (1) or more phrases, sentences, clauses or sections herein shall not effect the remaining portions of this Agreement or any part thereof.

8.09 Interpretation.

All headings in this Agreement are for convenience of reference only and do not define or limit the provisions thereof. Words of gender are deemed to include correlative words of the other gender. Words importing the singular number include the plural number and vice versa, unless the context otherwise indicates. All references to (sub)exhibits or documents are deemed to include all supplements and/or amendments to such (sub)exhibits or documents if entered into in accordance with the terms and conditions hereof and thereof. All references to persons or entities are deemed to include any persons or entities succeeding to the rights, duties and obligations of such persons or entities in accordance with the terms and conditions herein.

8.10 Miscellaneous Provisions.

Whenever under this Agreement the City by a proper authority waives the Contractor's performance in any respect or waives a requirement or condition to the

Contractor's performance, the waiver, whether express or implied, shall only apply to that particular instance and shall not be deemed a waiver forever or for subsequent instances of the performance, requirement or condition. No waiver shall be construed as a modification of the Agreement regardless of the number of times the City may have waived the performance, requirement or condition.

8.11 Disputes.

Except as otherwise provided in this Agreement, the Contractor shall and the S.S.A.C. may bring any dispute concerning a question of fact arising under this Agreement which is not otherwise disposed of to the City's Chief Procurement Officer for decision based upon written submissions of the parties. The Chief Procurement Officer shall reduce his decision to writing and furnish a copy of it to the Contractor and the S.S.A.C.. Such decision shall be final and binding.

Article 9.

Notices.

Notices provided for herein shall be in writing and may be delivered personally or by United States mail, first class, certified, return receipt requested, with postage prepaid and addressed as follows:

If To The City:

Department of Planning and Development
City Hall, Room 1000
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Commissioner

With Copies To:

Department of Law
City Hall, Room 600
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Corporation Counsel

If To Contractor:

Belmont/Central Parking Commission,
Inc.
3250 North Central Avenue, Number 2
Chicago, Illinois 60634
Attention: Geri Binkowski
Executive Director

Changes in the above-referenced addresses must be in writing and delivered in accordance with the provisions of this section. Notices delivered by mail shall be deemed received three (3) days after mailing in accordance with this section. Notices delivered personally shall be deemed effective upon receipt.

Article 10.

Authority.

10.01 City Authority.

This Agreement is entered into pursuant to City Council Ordinance enacted on _____, 2000 by virtue of the home rule authority conferred on the City under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois.

10.02 Contractor's Authority.

Execution of this Agreement by the Contractor is authorized by a resolution of its Board of Directors, if a corporation, and the signature of each person signing on behalf of the Contractor has been made with complete and full authority to commit the Contractor to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained herein, including without limitation such representations, certifications and warranties collectively attached hereto and incorporated by reference herein.

In Witness Whereof, The City and the Contractor have executed this Agreement on the date first set forth above, at Chicago, Illinois.

Recommended by:

S.S.A.C. Chairperson

City of Chicago

By: _____
Commissioner, Department of
Planning and Development

Approved as to form and legality:

Assistant Corporation Counsel

Contractor

By: _____

Its: _____

Attested By: _____

Its: _____

Subscribed and sworn to before me
this _____ day of _____, 20__

Notary Public

[(Sub)Exhibits 6 and 7 referred to in this Service Provider Agreement for Special Service Area Number 2 printed on pages 45419 through 45421 of this Journal.]

(Sub)Exhibits 1, 2, 3, 4 and 5 referred to in this Service Provider Agreement for Special Service Area Number 2 read as follows:

(Sub)Exhibit 1.
(To Service Provider Agreement For
Special Service Area Number 2)

Scope Of Services.

The Contractor shall maintain and operate a free parking facility located at 3140 North Central Avenue. The Contractor shall be responsible for the following activities associated with the maintenance, operation and daily upkeep of the facility:

- Sweeping floors and emptying trash bins on a daily basis.
- Weekly dumpster service pick-up, including blue bag recycling.
- Maintenance of the security office and guard booth, including window washing, painting, lock repairs, monitoring of the heating and cooling systems.
- Washing cement floors seasonally.
- Replacing light bulbs and ballasts as needed.
- Repainting and reconfiguring lines for parking spaces.
- Routing, sealing, patching and painting cracks in the walls.

- Sealing floors with silicone or comparable substitute.
- Painting for aesthetics.
- Graffiti removal.
- Maintaining stairway banisters and doors.
- Daily watering of the two (2) gardens in summer.
- Weekly weeding of two (2) gardens in spring and summer.
- Installing and maintaining guard rails and fence.
- Monitoring of security cameras and security sound equipment in stairways.
- Three (3) times weekly street sweeping of area business district.
- Assist B/C Chamber of Commerce with promotions by loaning staff support.
- Clerical, bookkeeping and management duties necessary for the operation of the facility-including payroll, payroll taxes, transfer of funds between accounts and compliance with City of Chicago D.P.D. requirements.

Other activities performed by Parking Commission staff but outside the immediate facility include:

- Installing and removing decorative banners on and seasonal decorations on lightposts.
- Painting lightposts.
- Removing illegal signs and stickers from area lightpoles.
- Snowplowing of area sidewalks when snow is over two (2) feet.

- Regular attendance at C.A.P.S. meetings for two (2) police districts.
- Promoting the free parking facility through advertising and Chamber of Commerce promotions.
- Membership in the National Parking Association as a resource for information and guidelines for management.

(Sub)Exhibit 2.

(To Service Provider Agreement For
Special Service Area Number 2).

Budget.

Special Service Area Name and Number: Special Service Area Number 2 Belmont/Central

Chairperson, Special Service Area: Mike Valenti Telephone: (Omitted for printing purposes)

Sole Service Provider: Belmont/Central Parking Commission

Program Manager: Geri Binkowski Telephone: (Omitted for printing purposes)

Budget Period -- From: January 1, 2001 To: December 31, 2001

Item	Budget Year 2001
Advertising and Promotion	\$5,000
Cleaning of Area	
General Maintenance of Area Building	7,000
Security Services	500
Snow Plowing	3,000
Street Maintenance/Beautification	

Item	Budget Year 2001
Training and Workshops	\$ 250
Transportation (please specify):	
Other direct Special Services to the Area (please specify):	
Building Utilities	8,800
License and Fees	100
Miscellaneous (Meeting Expenses)	50
Office Supplies	100
Administrative Costs for Managing S.S.A. Program:	
Salaries	109,265
Employee Benefits/Taxes	12,379
Auditing/Accounting	4,500
Legal Fees	
Insurance, Liability	14,000
Equipment, Office	100
Equipment Maintenance	600
Overhead (Rent, Utilities, Et Cetera)	9,480
Less Interest Earned	-1,300
Reserve Maintenance	35,000
Contingency Fund for Uncollected	

Item	Budget Year 2001
Taxes (5% of Budget-Recommended) 2%	\$ 4,176
TOTAL:	<u>\$213,000</u>

Estimated Tax Levy Rate: .73% (D.P.D. use only, do not fill in)

(Sub)Exhibit 3.
(To Service Provider Agreement For
Special Service Area Number 2)

*Economic Disclosure Statement
And Affidavit.*

Pursuant to Chapter 2-154 of the Municipal Code of Chicago (the "Municipal Code"), the following information is required to be disclosed prior to any City agency, department or City Council action. Please fully complete each statement, with all information current as of the attestation date. Every question must be answered. If a question is not applicable, answer with "N.A.". An incomplete E.D.S. shall be returned and any City action shall be interrupted.

Please clearly print or type all responses.

Who Must File:

1. The Undersigned: Any individual or entity (the "Undersigned") making an application to the City of Chicago (the "City") for action requiring City Council or other City agency approval must file this E.D.S.
2. Entities Holding An Interest In The Undersigned: Whenever an ownership interest in the undersigned (such as shares of stock of the Undersigned or a limited partnership interest in the Undersigned, for example) is held or owned by a legal entity (such as a corporation or partnership, for example) rather than an individual, each such legal entity must also file an E.D.S. on

its own behalf. If the original Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, only legal entities that own ten percent (10%) or more of the Undersigned's stock must file E.D.S.s on their own behalf.

Acknowledgment Of Possible Credit And Other Checks: By completing and filing this E.D.S., the Undersigned acknowledges and agrees, on behalf of itself and the individuals named in this E.D.S., that the City may investigate the creditworthiness of some or all of the individuals named in this E.D.S.

Certifying This E.D.S.: Execute the certification on the date of the initial submission of this E.D.S.. You may be asked to re-execute this E.D.S. on the last page as of the date of submission of any related ordinance to the City Council, or as of the date of the closing of your transaction. If you need extra space to fully answer a question, you may insert additional pages.

I.

General Information.

- A. Exact legal name of undersigned: Belmont/Central Parking Commission, Inc.
- B. Business address: 3250 North Central Avenue, Unit 2, Chicago, Illinois 60634
- C. Telephone: (Omitted for printing purposes)
- D. Fax: (Omitted for printing purposes)
- E. Name of contact person: Geri Binkowski, Executive Director
- F. Project Information. (1) City agency request E.D.S.: Department of Planning and Development
- (2) City action requested (e.g., loan, grant, sale of property): City Council approval of Sole Service Provider Contract
- (3) Property location: 3140 North Central Avenue

- (4) Project description: Management of a free parking garage located in the center of a commercial district.

II.

Disclosure Of Ownership Interests.

A. General Information.

1. Indicate whether the undersigned is an individual or legal entity and, if a legal entity, indicate the type of entity below:

- ☐ Individual
- ☐ Business corporation
- ☒ Not-for-profit corporation
- ☐ General partnership
- ☐ Limited partnership
- ☐ Limited liability company
- ☐ Joint venture
- ☐ Sole proprietorship
- ☐ Other entity (please specify)

2. State of incorporation or organization, if applicable:

Illinois

3. For corporations, limited partnerships and limited liability companies not organized in the State of Illinois: Is the organization authorized to do business in the State of Illinois as a foreign entity?

☐ Yes

☐ No

B. Organization Information.*

1. For Corporations:

- a. List below the names and titles of the executive officers and directors of the corporation.

Name	Title
<u>John Manicke</u>	<u>President and Director</u>
<u>Mitch Dayan</u>	<u>Secretary</u>
<u>Mike Valenti</u>	<u>Treasurer and Director</u>
<u>Kerry Butler</u>	<u>Director</u>

- b. For companies whose share are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of ten percent (10%) of the company's outstanding shares.

Name	Business Address	Percentage Interest
<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>

* City ordinance requires that, whenever stock or beneficial interest is held by a corporation or other legal entity, the shareholder or other entity must make the disclosure as indicated herein.

- c. For companies that are not publicly traded pursuant to the Securities Exchange Act of 1934, list below the name, business address and percentage of ownership interest of each shareholder.

Name	Business Address	Percentage Interest
<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

1. For not-for-profit corporations, list below the officers and any paid executive of the corporation if the not-for-profit has members who are legal entities (also list the members):

Name	Address
<u>Geri Binkowski, Executive Director</u>	<u>3250 North Central Avenue, Unit 2 Chicago, Illinois 60634</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

2. For Partnerships:

For general or limited partnerships: list below the name, business address and percentage of ownership interest of each partner. For limited partnerships, indicate whether each partner is a general partner or a limited partner.

Name	Business Address	Percentage Interest
N.A.	N.A.	N.A.

3. For Limited Liability Companies:

- a. List below the names and titles of the executive officers, if any, of the limited liability company. If there are no officers, write "no officers".

Name	Title
N.A.	N.A.

- b. List below the name, business address and percentage of ownership interest of each (i) member and (ii) manager. If there are no managers, write "no managers".

Name	Business Address	Percentage Interest

4. For Land Trusts, Business Trusts Or Estates:

- a. List below the name of each individual or legal entity holding legal title to the property that is the subject of the trust.

N.A.

- b. List below the name, business address and percentage of beneficial interest of each beneficiary on whose behalf title is held:

Name	Business Address	Percentage Interest
N.A.	N.A.	N.A.

*III.**Certification Of Compliance.*

- A. The Undersigned entity has not, in the past five (5) years, been found in violation of any city, state or federal environmental law or regulation. If there have been any such violations, note them below:

None

- B. The Undersigned entity is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor is the entity delinquent in paying any fine, fee, tax or other charge owed to the city. This include all water charges, sewer charges, property taxes or sales taxes. If there are any such delinquencies, note them below:

None

- C. The Undersigned entity hereby certifies that (1) any contractors/subcontractors retained in connection with the city project have not, in the past five (5) years, been found in violation of any city, state or federal environmental law or regulation, (2) the Undersigned will not, without the city's prior written consent, use any contractors/subcontractors who have committed such violations, and (3) the Undersigned will not use any facility on the United States E.P.A.'s List of Violating Facilities in connection with the project for the duration of time that the facility remains on the list.

If the Undersigned is unable to so certify, provide an explanation: _____

IV.

Child Support Obligations.

- A. Certification Regarding Court-Ordered Child Support Compliance.

For purposes of this part, "Substantial Owner" means any person who owns or holds a ten percent (10%) or more interest in the Affiant.

If the Affiant's response below is Number 1 or Number 2, then all of the Affiant's Substantial Owners must remain in compliance with any such child support obligations until the transaction is completed. Failure of the Affiant's Substantial Owners to remain in compliance with their child support obligations in the manner set forth in either Number 1 or Number 2 constitutes an event of default.

Check one:

1. ☐ No Substantial Owner has been declared in arrearage on any child support obligations by the Circuit Court of Cook County or by another Illinois court of competent jurisdiction.
2. ☐ The Circuit Court of Cook County or another Illinois court of competent jurisdiction has issued an order declaring one (1) or more Substantial Owners in arrearage on their child support obligations. All such Substantial Owners, however, have entered into court-approved agreements for the payment of all such child support owed, and all such Substantial Owners are in compliance with such agreements.
3. ☐ The Circuit Court of Cook County or another Illinois court of competent jurisdiction has issued an order declaring one (1) or more Substantial Owners in arrearage on their child support obligations and: (a) at least one (1) such Substantial Owner has not entered into a court-approved agreement for the payment of all such child support owed; or (b) at least one (1) such Substantial Owner is not in compliance with a court-approved agreement for the payment of all such child support owed; or both (a) and (b).
4. ☒ There are no Substantial Owners.

V.

Certification.

- A. The Undersigned and its principals (officers, directors, partners, members):
1. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by

any federal, state or local unit of government;

2. have not within a five (5) year period preceding the date hereof been convicted of a criminal offense or had a civil judgment rendered against them in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
3. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause (2) above; and
4. have not within a three (3) year period preceding the date hereof had one (1) or more public transactions (federal, state or local) terminated for cause or default;
5. have not, within a five (5) year period preceding the date hereof, been convicted, or found liable in a civil proceeding, any criminal or civil action instituted by the City or by the federal government, any state or any other unit of local government.

B. The Undersigned, or any party to be used in the performance of the Project (an "Applicable Party"), or any Affiliated Entity (meaning an entity that, directly or indirectly, has the legal authority to control the undersigned) of either the Undersigned or any Applicable Party, or any responsible official thereof, or any other official, agent or employee of the Undersigned. Any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official thereof, has not, during the three (3) years prior to the date hereof or, with respect to an Applicable Party or any Affiliated Entity thereof, during the three (3) years prior to the date of such Applicable Party's contract in connection with the Project:

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 with other bidders or prospective bidders, or been a party to any such agreement, 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.
- C. The Undersigned 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).
- D. Neither the Undersigned nor any employee, official, agent or partner of the undersigned 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.
- E. If the Undersigned is unable to certify to any of the above statements in this Section VII, the undersigned shall explain below:

(If no explanation appears or begins on the lines above, it shall be conclusively presumed that the undersigned certifies to each of the above statements.)

VI.

Retained Parties.

A. Definitions And Disclosure Requirements.

1. Pursuant to Executive Order 97-1, every City contract and lease must be accompanied by a statement disclosing certain information about

attorneys, lobbyists, accountants, consultants, subcontractors and other persons whom the Undersigned has retained or expects to retain in connection with obtaining the contract or lease. In particular, the Undersigned must disclose the name of each such person, his/her business address, the nature of the relationship, and the amount of the fees paid or estimated to be paid. The Undersigned is not required to disclose employees who are paid solely through the Undersigned's regular payroll.

2. "Lobbyist" means any person (i) who, on behalf of any person other than himself, undertakes to influence any legislative or administrative action, or (ii) any part of whose duty as an employee of another includes undertaking to influence any legislative or administrative action.
3. If the Undersigned is uncertain whether a disclosure is required under this section, the Undersigned must either ask the City whether disclosure is required or make the disclosure.

B. Certification.

Each and every attorney, lobbyist, accountant, consultant or other person retained to anticipated to be retained by the Undersigned in connection with obtaining the City assistance to which this E.D.S. pertains is listed below:

Name	Business Address	Relationship (attorney, lobbyist, et cetera)	Fees (indicate whether paid or estimated)
<u>Mike Carrera</u>	<u>777 Central Highland Park, Illinois</u>	<u>Accountant</u>	<u>\$4,500.00</u>
<u>Bannerville</u>	<u>1428 Hillgrove Avenue Western Springs</u>	<u>Subcontractor</u>	<u>3,000.00</u>
<u>Manicke's Service</u>	<u>5800 West Belmont</u>	<u>Snow plow service</u>	<u>2,500.00</u>

Check Here If No Such Persons Have Been Retained Or Are Anticipated To Be Retained: _____

VII.

Business Relationships With City Elected Officials.

A. Definitions And Disclosure Requirement.

1. Pursuant to an ordinance approved by the City Council on December 2, 1998, the Undersigned must indicate whether it had a "business relationship" with a City elected official in the twelve (12) months prior to the date of execution of this E.D.S.
2. A "business relationship" means any "contractual or other private business dealing" of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a "financial interest", with a person or entity which entitles an official to compensation or payment in the amount of Two Thousand Five Hundred Dollars (\$2,500) or more in a calendar year; provided, however, a "financial interest" shall not include: (i) any ownership through purchase at fair market value or inheritance of less than one percent (1%) of the shares of a corporation, or any corporate subsidiary parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" shall not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

B. Certification.

1. Has the Undersigned had a "business relationship" with any City elected official in the twelve (12) months prior to the date of execution of this E.D.S.?

☐ Yes☒ No

If yes, please identify below the names(s) of such City elected official(s) and describe such relationship(s):

VIII.

*Contract Incorporation, Compliance,
Penalties, Disclosure.*

The Undersigned understands and agrees that:

- A. The certifications contained in this E.D.S. shall become part of any contract awarded to the Undersigned by the City in connection with the City assistance to which this E.D.S. pertains, and are a material inducement to the City's execution of such contract or other action with respect to which this E.D.S. is being executed and delivered on behalf of the Undersigned. Furthermore, the Undersigned shall comply with the certifications contained herein during the term and/or performance of the contract or completion of the transaction.
- B. If the City determines that any information provided herein is false, incomplete or inaccurate, the City may terminate the transaction, terminate the Undersigned's participation in the transaction, and/or decline to allow the Undersigned to participate in other contracts or transactions with the City.
- C. Some or all of the information provided on this E.D.S. and any attachments to this E.D.S. may be made available to the public on the Internet, in response to a Freedom of Information Act request; or otherwise. By completing and signing this E.D.S., the Undersigned waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this E.D.S. and also authorizes the City to verify the accuracy of any information submitted herein.

11/15/2000

REPORTS OF COMMITTEES

45411

By: Belmont/Central Parking Commission, Inc.
(Print or type name of individual
or legal entity)

By: John F. Manicke
(sign here)

Title of signatory: President

Print or type
name of signatory: John F. Manicke

Date: August 24, 2000

Subscribed to before me this ____ day of _____,
200__ at Cook County, Illinois.

Notary Public

Commission expires: _____

(Do not write below this line except to recertify prior to submission to City Council or on the date of closing).

Recertification.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby represents, under penalty of perjury, that all certifications and statements contained in this E.D.S. are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date hereof.

(Print or type name of individual or legal entity)

By: _____
(sign here)

Title of signatory: _____

Print or type
name of signatory: _____

Date: _____, 200__

Subscribed to before me this _____ day of
_____, 200__ at Cook County, Illinois.

Notary Public

Commission expires: _____

(Sub)Exhibit 4.
(To Service Provider Agreement For
Special Service Area Number 2)

Contract Insurance Requirements

Special Services Area Number 2

Belmont/Central Parking Commission.

The Contractor shall provide and maintain at Contractor's own expense, during

the term of this Agreement, and during the time period following expiration if Contractor is required to return and perform additional Services, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

A. Insurance To Be Provided.

1) Workers' Compensation And Employer's Liability.

Workers' Compensation as prescribed by applicable law covering all employees who are to provide a service under this agreement and Employer's Liability coverage with limits of not less than One Hundred Thousand Dollars (\$100,000) each accident or illness.

2) Commercial General Liability (Primary And Umbrella).

Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage liability. Coverage shall include the following: all premises and operations, products/completed operations, separation of insureds and contractual liability (with no limitation endorsement). The City of Chicago is to be named as additional insureds on a primary, noncontributory basis for any liability arising directly or indirectly from the Services.

3) Automobile Liability (Primary And Umbrella).

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage.

4) Garage Liability.

Garage Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000) each accident for bodily injury and property damage liability. Coverage shall include the following: any auto, all premises and operations, products/completed operations, garage keepers liability and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured.

5) Professional Liability.

When any professional consultants (e.g., C.P.A.s, attorneys, architects, engineers, construction managers) perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors or omissions shall be maintained with limits of not less than Five Hundred Thousand Dollars (\$500,000). Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

6) Crime.

Contractor shall be responsible for all persons handling funds under this Agreement, against loss by dishonesty, robbery, burglary, theft, destruction or disappearance, computer fraud, credit card forgery and other related crime risks. The Contractor may self insure this exposure.

7) Property.

Contractor shall provide Property Insurance at replacement cost including improvements and betterments against loss or damage to the parking facility structure. The City of Chicago shall be named as additional insured.

The Contractor shall be responsible for all loss or damage to personal property (including but not limited to material, equipment, tools and supplies) owned or rented by Contractor.

B. Security Firms.

If the Contractor enters into a subcontract with a Security Firm, such Security Firm shall be certified by the State of Illinois, and the Security Firm's employees shall be registered and certified by the State. Contractor shall ensure and require any Security Firm subcontractor to comply with the Risk Management Division approved Security Firm Insurance Provisions set forth in (Sub)Exhibit 5 of this Agreement, attached hereto and incorporated by references as though fully set forth herein.

C. Other Requirements.

The Contractor will furnish the City of Chicago, Department of Planning and Development, Community and Neighborhood Development, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Contractor shall submit evidence of insurance on the City of Chicago Insurance Certificate of Coverage Form (copy attached) prior to award of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of this Agreement. The failure of the City to obtain certificates or other insurance evidence from Contractor shall not be deemed to be a waiver by the City. The Contractor shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve Contractor of its 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 until proper evidence of insurance is provided, or the Agreement may be terminated.

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

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Contractors.

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

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

The Contractor expressly understands and agrees that any insurance or self-insurance program maintained by the City of Chicago shall not contribute with insurance provided by the Contractor under the Agreement.

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

The Contractor shall require all subcontractors to carry the insurance required herein, or Contractor may provide the coverage for subcontractors. All subcontractors shall be subject to the same insurance requirements of Contractor unless otherwise specified herein.

If Contractor, or its subcontractors, desire additional coverage, the Contractor and each of its subcontractors, shall be responsible for the acquisition and cost of each additional protection.

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

[City of Chicago Insurance Certificate of Coverage Form
referred to in these Contract Insurance Requirements
for Special Service Area Number 2 unavailable
at time of printing.]

(Sub)Exhibit 5.

*(To Service Provider Agreement For
Special Service Area Number 2)*

Contract Insurance Requirements

Special Service Area Number Number 2

Belmont/Central Parking Garage

Security Firm.

The Security Firm shall provide and maintain at Security Firm's own expense, until Contract completion, and during the time period following expiration if Security Firm is required to return and perform additional Services, the insurance coverages specified below, insuring all operations related to the Contract.

A. Insurance To Be Provided.

1) Workers' Compensation And Employer's Liability.

Workers' Compensation, as prescribed by applicable law covering all

employees who are to provide a service under this Contract and Employer's Liability coverage with limits of not less than Five Hundred Thousand Dollars (\$500,000) each accident or illness.

2) Commercial General Liability (Primary And Umbrella).

Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage liability. Coverage shall include the following: all premises and operations, products/completed operations, separation of insureds and contractual liability (with no limitation endorsement). The S.S.A.C., the City of Chicago and the Contractor are to be named as additional insureds on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

3) Automobile Liability (Primary And Umbrella).

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage.

4) Professional Liability.

Professional Liability Insurance covering acts, errors or omissions shall be maintained with limits of not less than One Million Dollars (\$1,000,000). Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

B. Other Requirements.

The Security Firm will furnish the Contractor original Certificates of Insurance evidencing the required coverage to be in force on the date of this Contract, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Contract. The Security Firm shall submit evidence of insurance prior to Contract award. The receipt of any certificate does not constitute agreement by the Contractor that the insurance requirements in the Contract have been fully met or that the insurance policies

indicated on the certificate are in compliance with all Contract requirements. The failure of the Contractor to obtain certificates or other insurance evidence from Security Firm shall not be deemed to be a waiver by the Contractor. The Security Firm shall advise all insurers of the Contract provisions regarding insurance. Non-conforming insurance shall not relieve Security Firm of its obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Contract, and the Contractor retains the right to stop work until proper evidence of insurance is provided, or the Contract may be terminated.

The insurance shall provide for sixty (60) days prior written notice to be given to the Contractor in the event coverage is substantially changed, canceled or nonrenewed.

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Security Firm.

The Security Firm agrees that insurers shall waive their rights of subrogation against the Contractor and the City of Chicago, its employees, elected officials, agents and representatives.

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

The Security Firm expressly understands and agrees that any insurance or self-insurance programs maintained by the Contractor shall not contribute with insurance provided by the Security Firm under the Contract.

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

The Security Firm shall require all subcontractors to provide the insurance required herein or Security Firm may provide the coverages for subcontractors. All subcontractors shall be subject to the same insurance requirements of Security Firm unless otherwise specified herein.

If Security Firm desired additional coverages, the Security Firm and each of its subcontractors shall be responsible for the acquisition and cost of such additional protection.

The Contractor maintains the right to modify, delete, alter or change these requirements.

(Sub)Exhibit 6.
(To Service Provider Agreement For
Special Service Area Number 2)

*Illinois Department Of Labor/Division Of Conciliation And
Mediation Prevailing Wages For November, 2000.*



Cook County

Trade Name	RCN	Trade Type	Trade Class	Base Wage	Firm Wage	OT M-F>8	OT Sat.	OT Sun/Hol	WLFR	Pension	Vac	Trg
ASBESTOS ABT-GEN		ALL		25.410	25.910	1.5	1.5	2.0	3.370	2.440	0.000	0.170
ASBESTOS ABT-MEC		BLD		23.300	24.800	1.5	1.5	2.0	3.640	5.520	0.000	0.000
BOILERMAKER		BLD		31.930	33.770	2.0	2.0	2.0	3.200	4.470	0.000	0.150
BRICK MASON		BLD		27.480	28.480	1.5	1.5	2.0	4.000	3.750	0.000	0.150
CARPENTER		ALL		29.150	30.650	1.5	1.5	2.0	4.460	2.960	0.000	0.260
CEMENT MASON		ALL		29.000	29.750	2.0	1.5	2.0	4.880	2.950	0.000	0.000
CERAMIC TILE FINISHER		ALL		21.600	0.000	2.0	1.5	2.0	2.900	3.450	0.000	0.180
ELECTRIC PWR EQMT OP		ALL		30.200	35.180	1.5	1.5	2.0	4.010	6.520	0.000	0.150
ELECTRIC PWR GRNDMAN		ALL		23.560	35.180	1.5	1.5	2.0	3.130	5.080	0.000	0.120
ELECTRIC PWR LINEMAN		ALL		30.200	35.180	1.5	1.5	2.0	4.010	6.520	0.000	0.150
ELECTRICIAN		ALL		30.500	32.500	1.5	1.5	2.0	5.490	7.450	0.000	0.600
ELEVATOR CONSTRUCTOR		BLD		32.695	36.780	2.0	2.0	2.0	4.325	2.460	1.960	0.000
FENCE ERECTOR		ALL		21.090	22.340	1.5	1.5	2.0	4.200	4.620	0.000	0.000
GLAZIER		BLD		26.200	27.200	1.5	2.0	2.0	4.230	6.860	0.000	0.200
HT/FROST INSULATOR		BLD		27.400	29.150	1.5	1.5	2.0	4.740	6.660	0.000	0.230
IRON WORKER		ALL		30.000	31.500	2.0	2.0	2.0	5.060	8.740	0.000	0.220
LABORER		ALL		25.410	25.910	1.5	1.5	2.0	3.370	2.440	0.000	0.170
LATHER		BLD		29.150	30.650	1.5	1.5	2.0	4.460	2.930	0.000	0.260
MACHINIST		BLD		29.300	31.050	2.0	2.0	2.0	3.200	2.100	2.020	0.000
MARBLE FINISHERS		ALL		20.780	0.000	1.5	1.5	2.0	3.600	3.800	0.000	0.230
MARBLE MASON		BLD		26.126	27.620	1.5	1.5	2.0	4.100	6.360	0.000	0.000
MILLWRIGHT		ALL		29.150	30.650	1.5	1.5	2.0	4.460	2.960	0.000	0.260
OPERATING ENGINEER		BLD	1	30.350	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		BLD	2	29.050	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		BLD	3	26.500	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		BLD	4	24.750	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		FLT	1	32.850	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		FLT	2	31.350	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		FLT	3	27.900	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		FLT	4	23.200	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		HWY	1	28.550	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	2	28.000	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	3	25.950	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	4	24.550	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	5	23.350	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
ORNAMNTL IRON WORKER		ALL		26.050	27.300	2.0	2.0	2.0	4.100	6.770	0.000	0.000
PAINTER		ALL		27.500	30.940	1.5	1.5	1.5	3.950	4.000	0.000	0.240
PAINTER SIGNS		BLD		22.420	25.230	1.5	1.5	1.5	2.860	1.550	0.000	0.000
PILEDRIIVER		ALL		29.150	30.650	1.5	1.5	2.0	4.460	2.960	0.000	0.260
PIPEFITTER		BLD		32.700	34.700	1.5	1.5	2.0	3.900	3.550	0.000	0.000
PLASTERER		BLD		27.520	28.520	1.5	1.5	2.0	3.600	2.150	0.000	0.400
PLUMBER		BLD		32.300	32.800	1.5	1.5	2.0	4.120	2.720	0.000	0.000
ROOFER		BLD		29.150	31.150	1.5	1.5	2.0	3.350	2.040	0.000	0.300
SHEETMETAL WORKER		BLD		28.560	30.840	1.5	1.5	2.0	4.160	5.690	0.000	0.490
SIGN HANGER		BLD		21.130	21.980	1.5	1.5	2.0	3.530	1.750	0.420	0.000
SPRINKLER FITTER		BLD		31.320	32.820	2.0	2.0	2.0	4.000	4.500	0.000	0.300
STEEL ERECTOR		ALL		30.000	31.500	2.0	2.0	2.0	5.060	8.740	0.000	0.220
STONE MASON		BLD		27.480	28.480	1.5	1.5	2.0	4.000	3.750	0.000	0.150
TELECOM WORKER		BLD		26.500	28.000	1.5	1.5	2.0	2.750	4.180	0.000	0.700
TERRAZZO MASON		BLD		25.180	26.680	2.0	1.5	2.0	4.150	4.300	0.000	0.100
TILE MASON		BLD		26.500	28.000	2.0	1.5	2.0	2.900	3.950	0.000	0.250

(Sub)Exhibit 7.
(To Service Provider Agreement For
Special Service Area Number 2)

Contractor's Performance And Payment Bond.
(Page 1 of 2)

~~Know All Men by these Presents,~~ That we,

Principal, hereinafter referred to as Contractor, and

Surety,

of the County of Cook and State of Illinois, are held and firmly bound unto the CITY OF CHICAGO in the penal sum of
lawful money of the United States, for the payment of which sum of money, well and truly to be made, we bind ourselves, our heirs,
executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Signed with our seals and dated this _____ day of _____ A.D., 199

The Condition of the Above Obligation is such,

That whereas the above bounden Contractor has entered into a certain contract with the CITY OF CHICAGO, bearing
Contract No. _____ and Specification No. _____, all in conformity with said contract, for

SPECIMEN

The said contract is incorporated herein by reference in its entirety, including without limitation, any and all indemnification provisions.

Now, if the said Contractor shall in all respects well and truly keep and perform the said contract on its part, in accordance with the terms and provisions of all of the Contract Documents comprising said contract, and in the time and manner therein prescribed, and returner shall save, indemnify, and keep harmless the City of Chicago against all loss, damages, claims, liabilities, judgements, costs and expenses which may in anywise accrue against said City of Chicago, in consequence of the granting of said contract, or which may in anywise result therefrom, or which may result from strict liability, or which may in anywise result from any injuries to, or death of, any person, or damage to any real or personal property, arising directly or indirectly from or in connection with, work performed or to be performed under said contract by said Contractor, its Agents, Employees or Workmen, assignees, subcontractors, or anyone else, in any respect whatever, or which may result on account of any infringement of any patent by reason of the materials, machinery, devices or apparatus used in the performance of said contract, and moreover, shall pay to said City any sum or sums of money determined by the Purchasing Agent, and/or by a court of competent jurisdiction, to be due said City by reason of any failure or neglect in the performance of the requirements of said contract, wherefore the said Purchasing Agent shall have elected to suspend or cancel the same, and shall pay all claims and demands whatsoever, which may accrue to each and every materialman and subcontractor, and to each and every person who shall be employed by the said Contractor or by its assignees and subcontractors, in or about the performance of said contract, and with wages paid at prevailing wage rates if so required by said contract, and shall insure its liability to pay the compensation, and shall pay all claims and demands for compensation which may accrue to each and every person who shall be employed by them or any of them in or about the performance of said contract, or which shall accrue to the beneficiaries or dependents of any such person, under the provisions of the Workers' Compensation Act, 820 ILCS 305, as amended, and the Workers' Occupational Disease Act, 820 ILCS 310, as amended (hereinafter referred to as "Acts") then is this obligation to be null and void, otherwise to remain in full force and effect.

AUTHORIZATION OF TAX LEVY FOR SPECIAL
SERVICE AREA NUMBER 3.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 3 in the amount of \$470,508, 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 Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

Alderman Beavers 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:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On October 31, 1983, the City Council of the City of Chicago (the "City Council") enacted an ordinance, as amended by an ordinance enacted by the City Council on May 30, 1984, as further amended by an ordinance enacted by the City Council on July 13, 1988 (collectively, the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 3 (the "Area") and authorized the levy of an annual tax not to exceed an annual rate of one and twenty-five hundredths of one percent (1.25%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory approximately bounded by the area fronting in whole or in part on 63rd Street, from Bell Avenue to Central Park Avenue; on Kedzie Avenue, from 62nd Street to 64th Street; and on Western Avenue, from 61st to 64th Streets; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included recruitment of new businesses to the Area, loan packaging services, rehabilitation activities, coordinated promotional and advertising activities for the Area, and other technical assistance activities to promote commercial and economic development; and

WHEREAS, On December 2, 1998, the City Council enacted an ordinance acknowledging that within the scope of "rehabilitation activities" (as such term is used in the Establishment Ordinance) are included certain activities relating to the identification and assessment of properties for redevelopment in the Area, and payment or advancement of funds for, and performance of certain predevelopment activities relating to such suitable properties, including the advancing of S.S.A. funds as earnest money or option costs incurred in furtherance of the possible acquisition for redevelopment of such properties; and

WHEREAS, The Establishment Ordinance provided for the appointment of the Chicago Southwest Business Growth Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services; and

WHEREAS, In 1999, the City Council approved an agreement with Southeast Chicago Development Commission, an Illinois not-for-profit corporation, as Service Provider, the term of which expires on December 31, 2001, and such agreement contemplated that it would be amended in the second year of the term of the agreement to contain a revised budget and scope of services for such year; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

Chicago Southwest Business Growth Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services	\$470,508
TOTAL BUDGET REQUEST:	\$470,508

Source Of Funding:

Tax levy at a rate not to exceed one and twenty-five hundredths percent (1.25%) of the assessed value, as equalized, of taxable property within Special Service Area Number 3	\$470,508

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(1)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Special Service Area Act and pursuant to the provisions of the Establishment Ordinance, the sum of Four Hundred Seventy Thousand Five Hundred Eight Dollars (\$470,508) as the amount of the Services Tax for the tax year 2000.

SECTION 4. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

AUTHORIZATION OF TAX LEVY FOR SPECIAL
SERVICE AREA NUMBER 4.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 4 in the amount of \$65,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On October 31, 1983, the City Council of the City of Chicago (the "City Council") enacted an ordinance, as amended by an ordinance enacted by the City Council on May 30, 1984, as further amended by an ordinance enacted by the City Council on July 27, 1988, and as further amended by an ordinance enacted by the

City Council on November 15, 1995 (collectively, the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 4 (the "Area") and authorized the levy of an annual tax not to exceed an annual rate of two percent (2%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory approximately bounded by the area fronting in whole or in part on 95th Street, between Ashland Avenue on the east and Western Avenue on the west; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included recruitment of new businesses to the Area, rehabilitation activities, maintenance, private security services, coordinated promotional and advertising activities for the Area, and other technical assistance activities to promote economic development; and

WHEREAS, The Establishment Ordinance provided for the appointment of the 95th Street Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, and has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services; and

WHEREAS, In 1999, the City Council approved an agreement (the "Service Provider Agreement") with a Service Provider, the 95th Street Beverly Hills Business Association, an Illinois not-for-profit corporation, the term of which expires on December 31, 2001, and such Service Provider Agreement contemplated that it

would be amended in the second year of the term of the agreement to contain a revised budget and scope of services for such year; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

95th. Street Special Service Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services	\$65,000
TOTAL BUDGET REQUEST:	\$65,000

Source Of Funding:

Tax levy at a rate not to exceed two percent (2%) of the assessed value, as equalized, of taxable property within Special Service Area Number 4	\$65,000

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(1)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Special Service Area Act and pursuant to the provisions of the Establishment Ordinance, the sum of Sixty-five Thousand Dollars (\$65,000) as the amount of the Services Tax for the tax year 2000.

SECTION 4. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

AUTHORIZATION FOR APPROPRIATION OF FUNDS
FROM FUND 532 FOR SPECIAL SERVICE
AREA NUMBER 7.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the appropriation of funds from Fund 532 for Special Service Area Number 7 in the amount of \$30,000, 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 Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

Alderman Beavers 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:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq., (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On June 26, 1985, the City Council of the City of Chicago (the "City Council") enacted an ordinance, as amended by an ordinance enacted by the City Council on August 28, 1986, as further amended by an ordinance enacted by the City Council on December 15, 1992 (collectively, the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 7 (the "Area") and authorized the levy of an annual tax not to exceed an annual rate of five percent (5%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory approximately bounded by 47th Street on the north, 49th Street on the south, Central Park Avenue on the west and Kedzie Avenue on the east; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included street resurfacing, sewer and water line improvements, refurbishing of railroad crossings, private security, area clean-up services, and technical assistance to promote commercial and economic development; and

WHEREAS, The Establishment Ordinance provided for the appointment of the Kedzie Industrial Tract Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, As of October 13, 2000, the fund established by the City (Fund 532) to hold funds generated in the Area from the Services Tax showed a surplus

("Surplus") of approximately Eighty-seven Thousand Two Hundred Ninety-seven and Forty-five/100 Dollars (\$87,297.45), which Surplus consists of funds generated from the Services Tax in years 1992, 1993, and 1994 but not expended, as well as interest on those funds plus interest on funds from taxes levied to pay debt service on bonds issued by the City for the Area; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001; and

WHEREAS, In 1999, the City Council approved an agreement with Kedzie Tract Industrial Association, Inc., an Illinois not-for-profit corporation, as Service Provider, the term of which expires on December 31, 2001, and such agreement contemplated that it would be amended in the second year of the term of the agreement to contain a revised budget and scope of services for such year; and

WHEREAS, In light of the Surplus for Special Service Area Number 7, the Commission has recommended that the City not levy the Services Tax for tax year 2000 but instead appropriate an amount from the Surplus necessary to fund the yearly budget for fiscal year 2001; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sum from Fund 532 in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income indicated as follows:

Kedzie Industrial Tract Special Service Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services	\$30,000
TOTAL BUDGET REQUEST:	\$30,000

Source Of Funding:

Funds in Fund 532 (Special Service Area Number 7)	\$30,000

SECTION 3. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 4. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 5. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 6. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 7. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

AUTHORIZATION OF TAX LEVY FOR SPECIAL
SERVICE AREA NUMBER 8.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 8 in the amount of \$381,600, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq., (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On September 14, 1988 and on November 17, 1993 the City Council of the City of Chicago (the "City Council") enacted ordinances (collectively, the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 8 (the "Area") and authorized the levy of an annual tax not to exceed an annual rate of forty-one one-hundredths of one percent (0.41%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory approximately bounded by the area fronting in whole or in part on Diversey Parkway, from Halsted Street to Sheridan Road; on Broadway, from Diversey Parkway to Cornelia Avenue; on Halsted Street, from Belmont Avenue to Diversey Parkway; on Clark Street, from Belmont Avenue to Diversey Parkway; and on Belmont Avenue, from Halsted Street to Broadway; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included recruitment of new businesses to the Area, private security services, rehabilitation activities, maintenance and beautification activities, coordinated promotional and advertising activities for the Area, and other technical assistance activities to promote commercial and economic development; and

WHEREAS, The Establishment Ordinance provided for the appointment of the Lake View East Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity

to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, and has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services; and

WHEREAS, In 1999, the City Council approved an agreement (the "Service Provider Agreement") with a Service Provider, the Lake View East Chamber of Commerce, an Illinois not-for-profit corporation, the term of which expires on December 31, 2001, and such Service Provider Agreement contemplated that it would be amended in the second year of the term of the agreement to contain a revised budget and scope of services for such year; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

Lake View East Special Service Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

Expenditures

Service Provider Agreement
for the provision of Special
Services

\$381,600

TOTAL BUDGET REQUEST:

\$381,600

Source Of Funding:

Tax levy at a rate not to exceed
forty-one hundredths percent
(0.41%) of the assessed value, as
equalized, of taxable property within
Special Service Area Number 8

\$381,600

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(1)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Special Service Area Act and pursuant to the provisions of the Establishment Ordinance, the sum of Three Hundred Eighty-one Thousand Six Hundred Dollars (\$381,600) as the amount of the Services Tax for the tax year 2000.

SECTION 4. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

AUTHORIZATION OF TAX LEVY AND SERVICE PROVIDER
AGREEMENT FOR SPECIAL SERVICE AREA
NUMBER 11.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 11 in the amount of \$272,365 and the execution of a Service Provider Agreement with the Greater Englewood Special Service Area Commission, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas-- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq., (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On July 27, 1988, the City Council of the City of Chicago (the "City Council") enacted an ordinance, as amended by an ordinance enacted by the City Council on September 14, 1988, as further amended by an ordinance enacted by the City Council on September 13, 1989, as further amended by an ordinance enacted by the City Council on May 19, 1993, and as further amended by an ordinance enacted by the City Council on November 15, 1995 (collectively, the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 11 (the "Area") and authorized the levy of an annual tax not to exceed an annual rate of three percent (3.00%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory approximately bounded by 61st Street on the north, 66th Street on the south, Lowe Avenue on the east, and Morgan Street on the west; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included recruitment of new businesses to the Area, rehabilitation activities, loan packaging services, maintenance and beautification activities, coordinated promotional and advertising activities for the Area, private security services and

other technical assistance activities to promote commercial and economic development; and

WHEREAS, The Establishment Ordinance provided for the appointment of the Greater Englewood Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services; and

WHEREAS, The Commission has recommended to the Department of Planning and Development, the Mayor and the City Council an agreement with the Service Provider, whose terms and conditions provide for the expenditure of the Services Tax for the provision of the Special Services for the fiscal year commencing January 1, 2001, in substantially the form attached hereto as Exhibit A; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

Greater Englewood Special Service Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services	\$272,365
TOTAL BUDGET REQUEST:	\$272,365

Source Of Funding:

Tax levy at a rate not to exceed three percent (3.00%) of the assessed value, as equalized, of taxable property within Special Service Area Number 11	\$272,365

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(1)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Special Service Area Act and pursuant to the provisions of the Establishment Ordinance, the sum of Two Hundred Seventy-two Thousand Three Hundred Sixty-five Dollars (\$272,365) as the amount of the Services Tax for the tax year 2000.

SECTION 4. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by

the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner of the Department of Planning and Development (the "Commissioner"), or a designee of the Commissioner are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver an agreement with the Englewood Business Men's Association, an Illinois not-for-profit corporation, in substantially the form attached hereto as Exhibit A and hereby made a part hereof (the "Service Provider Agreement"), and such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Service Provider Agreement.

SECTION 6. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 7. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 8. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 9. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 10. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
(To Ordinance)

Agreement For Special Service Area Number 11

Between

The City Of Chicago
(Represented By The Special Service Area Commission)

And

Englewood Business Men's Association

Effective January 1, 2001 Through December 31, 2001.

This agreement for the management of Special Service Area Number 11 is entered into by and between the Englewood Business Men's Association, an Illinois not-for-profit corporation ("Contractor"), and the City of Chicago ("City"), a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, acting through the Special Service Area Commission at Chicago, Illinois.

Recitals.

Whereas, Special service areas may be established pursuant to Article VII, §§ 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq.; and

Whereas, The City Council of the City of Chicago ("City Council") has established a special service area known and designated as "Special Service Area Number 11" ("Area"), to provide special services in addition to those services provided generally by the City ("Special Services"). The City Council has further authorized the levy of an annual ad valorem real property tax in the Area sufficient to produce revenues required to provide those Special Services but not to exceed three and zero hundredths percent (3.00%) of the equalized assessed value of all property within the Area ("Service Tax"), all as provided in the Establishment Ordinance (hereinafter defined); and

Whereas, The City Council on _____, 2000 authorized the levy of the Service Tax and appropriation of the funds therefrom for the Area for fiscal year 2001 for the provision of the Special Services in the Area; and

Whereas, The Contractor and the City desire to enter into this agreement to provide such Special Services in the Area and the Contractor is ready, willing and able to enter into this agreement to provide the Special Services to the full satisfaction of the City;

Now, Therefore, In consideration of the mutual promises contained in this Agreement, the City and the Contractor agree as follows:

Article 1.

Incorporation Of Recitals.

The recitals set forth above are incorporated by reference as if fully set forth herein.

Article 2.

Definitions.

The following words and phrases shall have the following meanings for purposes of this Agreement:

“Agreement” means this Special Service Area Agreement, including all (sub)exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

“Commissioner” means the Commissioner of the Department of Planning and Development or his duly authorized representative.

“Construction” means landscaping, building activities, including but not limited to, physical building improvements, installations, and other fixed works, but does not include pre-development work (design and preparation of specifications).

"Days" means business days in accordance with the City of Chicago business calendar.

"Department" means the City of Chicago Department of Planning and Development.

"Establishment Ordinance" means an ordinance enacted on July 27, 1988, as amended by ordinances enacted on September 14, 1988, September 13, 1989, May 19, 1993, November 15, 1995, respectively, and any subsequent amendments thereto authorizing imposition of the Service Tax and setting forth the Special Services to be provided in the Area.

"Risk Management Division" means the risk management division of the Department of Finance which is under the direction of the Comptroller of the City and is charged with reviewing and analyzing insurance and related liability matters for the City.

"Security Firm" means a business entity certified by the State of Illinois pursuant to the Private Detective, Private Alarm and Private Security Act of 1993, 225 ILCS 446/1, et seq., and whose employees are licensed by the State of Illinois.

"Services" means, collectively, the services, duties and responsibilities described in Article 3 and (Sub)Exhibit 1 (Scope of Services) of this Agreement and any revisions thereof and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

"Service Tax Funds" means the amount actually collected pursuant to the Service Tax.

"Special Service Area Commission ('S.S.A.C.')" means the body established pursuant to the Establishment Ordinance to prepare the budget, identify a Contractor and supervise the provision of the Special Services in the Area.

"Subcontractor" means any person or entity with whom Contractor contracts to provide any part of the Services, including subcontractors of any tier, subconsultants of any tier, suppliers and materialmen, whether or not in privity with the Contractor.

"Surplus Funds" means those Service Tax Funds already collected and disbursed to the Contractor in prior years for the provision of Special Services in the Area which remain unspent, including any interest earned thereon.

*Article 3.**Duties And Responsibilities Of Contractor.***3.01 Scope Of Services.**

The Services which the Contractor shall provide include, but are not limited to, those described in this Article 3 and in (Sub)Exhibit 1 which is attached hereto and incorporated by reference as if fully set forth herein. The S.S.A.C. reserves the right to require the Contractor to perform revised services which are within the general scope of services of this Agreement and of the Special Services identified in the Establishment Ordinance subject to the same terms and conditions herein. Revised services shall be limited to changes or revisions to the line items in the budget, shall not affect the maximum compensation, and shall require the prior written approval of the S.S.A.C.. The S.S.A.C. may by written notice to the Department and the Contractor delete or amend the figures contained and described in the budget attached hereto as (Sub)Exhibit 2 and incorporated by reference as if fully set forth herein. The Contractor shall provide the Services in accordance with the standards of performance set forth in Section 3.02.

3.02 Standard Of Performance.

The Contractor shall perform all Services required of it with that degree of skill, care and diligence normally shown by a contractor performing services of a scope, purpose and magnitude comparable with the nature of the Services to be provided hereunder. The Contractor shall at all times use its best efforts on behalf of the City to assure timely and satisfactory rendering and completion of its Services.

The Contractor shall at all times act in the best interests of the City consistent with the professional obligations assumed by it in entering into this Agreement. The Contractor shall perform all Services in accordance with the terms and conditions of this Agreement and to the full satisfaction of the S.S.A.C.. The Contractor agrees to furnish efficient business administration and supervision to render and complete the Services at reasonable cost.

The Contractor shall assure that all Services which require the exercise of professional skills or judgment shall be accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. The Contractor shall remain responsible for the professional and technical accuracy of all Services provided, whether by the Contractor or its Subcontractors or others on its behalf.

If the S.S.A.C. determines that the Contractor has failed to comply with the foregoing standards, the Contractor shall perform again, at its own expense, all Services required to be reperformed as a direct or indirect result of such failure. Any review, approval, acceptance or payment for any or all of the Services by the City shall not relieve the Contractor of its responsibility for the professional and technical accuracy of its Services. This provision in no way limits the City's rights against Contractor, either under this Agreement, at law or in equity.

3.03 Personnel.

A. Key Personnel.

The Contractor shall, immediately upon receiving a fully executed copy of this Agreement, assign and maintain during the term of this Agreement and any extension thereof an adequate staff of competent personnel which is fully equipped, licensed as appropriate, available as needed, qualified and assigned to perform the Services. Salaries and wages due of all employees of the Contractor performing Services under this Agreement shall be paid unconditionally and at least once a month without deduction or rebate on any account, except only for such payroll deductions as are mandatory by law or are permitted under applicable law and regulations.

B. Prevailing Wages.

If the Contractor engages in Construction, it shall comply, and shall cause all of its Subcontractors to comply by inserting appropriate provisions in their contracts, with 820 ILCS 130/10.01, et seq., regarding the payment of the general prevailing rate of hourly wage for all laborers, workers, and mechanics employed by or on behalf of the Contractor and all Subcontractors in connection with any and all Construction work. The prevailing rates of wages applicable at the time of execution of this Agreement are included in (Sub)Exhibit 6 to this Agreement, which is incorporated by reference as though fully set forth herein.

C. Illinois Workers, Veterans Preference And Steel Products.

If the Contractor engages in Construction, it shall comply, and shall cause all of its Subcontractors to comply by inserting appropriate provisions in their contracts, with the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0.01, et seq., the Veterans Preference Act, 330 ILCS 55/0.01, et seq., and the Steel Products Procurement Act, 35 ILCS 30/565/1, et seq.

3.04 Nondiscrimination.

A. Federal Requirements.

It shall be an unlawful employment practice for the Contractor (1) to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation or the terms, conditions or privileges of his employment because of such individual's race, color, religion, sex, age, handicap or national origin; or (2) to limit, segregate or classify its employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee, because of such individual's race, color, religion, sex, age, handicap or national origin.

The Contractor shall comply with the Civil Rights Act of 1964, 42 U.S.C. § 2000, et seq., as amended. Attention is called to: Exec. Order No. 11,246,30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. § 2000(e) note, as amended by Exec. Order No. 11,375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12,086,43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. §§ 6101-06; Rehabilitation Act of 1973, 29 U.S.C. §§ 793-94; Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq., and 41 C.F.R. Part 60, et seq.

B. State Requirements.

Contractor shall comply with the Illinois Human Rights Act, 775 ILCS 5/1-101, et seq., the Equal Employment Opportunity Clause, Ill. Admin. Code Title 5, § 750 Appendix A and the Public Works Employment Discrimination Act, 775 ILCS 10/0.01, et seq., as amended.

C. City Requirements.

Contractor shall comply with the Chicago Human Rights Ordinance, § 2-160-010, et seq., as amended, of the Municipal Code of Chicago.

3.05 Insurance.

The Contractor shall comply with the insurance provisions attached hereto as (Sub)Exhibit 4 and incorporated by reference as if fully set forth herein, or such other insurance provisions as may be required in the reasonable judgement of the Risk Management Division. If the Contractor enters into a subcontract with a Security Firm such Security Firm shall comply with the insurance provisions

attached hereto as (Sub)Exhibit 5 and incorporated by reference as if fully set forth herein, or such other insurance provisions as may be required in the reasonable judgement of the Risk Management Division. If the Contractor subcontracts with a Subcontractor other than a Security Firm, such Subcontractor shall comply with the insurance provisions required for the Contractor attached hereto as (Sub)Exhibit 4.

The Risk Management Division may waive or reduce any of the insurance requirements set forth herein. In addition, the Risk Management Division shall review each new Scope of Services which the S.S.A.C., in consultation with the Contractor, prepares annually during the term of this Agreement pursuant to Section 3.01 and shall, if necessary, revise the insurance required herein.

3.06 Indemnification.

A. On written notice from the City of Losses the City believes are Losses Arising under this Agreement as defined in this Section 3.06, the Contractor shall defend, indemnify and hold completely harmless the City Indemnitees from and against such Losses, regardless of whether Contractor challenges the City's belief. The defense, indemnification and hold harmless obligations of the Contractor toward City Indemnitees remain an affirmative obligation of Contractor following the City's notice of Losses the City believes are Losses Arising under this Agreement, unless and until a court of competent jurisdiction finally determines otherwise and all opportunities for appeal have been exhausted or have lapsed.

B. For purposes of this Section 3.06,

"City Indemnitees" means, individually and collectively, the City of Chicago, its officials, agents, employees and S.S.A.C. members.

"Losses" means, individually and collectively, all kinds of liabilities, losses, suits, claims, damages, judgments, fines and demands, including all reasonable costs for investigation, reasonable attorneys' fees, court costs and experts' fees, arising by reason of injury or death of any person, damage to property, patent or copyright infringement.

"Arising under this Agreement" means (i) arising out of awarding this Agreement, (ii) arising out of the enforcement of this Agreement, including the enforcement of this indemnification provision; (iii) arising out of or in connection with Contractor's performance or non-performance of this Agreement (including the acts or omission of Contractor, its officers, agents, employees, consultants, subconsultants, licensees or invitees), any breach by any of them of any warranty made under this Agreement, or any failure by any of them to meet any applicable

standard of performance under this Agreement; or (iv) any combination of any of the foregoing.

C. To the extent permissible by law, Contractor waives any limits on Contractor's liability that it would otherwise have by virtue of the Worker's Compensation Act or any other related law or judicial decision (such as *Kotecki v. Cyclops Welding Corporation*, 146 Ill. 2d 155 (1991)). The City, however, does not waive any limitations it may have on its liability under the Workers' Compensation Act or under the Illinois Pension Code.

D. The City has the right, at its option and at its own expense, to participate in the defense of any suit without relieving Contractor of any of its obligations under this indemnity provision. The requirements set forth in this indemnity provision are separate from and not limited by the amount of insurance Contractor is required to obtain under this Agreement or by its bonds pursuant to other provisions in this Agreement. Further, the indemnities contained in this provision survive the expiration or termination of this Agreement.

3.07 Records And Audits.

The Contractor shall deliver or cause to be delivered all documents, data, studies, reports, findings or information to the S.S.A.C. promptly in accordance with the time limits prescribed herein and if no time limit is specified, then upon reasonable demand therefore, or upon termination or completion of the Services hereunder.

The Contractor and any Subcontractors shall furnish the S.S.A.C. with semi-annual reports or provide such information as may be requested relative to the performance and cost of the Services. The Contractor shall maintain records showing actual time devoted and costs incurred. The Contractor shall keep books, documents, paper, records and accounts in connection with the Services open to inspection, copying, abstracting, transcription and an independent audit by City employees or agents or third parties, and shall make these records available to the City and any other interested governmental agency at reasonable times during the performance of its Services. In addition, Contractor shall retain them in a safe place and make them available for an independent audit, inspection, copying and abstracting for at least five (5) years after the final payment made in connection with this Agreement.

The Contractor Shall Not Commingle Service Tax Funds With Funds From Other Sources, and to the extent that the Contractor conducts any business operations separate and apart from the Services hereunder using, for example, personnel, equipment, supplies or facilities also used in connection with this Agreement, then

the Contractor shall maintain and make similarly available to the City detailed records supporting the Contractor's allocation to this Agreement of the costs and expenses attributable to any such shared usages.

The Contractor shall provide an annual audited financial statement to the S.S.A.C. and the Department within one hundred twenty (120) calendar days after the end of the calendar year and the system of accounting shall be in accordance with generally accepted accounting principles and practices, consistently applied throughout. No provision in this Agreement granting the City a right of access to records and documents is intended to impair, limit or affect any right of access to such records and documents which the City would have had in the absence of such provisions.

3.08 Subcontracts And Assignments.

The Contractor shall not assign, delegate, subcontract or otherwise transfer all or any part of its rights or obligations under this Agreement or any part hereof, unless otherwise provided for herein or without the express written consent of the S.S.A.C.. The absence of such provision or written consent shall void the attempted assignment, delegation or transfer and shall be of no effect as to the Services or this Agreement.

All subcontracts, all approvals of Subcontractors and any assignment to which the S.S.A.C. consents shall be, regardless of their form, deemed conditioned upon performance by the Subcontractor or assignee in accordance with the terms and conditions of this Agreement.

If the Contractor subcontracts for security services, the Subcontractor shall be a Security Firm certified by the State of Illinois and the Security Firm's employees shall be licensed by the State of Illinois. The Contractor, upon entering into any subcontract with a Security Firm, shall furnish the S.S.A.C. and the Department with a copy of the subcontract for their approval. The City expressly reserves the right to approve all Security Firm subcontracts.

3.09 Licenses, Permits And Safety Considerations.

A. Licenses And Permits.

If the Contractor engages in Construction, it shall be responsible for and, in a timely manner consistent with its obligations hereunder, shall secure and maintain at its expense such permits, licenses, authorizations and approvals as are necessary for it to engage Construction under this Agreement.

B. Safety Considerations.

If the Contractor engages in Construction, it shall at all times exercise reasonable care, shall comply with all applicable provisions of federal, state and local laws to prevent accidents or injuries, and shall take all appropriate precautions to avoid damage to and loss of City property and the property of third parties in connection with the Construction. The Contractor shall erect and properly maintain at all times all necessary safeguards, barriers, flags and lights for the protection of its and its Subcontractors' employees, City employees and the public.

If the Contractor engages in Construction, it shall report to the Department any damage on, about, under or adjacent to City property or the property of third persons resulting from its performance under this Agreement. The Contractor is responsible for any damage to City property or the property of third parties due, in whole or in part, to the Contractor's Construction activities under this Agreement, and the Contractor shall remedy such damage to a reasonably acceptable standard.

3.10 Performance Bond.

If the Contractor engages in Construction work where expenditures exceed Twenty-five Thousand Dollars (\$25,000), it shall, not later than the date the Contractor begins such work or executes a subcontract for such work, provide or cause to be provided to the Department a performance and payment bond in the amount allocated for the Construction work (but not including the amount allocated for design and preparation of specifications), by a surety or sureties acceptable to the City. The performance bond shall be in the form and to the effect of (Sub)Exhibit 7 hereto, which is incorporated by reference as if fully set forth herein.

If any of the sureties on such bond at any time fail financially, or are deemed to be insufficient security for the penalty of the bond, then the City may, on giving ten (10) days notice thereof in writing, require the Contractor to furnish a new and additional bond with sureties satisfactory to the City.

Article 4.

Term Of Services.

This Agreement shall take effect as of January 1, 2001 ("Effective Date") and shall

continue through December 31, 2001, or until the Agreement is terminated in accordance with its terms. The City may extend this Agreement by a written amendment in accordance with Section 8.03 for one (1) six (6) month period under the same terms and conditions except for a revised budget and scope of services. However, the extension shall expire whenever a new Agreement between the City and Contractor takes effect.

Article 5.

Compensation.

5.01 Basis Of Payment.

The maximum compensation that the Contractor may be paid under this Agreement is Two Hundred Seventy-two Thousand Three Hundred Sixty-five and no/100 Dollars (\$272,365.00) or the total amount of Service Tax Funds actually collected for tax year 2000, whichever is less.

The City Comptroller will transfer the Service Tax Funds to the Contractor as received. The Contractor shall reimburse its Subcontractors for Services satisfactorily performed pursuant to the Budget.

5.02 Budget For Services.

The Contractor in conjunction with the S.S.A.C. has prepared a Budget, attached hereto as (Sub)Exhibit 2 and incorporated by reference as if fully set forth herein, covering all services described in the Scope of Services. The S.S.A.C. reserves the right to transfer funds between line items or make Budget revisions which do not affect the maximum compensation set forth in Section 5.01. The S.S.A.C. shall revise the Budget if any part of the Contractor's Services is terminated.

5.03 Method Of Payment.

The Contractor shall establish a separate checking account ("Account") in a bank authorized to do business in the State of Illinois that is insured by the Federal Deposit Insurance Corporation. All Service Tax Funds that the Comptroller transfers to the Contractor shall be deposited in the Account and disbursements from the Account shall be pursuant to this Agreement. The Contractor Shall Not Commingle Service Tax Funds With Funds From Other Sources. The Contractor

shall provide to the S.S.A.C. the signature card and sample check from the bank which shows the signature(s) of the Contractor's authorized representative(s). The S.S.A.C. reserves the right to audit the account and require the Contractor to refund any funds which were not spent pursuant to the Budget or which were not approved by the S.S.A.C.. The name and address of the bank is _____ and the wire transfer and the Account numbers are _____.

All funds remaining in the Account at the expiration or early termination of this Agreement, including any interest earned, belong to the City for the benefit of the Area and shall be returned to the City to be used only for Special Services. However, if the City and the Contractor enter into a subsequent agreement for Special Services, the funds may remain in the Account to be used pursuant to the subsequent agreement.

5.04 Criteria For Payment.

The S.S.A.C., in its sole discretion, shall determine the reasonableness, allocability and allowability of any rates, costs and expenses charged or incurred by the Contractor.

5.05 Funding.

Payments under this Agreement shall be made from Service Tax Funds in fund number _____ and are subject to the availability of funds therein.

5.06 Non-Appropriation.

In the event that no funds or insufficient funds are appropriated and budgeted in any City fiscal period for payments to be made under this Agreement, then the City will notify the Contractor of such occurrence and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. No payments shall be made or due to the Contractor under this Agreement beyond those amounts collected, appropriated and budgeted by the City to fund payments hereunder.

Article 6.

Special Conditions.

6.01 Warranties And Representations.

In connection with the execution of this Agreement, the Contractor warrants and represents:

- A. that it is financially solvent; that it and each of its employees, agents and Subcontractors are competent to perform the Services required; that it is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated herein; and
- B. that it shall not knowingly use the services of any ineligible Subcontractor for any purpose in the performance of the Services; and
- C. that it and its Subcontractors are not in default at the time of the execution of this Agreement, or deemed by the Department to have, within five (5) years immediately preceding the date of this Agreement, been found to be in default on any contract awarded by the City; and
- D. that it and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of § 2-92-320 of the Municipal Code of Chicago, 720 ILCS 5/33E-1, et seq. of the Criminal Code of 1961 and 65 ILCS 5/11-42.1-1 of the Illinois Municipal Code; and
- E. that it shall be the duty of the Contractor, all Subcontractors and their respective officers, directors, agents, partners and employees to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code of Chicago; that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code of Chicago and all subcontracts shall inform Subcontractors of such provision and require understanding and compliance therewith; and
- F. that it shall comply with the MacBride Principles Ordinance, § 2-92-580 of the Municipal Code of Chicago, through which the City seeks to promote fair and equal employment opportunities and labor practice for religious minorities in Northern Ireland and provide a better working environment for all citizens in Northern Ireland; that in accordance with the MacBride Principles Ordinance, if the Contractor conducts any business operations in Northern Ireland, it shall make all reasonable and good faith efforts to

conduct such business operations in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390 (1988 Ill. Laws 3220); and

- G. that, except only for those representations, statements or promises expressly contained in this Agreement and any (sub)exhibits attached hereto, no representation, statement or promise, oral or written, or of any kind whatsoever, by the City, its officials, agents or employees, has induced the Contractor to enter into this Agreement; and
- H. that the Contractor understands and agrees that any certification, affidavit or acknowledgment made under oath in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination for default.

6.02 Economic Disclosure Statement And Affidavit.

The Contractor has provided the City with an Economic Disclosure Statement and Affidavit which is attached hereto as (Sub)Exhibit 3 and incorporated by reference as if fully set forth herein.

In addition, the Contractor shall provide the City with copies of its latest articles of incorporation, bylaws and resolutions, or partnership or joint venture agreement, as applicable, and evidence of its authority to do business in the State of Illinois, including without limitation, registrations of assumed names or limited partnerships and certifications of good standing with the Office of the Secretary of State of Illinois.

6.03 Conflict Of Interest.

Pursuant to Chapter 2-156 of the Municipal Code of Chicago, and 65 ILCS 5/3.1-55-10, no member of the governing body of the City or other unit of government, no other officer, employee, S.S.A.C. member or agent of the City or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement or any related subcontract pertain, and no relative of any S.S.A.C. member shall have any personal economic or financial interest, directly or indirectly, in this Agreement or any such subcontract except to the extent that such benefits are provided equally to all residents and/or business owners in the Area. Furthermore, no S.S.A.C. member, relative of any S.S.A.C. member, City official, agent or employee shall be a Subcontractor, employee or shareholder of the Contractor or receive anything of value from the Contractor.

No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee shall be admitted to any share or part of this Agreement or to any financial benefit to arise from it. The Contractor acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 shall be voidable by the City.

The Contractor covenants that it, its officers, directors and employees, and the officers, directors and employees of each of its members if a joint venture, and Subcontractors presently have no financial interest and shall acquire no interest, direct or indirect, in the Services undertaken by the Contractor pursuant to the Agreement which would conflict in any manner or degree with the performance of the Services. The Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed. The Contractor agrees that if the Commissioner in his reasonable judgment determines that any of the Contractor's services for others conflict with the Services the Contractor is to provide for the City under this Agreement, the Contractor shall terminate such other services immediately upon request of the City.

6.04 Non-Liability Of Public Officials.

No official, employee or agent of the City shall be charged personally by the Contractor, or by any assignee or Subcontractor of the Contractor, with any liability or expenses of defense or be held personally liable to them under any term or provision hereof, because of the City's execution or attempted execution hereof, or because of any breach hereof.

6.05 Independent Contractor.

The Contractor shall perform under this Agreement as an independent contractor to the City and not as a representative, employee, agent or partner of the City.

6.06 Business Relationships With Elected Officials.

Pursuant to Section 2-156-030(b) of the Municipal Code of the City of Chicago, 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 official has a business relationship, 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. Violation of Section 2-156-030(b) by any elected official with respect to this

Agreement is grounds for termination of this Agreement. The term business relationship is defined as set forth in Section 2-156-080 of the Municipal Code of Chicago.

Section 2-156-080 defines a "business relationship" as any contractual or other private business dealing of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a financial interest, with a person or entity which entitles an official to compensation or payment in the amount of Two Thousand Five Hundred Dollars (\$2,500) or more in a calendar year; provided, however, a financial interest shall not include: (i) any ownership through purchase at fair market value or inheritance of less than one percent (1%) of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" shall not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

6.07 Chicago "Living Wage" Ordinance.

Section 2-92-610 of the Municipal Code of Chicago requires eligible contractors and their subcontractors to pay a living wage (currently Seven and 60/100 Dollars (\$7.60) per hour minimum base wage) to covered employees employed in the performance of this contract. Contractor is an eligible contractor if at any time during the performance of the contract Contractor has twenty-five (25) or more full-time employees. If Contractor is, or becomes, eligible, Contractor and Contractor's subcontractors must pay at least the base wage to covered employees. Covered employees are: security guards (but only if Contractor and Contractor's subcontractors employ in the aggregate twenty-five (25) or more of them), and, in any number, parking attendants, day laborers, home and health care workers, cashiers, elevator operators, custodial workers and clerical workers. Section 2-92-610 does not apply to not-for-profit corporations with federal 501(c)(3) tax exempt status. Also, if the work being done under the contract is subject to payment of prevailing wages, and the prevailing wages are higher than the base wage, then prevailing wage rates apply and must be paid.

Article 7.

*Events Of Default, Remedies, Termination,
Right To Offset, Suspension.*

7.01 Events Of Default Defined.

The following shall constitute events of default:

- A. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Contractor to the City.
- B. Contractor's material failure to perform any of its obligations under the Agreement including, but not limited to, the following:
 - (1) failure to commence or ensure timely completion of the Services due to a reason or circumstance within Contractor's reasonable control;
 - (2) failure to perform the Services in a manner satisfactory to the City;
 - (3) failure to promptly re-perform within a reasonable time Services that were rejected as erroneous or unsatisfactory;
 - (4) discontinuance of the Services for reasons within the Contractor's reasonable control;
 - (5) failure to comply with a material term of this Agreement, including but not limited to the provisions concerning insurance and nondiscrimination; and
 - (6) any other acts specifically and expressly stated in this Agreement as constituting an event of default.
- C. The Contractor's default under any other agreement it may presently have or may enter into with the City during the life of this Agreement. The Contractor acknowledges and agrees that in the event of a default under this Agreement the City may also declare a default under any such other agreements.

7.02 Remedies.

The occurrence of any event of default which the Contractor fails to cure within thirty (30) calendar days after receipt of notice specifying such default or which, if such event of default cannot reasonably be cured within thirty (30) calendar days after notice, the Contractor fails, in the sole opinion of the Commissioner, to commence and continue diligent efforts to cure, shall permit the City to declare the Contractor in default. Whether to declare the Contractor in default is within the sole discretion of the Commissioner. Written notification of the default, and any intention of the City to terminate the Agreement, shall be provided to Contractor and such decision shall be final and effective upon Contractor's receipt of such notice. Upon receipt of such notice, the Contractor must discontinue any services, unless otherwise directed in the notice, and deliver all materials accumulated in the performance of this Agreement, whether completed or in the process of completion, to the City. At such time the City may invoke any legal or equitable remedy available to it including, but not limited to, the following:

- A. The right to take over and complete the Services or any part thereof as agent for and at the cost of the Contractor, either directly or through others. The Contractor shall have, in such event, the right to offset from such cost the amount it would have cost the City under the terms and conditions herein had the Contractor completed the Services.
- B. The right to terminate this Agreement as to any or all of the Services yet to be performed, effective at a time specified by the City.
- C. The right of specific performance, an injunction or any other appropriate equitable remedy.
- D. The right to money damages.
- E. The right to withhold all or any part of Contractor's compensation hereunder.
- F. The right to deem Contractor non-responsible in future contracts to be awarded by the City.

If the City considers it to be in its best interest, it may elect not to declare default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the City and that if the City permits the Contractor to continue to provide the Services despite one (1) or more events of default, the Contractor shall in no way be relieved of any of its responsibilities, duties or obligations under this Agreement nor shall the City waive or relinquish any of its

rights. No delay or omission to exercise any right accruing upon any event of default shall impair any such right nor shall it be construed as a waiver of any event of default or acquiescence therein, and every such right may be exercised from time to time and as often as may be deemed expedient.

7.03 Right To Offset.

The City reserves its rights under §2-92-380 of the Municipal Code of Chicago and the Commissioner shall consult with the S.S.A.C. before exercising such rights.

7.04 Suspension.

The City may at any time request that the Contractor suspend its Services, or any part thereof, by giving fifteen (15) days prior written notice to the Contractor or upon no notice in the event of emergency. No costs incurred after the effective date of such suspension shall be allowed. The Contractor shall promptly resume its performance upon written notice by the Department. The Budget may be revised pursuant to Section 5.02 to account for any additional costs or expenses actually incurred by the Contractor as a result of recommencing the Services.

7.05 No Damages For Delay.

The Contractor agrees that it, its members, if a partnership or joint venture and its Subcontractors shall make no claims against the City for damages, charges, additional costs or hourly fees for costs incurred by reason of delays or hindrances by the City in the performance of its obligations under this Agreement.

7.06 Early Termination.

In addition to termination for default, the City may, at any time, elect to terminate this Agreement or any portion of the Services to be performed under it at the sole discretion of the Commissioner by a written notice to the Contractor. If the City elects to terminate the Agreement in full, all Services shall cease and all materials accumulated in performing this Agreement, whether completed or in the process of completion, shall be delivered to the Department within ten (10) days after receipt of the notice or by the date stated in the notice.

During the final ten (10) days or other time period stated in the notice, the Contractor shall restrict its activities, and those of its Subcontractors, to winding down any reports, analyses, or other activities previously begun. No costs incurred

after the effective date of the termination shall be allowed. Payment for any Services actually and satisfactorily performed before the effective date of the termination shall be on the same basis as set forth in Article 5 hereof, but if any compensation is described or provided for on the basis of a period longer than ten (10) days, then the compensation shall be prorated accordingly.

If a court of competent jurisdiction determines that the S.S.A.C.'s election to terminate this Agreement for default has been wrongful, then such termination shall be deemed to be an early termination.

Article 8.

General Conditions.

8.01 Entire Agreement.

This Agreement and the (sub)exhibits attached hereto and incorporated hereby, shall constitute the entire agreement between the parties and no other warranties, inducements, considerations, promises or interpretations shall be implied or impressed upon this Agreement that are not expressly addressed herein.

8.02 Counterparts.

This Agreement is comprised of several identical counterparts, each to be fully executed by the parties and each to be deemed an original having identical legal effect.

8.03 Amendments.

No changes, amendments, modifications, or discharge of this Agreement, or any part thereof, shall be valid unless in writing and signed by the authorized agent of the Contractor and the Commissioner, or their successors and assigns. The City shall incur no liability for revised services without a written amendment to this Agreement pursuant to this section.

8.04 Compliance With All Laws.

The Contractor shall at all times observe and comply with all applicable laws,

ordinances, rules, regulations and executive orders of the federal, state and local government, now existing or hereinafter in effect, which may in any manner affect the performance of this Agreement. Provisions required by law, ordinances, rules, regulations or executive orders to be inserted shall be deemed inserted whether or not they appear in this Agreement or, upon application by either party, this Agreement shall forthwith be amended to literally make such insertion; however, in no event shall the failure to insert such provisions prevent the enforcement of this Agreement.

8.05 Compliance With A.D.A. And Other Accessibility Laws.

If this Agreement involves services to the public, the Contractor warrants that all Services provided hereunder shall comply with all accessibility standards for persons with disabilities or environmentally limited persons including, but not limited to the following: Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq. and the Rehabilitation Act of 1973, 29 U.S.C. §§ 793-94. In the event that the above cited standards are inconsistent, the Contractor shall comply with the standard providing greater accessibility.

If this Agreement involves design for construction and/or Construction, the Contractor warrants that all design documents produced and/or used under this Agreement shall comply with all federal, state and local laws and regulations regarding accessibility standards for persons with disabilities or environmentally limited persons including, but not limited to, the following: Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq., and the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities; the Architectural Barriers Act, P.L. 90-480 and the Uniform Federal Accessibility Standards; and the Environmental Barriers Act, 410 ILCS 25/1, et seq., and the regulations promulgated thereto at Ill. Admin. Code Title 71, Ch. 1, § 400.110. In the event that the above cited standards are inconsistent, the Contractor shall comply with the standard providing greater accessibility. If the Contractor fails to comply with the foregoing standards, it shall perform again at no expense all services required to be reperformed as a direct or indirect result of such failure.

8.06 Assigns.

All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, transferees and assigns.

8.07 Cooperation.

The Contractor agrees at all times to cooperate fully with the City and to act in the City's best interests. Upon the termination or expiration of this Agreement, the Contractor shall make every effort to assure an orderly transition to another provider of the Services, if any, orderly demobilization of its operations in connection with the Services, uninterrupted provision of Services during any transition period and shall otherwise comply with reasonable requests of the Department in connection with this Agreement's termination or expiration.

8.08 Severability.

If any provision of this Agreement is held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision hereof or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering such provision inoperative or unenforceable in any other case or circumstances, or of rendering any other provision herein invalid, inoperative or unenforceable to any extent. The invalidity of any one (1) or more phrases, sentences, clauses or sections herein shall not effect the remaining portions of this Agreement or any part thereof.

8.09 Interpretation.

All headings in this Agreement are for convenience of reference only and do not define or limit the provisions thereof. Words of gender are deemed to include correlative words of the other gender. Words importing the singular number include the plural number and vice versa, unless the context otherwise indicates. All references to (sub)exhibits or documents are deemed to include all supplements and/or amendments to such (sub)exhibits or documents if entered into in accordance with the terms and conditions hereof and thereof. All references to persons or entities are deemed to include any persons or entities succeeding to the rights, duties and obligations of such persons or entities in accordance with the terms and conditions herein.

8.10 Miscellaneous Provisions.

Whenever under this Agreement the City by a proper authority waives the Contractor's performance in any respect or waives a requirement or condition to the Contractor's performance, the waiver, whether express or implied, shall only apply to that particular instance and shall not be deemed a waiver forever or for

subsequent instances of the performance, requirement or condition. No waiver shall be construed as a modification of the Agreement regardless of the number of times the City may have waived the performance, requirement or condition.

8.11 Disputes.

Except as otherwise provided in this Agreement, the Contractor shall and the S.S.A.C. may bring any dispute concerning a question of fact arising under this Agreement which is not otherwise disposed of to the City's Purchasing Agent for decision based upon written submissions of the parties. The Purchasing Agent shall reduce his decision to writing and furnish a copy of it to the Contractor and the S.S.A.C.. Such decision final and binding.

Article 9.

Notices.

Notices provided for herein shall be in writing and may be delivered personally or by United States mail, first class, certified, return receipt requested, with postage prepaid and addressed as follows:

If To The City:

Greater Englewood Special Service Area
Number 11
6426 South Halsted Street
Chicago, Illinois 60621
Attention: Chairperson

Department of Planning and Development
City Hall, Room 1000
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Commissioner

With Copies To:

Department of Law
City Hall, Room 600
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Corporation Counsel

If To Contractor:

Englewood Business Men's Association
6426 South Halsted Street
Chicago, Illinois 60621
Attention: President

Changes in the above-referenced addresses must be in writing and delivered in accordance with the provisions of this section. Notices delivered by mail shall be deemed received three (3) days after mailing in accordance with this section. Notices delivered personally shall be deemed effective upon receipt.

Article 10.

Authority.

10.01 City Authority.

This Agreement is entered into pursuant to City Council Ordinance enacted on _____ 2000 by virtue of the home rule authority conferred on the City under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois.

10.02 Contractor's Authority.

Execution of this Agreement by the Contractor is authorized by a resolution of its Board of Directors, if a corporation, and the signature of each person signing on behalf of the Contractor has been made with complete and full authority to commit the Contractor to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained herein, including without limitation such representations, certifications and warranties collectively attached hereto and incorporated by reference herein.

In Witness Whereof, The City and the Contractor have executed this Agreement on the date first set forth above, at Chicago, Illinois.

Recommended by:

S.S.A.C. Chairperson

City of Chicago

By: _____
Commissioner,
Department of Planning
and Development

Approved as to form and legality:

Assistant Corporation Counsel

Contractor

By: _____

Its: _____

Attested By: _____

Its: _____

Subscribed and sworn to before me
this ____ day of _____, 20__.

Notary Public

[(Sub)Exhibits 6 and 7 referred to in this Service Provider Agreement
for Special Service Area Number 11 printed on pages 45494
through 45496 of this Journal.]

(Sub)Exhibits 1, 2, 3, 4 and 5 referred to in this Service Provider Agreement for Special Service Area Number 11 read as follows:

(Sub)Exhibit 1.
(To Service Provider Agreement For
Special Service Area Number 11)

Scope Of Services.

Area Maintenance.

Sidewalks And Parking Lots.

General mall maintenance -- sweeping of sidewalks, pick-up of trash and litter. Continue with participation in the EarnFare Program which provides for supplementary workers to add to Mall crew for area cleaning.

Forestry/Landscaping.

Supervision of grass cutting, tree and hedge trimming -- removal of dead trees, weeds, et cetera.

Planting of flowers and/or shrubs -- ongoing project.

Canopies.

Ongoing monthly maintenance of canopies (removal of posters, et cetera) also cleaning and repairs when and where required.

Relamping, cleaning and replacement of electrical fixtures -- payment of ComEd bills for all undercanopy electricity consumed. Cleaning of gutters and downspouts -- ongoing as part of canopy maintenance.

Beautification.

Furnishing of trash receptacles and street furniture -- depending upon life expectancy of Mall due to Kennedy/King project.

Security.

Retain Security Company -- as recommended by Special Service Area Number 11 Commission to patrol parking lots. Supervision of daily activities as provided by Security Company.

Promotions/Advertising.

Coordinate and implement at least five (5) promotional campaigns per annum and same number or more of advertising campaigns (radio, newspapers, flyers, et cetera).

Administrative.

Implementation of all administrative functions, coordinate meetings, record keeping and fiscal responsibilities including preparation of documentation for annual audit, et cetera.

(Sub)Exhibit 2.

(To Service Provider Agreement For
Special Service Area Number 11)

Budget.

Special Service Area Name and Number: Greater Englewood Special Service Area Number 11

Chairperson, Special Service Area: Charles A. Davis Telephone: _____

(Omitted for printing purposes)

Sole Service Provider: _____ Englewood Business Men's Association

Program Manager: Audrey Drew Telephone: _____ (Omitted for printing purposes)

Budget Period -- From: _____ January 1, 2001 To: _____ December 31, 2001

Item	Budget Year 2001
Advertising and Promotion	\$ 22,000.00
Cleaning of Area	31,000.00
General Maintenance of Area	15,100.00
Security Services	120,000.00
Snow Plowing	6,000.00
Street Maintenance/Beautification	1,000.00
Training and Workshops	
Transportation (please specify):	
Other direct Special Services to the Area (please specify):	
Administrative Costs for Managing S.S.A. Program:	36,000.00
Salaries	
Employee Benefits	
Auditing/Accounting	4,100.00
Legal Fees	
Insurance	2,500.00
Equipment	500.00
Equipment Maintenance	100.00
Overhead (Rent, Utilities, Et Cetera)	23,800.00

Item	Budget Year 2001
Contingency Fund for Uncollected Taxes (5% of Budget Recommended)	\$10,265.00
TOTAL:	\$272,365.00

Estimated Tax Levy Rate: 2.66% (D.P.D. use only, do not fill in)

This budget is approved
by the S.S.A. Commission
Chairperson:

Charles A. Davis

Signature

Printed: _____
Charles A. Davis

July 24, 2000

Date

(Sub)Exhibit 3.
(To Service Provider Agreement For
Special Service Area Number 11)

Economic Disclosure Statement.

Pursuant to Chapter 2-154 of the Municipal Code of Chicago (the "Municipal Code"), the following information is required to be disclosed prior to any City agency, department or City Council action. Please fully complete each statement, with all information current as of the attestation date. Every question must be answered. If a question is not applicable, answer with "N.A.". An incomplete E.D.S. shall be returned and any City action shall be interrupted.

Please clearly print or type all responses.

Who Must File:

1. The Undersigned: Any individual or entity (the "Undersigned") making an application to the City of Chicago (the "City") for action requiring City Council or other City agency approval must file this E.D.S.
2. Entities Holding An Interest In The Undersigned: Whenever an ownership interest in the Undersigned (such as shares of stock of the Undersigned or a limited partnership interest in the Undersigned, for example) is held or owned by a legal entity (such as a corporation or partnership, for example) rather than an individual, each such legal entity must also file an E.D.S. on its own behalf. If the original Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, only legal entities that own ten percent (10%) or more of the Undersigned's stock must file E.D.S.s on their own behalf.

Acknowledgment Of Possible Credit And Other Checks: By completing and filing this E.D.S., the Undersigned acknowledges and agrees, on behalf of itself and the individuals named in this E.D.S., that the City may investigate the creditworthiness of some or all of the individuals named in this E.D.S.

Certifying This E.D.S.: Execute the certification on the date of the initial submission of this E.D.S.. You may be asked to update this E.D.S. on the last page as of the date of submission of any related ordinance to the City Council, or as of the date of the closing of your transaction. If you need extra space to fully answer a question, you may insert additional pages.

I.

General Information.

- A. Exact legal name of undersigned: Englewood Business Men's Association
- B. Business address: 6426 South Halsted Street, Chicago, Illinois 60621
- C. Telephone: (Omitted for printing purposes)
- D. Fax: (Omitted for printing purposes)
- E. Name of contact person: Audrey Drew

F. Project Information:

(1) City agency requesting this E.D.S.: _____

Department of Planning and Development

(2) City action requested (e.g., loan, grant, sale of property): _____

Authorization Sole Service Provider

(3) Property location: _____ Special Service Area Number 11

(4) Project description: _____ Real Estate Tax district which funds programs and
services within designated area.

II.

Disclosure Of Ownership Interests

A. General Information.

1. Indicate whether the undersigned is an individual or legal entity and, if a legal entity, indicate the type of entity below:

- ☐ Individual
- ☐ Business corporation
- ☒ Not-for-profit corporation
- ☐ General partnership
- ☐ Limited partnership
- ☐ Limited liability company
- ☐ Joint venture
- ☐ Sole proprietorship
- ☐ Other entity (please specify): _____

2. State of incorporation or organization, if applicable:

Illinois

3. For corporations, limited partnerships and limited liability companies not organized in the State of Illinois: Is the organization authorized to do business in the State of Illinois as a foreign entity?

☐ Yes

☐ No

B. Organization Information.*

1. For Corporations:

- a. List below the names and titles of the executive officers and directors of the corporation.

Name	Title
<u>Tony Kim</u>	<u>President, Diana Shoes</u>
<u>Charles A. Davis</u>	<u>Vice President, The Phoenix Group</u>
<u>Han Suk Suh</u>	<u>Secretary, Chic Classic</u>
<u>Joseph Miles</u>	<u>Treasurer, Pullman Bank</u>
<u>Kwang S. Lee</u>	<u>U.S. Men's Fashion</u>
<u>Louis Fonseca</u>	<u>Keo's</u>
<u>Myung Chang</u>	<u>Mr. Englewood Shoes</u>
<u>Jeffery Kernis</u>	<u>Norman Jewelers</u>

* City ordinance requires that, whenever stock or beneficial interest is held by a corporation or other legal entity, the shareholder or other entity must make the disclosure as indicated herein.

Name	Title
<u>Roy Kim</u>	<u>City Sports</u>
<u>Mohammed Syed</u>	<u>Buyer's Spot</u>
<u>Gavin Weir, Jr.</u>	<u>Pullman Bank</u>
<u>Otis Thompson</u>	<u>Stuff 'N Things</u>

- b. For companies whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of ten percent (10%) of the company's outstanding shares.

Name	Business Address	Percentage Interest
<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>

- c. For companies that are not publicly traded pursuant to the Securities Exchange Act of 1934, list below the name, business address and percentage of ownership interest of each shareholder.

Name	Business Address	Percentage Interest
<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>

Name	Title
N.A.	N.A.

- b. List below the name, business address and percentage of ownership interest of each (i) member and (ii) manager. If there are no managers, write "no managers".

Name	Business Address	Percentage Interest
N.A.	N.A.	N.A.

4. For Land Trusts, Business Trusts Or Estates:

- a. List below the name of each individual or legal entity holding legal title to the property that is the subject of the trust.

N.A.

- b. List below the name, business address and percentage of beneficial interest of each beneficiary on whose behalf title is held:

Name	Business Address	Percentage Interest
<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

III.

Certification Of Compliance.

- A. The Undersigned entity has not, in the past five (5) years, been found in violation of any city, state or federal environmental law or regulation. If there have been any such violations, note them below:

- B. The Undersigned entity is not delinquent, in the payment of any tax administered by the Illinois Department of Revenue, nor is the entity delinquent in paying any fine, fee, tax or other charge owed to the city. This includes all water charges, sewer charges, property taxes or sales taxes. If there are any such delinquencies, note them below:

- C. The Undersigned entity hereby certifies that (1) any contractors/subcontractors retained in connection with the city projects have not, in the past five (5) years, been found in violation of any city, state or federal environmental law or regulation, (2) the Undersigned will not, without

the city's prior written consent, use any contractors/subcontractors who have committed such violations, and (3) the Undersigned will not use any facility on the United States E.P.A.'s List of Violating Facilities in connection with the project for the duration of time that the facility remains on the list.

If the Undersigned is unable to so certify, provide an explanation: _____

IV.

Child Support Obligations.

A. Certification Regarding Court-Ordered Child Support Compliance.

For purposes of this part, "Substantial Owner" means any person who owns or holds a ten percent (10%) or more interest in the Affiant.

If the Affiant's response below is number 1 or number 2, then all of the Affiant's Substantial Owners must remain in compliance with any such child support obligations until the transaction is completed. Failure of the Affiant's Substantial Owners to remain in compliance with their child support obligations in the manner set forth in either number 1 or number 2 constitutes an event of default.

Check one:

1. ____ No Substantial Owner has been declared in arrearage on any child support obligations by the Circuit Court of Cook County or by another Illinois court of competent jurisdiction.
2. ____ The Circuit Court of Cook County or another Illinois court of competent jurisdiction has issued an order declaring one (1) or more Substantial Owners in arrearage on their child support obligations. All such Substantial Owners, however, have entered into court-approved agreements for the payment of all such child support owed, and all such Substantial Owners are in compliance with such agreements.
3. ____ The Circuit Court of Cook County or another Illinois court of competent jurisdiction has issued an order declaring one (1) or more Substantial Owners in arrearage on their child support obligations and: (a) at least

one (1) such Substantial Owner has not entered into a court-approved agreement for the payment of all such child support owed; or (b) at least one (1) such Substantial Owner is not in compliance with a court-approved agreement for the payment of all such child support owed; or both (a) and (b).

4. X There are no Substantial Owners.

V.

Certification.

A. The Undersigned and its principals (officers, directors, partners, members):

- (1) are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- (2) have not within a five (5) year period preceding the date hereof been convicted of a criminal offense or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- (3) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause (2) above;
- (4) have not within a three (3) year period preceding the date hereof had one (1) or more public transactions (federal, state or local) terminated for cause or default; and
- (5) have not within a five (5) year period preceding the date hereof, been convicted, or found liable in a civil proceeding, in any criminal or civil action instituted by the city or by the federal government, any state, or any other unit of local government.

- B. The Undersigned, or any party to be used in the performance of the Project (an "Applicable Party"), or any Affiliated Entity (meaning an entity that, directly or indirectly, has the legal authority to control the Undersigned) of either the Undersigned or any Applicable Party, or any responsible official thereof, or any other official, agent or employee of the Undersigned, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official thereof, has not, during the three (3) years prior to the date hereof or, with respect to an Applicable Party or any Affiliated Entity thereof, during the three (3) years prior to the date of such Applicable Party's contract in connection with the Project:
- (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 with other bidders or prospective bidders, or been a party to any such agreement, 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.
- C. The Undersigned 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).
- D. Neither the Undersigned nor any employee, official, agent or partner of the undersigned 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.
- E. If the Undersigned is unable to certify to any of the above statements in this Section VII, the undersigned shall explain below:

(If no explanation appears or begins on the lines above, it shall be conclusively presumed that the undersigned certifies to each of the above statements.)

VI.

Retained Parties.

A. Definitions And Disclosure Requirements.

1. Pursuant to Executive Order 97-1, every City contract and lease must be accompanied by a statement disclosing certain information about attorneys, lobbyists, accountants, consultants, subcontractors and other persons whom the undersigned has retained or expects to retain in connection with the contract or lease. In particular, the undersigned must disclose the name of each such person, his/her business address, the nature of the relationship, and the amount of the fees paid or estimated to be paid. The undersigned is not required to disclose employees who are paid solely through the undersigned's regular payroll.
2. "Lobbyist" means any person (i) who, on behalf of any person other than himself, undertakes to influence any legislative or administrative action, or (ii) any part of whose duty as an employee of another includes undertaking to influence any legislative or administrative action.
3. If the Undersigned is uncertain whether a disclosure is required under this Section XII, the Undersigned must either ask the City whether disclosure is required or make the disclosure.

B. Certification.

Each and every attorney, lobbyist, accountant, consultant or other person retained or anticipated to be retained by the Undersigned in connection with the City assistance to which this E.D.S. pertains is listed below:

Name	Business Address	Relationship (attorney, lobbyist, et cetera)	Fees (indicate whether paid or estimated)
<u>Folgers Flag</u>	<u>Blue Island</u>	<u>X-Mas Decorations</u>	<u>\$4,000.00</u>
<u>Rootberg Bus</u>	<u>Chicago</u>	<u>Accountants</u>	<u>\$4,500.00</u>
<u>Diamond Detective</u>	<u>Chicago Heights</u>	<u>Security</u>	<u>\$120,000.00</u>
<u>Property Care</u>	<u>Olympia Fields</u>	<u>Snow Removal</u>	<u>\$10,000.00</u>

Check Here If No Such Persons Have Been Retained Or Are Anticipated To Be Retained: ____.

VII.

Business Relationships With City Elected Officials.

A. Definitions And Disclosure Requirement:

1. Pursuant to an ordinance approved by the City Council on December 2, 1998, the Undersigned must indicate whether it had a "business relationship" with a City elected official in the twelve (12) months prior to the date of execution of this E.D.S.
2. A "business relationship" means any "contractual or other private business dealing" of an official, or his or her spouse, or of any entity in which an official or his or her spouse has "financial interest", with a person or entity which entitle an official to compensation or payment in the amount of Two Thousand Five Hundred Dollars (\$2,500) or more in a calendar year; provided, however, a "financial interest" shall not include: (i) any ownership through purchase at fair market value or inheritance of less than the percent of the shares of a corporation or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; (v) an endowment or

insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" shall not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

B. Certification.

1. Has the Undersigned had a "business relationship" with any City elected official in the twelve (12) months prior to the date of execution of this E.D.S.?

☐ Yes

☒ No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

VIII.

*Contract Incorporation, Compliance,
Penalties, Disclosure.*

The Undersigned understands and agrees that:

- A. The certifications contained in this E.D.S. shall become part of any contract awarded to the Undersigned by the City in connection with the City assistance to which this E.D.S. pertains, and are a material inducement to the City's execution of such contract or other action with respect to which this E.D.S. is being executed and delivered on behalf of the Undersigned. Furthermore, the Undersigned shall comply with the certifications contained herein during the term and/or performance of the contract or completion of the transaction.

- B. If the City determines that any information provided herein is false, incomplete or inaccurate, the City may terminate the transaction, terminate the Undersigned's participation in the transaction, and/or decline to allow the Undersigned to participate in other contracts or transactions with the City.
- C. Some or all of the information provided on this E.D.S. and any attachments to this E.D.S. may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this E.D.S., the Undersigned waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this E.D.S. and also authorizes the City to verify the accuracy of any information submitted herein.

Englewood Business Men's Association

(Print or type name of individual or legal entity)

By: Tony Kim
(sign here)

Title of signatory: President

Print or type
name of signatory: Tony Kim

Date: September 7,
2000

Subscribed to before me this 8th day of September
2000 at Cook County, Illinois.

(Signed): Denise King
Notary Public

Commission expires: October 20, 2003

["Official Seal"
Denise King
Notary Public, State of Illinois
My Commission expires 10/20/03]

(Do not write below this line except to recertify prior to submission
to City Council or on the date of closing.)

Recertification.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby represents, under penalty of perjury, that all certifications and statements contained in this E.D.S. are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date hereof.

(Print or type name of individual or legal entity)

By: _____
(sign here)

Title of signatory: _____

Print or type
name of signatory: _____

Date: _____, 200__

Subscribed to before me this ____ day of _____,
200__ at Cook County, Illinois.

Notary Public

Commission expires: _____

(Sub)Exhibit 4.
(To Service Provider Agreement For
Special Service Area Number 11)

Contract Insurance Requirements

Special Services Area Number 11

Englewood Business Men's Association.

The Contractor shall provide and maintain at Contractor's own expense, during the term of this Agreement, and during the time period following expiration if Contractor is required to return and perform additional Services, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

A. Insurance To Be Provided.

1) Workers' Compensation And Employer's Liability.

Workers' Compensation, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than One Hundred Thousand Dollars (\$100,000) each accident or illness.

2) Commercial General Liability (Primary And Umbrella).

Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage liability. Coverage shall include the following: all premises and operations, products/completed operations, separation of insureds and contractual liability (with no limitation endorsement). The City of Chicago is to be named as additional insureds on a primary, noncontributory basis for any liability arising directly or indirectly from the Services.

3) Automobile Liability (Primary And Umbrella).

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage.

4) Professional Liability.

When any professional consultants (e.g.; C.P.A.s, attorneys, architects, engineers, construction managers) perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors or omissions shall be maintained with limits of not less than Five Hundred Thousand Dollars (\$500,000). Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

5) Crime.

Contractor shall be responsible for covering all persons handling funds under this Agreement, against loss by dishonesty, robbery, burglary, theft, destruction or disappearance, computer fraud, credit card forgery and other related crime risks. The Contractor may self insure this exposure.

B. Security Firms.

If the Contractor enters into a subcontract with a Security Firm, such Security Firm shall be certified by the State of Illinois, and the Security Firm's employees shall be registered and certified by the State. Contractor shall ensure and require any Security Firm subcontractor to comply with the Risk Management Division approved Security Firm Insurance Provisions set forth in (Sub)Exhibit 5 of this Agreement, attached hereto and incorporated by references as though fully set forth herein

C. Other Requirements.

The Contractor will furnish the City of Chicago, Department of Planning and Development, Community and Neighborhood Development, Room 1000, 121 North

LaSalle Street, 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Contractor shall submit evidence of insurance on the City of Chicago Insurance Certificate of Coverage Form (copy attached) prior to award of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of this Agreement. The failure of the City to obtain certificates or other insurance evidence from Contractor shall not be deemed to be a waiver by the City. The Contractor shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve Contractor of its 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 until proper evidence of insurance is provided, or the Agreement may be terminated.

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

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Contractors.

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

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

The Contractor expressly understands and agrees that any insurance or self-insurance program maintained by the City of Chicago shall apply in excess of and not contribute with insurance provided by the Contractor under the Agreement.

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

The Contractor shall require all subcontractors to carry the insurance required herein, or Contractor may provide the coverage for subcontractors. All subcontractors shall be subject to the same insurance requirements of Contractor unless otherwise specified herein.

If Contractor, or its subcontractors, desire additional coverage, the Contractor and each of its subcontractors, shall be responsible for the acquisition and cost of each additional protection.

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

(Sub)Exhibit 5.

*(To Service Provider Agreement For
Special Service Area Number 11)*

Contract Insurance Requirements

Special Services Area Number 11

Englewood Business Men's Association

Security Firm.

The Security Firm shall provide and maintain at Security Firm's own expense, until Contract completion, and during the time period following final expiration if Security Firm is required to return and perform additional Services, the insurance coverages and requirements specified below, insuring all operations related to the Contract.

A. Insurance To Be Provided.

1) Workers' Compensation And Employer's Liability.

Workers' Compensation, as prescribed by applicable law covering all employees who are to provide a service under this Contract and Employer's Liability coverage with limits of not less than One Hundred Thousand Dollars (\$100,000) each accident or illness.

2) Commercial General Liability (Primary And Umbrella).

Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage liability. Coverage shall include the following: all premises and operations, products/completed operations, separation of insureds and contractual liability (with no limitation endorsement). The S.S.A.C., the City of Chicago and the Contractor are to be named as additional insureds on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

3) Automobile Liability (Primary And Umbrella).

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage.

4) Professional Liability.

Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than One Million Dollars (\$1,000,000). Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

B. Other Requirements.

The Security Firm will furnish the Contractor original Certificates of Insurance evidencing the required coverage to be in force on the date of this Contract, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Contract. The Security Firm shall submit evidence of insurance prior to Contract award. The receipt of any certificate does not constitute agreement by the Contractor that the insurance requirements in the Contract have been fully met or that the insurance

policies indicated on the certificate are in compliance with all Contract requirements. The failure of the Contractor to obtain certificates or other insurance evidence from Security Firm shall not be deemed to be a waiver by the Contractor. The Security Firm shall advise all insurers of the Contract provisions regarding insurance. Non-conforming insurance shall not relieve Security Firm of its obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Contract, and the Contractor retains the right to stop work until proper evidence of insurance is provided, or the Contract may be terminated.

The insurance shall provide for sixty (60) days prior written notice to be given to the Contractor in the event coverage is substantially changed, canceled or non-renewed.

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Security Firm.

The Security Firm agrees that insurers shall waive their rights of subrogation against the Contractor and the City of Chicago, its employees, elected officials, agents or representatives.

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

The Security Firm expressly understands and agrees that any insurance or self-insurance program maintained by the Contractor shall apply shall not contribute with insurance provided by the Security Firm under the Contract.

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

The Security Firm shall require all subcontractors to provide the insurance required herein, or Security Firm may provide the coverage for subcontractors. All subcontractors shall be subject to the same insurance requirements of Security Firm unless otherwise specified herein.

If Security Firm desires additional coverages, the Security Firm and each of its subcontractors, shall be responsible for the acquisition and cost of such additional protection.

The Contractor maintains the right to modify, delete, alter or change these requirements.

(Sub)Exhibit 6.
(To Service Provider Agreement For
Special Service Area Number 11)

*Illinois Department Of Labor/Division Of Conciliation And Mediation
Prevailing Wages For November, 2000.*



Cook County

Trade Name	RSN	Trade Type	Trade Class	Base Wage	Prman Wage	OT M-F>8	OT Sat.	OT Sun/Hol	WLER	Pension	Vac	Ins
ASBESTOS ABT-GEN		ALL		25.410	25.910	1.5	1.5	2.0	3.370	2.440	0.000	0.170
ASBESTOS ABT-MEC		BLD		23.300	24.800	1.5	1.5	2.0	3.640	5.520	0.000	0.000
BOILERMAKER		BLD		31.930	33.770	2.0	2.0	2.0	3.200	4.470	0.000	0.150
BRICK MASON		BLD		27.480	28.480	1.5	1.5	2.0	4.000	3.750	0.000	0.150
CARPENTER		ALL		29.150	30.650	1.5	1.5	2.0	4.460	2.960	0.000	0.260
CEMENT MASON		ALL		29.000	29.750	2.0	1.5	2.0	4.880	2.950	0.000	0.000
CERAMIC TILE FINISHER		ALL		21.600	0.000	2.0	1.5	2.0	2.900	3.450	0.000	0.180
ELECTRIC PWR EQMT OP		ALL		30.200	35.180	1.5	1.5	2.0	4.010	6.520	0.000	0.150
ELECTRIC PWR GRNDMAN		ALL		23.560	35.180	1.5	1.5	2.0	3.130	5.080	0.000	0.120
ELECTRIC PWR LINEMAN		ALL		30.200	35.180	1.5	1.5	2.0	4.010	6.520	0.000	0.150
ELECTRICIAN		ALL		30.500	32.500	1.5	1.5	2.0	5.490	7.450	0.000	0.600
ELEVATOR CONSTRUCTOR		BLD		32.695	36.780	2.0	2.0	2.0	4.325	2.460	1.960	0.000
FENCE ERECTOR		ALL		21.090	22.340	1.5	1.5	2.0	4.200	4.620	0.000	0.000
GLAZIER		BLD		26.200	27.200	1.5	2.0	2.0	4.230	6.860	0.000	0.200
HT/FROST INSULATOR		BLD		27.400	29.150	1.5	1.5	2.0	4.740	6.660	0.000	0.230
IRON WORKER		ALL		30.000	31.500	2.0	2.0	2.0	5.060	8.740	0.000	0.220
LABORER		ALL		25.410	25.910	1.5	1.5	2.0	3.370	2.440	0.000	0.170
LATHER		BLD		29.150	30.650	1.5	1.5	2.0	4.460	2.930	0.000	0.260
MACHINIST		BLD		29.300	31.050	2.0	2.0	2.0	3.200	2.100	2.020	0.000
MARBLE FINISHERS		ALL		20.780	0.000	1.5	1.5	2.0	3.600	3.800	0.000	0.230
MARBLE MASON		BLD		26.120	27.620	1.5	1.5	2.0	4.100	6.360	0.000	0.000
MILLWRIGHT		ALL		29.150	30.650	1.5	1.5	2.0	4.460	2.960	0.000	0.260
OPERATING ENGINEER		BLD	1	30.350	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		BLD	2	29.050	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		BLD	3	26.500	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		BLD	4	24.750	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		FLT	1	32.850	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		FLT	2	31.350	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		FLT	3	27.900	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		FLT	4	23.200	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		HWY	1	28.550	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	2	28.000	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	3	25.950	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	4	24.550	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	5	23.350	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
ORNAMNTL IRON WORKER		ALL		26.050	27.300	2.0	2.0	2.0	4.100	6.770	0.000	0.000
PAINTER		ALL		27.500	30.940	1.5	1.5	1.5	3.950	4.000	0.000	0.240
PAINTER SIGNS		BLD		22.420	25.230	1.5	1.5	1.5	2.860	1.550	0.000	0.000
PILEDRIIVER		ALL		29.150	30.650	1.5	1.5	2.0	4.460	2.960	0.000	0.260
PIPEFITTER		BLD		32.700	34.700	1.5	1.5	2.0	3.900	3.550	0.000	0.000
PLASTERER		BLD		27.520	28.520	1.5	1.5	2.0	3.600	2.150	0.000	0.400
PLUMBER		BLD		32.300	32.800	1.5	1.5	2.0	4.120	2.720	0.000	0.000
ROOFER		BLD		29.150	31.150	1.5	1.5	2.0	3.350	2.040	0.000	0.300
SHEETMETAL WORKER		BLD		28.560	30.840	1.5	1.5	2.0	4.160	5.690	0.000	0.490
SIGN HANGER		BLD		21.130	21.980	1.5	1.5	2.0	3.530	1.750	0.420	0.000
SPRINKLER FITTER		BLD		31.320	32.820	2.0	2.0	2.0	4.000	4.500	0.000	0.300
STEEL ERECTOR		ALL		30.000	31.500	2.0	2.0	2.0	5.060	8.740	0.000	0.220
STONE MASON		BLD		27.480	28.480	1.5	1.5	2.0	4.000	3.750	0.000	0.150
TELECOM WORKER		BLD		26.500	28.000	1.5	1.5	2.0	2.750	4.180	0.000	0.700
TERRAZZO MASON		BLD		25.180	26.680	2.0	1.5	2.0	4.150	4.300	0.000	0.100
TILE MASON		BLD		26.500	28.000	2.0	1.5	2.0	2.900	3.950	0.000	0.250

(Sub)Exhibit 7.
(To Service Provider Agreement For
Special Service Area Number 11)

Contractor's Performance And Payment Bond.
(Page 1 of 2)

Know All Men by these Presents, That we,

Principal, hereinafter referred to as Contractor, and

Surety

of the County of Cook and State of Illinois, are held and firmly bound unto the CITY OF CHICAGO in the penal sum of

lawful money of the United States, for the payment of which sum of money, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Sealed with our seals and dated this _____ day of _____ A.D. 19__

The Condition of the Above Obligation is such,

That whereas the above bounden Contractor has entered into a certain contract with the CITY OF CHICAGO, bearing Contract No. _____ and Specification No. _____ all in conformity with said contract, for,

SPECIMEN

The said contract is incorporated herein by reference in its entirety, including without limitation, any and all indemnification provisions

Now, if the said Contractor shall in all respects well and truly keep and perform the said contract on its part, in accordance with the terms and provisions of all of the Contract Documents comprising said contract, and in the time and manner therein prescribed, and further shall save, indemnify, and keep harmless the City of Chicago against all loss, damages, claims, liabilities, judgements, costs and expenses which may in anywise accrue against said City of Chicago, in consequence of the granting of said contract, or which may in anywise result therefrom, or which may result from strict liability, or which may in anywise result from any injuries to, or death of, any person, or damage to any real or personal property, arising directly or indirectly from or in connection with, work performed or to be performed under said contract by said Contractor, its Agents, Employees or Workmen, assignees, subcontractors, or anyone else, in any respect whatever, or which may result on account of any infringement of any patent by reason of the materials, machinery, devices or apparatus used in the performance of said contract, and moreover, shall pay to said City any sum or sums of money determined by the Purchasing Agent, and/or by a court of competent jurisdiction, to be due said City by reason of any failure or neglect in the performance of the requirements of said contract, wherefore the said Purchasing Agent shall have elected to suspend or cancel the same, and shall pay all claims and demands whatsoever, which may accrue to each and every materialman and subcontractor, and to each and every person who shall be employed by the said Contractor or by its assignees and subcontractors, in or about the performance of said contract, and with wages paid at prevailing wage rates if so required by said contract, and shall insure its liability to pay the compensation, and shall pay all claims and demands for compensation which may accrue to each and every person who shall be employed by them or any of them in or about the performance of said contract, or which shall accrue to the beneficiaries or dependents of any such person, under the provisions of the Workers' Compensation Act, 820 ILCS 305, as amended, and the Workers' Occupational Disease Act, 820 ILCS 310, as amended (hereinafter referred to as "Acts") then is this obligation to be null and void, otherwise to remain in full force and effect.

(Sub)Exhibit 7.
 (To Service Provider Agreement For
 Special Service Area Number 11)

Contractor's Performance And Payment Bond.
 (Page 2 of 2)

And it is hereby expressly understood and agreed, and made a condition hereof, that any judgement rendered against said City in any suit based upon any loss, damages, claims, liabilities, judgements, costs or expenses which may in anywise accrue against said City as a consequence of the granting of said contract, or which may in anywise result therefrom, or which may in anywise result from any injuries to, or death of, any person, or damage to any real or personal property, arising directly or indirectly from, or in connection with, work performed, or to be performed under said contract by said Contractor or its agents, employees or workmen, assignees, subcontractors, or anyone else and also any decision of the Industrial Commission of the State of Illinois, and any order of court based upon such decision, or judgement thereon, rendered against said City or Chicago in any suit or claim arising under the aforementioned Acts when notice of the pendency or arbitration proceedings or suit shall have been given said Contractor, shall be conclusive against each and all parties to this obligation, as to amount, liability and all other things pertaining hereto.

Every person furnishing material or performing labor in the performance of said contract, either as an individual, as a subcontractor, or otherwise, shall have the right to sue on this bond in the name of the City of Chicago for his use and benefit and in such suit said person as plaintiff, shall file a copy of this bond, certified by the party or parties in whose charge this bond shall be, which copy shall be, unless execution thereof be denied under oath, prima facie evidence of the execution and delivery of the original; provided, that nothing in this bond contained shall be taken to make the City of Chicago liable to any subcontractor, materialman, laborer or to any other person to any greater extent than it would have been liable prior to the enactment of the Public Construction Bond Act, 30 ILCS 550, as amended; provided further, that any person having a claim for labor and materials furnished in the performance of this contract shall have no right of action unless he shall have filed a verified notice of such claim with the Clerk of the City of Chicago within 180 days after the date of the last item of work or the furnishing of the last item of materials, and shall have furnished a copy of such verified notice to the contractor within 10 days of the filing of the notice with the City of Chicago. Such claim shall be verified and shall contain the name and address of the claimant, the business address of the claimant within the State of Illinois, if any, or if the claimant be a foreign corporation having no place of business with the State the principal office or business of said corporation, and in all cases of partnership the names and residences of each of the partners, the name of the contractor for the City of Chicago, the name of the person, firm or corporation by whom the claimant was employed or to whom such claimant furnished materials, the amount of the claim and a brief description of the public improvement for the construction or installation of which the contract is to be performed. Provided, further, that no defect in the notice herein provided for shall deprive the claimant of his right of action under the terms and provisions of this bond unless it shall affirmatively appear that such defect has prejudiced the rights of an interested party asserting the same; provided, further, that no action shall be brought until the expiration of one hundred twenty (120) days after the date of the last item of work or of the furnishing of the last item of material, except in cases where the final settlement between the City of Chicago and the Contractor shall have been made prior to the expiration of the 120 day period in which case action may be taken immediately following such final settlement, and provided, further, that no action of any kind shall be brought later than six (6) months after the acceptance by the City of Chicago of the completion of work. Any suit upon this bond shall be brought only in a circuit court of the State of Illinois in the judicial district in which the contract shall have been performed.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms or any of the Contract Documents comprising said contract, or to the work to be performed thereunder, shall in anywise affect the obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said Contract Documents or to the work.

Approved _____ :99	_____ (Seal)
	_____ (Seal)
Purchasing Agent _____	_____ (Seal)
	_____ (Seal)
Approved as to form and legality _____	_____ (Seal)
Assistant Corporation Counsel _____	_____ (Seal)

AUTHORIZATION OF TAX LEVY AND SERVICE PROVIDER
AGREEMENT FOR SPECIAL SERVICE AREA
NUMBER 14.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 14 in the amount of \$253,255 and the execution of a Service Provider Agreement with the Marquette Park Special Service Area Commission, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On October 7, 1993, the City Council of the City of Chicago (the "City Council") enacted an ordinance establishing a special service area known and designated as City of Chicago Special Service Area Number 14 to provide special governmental services in the area in addition to services provided generally by the City and authorizing a real property tax not to exceed forty-one hundredths percent (0.41%) of the equalized assessed value of all property within the area to provide such services for a period of four (4) years (the "Initial Levy Period"), which such ordinance was amended on March 9, 1995; and

WHEREAS, The Initial Levy Period has expired; and

WHEREAS, On December 10, 1997, the City Council enacted an ordinance (the "Establishment Ordinance") which again established a special service area known and designated as City of Chicago Special Service Area Number 14 (the "Area") and authorized the levy of an annual tax, for the period beginning in 1997 through and including 2000, not to exceed an annual rate of forty-one hundredths percent (0.41%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory approximately bounded by West 67th Street on the north, West 75th Street on the south, South Kedzie Avenue on the west, and South Bell Avenue on the east; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included private security services provided in the Area, including the administration necessary for the implementation of such private security services; and

WHEREAS, The Establishment Ordinance provided for the appointment of the Marquette Park Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services and has recommended to the Department of Planning and Development, the Mayor and the City Council an agreement with the Service Provider, whose terms and conditions provide for the expenditure of the Services Tax for the provision of the Special Services for the fiscal year commencing January 1, 2001, in substantially the form attached hereto as Exhibit A; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

Marquette Park Special Service Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services	\$323,355
TOTAL BUDGET REQUEST:	\$323,355

Source Of Funding:

Tax levy at a rate not to exceed forty-one hundredths percent (0.41%) of the assessed value, as equalized, of taxable property within Special Service Area Number 14	\$253,255
Carryover funds from previous tax years	\$70,100

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Special Service Area Act and pursuant to the provisions of the Establishment Ordinance, the sum of Two Hundred Fifty-three Thousand Two Hundred Fifty-five Dollars (\$253,255) as the amount of the Services Tax for the tax year 2000.

SECTION 4. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner of the Department of Planning and Development (the "Commissioner"), or a designee of the Commissioner are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver an agreement with the Lithuanian Human Services Council of the U.S.A., Inc., an Illinois not-for-profit corporation, in substantially the form attached hereto as Exhibit A and hereby made

a part hereof (the "Service Provider Agreement"), and such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Service Provider Agreement.

SECTION 6. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 7. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 8. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 9. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 10. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
(To Ordinance)

Agreement For Special Service Area Number 14

Between

The City Of Chicago

And

*Lithuanian Human Services Council
Of The U.S.A., Inc.*

Effective January 1, 2001 Through December 31, 2001.

This agreement for the management of Special Service Area Number 14 is entered into by and between the Lithuanian Human Services Council of the U.S.A., Inc., an Illinois not-for-profit corporation ("Contractor"), and the City of Chicago ("City"), a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, acting by and through its Department of Planning and Development.

Recitals.

Whereas, Special service areas may be established pursuant to Article VII, §§ 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Act"); and

Whereas, The City Council of the City of Chicago ("City Council") has established a special service area known and designated as "Special Service Area Number 14" ("Area"), to provide special services in addition to those services provided generally by the City ("Special Services"). The City Council has further authorized the levy of an annual ad valorem real property tax in the Area sufficient to produce revenues required to provide those Special Services but not to exceed forty-one hundredths percent (.41%) of the equalized assessed value of all property within the Area ("Service Tax"), all as provided in the establishment ordinance (hereinafter defined); and

Whereas, The City Council on _____, 2000 authorized the levy of the Service Tax and appropriation of the funds therefrom for the provision of the Special Services in the Area for fiscal year 2001; and

Whereas, The Contractor and the City desire to enter into this agreement to provide such Special Services in the Area and the Contractor is ready, willing and able to enter into this agreement to provide the Special Services to the full satisfaction of the City; and

Now, Therefore, In consideration of the mutual promises contained in this Agreement, the City and the Contractor agree as follows:

Article 1.

Incorporation Of Recitals.

The recitals set forth above are incorporated by reference as if fully set forth herein.

Article 2.

Definitions.

The following words and phrases shall have the following meanings for purposes of this agreement:

“Agreement” means this Special Service Area Agreement, including all (sub)exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

“Commissioner” means the commissioner of the Department of Planning and Development or his duly authorized representative.

“Construction” means landscaping, building activities, including but not limited to, physical building improvements, installations and other fixed works, but does not include pre-development work (design and preparation of specifications).

“Days” means business days in accordance with the City of Chicago business calendar.

“Department” means the City of Chicago Department of Planning and Development.

“Establishment Ordinance” means the ordinance enacted by City Council on December 10, 1997, and any subsequent amendments thereto authorizing imposition of the Service Tax and setting forth the Special Services to be provided in the Area.

“Risk Management Department” means the Risk Management Office of the Department of Finance which is under the direction of the Comptroller of the City and is charged with reviewing and analyzing insurance and related liability matters for the City.

"Security Firm" means a business entity certified by the State of Illinois pursuant to the Private Detective, Private Alarm and Private Security and Locksmith Act of 1993, 225 ILCS 446/1, et seq., and whose employees are licensed by the State of Illinois.

"Services" means, collectively, the services, duties and responsibilities described in Article 3 and (Sub)Exhibit 1 (Scope of Services) of this Agreement and any revisions thereof and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

"Service Tax Funds" means the amount actually collected pursuant to the Service Tax.

"Special Service Area Commission ('S.S.A.C.')" means the body to be established pursuant to the Establishment Ordinance, known as the Marquette Park Special Service Area Commission, to prepare the budget, identify a Contractor and supervise the provision of the Special Services in the Area.

"Subcontractor" means any person or entity with whom Contractor contracts to provide any part of the Services, including subcontractors of any tier, subconsultants of any tier, suppliers and materialmen, whether or not in privity with the Contractor.

Article 3.

Duties And Responsibilities Of Contractor.

3.01 Scope Of Services.

The Services which the Contractor shall provide include, but are not limited to, those described in this Article 3 and in (Sub)Exhibit 1 which is attached hereto and incorporated by reference as if fully set forth herein. The S.S.A.C. reserves the right to require the Contractor to perform revised services which are within the general scope of services of this Agreement and of the Special Services identified in the Establishment Ordinance, subject to the same terms and conditions herein. Revised services shall be limited to changes or revisions to the line items in the budget, shall not affect the maximum compensation, and shall require the prior written approval of the S.S.A.C.. The S.S.A.C. may, by written notice to the Department and the Contractor, delete or amend the figures contained and described in the budget attached hereto as (Sub)Exhibit 2 and incorporated by reference as if fully set forth herein. The Contractor shall provide the Services in

accordance with the standards of performance set forth in Section 3.02. The Contractor Shall Not Engage In Construction Or Any Activity Constituting A Public Improvement Under Illinois Law.

3.02 Standard Of Performance.

The Contractor shall perform all Services with that degree of skill, care and diligence normally shown by a contractor performing services of a scope, purpose and magnitude comparable to the Services to be provided hereunder. The Contractor shall at all times use its best efforts on half of the City to assure timely and satisfactory rendering and completion of its Services.

The Contractor shall at all times act in the best interests of the City consistent with the professional obligations assumed by it in entering into this Agreement. The Contractor shall perform all Services in accordance with the terms and conditions of this Agreement and to the full satisfaction of the S.S.A.C.. The Contractor agrees to furnish efficient business administration and and supervision to render and complete the Services at reasonable cost.

The Contractor shall assure that all Services which require the exercise of professional skills or judgment shall be accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. The Contractor shall remain responsible for the professional and technical accuracy of all Services provided, whether by the Contractor or its Subcontractors or others on its behalf.

If the S.S.A.C. determines that the Contractor has failed to comply with the foregoing standards, Contractor shall perform again, at its own expense, all Services required to be reperformed as a direct or indirect result of such failure. Any review, approval, acceptance or payment for any or all of the Services by the City shall not relieve the Contractor of its responsibility for the professional and technical accuracy of its Services. This provision in no way limits the City's rights against Contractor, either under this Agreement, at law or in equity.

3.03 Personnel.

The Contractor shall, immediately upon receiving a fully executed copy of this Agreement, assign and maintain during the term of this Agreement and any extension thereof an adequate staff of competent personnel which is fully equipped, licensed as appropriate, available as needed, qualified and assigned to perform the Services. Salaries and wages due of all employees of the Contractor performing Services under this Agreement shall be paid unconditionally and at least once a

month without deduction or rebate on any account, except only for such payroll deductions as are mandatory by law or are permitted under applicable law and regulations.

3.04 Nondiscrimination.

A. Federal Requirements.

It shall be an unlawful employment practice for the Contractor (1) to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation or the terms, conditions or privileges of his employment because of such individual's race, color, religion, sex, age, handicap or national origin; or (2) to limit, segregate, or classify its employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee, because of such individual's race, color, religion, sex, age, handicap or national origin.

The Contractor shall comply with the Civil Rights Act of 1964, 42 U.S.C. § 2000, et seq., as amended. Attention is called to: Exec. Order No. 11,246,30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. § 2000(e) note, as amended by Exec. Order No. 11,375,32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12,086,43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. §§ 6101-06; Rehabilitation Act of 1973, 29 U.S.C. §§ 793-94; Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq., and 41 C.F.R. Part 60, et seq.

B. State Requirements.

Contractor shall comply with the Illinois Human Rights Act, 775 ILCS 5/1-101, et seq.; the Equal Employment Opportunity Clause, Ill. Admin. Code Title 5, § 750 Appendix A and the Public Works Employment Discrimination Act, 775 ILCS 10/0.01, et seq., as amended.

C. City Requirements.

Contractor shall comply with the Chicago Human Rights Ordinance, § 2-160-010, et seq., as amended, of the Municipal Code of Chicago.

3.05 Insurance.

The Contractor shall comply with the insurance provisions attached hereto as (Sub)Exhibit 4 and incorporated by reference as if fully set forth herein, or such other insurance provisions as may be required in the reasonable judgement of the Risk Management Division. If the Contractor enters into a subcontract with a Security Firm, such Security Firm shall comply with the insurance provisions attached hereto as (Sub)Exhibit 5 and incorporated by reference as if fully set forth herein, or such other insurance provisions as may be required in the reasonable judgement of the Risk Management Division. If the Contractor subcontracts with a Subcontractor other than a Security Firm, such Subcontractor shall comply with the Contractor insurance provisions attached hereto as (Sub)Exhibit 4 or the Contractor may provide coverage for such Subcontractors.

3.06 Indemnification.

A. On written notice from the City of Losses the City believes are Losses Arising under this Agreement as defined in this Section 3.06, the Contractor shall defend, indemnify and hold completely harmless the City Indemnities from and against such Losses, regardless of whether Contractor challenges the City's belief. The defense, indemnification and hold harmless obligations of the Contractor toward City Indemnities remain an affirmative obligation of Contractor following the City's notice of Losses the City believes are Losses Arising under this Agreement, unless and until a court of competent jurisdiction finally determines otherwise and all opportunities for appeal have been exhausted or have lapsed.

B. For purposes of this Section 3.06,

"City Indemnities" means, individually and collectively, the City of Chicago, its officials, agents, employees and S.S.A.C. members.

"Losses" means, individually and collectively, all kinds of liabilities, losses, suits, claims, damages, judgments, fines and demands, including all reasonable costs for investigation, reasonable attorneys' fees, court costs and experts' fees, arising by reason of injury or death of any person, damage to property, patent or copyright infringement.

"Arising under this Agreement" means (i) arising out of awarding this Agreement, (ii) arising out of the enforcement of this Agreement, including the enforcement of this indemnification provision; (iii) arising out of or in connection with Contractor's performance or non-performance of this Agreement (including the acts or omission of Contractor, its officers, agents, employees, consultants, subconsultants, licensees or invitees), any breach by any of them of any warranty

made under this Agreement, or any failure by any of them to meet any applicable standard of performance under this Agreement; or (iv) any combination of any of the foregoing.

C. To the extent permissible by law, Contractor waives any limits on Contractor's liability that it would otherwise have by virtue of the Worker's Compensation Act or any other related law or judicial decision (such as *Kotecki v. Cyclops Welding Corporation*, 146 Ill. 2d 155 (1991)). The City, however, does not waive any limitations it may have on its liability under the Worker's Compensation Act or under the Illinois Pension Code.

D. The City has the right, at its option and at its own expense, to participate in the defense of any suit without relieving Contractor of any of its obligations under this indemnity provision. The requirements set forth in this indemnity provision are separate from and not limited by the amount of insurance Contractor is required to obtain under this Agreement or by its bonds pursuant to other provisions in this Agreement. Further, the indemnities contained in this provision survive the expiration or termination of this Agreement.

3.07 Records And Audits.

The Contractor shall deliver all documents, data, studies, reports or information to the S.S.A.C. promptly in accordance with the time limits prescribed herein and if no time limit is specified, then upon reasonable demand therefor, or, if requested, upon termination or completion of the Services.

The Contractor and any Subcontractors shall furnish the S.S.A.C. with semi-annual reports or provide such information as may be requested relative to the performance and cost of the Services. The Contractor shall maintain records showing actual time devoted and costs incurred. The Contractor shall keep books, documents, records and accounts in connection with the Services open to inspection, copying, abstracting, transcription and an independent audit by City employees or agents and shall make these records available to the City at reasonable times during the performance of its Services. In addition, Contractor shall retain them in a safe place and make them available for an independent audit, inspection, copying and abstracting for at least five (5) years after the final payment made in connection with this Agreement.

The Contractor Shall Not Commingle Service Tax Funds With Funds From Other Sources, and to the extent that the Contractor conducts any business operations separate and apart from the Services hereunder using, for example, personnel, equipment, supplies or facilities also used in connection with this

Agreement, then the Contractor shall maintain and make similarly available to the City detailed records supporting the Contractor's allocation to this Agreement of the costs and expenses attributable to any such shared usages.

The Contractor shall provide an annual audited financial statement to the S.S.A.C. and the Department within one hundred twenty (120) calendar days after the end of the calendar year and the system of accounting shall be in accordance with generally accepted accounting principles and practices, consistently applied throughout. No provision in this Agreement granting the City a right of access to records and documents is intended to impair, limit or affect any right of access to such records and documents which the City would have had in the absence of such provisions.

3.08 Subcontracts And Assignments.

The Contractor shall not assign, delegate, subcontract or otherwise transfer all or any part of its rights or obligations under this Agreement or any part hereof, unless otherwise provided for herein or without the express written consent of the S.S.A.C.. The absence of such provision or written consent shall void the attempted assignment, delegation or transfer and shall be of no effect as to the Services or this Agreement.

All subcontracts, all approvals of Subcontractors and any assignment to which the S.S.A.C. consents shall be, regardless of their form, deemed conditioned upon performance by the Subcontractor or assignee in accordance with the terms and conditions of this Agreement.

If the Contractor subcontracts for security services, the Subcontractor shall be a Security Firm certified by the State of Illinois and the Security Firm's employees shall be licensed by the State of Illinois. The Contractor, upon entering into any subcontract with a Security Firm, shall furnish the S.S.A.C. and the Department with a copy of the subcontract for their approval. The City expressly reserves the right to approve all Security Firm subcontracts.

In addition, prior to entering into subcontract(s) for security services with Security Firm(s), the Contractor agrees to select such Security Firm(s) in accordance with the following provisions:

1. The Contractor will prepare a detailed summary of the scope of the services that will be required of such Security Firm(s), and, the Contractor will place an advertisement in a daily newspaper of general circulation in the Area inviting all interested parties to submit proposals for the provision of such security services. The Contractors' advertisement for the security services shall describe the security

services to be provided in sufficient detail to allow potential bidders to generate accurate and complete bids; and

2. The Contractor shall advertise for the security services in a newspaper of general circulation in the Area for a period of no less than ten (10) consecutive calendar days. The Contractor will then review the proposals received for a period of time no less than three (3) calendar days. The Contractor will then award the subcontract(s) for the security services to the lowest responsive and responsible bidder(s).

3.09 Licenses, Permits And Safety Considerations.

If the Contractor engages in Construction, it shall be responsible for and, in a timely manner consistent with its obligations hereunder, shall secure and maintain at its expense such permits, licenses, authorizations and approvals as are necessary for it to engage in Construction under this Agreement.

If the Contractor engages in Construction, it shall at all times exercise reasonable care, shall comply with all applicable provisions of federal, state and local laws to prevent accidents or injuries, and shall take all appropriate precautions to avoid damage to and loss of City property and the property of third parties in connection with the Construction. The Contractor shall erect and properly maintain at all times all necessary safeguards, barriers, flags and lights for the protection of its and its Subcontractors' employees, City employees, and the public.

If the Contractor engages in Construction, it shall report to the Department any damage on, about, under or adjacent to City property or the property of third persons resulting from its' performance under this Agreement. The Contractor is responsible for any damage to City property or the property of third parties due, in whole or in part, to the Contractor's Construction activities under this Agreement, and the Contractor shall remedy such damage to a reasonably acceptable standard.

3.10 Performance Bond.

If the Contractor engages in Construction work where expenditures exceed Twenty-five Thousand Dollars (\$25,000), it shall, not later than the date the Contractor begins such work or executes a subcontract for such work, provide or cause to be provided to the Department a performance and payment bond in the amount allocated for the Construction work (but not including the amount allocated for design and preparation of specifications), by a surety or sureties acceptable to the City. The performance bond shall be in the form and to the effect of (Sub)Exhibit 7 hereto, which is incorporated by reference as if fully set forth herein.

If any of the sureties on such bond at any time fail financially, or are deemed to be insufficient security for the penalty of the bond, then the City may, on giving ten (10) days notice thereof in writing, require the Contractor to furnish a new and additional bond with sureties satisfactory to the City.

Article 4.

Term Of Services.

This Agreement shall take effect as of January 1, 2001 ("Effective Date") and shall continue through December 31, 2001, or until the Agreement expires by its terms or is terminated in accordance with its terms.

Article 5.

Compensation.

5.01 Basis Of Payment.

The maximum compensation that the Contractor may be paid under this Agreement is the sum of: (a) Two Hundred Fifty-three Thousand Two Hundred Fifty-five and no/100 Dollars (\$253,255.00) or the total amount of Service Tax Funds actually collected for tax year 2000, whichever is less; and (b) Service Tax Funds in the amount of Seventy Thousand One Hundred Dollars (\$70,100) which are being carried over from previous program years and which the Contractor hereby acknowledges are in its possession.

The City Comptroller will transfer the Service Tax Funds to the Contractor as received. The Contractor shall reimburse its Subcontractors for Services satisfactorily performed pursuant to the Budget.

Notwithstanding anything to the contrary in this Agreement, the Contractor understands and agrees that if the establishment of the Area is defeated by the filing of an objection petition in accordance with the Act, or if the levy of the Service Tax is otherwise repealed or nullified, then the Contractor's compensation under this agreement will be limited to the sum of the Carry Over Funds, and, upon the expenditure of the Carry Over Funds, this Agreement shall expire.

5.02 Budget For Services.

The Contractor in conjunction with the S.S.A.C. has prepared a Budget, attached hereto as (Sub)Exhibit 2 and incorporated by reference as if fully set forth herein, covering all services described in the Scope of Services. The S.S.A.C. reserves the right to transfer funds between line items or make Budget revisions which do not affect the maximum compensation set forth in Section 5.01. The S.S.A.C. shall revise the Budget if any part of the Contractor's Services is terminated.

5.03 Method Of Payment.

The Contractor shall establish a separate checking account ("Account") in a bank authorized to do business in the State of Illinois that is insured by the Federal Deposit Insurance Corporation. All Service Tax Funds that the Comptroller transfers to the Contractor shall be deposited in the Account and disbursements from the Account shall be pursuant to this Agreement. The Contractor Shall Not Commingle Service Tax Funds With Funds From Other Sources. The Contractor shall provide to the S.S.A.C. the signature card and sample check from the bank which shows the signature(s) of the Contractor's authorized representative(s). The S.S.A.C. reserves the right to audit the account and require the Contractor to refund any funds which were not spent pursuant to the Budget or which were not approved by the S.S.A.C.. The name and address of the bank is _____ and the wire transfer and the Account numbers are _____.

All funds remaining in the Account at the expiration or termination of this Agreement, including any interest earned, belong to the City for the benefit of the Area and shall be returned to the City to be used only for Special Services. However, if the City and the Contractor enter into a subsequent agreement for Special Services, the funds may remain in the Account to be used pursuant to the subsequent agreement.

5.04 Criteria For Payment.

The S.S.A.C., in its sole discretion, shall determine the reasonableness, allocability and allowability of any rates, costs and expenses charged or incurred by the Contractor.

5.05 Funding.

Payments under this Agreement shall be made from Service Tax Funds in fund number _____ and are subject to the availability of funds therein.

*Article 6.**Special Conditions.*

6.01 Warranties And Representations.

In connection with the execution of this Agreement, the Contractor warrants and represents:

- A. that it is financially solvent; that it and each of its employees, agents and Subcontractors are competent to perform the Services required; that it is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated herein; and
- B. that it shall not knowingly use the services of any ineligible Subcontractor for any purpose in the performance of the Services; and
- C. that it and its Subcontractors are not in default at the time of the execution of this Agreement, or deemed by the Department to have, within five (5) years immediately preceding the date of this Agreement, been found to be in default on any contract awarded by the City; and
- D. that it and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of § 2-92-320 of the Municipal Code of Chicago, 720 ILCS 5/33E-1, et seq. of the Criminal Code of 1961, and 65 ILCS 5/11-42.1-1 of the Illinois Municipal Code; and
- E. that it shall be the duty of the Contractor, all Subcontractors and their respective officers, directors, agents, partners and employees to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code of Chicago; that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code of Chicago and all subcontracts shall inform Subcontractors of such provision and require understanding and compliance therewith; and
- F. that it shall comply with the MacBride Principles Ordinance, § 2-92-580 of the Municipal Code of Chicago, through which the City seeks to promote fair and equal employment opportunities and labor practice for religious minorities in Northern Ireland and provide a better working environment for all citizens in Northern Ireland; that in accordance with the MacBride Principles Ordinance, if the Contractor conducts any business operations in Northern Ireland, it shall make all reasonable and good faith efforts to

conduct such business operations in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390 (1988 Ill. Laws 3220); and

- G. that, except only for those representations, statements or promises expressly contained in this Agreement and any exhibits attached hereto, no representation, statement or promise, oral or written, or of any kind whatsoever, by the City, its officials, agents or employees, has induced the Contractor to enter into this Agreement; and
- H. that the Contractor understands and agrees that any certification, affidavit or acknowledgment made under oath in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination for default.

6.02 Economic Disclosure Statement And Affidavit.

The Contractor has provided the City with an Economic Disclosure Statement and Affidavit, which is attached as (Sub)Exhibit 3 and incorporated by reference as if fully set forth herein.

In addition, the Contractor shall provide the City with copies of its latest articles of incorporation, bylaws and resolutions, or partnership or joint venture agreement, as applicable, and evidence of its authority to do business in the State of Illinois, including without limitation, registrations of assumed names or limited partnerships and certifications of good standing with the Office of the Secretary of State of Illinois.

6.03 Conflict Of Interest.

Pursuant to Chapter 2-156 of the Municipal Code of Chicago and 65 ILCS 5/3.1-55-10, no member of the governing body of the City, no other officer, employee, S.S.A.C. member, or agent of the City who exercises any functions or responsibilities in connection with the Services to which this Agreement or any related subcontract pertain, and no relative of any S.S.A.C. member shall have any personal economic or financial interest, directly or indirectly, in this Agreement or such subcontract except to the extent that such benefits are provided equally to all residents and/or business owners in the Area. Furthermore, no S.S.A.C. member, relative of any S.S.A.C. member, City official, agent or employee shall be a Subcontractor, employee or shareholder of the Contractor or receive anything of value from the Contractor.

No member of or delegate to the Congress of the United States or the Illinois

General Assembly and no alderman of the City or City employee shall be admitted to any share or part of this Agreement or to any financial benefit to arise from it. The Contractor acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 shall be voidable by the City.

The Contractor covenants that it, its officers, directors and employees, and the officers, directors and employees of each of its members if a joint venture, and Subcontractors presently have no financial interest and shall acquire no interest, direct or indirect, which would conflict in any manner or degree with the performance of the Services. The Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed. The Contractor agrees that if the Chief Procurement Officer in his reasonable judgment determines that any of the Contractor's services for others conflict with the Services the Contractor is to provide for the City under this Agreement, the Contractor shall terminate such other services immediately upon request of the City.

6.04 Non-Liability Of Public Officials.

No official, employee or agent of the City shall be charged personally by the Contractor, or by any assignee or Subcontractor of the Contractor, with any liability or expenses of defense or be held personally liable to them under any term or provision hereof, because of the City's execution or attempted execution hereof, or because of any breach hereof.

6.05 Independent Contractor.

The Contractor shall perform under this Agreement as an independent contractor to the City and not as a representative, employee, agent or partner of the City.

6.06 Business Relationships With Elected Officials.

Pursuant to Section 2-156-030(b) of the Municipal Code of the City of Chicago, 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 official has a business relationship, 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. Violation of Section 2-156-030(b) by any elected official with respect to this

Agreement is grounds for termination of this Agreement. The term business relationship is defined as set forth in Section 2-156-080 of the Municipal Code of Chicago.

Section 2-156-080 defines a "business relationship" as any contractual or other private business dealing of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a financial interest, with a person or entity which entitles an official to compensation or payment in the amount of Two Thousand Five Hundred Dollars (\$2,500) or more in a calendar year; provided, however, a financial interest shall not include: (i) any ownership through purchase at fair market value or inheritance of less than one percent (1%) of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" shall not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

6.07 Chicago "Living Wage" Ordinance.

Section 2-92-610 of the Municipal Code of Chicago requires eligible contractors and their subcontractors to pay a living wage (currently Seven and 60/100 Dollars (\$7.60) per hour minimum base wage) to covered employees employed in the performance of this contract. Contractor is an eligible contractor if at any time during the performance of the contract Contractor has twenty-five (25) or more full-time employees. If Contractor is, or becomes, eligible, Contractor and Contractor's subcontractors must pay at least the base wage to covered employees. Covered employees are: security guards (but only if Contractor and Contractor's subcontractors employ in the aggregate twenty-five (25) or more of them), and, in any number, parking attendants, day laborers, home and health care workers, cashiers, elevator operators, custodial workers and clerical workers. Section 2-92-610 does not apply to not-for-profit corporations with federal 501(c)(3) tax exempt status. Also, if the work being done under the contract is subject to payment of prevailing wages, and the prevailing wages are higher than the base wage, then prevailing wage rates apply and must be paid.

Article 7.

*Events Of Default, Remedies, Termination,
Right To Offset, Suspension.*

7.01 Events Of Default Defined.

The following shall constitute events of default:

- A. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Contractor to the City.
- B. Contractor's material failure to perform any of its obligations under the Agreement including, but not limited to, the following:
 - (1) failure to commence or ensure timely completion of the Services due to a reason or circumstance within Contractor's reasonable control;
 - (2) failure to perform the Services in a manner satisfactory to the City;
 - (3) failure to promptly re-perform within a reasonable time Services that were rejected as erroneous or unsatisfactory;
 - (4) discontinuance of the Services for reasons within the Contractor's reasonable control; and
 - (5) failure to comply with a material term of this Agreement, including but not limited to the provisions concerning insurance and nondiscrimination.

7.02 Remedies.

The occurrence of any event of default which the Contractor fails to cure within thirty (30) calendar days after receipt of notice specifying such default or which, if such event of default cannot reasonably be cured within thirty (30) calendar days after notice, the Contractor fails, in the sole opinion of the Commissioner, to commence and continue diligent efforts to cure, shall permit the City to declare the Contractor in default. Whether to declare the Contractor in default is within the sole discretion of the Commissioner. Written notification of the default, and any intention of the City to terminate the Agreement, shall be provided to Contractor and such decision shall be final and effective upon Contractor's receipt of such

notice. Upon receipt of such notice, the Contractor must discontinue any services, unless otherwise directed in the notice, and deliver all materials accumulated in the performance of this Agreement, whether completed or in the process of completion, to the City. At such time the City may invoke any legal or equitable remedy available to it including, but not limited to, the following:

- A. The right to take over and complete the Services or any part thereof as agent for and at the cost of the Contractor, either directly or through others. The Contractor shall have, in such event, the right to offset from such cost the amount it would have cost the City under the terms and conditions herein had the Contractor completed the Services.
- B. The right to terminate this Agreement as to any or all of the Services yet to be performed, effective at a time specified by the City.
- C. The right of specific performance, an injunction or other appropriate equitable remedy.
- D. The right to money damages.
- E. The right to withhold all or any part of Contractor's compensation hereunder.
- F. The right to deem Contractor non-responsible in future contracts awarded by the City.

If the City considers it to be in its best interest, it may elect not to declare default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the City and that if the City permits the Contractor to continue to provide the Services despite one (1) or more events of default, the Contractor shall in no way be relieved of any of its responsibilities, duties or obligations under this Agreement nor shall the City waive or relinquish any of its rights. No delay or omission to exercise any right accruing upon any event of default shall impair any such right nor shall it be construed as a waiver of any event of default or acquiescence therein, and every such right may be exercised from time to time and as often as may be deemed expedient.

7.03 Right To Offset.

The City reserves its rights under § 2-92-380 of the Municipal Code of Chicago. The Commissioner shall consult with the S.S.A.C. before exercising such rights.

7.04 Suspension.

The City may at any time request that the Contractor suspend its Services, or any part thereof, by giving fifteen (15) days prior written notice to the Contractor or upon no notice in the event of emergency. No costs incurred after the effective date of such suspension shall be allowed. The Contractor shall promptly resume its performance upon written notice by the Department. The Budget may be revised pursuant to Section 5.02 to account for any additional costs or expenses actually incurred by the Contractor as a result of recommencing the Services.

7.05 No Damages For Delay.

The Contractor agrees that it, its members, if a partnership or joint venture and its Subcontractors shall make no claims against the City for damages, charges, additional costs or hourly fees for costs incurred by reason of delays or hindrances by the City in the performance of its obligations under this Agreement.

7.06 Early Termination.

In addition to termination for default, the S.S.A.C. may terminate this Agreement or any portion of the Services to be performed under it at any time by a written notice to the Contractor when the Agreement may be deemed to be no longer in the best interests of the Area. If the S.S.A.C. elects to terminate the Agreement in full, all Services shall cease and all materials accumulated in performing this Agreement, whether completed or in the process of completion, shall be delivered to the Department within ten (10) days after receipt of the notice or by the date stated in the notice.

During the final ten (10) days or other time period stated in the notice, the Contractor shall restrict its activities, and those of its Subcontractors, to winding down any reports analyses or other activities previously begun. No costs incurred after the effective date of the termination shall be allowed. Payment for any Services actually and satisfactorily performed before the effective date of the termination shall be on the same basis as set forth in Article 5 hereof, but if any compensation is described or provided for on the basis of a period longer than ten (10) days, then the compensation shall be prorated accordingly.

If a court of competent jurisdiction determines that the S.S.A.C.'s election to terminate this Agreement for default has been wrongful, then such termination shall be deemed to be an early termination.

*Article 8.**General Conditions.*

8.01 Entire Agreement.

This Agreement, and the (sub)exhibits attached hereto and incorporated hereby, shall constitute the entire agreement between the parties and no other warranties, inducements, considerations, promises or interpretations shall be implied or impressed upon this Agreement that are not expressly addressed herein.

8.02 Counterparts.

This Agreement is comprised of several identical counterparts, each to be fully executed by the parties and each to be deemed an original having identical legal effect.

8.03 Amendments.

No changes, amendments, modifications or discharge of this Agreement, or any part thereof, shall be valid unless in writing and signed by the authorized agent of the Contractor and the Commissioner, or their successors and assigns. The City shall incur no liability for revised services without a written amendment to this Agreement pursuant to this section.

8.04 Compliance With All Laws.

The Contractor shall at all times observe and comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government, now existing or hereinafter in effect, which may in any manner affect the performance of this Agreement. Provisions required by law, ordinances, rules, regulations, or executive orders to be inserted shall be deemed inserted whether or not they appear in this Agreement or, upon application by either party, this Agreement shall forthwith be amended to literally make such insertion; however, in no event shall the failure to insert such provisions prevent the enforcement of this Agreement.

8.05 Compliance With A.D.A. And Other Accessibility Laws.

The Contractor warrants that all services provided under this Agreement shall comply with all accessibility standards for persons with disabilities or environmentally limited persons including, but not limited to the following: Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq. and Rehabilitation Act of 1973, 29 U.S.C. §§ 793 -- 794. In the event that the above cited standards are inconsistent, the Contractor shall comply with the standard providing greater accessibility.

8.06 Assigns.

All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, transferees and assigns.

8.07 Cooperation.

The Contractor agrees at all times to cooperate fully with the City and to act in the City's best interests. Upon the termination or expiration of this Agreement, the Contractor shall make every effort to assure an orderly transition to another provider of the Services, if any, orderly demobilization of its operations in connection with the Services, uninterrupted provision of Services during any transition period and shall otherwise comply with reasonable requests of the Department in connection with this Agreement's termination or expiration.

8.08 Severability.

If any provision of this Agreement is held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision hereof or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering such provision inoperative or unenforceable in any other case or circumstances, or of rendering any other provision herein invalid, inoperative, or unenforceable to any extent. The invalidity of any one (1) or more phrases, sentences, clauses or sections herein shall not effect the remaining portions of this Agreement or any part thereof.

8.09 Interpretation.

All headings in this Agreement are for convenience of reference only and do not define or limit the provisions thereof. Words of gender are deemed to include correlative words of the other gender. Words importing the singular number include the plural number and vice versa, unless the context otherwise indicates. All references to (sub)exhibits or documents are deemed to include all supplements and/or amendments to such (sub)exhibits or documents if entered into in accordance with the terms and conditions hereof and thereof. All references to persons or entities are deemed to include any persons or entities succeeding to the rights, duties and obligations of such persons or entities in accordance with the terms and conditions herein.

8.10 Miscellaneous Provisions.

Whenever under this Agreement the City by a proper authority waives the Contractor's performance in any respect or waives a requirement or condition to the Contractor's performance, the waiver, whether express or implied, shall only apply to that particular instance and shall not be deemed a waiver forever or for subsequent instances of the performance, requirement or condition. No waiver shall be construed as a modification of the Agreement regardless of the number of times the City may have waived the performance, requirement or condition.

8.11 Disputes.

Except as otherwise provided in this Agreement, the Contractor shall and the S.S.A.C. may bring any dispute concerning a question of fact arising under this Agreement which is not otherwise disposed of to the City's Purchasing Agent for decision based upon written submissions of the parties. The Purchasing Agent shall reduce his decision to writing and furnish a copy of it to the Contractor and the S.S.A.C.. Such decision final and binding.

Article 9.

Notices.

Notices provided for herein shall be in writing and may be delivered personally or

by United States mail, first class, certified, return receipt requested, with postage prepaid and addressed as follows:

If To The City:

Department of Planning and
Development
City Hall, Room 1000
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Commissioner

With Copies To:

Department of Law
City Hall, Room 600
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Corporation Counsel

If To Contractor:

Lithuanian Human Services Council of
the U.S.A., Inc.
2711 West 71st Street
Chicago, Illinois 60629
Attention: Birute Jasaitis, President

Changes in the above-referenced addresses must be in writing and delivered in accordance with the provisions of this section. Notices delivered by mail shall be deemed received three (3) days after mailing in accordance with this section. Notices delivered personally shall be deemed effective upon receipt.

Article 10.

Authority.

10.01 City Authority.

This Agreement is entered into pursuant to a City Council ordinance enacted by virtue of the home rule authority conferred on the City under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois.

10.02 Contractor's Authority.

Execution of this Agreement by the Contractor is authorized by a resolution of its Board of Directors, if a corporation, and the signature of each person signing on behalf of the Contractor has been made with complete and full authority to commit the Contractor to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained herein, including without limitation such representations, certifications and warranties collectively attached hereto and incorporated by reference herein.

In Witness Whereof, The City and the Contractor have executed this Agreement on the date first set forth above, at Chicago, Illinois.

Recommended by:

S.S.A.C. Chairperson

City of Chicago

By: _____
Commissioner, Department of
Planning and Development

Approved as to form and legality:

Assistant Corporation Counsel

11/15/2000

REPORTS OF COMMITTEES

45525

Contractor

By: _____

Its: _____

Attested By: _____

Its: _____

Subscribed and sworn to before me
this ____ day of _____, 200__.

Notary Public

[(Sub)Exhibits 6 and 7 referred to in this Service Provider
Agreement for Special Service Area Number 14
printed on pages 45551 through 45553
of this Journal.]

(Sub)Exhibits 1, 2, 3, 4 and 5 referred to in this Service Provider Agreement for
Special Service Area Number 14 read as follows:

(Sub)Exhibit 1.
(To Service Provider Agreement For
Special Service Area Number 14)

Scope Of Services For 2001.

1. The Sole Service Provider, with the approval of the S.S.A. Number 14 Commission, will specify the guidelines to be employed in the selection of the State of Illinois licensed security firm.
2. The Sole Service Provider, with the approval of the S.S.A. Number 14 Commission, will implement the procedures in accordance with enabling contract in the selection of a State of Illinois licensed security firm.
3. The Sole Service Provider will select a security firm based on the guidelines and application procedures. The Sole Service Provider will present the offer of the selected security firm to the S.S.A. Number 14 Commission for its approval.
4. The Sole Service provider will enter into a written contract with the selected security firm.
5. The Sole Service Provider will serve as the administrator of the Marquette Park S.S.A. Number 14 security program. As administrator of this program, the Sole Service Provider will also serve as the liaison between the contracted security firm and the S.S.A. Number 14 Commission.

(Sub)Exhibit 2.
(To Service Provider Agreement For
Special Service Area Number 14)

*Department Of Planning And Development
Proposed Special Service Area Budget.*

Special Service Area Name and Number: Marquette Park Special Service Area Number 14

Chairman, Special Service Area: Dr. Ewa I. Ewa Telephone: (Omitted for printing purposes)

Sole Service Provider: Lituanian Human Services Council of the U.S.A., Inc.

Program Manager: Birute Jasaitis Telephone: (Omitted for printing purposes)

Budget Period -- From: January 1, 2001 To: December 31, 2001

Item	2001 Budget	Carryover Funds	Total 2001 Budget
Advertising and Promotion			
Equipment			
Equipment Maintenance			
Maintenance			
Security Services	\$185,900.00	\$70,100.00	\$256,000.00
Snow Plowing			
Street Maintenance/ Beautification			
Training and Workshops			
Transportation			
Administrative Costs for Managing S.S.A. Program:			
Administration	1,200.00		1,200.00
Accounting/Auditing	3,700.00		3,700.00
Employees' Benefits	1,500.00		1,500.00
Insurance	7,000.00		7,000.00
License Fees			
Legal Fees	6,500.00		6,500.00

Item	2001 Budget	Carryover Funds	Total 2001 Budget
Office Equipment	\$ 2,200.00		\$ 2,200.00
Office Rent			
Postage	1,500.00		1,500.00
Printing/Publications	8,500.00		8,500.00
Salaries	16,500.00		16,500.00
Subscription/Dues			
Supplies	1,700.00		1,700.00
Telephone	500.00		500.00
Utilities	1,300.00		1,300.00
Contingency Fund for Uncollected Taxes (5% of budget)	15,255.00		15,255.00
TOTAL:	<u>\$253,255.00</u>	<u>\$70,100.00</u>	<u>\$323,355.00</u>

Estimated Tax Levy: 0.34%

This Budget is approved
by the S.S.A. Chairman:

Ewa Ewa
Signature

(Seal)

Ewa Ewa
S.S.A. Chairman

August 4, 2000
Date

Approval by the
Department of Planning
and Development:

Signature

(Print)

(Date)

(Sub)Exhibit 3.
(To Service Provider Agreement For
Special Service Area Number 14)

*Economic Disclosure Statement
And Affidavit.*

Pursuant to Chapter 2-154 of the Municipal Code of Chicago (the "Municipal Code"), the following information is required to be disclosed prior to any City agency, department or City Council action. Please fully complete each statement, with all information current as of the attestation date. Every question must be answered. If a question is not applicable, answer with "N.A.". An incomplete E.D.S. shall be returned and any City action shall be interrupted.

Please clearly print or type all responses.

Who Must File:

1. The Undersigned: Any individual or entity (the "Undersigned") making an application to the City of Chicago (the "City") for action requiring City Council or other City agency approval must file this E.D.S.
2. Entities Holding An Interest In The Undersigned: Whenever an ownership interest in the Undersigned (such as shares of stock of the Undersigned or a limited partnership interest in the Undersigned, for example) is held or owned by a legal entity (such as a corporation or partnership, for example) rather than an individual, each such legal entity must also file an E.D.S. on

its own behalf. If the original Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, only legal entities that own ten percent (10%) or more of the Undersigned's stock must file E.D.S.s on their own behalf.

Acknowledgment Of Possible Credit And Other Checks: By completing and filing this E.D.S., the Undersigned acknowledges and agrees, on behalf of itself and the individuals named in this E.D.S., that the City may investigate the creditworthiness of some or all of the individuals named in this E.D.S.

Certifying this E.D.S.: Execute the certification on the date of the initial submission of this E.D.S.. You may be asked to update this E.D.S. on the last page as of the date of submission of any related ordinance to the City Council, or as of the date of the closing of your transaction. If you need extra space to fully answer a question, you may insert additional pages.

I.

General Information.

- A. Exact legal name of undersigned: Lithuanian Human Services Council of the U.S.A., Inc.
- B. Business address: 2711 West 71st Street, Chicago, Illinois 60629
- C. Telephone: (Omitted for printing purposes)
- D. Fax: (Omitted for printing purposes)
- E. Name of contact person: Birute Jasaitis
- F. Project Information:
- (1) City agency requesting E.D.S.: Department of Planning and Development
- (2) City action requested (e.g., loan, grant, sale of property): See Below *

* City Council authorization for City of Chicago acting through its Department of Planning and Development to enter into a Sole Service Provider Agreement with Lithuanian Human Services on behalf of Special Service Area Number 14.

- (3) property location: Special Service Area Number 14;
- (4) project description: Real Estate tax district which funds programs and services
within the designated area.

II.

Disclosure Of Ownership Interests.

A. General Information.

1. Indicate whether the undersigned is an individual or legal entity and, if a legal entity, indicate the type of entity below:

- ☐ Individual
- ☐ Business corporation
- ☒ Not-for-profit corporation
- ☐ General partnership
- ☐ Limited partnership
- ☐ Limited liability company
- ☐ Joint venture
- ☐ Sole proprietorship
- ☐ Other entity (please specify):

2. State of incorporation or organization, if applicable:

Illinois

3. For corporations, limited partnerships and limited liability companies not organized in the State of Illinois: Is the organization authorized to do business in the State of Illinois as a foreign entity?

☐ Yes

☐ No

N.A.

B. Organization Information.*

1. For Corporations:

- a. List below the names and titles of the executive officers and directors of the corporation.

Name	Title
N.A.	N.A.

- b. For companies whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of ten percent (10%) of the company's outstanding shares.

Name	Business Address	Percentage Interest
N.A.	N.A.	N.A.

* City Ordinance requires that, whenever stock or beneficial interest is held by a corporation or other legal entity, the shareholder or other entity must make the disclosure as indicated herein.

- c. For companies that are not publicly traded pursuant to the Securities Exchange Act of 1934, list below the name, business address and percentage of ownership interest of each shareholder.

Name	Business Address	Percentage Interest
<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

- d. For not-for-profit corporations, list below the officers and any paid executive of the corporation. If the not-for-profit has members who are legal entities, also list the members.

Name	Address
<u>N.A.</u>	<u>N.A.</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

2. For Partnerships:

For general or limited partnerships: list below the name, business address and percentage of ownership interest of each partner. For limited partnerships, indicate whether each partner is a general partner or a limited partner.

Name	Business Address	Percentage Interest
_____ N.A. _____	_____ N.A. _____	_____ N.A. _____
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. For Limited Liability Companies:

- a. List below the names and titles of the executive officers, if any, of the limited liability company. If there are no officers, write "no officers".

Name	Title
_____ N.A. _____	_____ N.A. _____
_____	_____
_____	_____
_____	_____

- b. List below the name, business address and percentage of ownership interest of each (i) member and (ii) manager. If there are no managers, write "no managers".

Name	Business Address	Percentage Interest
_____ N.A. _____	_____ N.A. _____	_____ N.A. _____
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. For Land Trusts, Business Trusts Or Estates:

- a. List below the name of each individual or legal entity holding legal title to the property that is the subject of the trust.

N.A.

- b. List below the name, business address and percentage of beneficial interest of each beneficiary on whose behalf title is held:

Name	Business Address	Percentage Interest
N.A.	N.A.	N.A.

III.

Certification Of Compliance.

- A. The Undersigned entity has not, in the past five (5) years, been found in violation of any city, state or federal environmental law or regulation. If there have been any such violations, note them below:

No violations

- B. The Undersigned entity is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor is the entity delinquent in paying any fine, fee, tax or other charge owed to the city. This includes all water charges, sewer charges, property taxes or sales taxes. If there are any such delinquencies, note them below:

_____ No delinquencies _____

- C. The Undersigned entity hereby certifies that (1) any contractors/subcontractors retained in connection with the city project have not, in the past five (5) years, been found in violation of any city, state or federal environmental law or regulation, (2) the Undersigned will not, without the city's prior written consent, use any contractors/subcontractors who have committed such violations, and (3) the Undersigned will not use any facility on the United States E.P.A.'s List of Violating Facilities in connection with the project for the duration of time that the facility remains on the list.

If the Undersigned is unable to so certify, provide an explanation: _____

IV.

Child Support Obligations.

- A. Certification Regarding Court-Ordered Child Support Compliance.

For purposes of this part, "Substantial Owner" means any person who owns or holds a ten percent (10%) or more "Percentage of Interest"

If the Affiant's response below is number 1 or number 2, then all of the Affiant's Substantial Owners must remain in compliance with any such child support obligations until the transaction is completed. Failure of the Affiant's Substantial Owners to remain in compliance with their child support obligations in the manner set forth in either 1 or 2 constitutes an event of default.

Check one:

1. ☐ No Substantial Owner has been declared in arrearage on any child support obligations by the Circuit Court of Cook County or by another Illinois court of competent jurisdiction.
2. ☐ The Circuit Court of Cook County or another Illinois court of competent jurisdiction has issued an order declaring one (1) or more Substantial Owners in arrearage on child support obligations. All such Substantial Owners, however, have entered into court-approved agreements for the payment of all such child support owed, and all such Substantial Owners are in compliance with such agreements.
3. ☐ The Circuit Court of Cook County or another Illinois court of competent jurisdiction has issued an order declaring one (1) or more Substantial Owners in arrearage on child support obligations and (a) at least one (1) such Substantial Owner has not entered into a court-approved agreement for the payment of all such support owed; or (b) at least one (1) such Substantial Owner is not in compliance with a court-approved agreement for the payment of all such child support owed; or both (a) and (b).
4. ☒ There are no Substantial Owners.

V.

Certification.

A. The undersigned and its principals (officers, directors, partners, members):

1. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
2. have not within a five (5) year period preceding the date hereof been convicted of a criminal offense or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

3. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause (2) above; and
 4. have not within a three (3) year period preceding the date hereof had one (1) or more public transactions (federal, state or local) terminated for cause or default.
 5. have not, within a five (5) year period preceding the date hereof, been convicted, or found liable in a civil proceeding, in any criminal or civil action instituted by the city or by the federal government, any state, or any other unit of local government.
- B. The Undersigned, or any party to be used in the performance of the Project (an "Applicable Party"), or any Affiliated Entity (meaning an entity that, directly or indirectly, has the legal authority to control the undersigned) of either the Undersigned or any applicable party, or any responsible official thereof, or any other official, agent or employee of the Undersigned, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official thereof, has not, during the three (3) years prior to the date hereof or, with respect to an Applicable party or any Affiliated Entity thereof, during the three (3) years prior to the date of such Applicable Party's contract in connection with the Project:
1. bribed or attempted to bribe, or been convicted of bribery or attempting 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 with other bidders or prospective bidders, or been a party to any such agreement, 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.

- C. The Undersigned 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).
- D. Neither the Undersigned nor any employee, official, agent or partner of the undersigned 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.
- E. If the Undersigned is unable to certify to any of the above statements in this section, the undersigned shall explain below:

(If no explanation appears or begins on the lines above, it shall be conclusively presumed that the Undersigned certifies to each of the above statements.)

VI.

Retained Parties.

A. Definitions And Disclosure Requirements.

1. Pursuant to Executive Order 97-1, every City contract and lease must be accompanied by a statement disclosing certain information about attorneys, lobbyists, accountants, consultants, subcontractors and other persons whom the Undersigned has retained or expects to retain in connection with obtaining the contract or lease. In particular, the Undersigned must disclose the name of each such person, his/her business address, the nature of the relationship, and the amount of the fees paid or estimated to be paid. The Undersigned is not required to disclose employees who are paid solely through the Undersigned's regular payroll.

2. "Lobbyist" means any person (i) who, on behalf of any person other than himself, undertakes to influence any legislative or administrative action, or (ii) any part of whose duty as an employee of another includes undertaking to influence any legislative or administrative action.
3. If the Undersigned is uncertain whether a disclosure is required under this section, the Undersigned must either ask the City whether disclosure is required or make the disclosure.

B. Certification.

Each and every attorney, lobbyist, accountant, consultant or other person retained or anticipated to be retained by the Undersigned in connection with obtaining the City assistance to which this E.D.S. pertains is listed below:

Name	Business Address	Relationship (attorney, lobbyist, et cetera)	Fees (indicate whether paid or estimated)
<u>Saulius Kuprys</u>	<u>150 South Wacker Drive Suite 1050, Chicago</u>	<u>Attorney</u>	<u>\$ 6,500.00 (est.)</u>
<u>Joseph Paskus</u>	<u>P.O. Box 767, Orland Park</u>	<u>Accountant</u>	<u>3,700.00 (est.)</u>
<u>To be bid out</u>	<u></u>	<u>Security Firm</u>	<u>256,000.00 (est.)</u>
<u></u>	<u></u>	<u></u>	<u></u>

Check Here If No Such Persons Have Been Retained Or Are Anticipated To Be Retained: ____.

VII.

Business Relationships With City Elected Officials.

A. Definitions and Disclosure Requirements.

1. Pursuant to an ordinance approved by the City Council on December 2, 1998, the Undersigned must indicate whether it had a "business

relationship" with a City elected official in the twelve (12) months prior to the date of execution of this E.D.S..

2. A "business relationship" means any "contractual or other private business dealing" of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a "financial interest", with a person or entity which entitles an official to compensation or payment in the amount of Two Thousand Five Hundred Dollars (\$2,500) or more in a calendar year; provided, however, a "financial interest" shall not include: (i) any ownership through purchase at fair market value or inheritance of less than one percent (1%) of the shares of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee of his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" shall not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

B. Certification.

1. Has the Undersigned had a "business relationship" with any City elected official in the twelve (12) months prior to the date of execution of the E.D.S.?

☐ Yes

☒ No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

N.A.

VIII.

*Contract Incorporation, Compliance,
Penalties, Disclosure.*

The Undersigned understands and agrees that:

- A. The certifications contained in this E.D.S. shall become part of any contract awarded to the undersigned by the City in connection with the City assistance to which this E.D.S. pertains, and are a material inducement to the City's execution of such contract or other action with respect to which this E.D.S. is being executed and delivered on behalf of the undersigned. Furthermore, the undersigned shall comply with the certifications contained herein during the term and/or performance of the contract or completion of the Transaction.
- B. If the City determines that any information provided herein is false, incomplete or inaccurate, the City may terminate the transaction, terminate the Undersigned's participation in the transaction, and/or decline to allow the Undersigned to participate in other contracts or transactions with the City.
- C. Some or all of the information provided on this E.D.S. and any attachments to this E.D.S. may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this E.D.S., the Undersigned waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this E.D.S. and also authorizes the City to verify the accuracy of any information submitted herein.

Lithuanian Human Services Council of the U.S.A., Inc.
(Print or type name of individual or legal entity)

By: Birute Jasaitis
(sign here)

Title of signatory: President

11/15/2000

REPORTS OF COMMITTEES

45543

Print or type

name of signatory: Birute Jasaitis

Date: September 8, 2000

Subscribed to before me this 8th day of September
2000 at Cook County, Illinois.

Birute Podis

Notary Public

Commission expires: August 30, 2003

["Official Seal"]

Birute Podis

Notary Public, State of Illinois

My Commission expires 8/30/03]

(Do not write below this line except to recertify prior to submission
to City Council or on the date of closing.)

Recertification.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby represents, under penalty of perjury, that all certifications and statements contained in this E.D.S. are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date hereof.

(Print or type name of individual or legal entity)

By: _____
(sign here)

Title of signatory: _____

Print or type
name of signatory: _____

Date: _____, 200__

Subscribed to before me this _____ day of
_____, 200__ at Cook County, Illinois.

Notary Public

Commission expires: _____

(Sub)Exhibit 4.
(To Service Provider Agreement For
Special Service Area Number 14)

Contract Insurance Requirements.

The Contractor shall provide and maintain at Contractor's own expense, during the term of this Agreement, and during the time period following expiration if Contractor is required to return and perform additional Services, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

A. Insurance To Be Provided.

1) Workers' Compensation And Employer's Liability.

Workers' Compensation, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than One Hundred Thousand Dollars (\$100,000) each accident or illness.

2) Commercial General Liability (Primary And Umbrella).

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

3) Automobile Liability (Primary And Umbrella).

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than Three Hundred Thousand Dollars (\$300,000) per occurrence for bodily injury and property damage.

4) Professional Liability.

When any professional consultants (e.g.; C.P.A.s, attorneys, architects, engineers, construction managers) perform work in connection with this Agreement, Professional Liability Insurance covering acts errors or omissions shall be maintained with limits of not less than Five Hundred Thousand Dollars (\$500,000). Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

5) Crime.

Contractor shall be responsible for all persons handling funds under this Agreement, against loss by dishonesty, robbery, burglary, theft, destruction, or disappearance, computer fraud, credit card forgery and other related crime risks. The Contractor may self insure this exposure.

B. Security Firms.

If the Contractor enters into a subcontract with a Security Firm, such Security Firm shall be certified by the State of Illinois, and the Security Firm's employees shall be registered and certified by the State. Contractor shall ensure and require any Security Firm subcontractor to comply with the Risk Management Division approved Security Firm Insurance Provisions set forth in (Sub)Exhibit 5 of this Agreement, attached hereto and incorporated by references as though fully set forth herein.

C. Other Requirements.

The Contractor will furnish the City of Chicago, Department of Planning and Development, Community and Neighborhood Development, Room 1000, 121 North LaSalle Street, 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Contractor shall submit evidence of insurance on the City of Chicago Insurance Certificate of Coverage Form (copy attached) prior to award of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of this Agreement. The failure of the City to obtain certificates or other insurance evidence from Contractor shall not be deemed to be a waiver by the City. The Contractor shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve Contractor of its 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 until proper evidence of insurance is provided, or the Agreement may be terminated.

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

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Contractors.

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

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

The Contractor expressly understands and agrees that any insurance or self-insurance programs maintained by the City of Chicago shall not contribute with insurance provided by the Contractor under the Agreement.

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

The Contractor shall require all subcontractors to carry the insurance required herein, or Contractor may provide the coverage for subcontractors. All subcontractors shall be subject to the same insurance requirements of Contractor.

If Contractor, or its subcontractors, desire additional coverage, the Contractor and each of its subcontractors, shall be responsible for the acquisition and cost of each additional protection.

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

[City of Chicago Insurance Certificate of Coverage Form
referred to in these Contract Insurance Requirements
for Special Service Area Number 14
unavailable at time of printing.]

(Sub)Exhibit 5.
(To Service Provider Agreement For
Special Service Area Number 14)

Contract Insurance Requirements.

Security Firm.

The Security Firm shall provide and maintain at Security Firm's own expense, until Contract completion, and during the time period following expiration if the Security Firm is required to return and perform additional Services, the insurance coverages specified below, insuring all operations related to the Contract.

A. Insurance To Be Provided.

1) Workers' Compensation And Employer's Liability.

Workers' Compensation as prescribed by applicable law covering all employees who are to provide a service under this Contract and Employer's Liability coverage with limits of not less than Five Hundred Thousand Dollars (\$500,000) each accident or illness.

2) Commercial General Liability (Primary And Umbrella).

Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage liability. Coverage shall include the following: all premises and operations, products/completed operations, separation of insureds and contractual liability (with no limitation endorsement). The S.S.A.C., the City of Chicago and the Contractors are to be named as additional insureds on a primary, noncontributory basis for any liability arising directly or indirectly from the work.

3) Automobile Liability (Primary And Umbrella).

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage.

4) Professional Liability.

Professional Liability Insurance covering acts, errors or omissions shall be maintained with limits of not less than One Million Dollars (\$1,000,000). Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

B. Other Requirements.

The Security Firm will furnish the Contractor original Certificates of Insurance evidencing the required coverage to be in force on the date of this Contract, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Contract. The Security Firm shall submit evidence of insurance prior to Contract award. The receipt of any certificate does not constitute agreement by the Contractor that the insurance requirements in the Contract have been fully met or that the insurance policies indicated on the certificate are in compliance with all Contract requirements. The failure of the Contractor to obtain certificates or other insurance evidence from Security Firm shall not be deemed to be a waiver by the Contractor. The Security Firm shall advise all insurers of the Contract provisions regarding insurance. Non-conforming insurance shall not relieve Security Firm of its obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Contract, and the Contractor retains the right to stop work until proper evidence of insurance is provided, or the Contract may be terminated.

The insurance shall provide for sixty (60) days prior written notice to be given to the Contractor in the event coverage is substantially changed, canceled or non-renewed.

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Security Firm.

The Security Firm agrees that insurers shall waive their rights of subrogation against the Contractor and the City of Chicago, its employees, elected officials, agents or representatives.

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

The Security Firm expressly understands and agrees that any insurance or self-insurance programs maintained by the Contractor shall not contribute with insurance provided by the Security Firm under the Contract.

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

If Security Firm desires additional coverages, the Security Firm and each of its subcontractors shall be responsible for the acquisition and cost of such additional protection.

The Contractor maintains the right to modify, delete, alter or change these requirements.

AUTHORIZATION OF TAX LEVY AND SERVICE PROVIDER
AGREEMENT FOR SPECIAL SERVICE
AREA NUMBER 16.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 16 in the amount of \$118,000 and the execution of a Service Provider Agreement with the Greektown/Halsted Street Special Service Area Commission, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

(Continued on page 45554)

(Sub)Exhibit 6.
(To Service Provider Agreement For Special
Service Area Number 14)

*Illinois Department Of Labor/Division Of Conciliation And
Mediation Prevailing Wages For November, 2000.*



Cook County

Trade Name	RGN	Trade Type	Trade Class	Base Wage	Firm Wage	OT M-F>8	OT Sat.	OT Sun/Hol	WLFR	Pension	Vac	Trg
ASBESTOS ABT-GEN	-	ALL		25.410	25.910	1.5	1.5	2.0	3.370	2.440	0.000	0.170
ASBESTOS ABT-MEC		BLD		23.300	24.800	1.5	1.5	2.0	3.640	5.520	0.000	0.000
BOILERMAKER		BLD		31.930	33.770	2.0	2.0	2.0	3.200	4.470	0.000	0.150
BRICK MASON		BLD		27.480	28.480	1.5	1.5	2.0	4.000	3.750	0.000	0.150
CARPENTER		ALL		29.150	30.650	1.5	1.5	2.0	4.460	2.960	0.000	0.260
CEMENT MASON		ALL		29.000	29.750	2.0	1.5	2.0	4.880	2.950	0.000	0.000
CERAMIC TILE FINISHER		ALL		21.600	0.000	2.0	1.5	2.0	2.900	3.450	0.000	0.180
ELECTRIC PWR EQMT OP		ALL		30.200	35.180	1.5	1.5	2.0	4.010	6.520	0.000	0.150
ELECTRIC PWR GRNDMAN		ALL		23.560	35.180	1.5	1.5	2.0	3.130	5.080	0.000	0.120
ELECTRIC PWR LINEMAN		ALL		30.200	35.180	1.5	1.5	2.0	4.010	6.520	0.000	0.150
ELECTRICIAN		ALL		30.500	32.500	1.5	1.5	2.0	5.490	7.450	0.000	0.600
ELEVATOR CONSTRUCTOR		BLD		32.695	36.780	2.0	2.0	2.0	4.325	2.460	1.960	0.000
FENCE ERECTOR		ALL		21.090	22.340	1.5	1.5	2.0	4.200	4.620	0.000	0.000
GLAZIER		BLD		26.200	27.200	1.5	2.0	2.0	4.230	6.860	0.000	0.200
HT/FROST INSULATOR		BLD		27.400	29.150	1.5	1.5	2.0	4.740	6.660	0.000	0.230
IRON WORKER		ALL		30.000	31.500	2.0	2.0	2.0	5.060	8.740	0.000	0.220
LABORER		ALL		25.410	25.910	1.5	1.5	2.0	3.370	2.440	0.000	0.170
LATHER		BLD		29.150	30.650	1.5	1.5	2.0	4.460	2.930	0.000	0.260
MACHINIST		BLD		29.300	31.050	2.0	2.0	2.0	3.200	2.100	2.020	0.000
MARBLE FINISHERS		ALL		20.780	0.000	1.5	1.5	2.0	3.600	3.800	0.000	0.230
MARBLE MASON		BLD		26.120	27.620	1.5	1.5	2.0	4.100	6.360	0.000	0.000
MILLWRIGHT		ALL		29.150	30.650	1.5	1.5	2.0	4.460	2.960	0.000	0.260
OPERATING ENGINEER		BLD	1	30.350	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		BLD	2	29.050	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		BLD	3	26.500	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		BLD	4	24.750	31.100	2.0	2.0	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		FLT	1	32.850	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		FLT	2	31.350	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		FLT	3	27.900	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		FLT	4	23.200	32.850	1.5	1.5	2.0	4.600	3.550	1.450	0.000
OPERATING ENGINEER		HWY	1	28.550	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	2	28.000	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	3	25.950	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	4	24.550	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
OPERATING ENGINEER		HWY	5	23.350	29.050	1.5	1.5	2.0	4.900	3.750	1.500	0.400
ORNAMNTL IRON WORKER		ALL		26.050	27.300	2.0	2.0	2.0	4.100	6.770	0.000	0.900
PAINTER		ALL		27.500	30.940	1.5	1.5	1.5	3.950	4.000	0.000	0.240
PAINTER SIGNS		BLD		22.420	25.230	1.5	1.5	1.5	2.860	1.550	0.000	0.000
PILEDRIIVER		ALL		29.150	30.650	1.5	1.5	2.0	4.460	2.960	0.000	0.260
PIPEFITTER		BLD		32.700	34.700	1.5	1.5	2.0	3.900	3.550	0.000	0.000
PLASTERER		BLD		27.520	28.520	1.5	1.5	2.0	3.600	2.150	0.000	0.400
PLUMBER		BLD		32.300	32.800	1.5	1.5	2.0	4.120	2.720	0.000	0.000
ROOFER		BLD		29.150	31.150	1.5	1.5	2.0	3.350	2.040	0.000	0.300
SHEETMETAL WORKER		BLD		28.560	30.840	1.5	1.5	2.0	4.160	5.690	0.000	0.490
SIGN HANGER		BLD		21.130	21.980	1.5	1.5	2.0	3.530	1.750	0.420	0.000
SPRINKLER FITTER		BLD		31.320	32.820	2.0	2.0	2.0	4.000	4.500	0.000	0.300
STEEL ERECTOR		ALL		30.000	31.500	2.0	2.0	2.0	5.060	8.740	0.000	0.220
STONE MASON		BLD		27.480	28.480	1.5	1.5	2.0	4.000	3.750	0.000	0.150
TELECOM WORKER		BLD		26.500	28.000	1.5	1.5	2.0	2.750	4.180	0.000	0.700
TERRAZZO MASON		BLD		25.180	26.680	2.0	1.5	2.0	4.150	4.300	0.000	0.100
TILE MASON		BLD		26.500	28.000	2.0	1.5	2.0	2.900	3.950	0.000	0.250

(Sub)Exhibit 7.
(To Service Provider Agreement For Special
Service Area Number 14)

Contractor's Performance And Payment Bond.
(Page 1 of 2)

~~Know All Men by these Presents.~~ That we,

Principal, hereinafter referred to as Contractor, and

Surety

of the County of Cook and State of Illinois, are held and firmly bound unto the CITY OF CHICAGO in the penal sum of

lawful money of the United States, for the payment of which sum of money, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

~~Sealed~~ with our seals and dated this _____ day of _____ A.D., 199

~~The Condition of the Above Obligation is such,~~

That whereas the above bounden Contractor has entered into a certain contract with the CITY OF CHICAGO, bearing

Contract No _____ and Specification No. _____ all in conformity with said contract, for

SPECIMEN

The said contract is incorporated herein by reference in its entirety, including without limitation, any and all indemnification provisions.

Now, if the said Contractor shall in all respects well and truly keep and perform the said contract on its part, in accordance with the terms and provisions of all of the Contract Documents comprising said contract, and in the time and manner therein prescribed, and further shall save, indemnify, and keep harmless the City of Chicago against all loss, damages, claims, liabilities, judgements, costs and expenses which may in anywise accrue against said City of Chicago, in consequence of the granting of said contract, or which may in anywise result therefrom, or which may result from strict liability, or which may in anywise result from any injuries to, or death of, any person, or damage to any real or personal property, arising directly or indirectly from or in connection with, work performed or to be performed under said contract by said Contractor, its Agents, Employees or Workmen, assignees, subcontractors, or anyone else, in any respect whatever, or which may result on account of any infringement of any patent by reason of the materials, machinery, devices or apparatus used in the performance of said contract, and moreover, shall pay to said City any sum or sums of money determined by the Purchasing Agent, and/or by a court of competent jurisdiction, to be due said City by reason of any failure or neglect in the performance of the requirements of said contract, wherefore the said Purchasing Agent shall have elected to suspend or cancel the same, and shall pay all claims and demands whatsoever, which may accrue to each and every materialman and subcontractor, and to each and every person who shall be employed by the said Contractor or by its assignees and subcontractors, in or about the performance of said contract, and with wages paid at prevailing wage rates if so required by said contract, and shall insure its liability to pay the compensation, and shall pay all claims and demands for compensation which may accrue to each and every person who shall be employed by them or any of them in or about the performance of said contract, or which shall accrue to the beneficiaries or dependents of any such person, under the provisions of the Workers' Compensation Act, 820 ILCS 305, as amended, and the Workers' Occupational Disease Act, 820 ILCS 310, as amended (hereinafter referred to as "Acts") then is this obligation to be null and void, otherwise to remain in full force and effect.

(Sub)Exhibit 7.
(To Service Provider Agreement For Special
Service Area Number 14)

Contractor's Performance And Payment Bond.
(Page 2 of 2)

And it is hereby expressly understood and agreed, and made a condition hereof, that any judgement rendered against said City in any suit based upon any loss, damages, claims, liabilities, judgements, costs or expenses which may in anywise accrue against said City as a consequence of the granting of said contract, or which may in anywise result therefrom, or which may in anywise result from any injuries to, or death of, any person, or damage to any real or personal property, arising directly or indirectly from, or in connection with, work performed, or to be performed under said contract by said Contractor or its agents, employees or workmen, assignees, subcontractors, or anyone else and also any decision of the Industrial Commission of the State of Illinois, and any order of court based upon such decision, or judgement thereon, rendered against said City or Chicago in any suit or claim arising under the aforementioned Acts when notice of the pendency or arbitration proceedings or suit shall have been given said Contractor, shall be conclusive against each and all parties to this obligation, as to amount, liability and all other things pertaining thereto.

Every person furnishing material or performing labor in the performance of said contract, either as an individual, as a subcontractor, or otherwise, shall have the right to sue on this bond in the name of the City of Chicago for his use and benefit and in such suit said person as plaintiff, shall file a copy of this bond, certified by the party or parties in whose charge this bond shall be, which copy shall be, unless execution thereof be denied under oath, prima facie evidence of the execution and delivery of the original; provided, that nothing in this bond contained shall be taken to make the City of Chicago liable to any subcontractor, materialman, laborer or to any other person to any greater extent than it would have been liable prior to the enactment of the Public Construction Bond Act, 30 ILCS 550, as amended; provided further, that any person having a claim for labor and materials furnished in the performance of this contract shall have no right of action unless he shall have filed a verified notice of such claim with the Clerk of the City of Chicago within 180 days after the date of the last item of work or the furnishing of the last item of materials, and shall have furnished a copy of such verified notice to the contractor within 10 days of the filing of the notice with the City of Chicago. Such claim shall be verified and shall contain the name and address of the claimant, the business address of the claimant within the State of Illinois, if any, or if the claimant be a foreign corporation having no place of business with the State the principal place of business of said corporation, and in all cases of partnership the names and residences of each of the partners, the name of the contractor for the City of Chicago, the name of the person, firm or corporation by whom the claimant was employed or to whom such claimant furnished materials, the amount of the claim and a brief description of the public improvement for the construction or installation of which the contract is to be performed. Provided, further, that no defect in the notice herein provided for shall deprive the claimant of his right of action under the terms and provisions of this bond unless it shall affirmatively appear that such defect has prejudiced the rights of an interested party asserting the same; provided, further, that no action shall be brought until the expiration of one hundred twenty (120) days after the date of the last item of work or of the furnishing of the last item of material, except in cases where the final settlement between the City of Chicago and the Contractor shall have been made prior to the expiration of the 120 day period in which case action may be taken immediately following such final settlement, and provided, further, that no action of any kind shall be brought later than six (6) months after the acceptance by the City of Chicago of the completion of work. Any suit upon this bond shall be brought only in a circuit court of the State of Illinois in the judicial district in which the contract shall have been performed.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of any of the Contract Documents comprising said contract, or to the work to be performed thereunder, shall in anywise affect the obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said Contract Documents or to the work.

Approved _____, 199____	_____ (Seal)
_____ Purchasing Agent	_____ (Seal)
Approved as to form and legality:	_____ (Seal)
_____ Assistant Corporation Counsel	_____ (Seal)

(Continued from page 45550)

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On July 31, 1996, the City Council of the City of Chicago (the "City Council") enacted an ordinance (the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 16 (the "Area") and authorized the levy of an annual tax not to exceed an annual rate of one percent (1%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory approximately bounded by Madison Street on the north, the John Fitzgerald Kennedy Expressway on the east, Congress Parkway on the south and Green Street on the west; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included recruitment of new businesses to the Area, rehabilitation activities, loan packaging services, landscaping, security, maintenance and beautification activities

including, but not limited to, the maintenance and lighting of certain public improvements in the form of pillars and pavilions to be erected in the Area, coordinated promotional and advertising activities for the Area, and other technical assistance activities to promote commercial and economic development; and

WHEREAS, The Establishment Ordinance provided for the appointment of the Greentown/Halsted Street Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services and has recommended to the Department of Planning and Development, the Mayor and the City Council an agreement with the Service Provider, whose terms and conditions provide for the expenditure of the Services Tax for the provision of the Special Services for the fiscal year commencing January 1, 2001, in substantially the form attached hereto as Exhibit A; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts

required to be raised by the levy of the Services Tax indicated as follows:

Greektown/Halsted Street Special Service Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services	\$118,000
TOTAL BUDGET REQUEST:	\$118,000
Source Of Funding:	
Tax levy at a rate not to exceed one percent (1%) of the assessed value, as equalized, of taxable property within Special Service Area Number 16	\$118,000

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(1)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Special Service Area Act and pursuant to the provisions of the Establishment Ordinance, the sum of One Hundred Eighteen Thousand Dollars (\$118,000) as the amount of the Services Tax for the tax year 2000.

SECTION 4. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess

of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner of the Department of Planning and Development (the "Commissioner"), or a designee of the Commissioner are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver an agreement with the United Hellenic American Congress, an Illinois not-for-profit corporation, in substantially the form attached hereto as (Sub)Exhibit A and hereby made a part hereof (the "Service Provider Agreement"), and such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Service Provider Agreement.

SECTION 6. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 7. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 8. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 9. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 10. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

*Exhibit "A".
(To Ordinance)*

Agreement For Special Service Area Number 16

Between

*The City Of Chicago
(Represented By The Special Service Area Commission)*

And

United Hellenic American Congress

Effective January 1, 2001 Through December 31, 2001.

This agreement for the management of Special Service Area Number 16 is entered into by and between the United Hellenic American Congress, an Illinois not-for-profit corporation ("Contractor"), and the City of Chicago ("City"), a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, acting through the Special Service Area Commission at Chicago, Illinois.

Recitals.

Whereas, Special service areas may be established pursuant to Article VII, §§ 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq.; and

Whereas, The City Council of the City of Chicago ("City Council") has established a special service area known and designated as "Special Service Area Number 16" ("Area"), to provide special services in addition to those services provided generally by the City ("Special Services"). The City Council has further authorized the levy of an annual ad valorem real property tax in the Area sufficient to produce revenues required to provide those Special Services but not to exceed one and zero hundredths percent (1.00%) of the equalized assessed value of all property within the Area ("Service Tax"), all as provided in the Establishment Ordinance (hereinafter defined); and

Whereas, The City Council on _____, 2000 authorized the levy of the Service Tax and appropriation of the funds therefrom for the provision of the Special Services in the Area for fiscal year 2001; and

Whereas, The Contractor and the City desire to enter into this agreement to provide such Special Services in the Area and the Contractor is ready, willing and able to enter into this Agreement to provide the Special Services to the full satisfaction of the City;

Now, Therefore, In consideration of the mutual promises contained in this agreement, the City and the Contractor agree as follows:

Article 1.

Incorporation Of Recitals.

The recitals set forth above are incorporated by reference as if fully set forth herein.

Article 2.

Definitions.

The following words and phrases shall have the following meanings for purposes of this Agreement:

“Agreement” means this Special Service Area Agreement, including all (sub)exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

“Commissioner” means the Commissioner of the Department of Planning and Development or his duly authorized representative.

“Construction” means landscaping, building activities, including but not limited to, physical building improvements, installations, and other fixed works, but does not include predevelopment work (design and preparation of specifications).

“Days” means business days in accordance with the City of Chicago business calendar.

“Department” means the City of Chicago Department of Planning and Development.

“Establishment Ordinance” means the ordinance enacted by City Council on July 31, 1996 and any subsequent amendments thereto authorizing imposition of the Service Tax and setting forth the Special Services to be provided in the Area.

“Risk Management Department” means the Risk Management Office of the Department of Finance which is under the direction of the Comptroller of the City and is charged with reviewing and analyzing insurance and related liability matters for the City.

“Security Firm” means a business entity certified by the State of Illinois pursuant to the Private Detective, Private Alarm and Private Security Act of 1993, 225 ILCS 446/1, et seq., and whose employees are licensed by the State of Illinois.

“Services” means, collectively, the services, duties and responsibilities described in Article 3 and (Sub)Exhibit 1 (Scope of Services) of this Agreement and any revisions thereof and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

“Service Tax Funds” means the amount actually collected pursuant to the Service Tax.

“Special Service Area Commission (‘S.S.A.C.’)” means the body established pursuant to the Establishment Ordinance to prepare the Budget, identify a Contractor and supervise the provision of the Special Services in the Area.

“Subcontractor” means any person or entity with whom Contractor contracts to provide any part of the Services, including subcontractors of any tier, subconsultants of any tier, suppliers and materialmen, whether or not in privity with the Contractor.

*Article 3.**Duties And Responsibilities Of Contractor.***3.01 Scope Of Services.**

The Services which the Contractor shall provide include, but are not limited to, those described in this Article 3 and in (Sub)Exhibit 1 which is attached hereto and incorporated by reference as if fully set forth herein. The S.S.A.C. reserves the right to require the Contractor to perform revised services which are within the general scope of services of this Agreement and of the Special Services identified in the Establishment Ordinance, subject to the same terms and conditions herein. Revised services shall be limited to changes or revisions to the line items in the Budget, shall not affect the maximum compensation, and shall require the prior written approval of the S.S.A.C.. The S.S.A.C. may, by written notice to the Department and the Contractor, delete or amend the figures contained and described in the Budget attached hereto as (Sub)Exhibit 2 and incorporated by reference as if fully set forth herein. The Contractor shall provide the Services in accordance with the standards of performance set forth in Section 3.02.

3.02 Standard Of Performance.

The Contractor shall perform all Services with that degree of skill, care and diligence normally shown by a contractor performing services of a scope, purpose and magnitude comparable to the Services to be provided hereunder. The Contractor shall at all times use reasonable efforts on behalf of the City to assure timely and satisfactory rendering and completion of its Services.

The Contractor shall at all times act in the best interests of the City consistent with the professional obligations assumed by it in entering into this Agreement. The Contractor shall perform all Services in accordance with the terms and conditions of this Agreement and to the full satisfaction of the S.S.A.C.. The Contractor agrees to furnish efficient business administration and supervision to render and complete the Services at reasonable cost.

The Contractor shall assure that all Services which require the exercise of professional skills or judgment shall be accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. The Contractor shall remain responsible for the professional and technical accuracy of all Services provided, whether by the Contractor or its Subcontractors or others on its behalf.

If the S.S.A.C. determines that the Contractor has failed to comply with the foregoing standards, the Contractor shall perform again, at its own expense, all Services required to be reperfomed as a direct or indirect result of such failure. Any review, approval, acceptance or payment for any or all of the Services by the City shall not relieve the Contractor of its responsibility for the professional and technical accuracy of its Services. This provision in no way limits the City's rights against Contractor, either under this Agreement, at law or in equity.

3.03 Personnel.

A. Personnel.

The Contractor shall, immediately upon receiving a fully executed copy of this Agreement, assign and maintain during the term of this Agreement and any extension thereof an adequate staff of competent personnel which is fully equipped, licensed as appropriate, available as needed, qualified and assigned to perform the Services. Salaries and wages due of all employees of the Contractor performing Services under this Agreement shall be paid unconditionally and at least once a month without deduction or rebate on any account, except only for such payroll deductions as are mandatory by law or are permitted under applicable law and regulations.

B. Prevailing Wages.

If the Contractor engages in Construction, it shall comply, and shall cause all of its Subcontractors to comply by inserting appropriate provisions in their contracts, with 820 ILCS 130/10.01, et seq., regarding the payment of the general prevailing rate of hourly wage for all laborers, workers and mechanics employed by or on behalf of the Contractor and all Subcontractors in connection with any and all Construction work.

C. Illinois Workers, Veterans Preference And Steel Products.

If the Contractor engages in Construction, it shall comply, and shall cause all of its Subcontractors to comply by inserting appropriate provisions in their contracts, with the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0.01, et seq., the Veterans' Preference Act, 330 ILCS 55/0.01, et seq., and the Steel Products Procurement Act, 35 ILCS 30/565/1, et seq.

3.04 Nondiscrimination.

A. Federal Requirements.

It shall be an unlawful employment practice for the Contractor (1) to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation or the terms, conditions or privileges of his employment because of such individual's race, color, religion, sex, age, handicap or national origin; or (2) to limit, segregate or classify its employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee, because of such individual's race, color, religion, sex, age, handicap or national origin.

The Contractor shall comply with the Civil Rights Act of 1964, 42 U.S.C. § 2000, et seq., as amended. Attention is called to: Exec. Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. § 2000(e) note, as amended by Ex. Ord. No. 11,375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12,086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. §§ 6101-06; Rehabilitation Act of 1973, 29 U.S.C. §§ 793-94; Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq., and 41 C.F.R. Part 60, et seq.

B. State Requirements.

Contractor shall comply with the Illinois Human Rights Act, 775 ILCS 5/1-101, et seq., the Equal Employment Opportunity Clause, Ill. Admin. Code Title 5, § 750 Appendix A and the Public Works Employment Discrimination Act, 775 ILCS 10/0.01, et seq., as amended.

C. City Requirements.

Contractor shall comply with the Chicago Human Rights Ordinance, § 2-160-010, et seq., as amended, of the Municipal Code of Chicago.

3.05 Insurance.

The Contractor shall comply with the insurance provisions attached hereto as (Sub)Exhibit 4 and incorporated by reference as if fully set forth herein, or such other insurance provisions as may be required in the reasonable judgement of the Risk Management Division. If the Contractor enters into a subcontract with a Security Firm, such Security Firm shall comply with the insurance provisions

attached hereto as (Sub)Exhibit 5 and incorporated by reference as if fully set forth herein, or such other insurance provisions as may be required in the reasonable judgement of the Risk Management Division. If the Contractor subcontracts with a Subcontractor other than a Security Firm, such Subcontractor shall comply with the Contractor insurance provisions or the Contractor may provide coverage for such Subcontractors.

3.06 Indemnification.

(A) On written notice from the City of Losses the City believes are Losses Arising under this Agreement as defined in this Section 3.06, the Contractor shall defend, indemnify, and hold completely harmless the City Indemnities from and against such Losses, regardless of whether Contractor challenges the City's belief. The defense, indemnification and hold harmless obligations of the Contractor toward City Indemnities remain an affirmative obligation of Contractor following the City's notice of Losses the City believes are Losses Arising under this Agreement, unless and until a court of competent jurisdiction finally determines otherwise and all opportunities for appeal have been exhausted or have lapsed.

(B) For purposes of this Section 3.06,

"City Indemnities" means, individually and collectively, the City of Chicago, its officials, agents, employees and members of the S.S.A.C.

"Losses" means, individually and collectively, all kinds of liabilities, losses, suits, claims, damages, judgments, fines and demands, including all reasonable costs for investigation, reasonable attorneys' fees, court costs, and experts' fees, arising by reason of injury or death of any person, damage to property, patent or copyright infringement.

"Arising under this Agreement" means (i) arising out of awarding this Agreement, (ii) arising out of the enforcement of this Agreement, including the enforcement of this indemnification provision; (iii) arising out of or in connection with Contractor's performance or non-performance of this Agreement (including the acts or omission of Contractor, its officers, agents, employees, consultants, subconsultants, licensees or invitees), any breach by any of them of any warranty made under this Agreement, or any failure by any of them to meet any applicable standard of performance under this Agreement; or (iv) any combination of any of the foregoing.

(C) To the extent permissible by law, Contractor waives any limits on Contractor's liability that it would otherwise have by virtue of the Workers' Compensation Act or any other related law or judicial decision (such as *Kotecki v. Cyclops Welding*

Corporation, 146 Ill. 2d 155 (1991)). The City, however, does not waive any limitations it may have on its liability under the Workers' Compensation Act or under the Illinois Pension Code.

(D) The City has the right, at its option and at its own expense, to participate in the defense of any suit without relieving Contractor of any of its obligations under this indemnity provision. The requirements set forth in this indemnity provision are separate from and not limited by the amount of insurance Contractor is required to obtain under this Agreement or by its bonds pursuant to other provisions in this Agreement. Further, the indemnities contained in this provision survive the expiration or termination of this Agreement.

3.07 Records And Audits.

The Contractor shall deliver all documents, data, studies, reports or information to the S.S.A.C. promptly in accordance with the time limits prescribed herein and if no time limit is specified, then upon reasonable demand therefor, or, if requested, upon termination or completion of the Services.

The Contractor and any Subcontractors shall furnish the S.S.A.C. with semi-annual reports or provide such information as may be requested relative to the performance and cost of the Services. The Contractor shall maintain records showing actual time devoted and costs incurred. The Contractor shall keep books, documents, records and accounts in connection with the Services open to inspection, copying, abstracting, transcription and independent audit by City employees or agents and shall make these records available to the City at reasonable times during the performance of its Services. In addition, Contractor shall retain them in a safe place and make them available for an independent audit, inspection, copying and abstracting for at least five (5) years after the final payment made in connection with this Agreement.

The Contractor Shall Not Commingle Service Tax Funds With Funds From Other Sources, and to the extent that the Contractor conducts any business operations separate and apart from the Services hereunder using, for example, personnel, equipment, supplies or facilities also used in connection with this Agreement, then the Contractor shall maintain and make similarly available to the City detailed records supporting the Contractor's allocation to this Agreement of the costs and expenses attributable to any such shared usages.

The Contractor shall provide an annual audited financial statement to the S.S.A.C. and the Department within one hundred twenty (120) calendar days after the end of the calendar year and the system of accounting shall be in accordance with generally accepted accounting principles and practices, consistently applied

throughout. No provision in this Agreement granting the City a right of access to records and documents is intended to impair, limit or affect any right of access to such records and documents which the City would have had in the absence of such provisions.

3.08 Subcontracts And Assignments.

The Contractor shall not assign, delegate, subcontract or otherwise transfer all or any part of its rights or obligations under this Agreement or any part hereof, unless otherwise provided for herein or without the express written consent of the S.S.A.C.. The absence of such provision or written consent shall void the attempted assignment, delegation or transfer and shall be of no effect as to the Services or this Agreement.

All subcontracts, all approvals of Subcontractors and any assignment to which the S.S.A.C. consents shall be, regardless of form, deemed conditioned upon performance by the Subcontractor or assignee in accordance with the terms and conditions of this Agreement.

If the Contractor subcontracts for security services, the Subcontractor shall be a Security Firm certified by the State of Illinois and the Security Firm's employees shall be licensed by the State of Illinois. The Contractor, upon entering into any subcontract with a Security Firm, shall furnish the S.S.A.C. and the Department with a copy of the subcontract for their approval. The City expressly reserves the right to approve all Security Firm subcontracts.

3.09 License, Permits And Safety Considerations.

If the Contractor engages in Construction, it shall be responsible for and, in a timely manner consistent with its obligations hereunder, shall secure and maintain at its expense such permits, licenses, authorizations and approvals as are necessary for it to engage in Construction under this Agreement.

If the Contractor engages in Construction, it shall at all times exercise reasonable care, shall comply with all applicable provisions of federal, state and local laws to prevent accidents or injuries, and shall take all appropriate precautions to avoid damage to and loss of City property and the property of third parties in connection with the Construction. The Contractor shall erect and properly maintain at all times all necessary safeguards, barriers, flags and lights for the protection of its' and its' Subcontractors' employees, City employees, and the public.

If the Contractor engages in Construction, it shall report to the Department any damage on, about, under or adjacent to City property or the property of third persons resulting from its' performance under this Agreement. The Contractor is responsible for any damage to City property or the property of third parties due, in whole or in part, to the Contractor's Construction activities under this Agreement, and the Contractor shall remedy such damage to a reasonably acceptable standard.

3.10 Performance Bond.

If the Contractor engages in Construction work where expenditures exceed Twenty-five Thousand Dollars (\$25,000), it shall, not later than the date the Contractor begins such work or executes a subcontract for such work, provide or cause to be provided to the Department a performance and payment bond in the amount allocated for the Construction work (but not including the amount allocated for design and preparation of specifications), by a surety or sureties acceptable to the City. The performance bond shall be in a form acceptable to the City.

If any of the sureties on such bond at any time fail financially, or are deemed to be insufficient security for the penalty of the bond, then the City may, on giving ten (10) days notice thereof in writing, require the Contractor to furnish a new and additional bond with sureties satisfactory to the City.

Article 4.

Term Of Services.

This Agreement shall take effect as of January 1, 2001 ("Effective Date") and shall continue through December 31, 2001, or until the Agreement is terminated in accordance with its terms. The City may extend this Agreement by a written amendment in accordance with Section 8.03 for one (1) six (6) month period under the same terms and conditions except for a revised budget and scope of services. However, the extension shall expire whenever a new Agreement between the City and Contractor takes effect.

Article 5.

Compensation.

5.01 Basis Of Payment.

The maximum compensation that the Contractor may be paid under this Agreement is One Hundred Eighteen Thousand Dollars (\$118,000) or the total amount of Service Tax Funds actually collected for tax year 2000, whichever is less.

The City Comptroller will transfer the Service Tax Funds to the Contractor as received. The Contractor shall reimburse its Subcontractors for Services satisfactorily performed pursuant to the Budget.

5.02 Budget For Services.

The Contractor in conjunction with the S.S.A.C. has prepared a Budget, attached hereto as (Sub)Exhibit 2 and incorporated by reference as if fully set forth herein, covering each services described in the Scope of Services. The S.S.A.C. reserves the right to transfer funds between line items or make Budget revisions which do not affect the maximum compensation set forth in Section 5.01. The S.S.A.C. shall revise the Budget if any part of the Contractor's Services is terminated.

5.03 Method Of Payment.

The Contractor shall establish a separate checking account ("Account") in a bank authorized to do business in the State of Illinois that is insured by the Federal Deposit Insurance Corporation. All Service Tax Funds that the Comptroller transfers to the Contractor shall be deposited in the Account and disbursements from the Account shall be pursuant to this Agreement. The Contractor Shall Not Commingle Service Tax Funds With Funds From Other Sources. The Contractor shall provide to the S.S.A.C. the signature card and sample check from the bank which shows the signature(s) of the Contractor's authorized representative(s). The S.S.A.C. reserves the right to review and approve any and all checks written on the Account. The S.S.A.C. reserves the right to audit the Account and require the Contractor to refund any funds which were not spent pursuant to the Budget or which were not approved by the S.S.A.C.. The name and address of the bank is _____ and the wire transfer and the Account Numbers are _____.

All funds remaining in the Account at the expiration or termination of this Agreement, including any interest earned, belong to the City for the benefit of the Area and shall be returned to the City to be used only for Special Services. However, if the City and the Contractor enter into a subsequent agreement for Special Services, the funds may remain in the Account to be used pursuant to the subsequent agreement.

5.04 Criteria For Payment.

The S.S.A.C., in its sole discretion, shall determine the reasonableness, allocability and allowability of any rates, costs and expenses charged or incurred by the Contractor.

5.05 Funding.

Payments under this Agreement shall be made from Service Tax Funds in fund number _____ and are subject to the availability of funds therein.

Article 6.

Special Conditions.

6.01 Warranties And Representations.

In connection with the execution of this Agreement, the Contractor warrants and represents:

- A. that it is financially solvent; that it and each of its employees, agents and Subcontractors are competent to perform the Services required; that it is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated herein; and
- B. that it shall not knowingly use the services of any ineligible Subcontractor for any purpose in the performance of the Services; and
- C. that it and its Subcontractors are not in default at the time of the execution of this Agreement, or deemed by the Department to have, within five (5) years immediately preceding the date of this Agreement, been found to be in default on any contract awarded by the City; and

- D. that it and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of §2-92-320 of the Municipal Code of Chicago, 720 ILCS 5/33E-1, et seq. of the Criminal Code of 1961 and 65 ILCS 5/11-42.1-1 of the Illinois Municipal Code; and
- E. that it shall be the duty of the Contractor, all Subcontractors and their respective officers, directors, agents, partners and employees to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code of Chicago; that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code of Chicago and all subcontracts shall inform Subcontractors of such provision and require understanding and compliance therewith; and
- F. that it shall comply with the MacBride Principles Ordinance, § 2-92-580 of the Municipal Code of Chicago, through which the City seeks to promote fair and equal employment opportunities and labor practice for religious minorities in Northern Ireland and provide a better working environment for all citizens in Northern Ireland; that in accordance with the MacBride Principles Ordinance, if the Contractor conducts any business operations in Northern Ireland, it shall make all reasonable and good faith efforts to conduct such business operations in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390 (1988 Ill. Laws 3220); and
- G. that, except only for those representations, statements or promises expressly contained in this Agreement and any (sub)exhibits attached hereto, no representation, statement or promise, oral or written, or of any kind whatsoever, by the City, its officials, agents or employees, has induced the Contractor to enter into this Agreement; and
- H. that the Contractor understands and agrees that any certification, affidavit or acknowledgment made under oath in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination for default.

6.02 Economic Disclosure Statement And Affidavit And Business Documents.

The Contractor has provided the City with an Economic Disclosure Statement and Affidavit, which is attached as (Sub)Exhibit 3 and incorporated by reference as if fully set forth herein.

In addition, the Contractor shall provide the City with copies of its latest articles of incorporation, bylaws and resolutions, or partnership or joint venture agreement, as applicable, and evidence of its authority to do business in the State of Illinois, including without limitation, registrations of assumed names or limited partnerships and certifications of good standing with the Office of the Secretary of State of Illinois.

6.03 Conflict Of Interest.

Pursuant to Chapter 2-156 of the Municipal Code of Chicago, and 65 ILCS 5/3.1-55-10, no member of the governing body of the City, no other officer, employee, S.S.A.C. member, or agent of the City who exercises any functions or responsibilities in connection with the Services to which this Agreement or any related subcontract pertains, and no relative of any S.S.A.C. member shall have any personal economic or financial interest, directly or indirectly, in this Agreement or any such subcontract except to the extent that such benefits are provided equally to all residents and/or business owners in the Area. Furthermore, no S.S.A.C. member, relative of any S.S.A.C. member, City official, agent or employee shall be a Subcontractor, employee or shareholder of the Contractor or receive anything of value from the Contractor.

No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee shall be admitted to any share or part of this Agreement or to any financial benefit to arise from it. The Contractor acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 shall be voidable by the City.

The Contractor covenants that it, its officers, directors and employees, and the officers, directors and employees of each of its members if a joint venture, and Subcontractors presently have no financial interest and shall acquire no interest, direct or indirect, which would conflict in any manner or degree with the performance of the Services. The Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed. The Contractor agrees that if the Commissioner in his reasonable judgment determines that any of the Contractor's services for others conflict with the Services the Contractor is to provide for the City under this Agreement, the Contractor shall terminate such other services immediately upon request of the City.

6.04 Non-Liability Of Public Officials.

No official, employee or agent of the City shall be charged personally by the Contractor, or by any assignee or Subcontractor of the Contractor, with any liability or expenses of defense or be held personally liable to them under any term or provision hereof, because of the City's execution or attempted execution hereof, or because of any breach hereof.

6.05 Independent Contractor.

The Contractor shall perform under this Agreement as an independent contractor to the City and not as a representative, employee, agent or partner of the City.

6.06 Business Relationships With Elected Officials.

Pursuant to Section 2-156-030(b) of the Municipal Code of the City of Chicago, 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 official has a business relationship, or to participate in any discussion in any city council committee hearing or in any city council meeting or to vote 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. Violation of Section 2-156-030(b) by any elected official with respect to this contract shall be grounds for termination of this contract. The term business relationship is defined as set forth in Section 2-156-080 of the Municipal Code of Chicago.

Section 2-156-080 defines a "business relationship" as any contractual or other private business dealing of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a financial interest, with a person or entity which entitles an official to compensation or payment in the amount of Two Thousand Five Hundred Dollars (\$2,500) or more in a calendar year; provided, however, a financial interest shall not include: (i) any ownership through purchase at fair market value or inheritance of less than one percent (1%) of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends of such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his or her employment; (iii) any economic benefit provided equally to all residents of the city; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private

business dealing" shall not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

6.07 Living Wage Ordinance.

Section 2-92-610 of the Municipal Code of Chicago requires eligible contractors and their subcontractors to pay a living wage (currently Seven and 60/100 Dollars (\$7.60) per hour minimum base wage) to covered employees employed in the performance of this Agreement. Contractor is an eligible Contractor if at any time during the performance of the Agreement Contractor has twenty-five (25) or more full-time employees. If Contractor is, or becomes, eligible, Contractor and its Subcontractors must pay at least the base wage to covered employees. Covered employees are: security guards (but only if Contractor and its Subcontractors employ in the aggregate twenty-five (25) or more of them), and, in any number, parking attendants, day laborers, home and health care workers, cashiers, elevator operators, custodial workers and clerical workers. Section 2-92-610 does not apply to not-for-profit corporations with federal 501(c)(3) tax exempt status. Also, if work being done under the Agreement is subject to payment of prevailing wages, and the prevailing wages are higher than the base wage, then prevailing wage rates apply and must be paid.

Article 7.

Events Of Default, Remedies, Termination, Right To Offset, Suspension.

7.01 Events Of Default Defined.

The following shall constitute events of default:

- A. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Contractor to the City.
- B. Contractor's material failure to perform any of its obligations under the Agreement including, but not limited to, the following:
 - (1) failure to commence or ensure timely completion of the Services due to a reason or circumstance within Contractor's reasonable control;

- (2) failure to perform the Services in a manner satisfactory to the City;
- (3) failure to promptly re-perform within a reasonable time Services that were rejected as erroneous or unsatisfactory;
- (4) discontinuance of the Services for reasons within the Contractor's reasonable control; and
- (5) failure to comply with a material term of this Agreement, including but not limited to the provisions concerning insurance and nondiscrimination.

7.02 Remedies.

The occurrence of any event of default which the Contractor fails to cure within thirty (30) calendar days after receipt of notice specifying such default or which, if such event of default cannot reasonably be cured within thirty (30) calendar days after notice, the Contractor fails, in the sole opinion of the Commissioner, to commence and continue diligent efforts to cure, shall permit the City to declare the Contractor in default. Whether to declare the Contractor in default is within the sole discretion of the Commissioner. Written notification of the default, and any intention of the City to terminate the Agreement, shall be provided to Contractor and such decision shall be final and effective upon Contractor's receipt of such notice. Upon receipt of such notice, the Contractor must discontinue any services, unless otherwise directed in the notice, and deliver all materials accumulated in the performance of this Agreement, whether completed or in the process of completion, to the City. At such time the City may invoke any legal or equitable remedy available to it including, but not limited to, the following:

- A. The right to take over and complete the Services or any part thereof as agent for and at the cost of the Contractor, either directly or through others. The Contractor shall have, in such event, the right to offset from such cost the amount it would have cost the City under the terms and conditions herein had the Contractor completed the Services.
- B. The right to terminate this Agreement as to any or all of the Services yet to be performed, effective at a time specified by the City.
- C. The right of specific performance, an injunction or any other appropriate equitable remedy.
- D. The right to money damages.

- E. The right to withhold all or any part of Contractor's compensation hereunder.
- F. The right to deem Contractor non-responsible in future contracts to be awarded by the City.

If the City considers it to be in its best interest, it may elect not to declare default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the City and that if the City permits the Contractor to continue to provide the Services despite one (1) or more events of default, the Contractor shall in no way be relieved of any of its responsibilities, duties or obligations under this Agreement nor shall the City waive or relinquish any of its rights. No delay or omission to exercise any right accruing upon any event of default shall impair any such right nor shall it be construed as a waiver of any event of default or acquiescence therein, and every such right may be exercised from time to time and as often as may be deemed expedient.

7.03 Right To Offset.

The City reserves its rights under § 2-92-380 of the Municipal Code of Chicago. The Commissioner shall consult with the S.S.A.C. before exercising such rights.

7.04 Suspension.

The City may at any time request that the Contractor suspend its Services, or any part thereof, by giving fifteen (15) days prior written notice to the Contractor or upon no notice in the event of emergency. No costs incurred after the effective date of such suspension shall be allowed. The Contractor shall promptly resume its performance upon written notice by the Department. The Budget may be revised pursuant to Section 5.02 to account for any additional costs or expenses actually incurred by the Contractor as a result of recommencing the Services.

7.05 No Damages For Delay.

The Contractor agrees that it, its members, if a partnership or joint venture and its Subcontractors shall make no claims against the City for damages, charges, additional costs or hourly fees for costs incurred by reason of delays or hindrances by the City in the performance of its obligations under this Agreement.

7.06 Early Termination.

In addition to termination for default, the S.S.A.C. may terminate this Agreement or any portion of the Services to be performed under it at any time by a written notice to the Contractor when the Agreement may be deemed to be no longer in the best interests of the Area. If the S.S.A.C. elects to terminate the Agreement in full, all Services shall cease and all materials accumulated in performing this Agreement, whether completed or in the process of completion, shall be delivered to the Department within ten (10) days after receipt of the notice or by the date stated in the notice.

During the final ten (10) days or other time period stated in the notice, the Contractor shall restrict its activities, and those of its Subcontractors, to winding down any reports, analyses or other activities previously begun. No costs incurred after the effective date of the termination shall be allowed. Payment for any Services actually and satisfactorily performed before the effective date of the termination shall be on the same basis as set forth in Article 5 hereof, but if any compensation is described or provided for on the basis of a period longer than ten (10) days, then the compensation shall be prorated accordingly.

If a court of competent jurisdiction determines that the S.S.A.C.'s election to terminate this Agreement for default has been wrongful, then such termination shall be deemed to be an early termination.

Article 8.

General Conditions.

8.01 Entire Agreement.

This Agreement, and the (sub)exhibits attached hereto and incorporated hereby, shall constitute the entire agreement between the parties and no other warranties, inducements, considerations, promises or interpretations shall be implied or impressed upon this Agreement that are not expressly addressed herein.

8.02 Counterparts.

This Agreement is comprised of several identical counterparts, each to be fully executed by the parties and each to be deemed an original having identical legal effect.

8.03 Amendments.

No changes, amendments, modifications, or discharge of this Agreement, or any part thereof, shall be valid unless in writing and signed by the authorized agent of the Contractor and the Commissioner, or their successors and assigns. The City shall incur no liability for revised services without a written amendment to this Agreement pursuant to this section.

8.04 Compliance With All Laws.

The Contractor shall at all times observe and comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government, now existing or hereinafter in effect, which may in any manner affect the performance of this Agreement. Provisions required by law, ordinances, rules, regulations, or executive orders to be inserted shall be deemed inserted whether or not they appear in this Agreement or, upon application by either party, this Agreement shall forthwith be amended to literally make such insertion; however, in no event shall the failure to insert such provisions prevent the enforcement of this Agreement.

8.05 Compliance With A.D.A. And Other Accessibility Laws.

If this Agreement involves services to the public, the Contractor warrants that all Services provided hereunder shall comply with all accessibility standards for persons with disabilities or environmentally limited persons including, but not limited to the following: Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq. and the Rehabilitation Act of 1973, 29 U.S.C. §§ 793-94. In the event that the above cited standards are inconsistent, the Contractor shall comply with the standard providing greater accessibility.

If this Agreement involves design for Construction and/or Construction, the Contractor warrants that all design documents produced and/or used under this Agreement shall comply with all federal, state and local laws and regulations regarding accessibility standards for persons with disabilities or environmentally limited persons including, but not limited to, the following: Americans with Disabilities Act of 1990, 42 U.S.C. § 12101, et seq. and the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities; the Architectural Barriers Act, P.L. 90-480 and the Uniform Federal Accessibility Standards; and the Environmental Barriers Act, 410 ILCS 25/1, et seq. and the regulations promulgated thereto at Ill. Admin. Code Title 71, Ch. 1, § 400.110. In the event that the above cited standards are inconsistent, the Contractor shall comply with the standard providing greater accessibility. If the Contractor fails to

comply with the foregoing standards, it shall perform again at no expense all services required to be reperfomed as a direct or indirect result of such failure.

8.06 Assigns.

All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, transferees and assigns.

8.07 Cooperation.

The Contractor agrees at all times to cooperate fully with the City and to act in the City's best interests. Upon the termination or expiration of this Agreement, the Contractor shall make every effort to assure an orderly transition to another provider of the Services, if any, orderly demobilization of its operations in connection with the Services, uninterrupted provision of Services during any transition period and shall otherwise comply with reasonable requests of the Department in connection with this Agreement's termination or expiration.

8.08 Severability.

If any provision of this Agreement is held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision hereof or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering such provision inoperative or unenforceable in any other case or circumstances, or of rendering any other provision herein invalid inoperative or unenforceable to any extent. The invalidity of any one (1) or more phrases, sentences, clauses or sections herein shall not effect the remaining portions of this Agreement or any part thereof.

8.09 Interpretation.

All headings in this Agreement are for convenience of reference only and do not define or limit the provisions thereof. Words of gender are deemed to include correlative words of the other gender. Words importing the singular number include the plural number and vice versa, unless the context otherwise indicates. All references to (sub)exhibits or documents are deemed to include all supplements and/or amendments to such (sub)exhibits or documents if entered into in accordance with the terms and conditions hereof and thereof. All references to

persons or entities are deemed to include any persons or entities succeeding to the rights, duties and obligations of such persons or entities in accordance with the terms and conditions herein.

8.10 Miscellaneous Provisions.

Whenever under this Agreement the City by a proper authority waives the Contractor's performance in any respect or waives a requirement or condition to the Contractor's performance, the waiver, whether express or implied, shall only apply to that particular instance and shall not be deemed a waiver forever or for subsequent instances of the performance, requirement or condition. No waiver shall be construed as a modification of the Agreement regardless of the number of times the City may have waived the performance, requirement or condition.

8.11 Disputes.

Except as otherwise provided in this Agreement, the Contractor shall and the S.S.A.C. may bring any dispute concerning a question of fact arising under this Agreement which is not otherwise disposed of to the City's Purchasing Agent for decision based upon written submissions of the parties. The Purchasing Agent shall reduce his decision to writing and furnish a copy of it to the Contractor and the S.S.A.C.. Such decision is final and binding.

Article 9.

Notices.

Notices provided for herein shall be in writing and may be delivered personally or by United States mail, first class, certified, return receipt requested, with postage prepaid and addressed as follows:

If To The City:

Department of Planning and
Development
City Hall, Room 1000
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Commissioner

With Copies To:

Department of Law
City Hall, Room 600
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Corporation Counsel

If To Contractor:

United Hellenic American Congress
75 South Wacker Drive, Suite 500
Chicago, Illinois 60601
Attention: Evan S. Kakis

Changes in the above-referenced addresses must be in writing and delivered in accordance with the provisions of this section. Notices delivered by mail shall be deemed received three (3) days after mailing in accordance with this section. Notices delivered personally shall be deemed effective upon receipt.

*Article 10.**Authority.*

10.01 City Authority.

This Agreement is entered into pursuant to a City Council ordinance enacted by virtue of the home rule authority conferred on the City under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois.

10.02 Contractor's Authority.

Execution of this Agreement by the Contractor is authorized by a resolution of its Board of Directors, if a corporation, and the signature of each person signing on behalf of the Contractor has been made with complete and full authority to commit the Contractor to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained herein, including without limitation such representations, certifications and warranties collectively attached hereto and incorporated by reference herein.

11/15/2000

REPORTS OF COMMITTEES

45581

In Witness Whereof, The City and the Contractor have executed this Agreement on the date first set forth above, at Chicago, Illinois.

Recommended by:

S.S.A.C. Chairperson

City of Chicago

By: _____
Commissioner, Department of
Planning and Development

Approved as to form and legality:

Assistant Corporation Counsel

United Hellenic American Congress

By: _____

Its: _____

Attested By: _____

Its: _____

Subscribed and sworn to before me
this _____ day of _____, _____

Notary Public

[(Sub)Exhibits 6 and 7 referred to in this Service Provider
Agreement for Special Service Area Number 16 printed
on pages 45609 through 45611 of this Journal.]

(Sub)Exhibits 1, 2, 3, 4 and 5 referred to in this Service Provider Agreement for
Special Service Area Number 16 read as follows:

(Sub)Exhibit 1.
(To Service Provider Agreement For
Special Service Area Number 16)

Scope Of Services For 2001.

The Greektown Sole Service Provider shall provide the following services for
Special Service Area Number 16 on South Halsted Street, from West Madison Street
to West Van Buren Street:

1. Beautification And Maintenance: Maintain the Hellenic Ornamentation structures, general maintenance such as sidewalk sweeping and daily litter pick up.
2. Advertising And Promotion: Seasonal and holiday advertising and promotional events such as the Annual Greektown Food Festival and other promotions and advertising to increase business in the area.
3. Marketing: To bring additional customers in the area and to attract additional businesses to the area.

4. Administrative: Maintain an office for the S.S.A. and the Provider for the Provider to administer the funds, distribute a quarterly business bulletin, prepare a directory of merchants.
5. Economic Development: To review and assist in the economic development in the Greektown Area.

(Sub)Exhibit 2.

(To Service Provider Agreement For
Special Service Area Number 16)

*Department Of Planning And Development Proposed
Special Service Area Budget.*

Special Service Area Name and Number: Greektown S.S.A. Number 16

Chairperson, Special Service Area: Frank Caputo Telephone: _____

(Omitted for printing purposes)

Sole Service Provider: United Hellenic American Congress

Program Manager: Mike Skoubis Telephone: (Omitted for printing purposes)

Budget Period -- From: January 1, 2001 To: December 31, 2001

Item	Budget Year 2001
Advertising/Promotion/Marketing	\$55,620
Cleaning of Area	10,000
General Maintenance of Area	8,960
Security Services	0
Snow Plowing	0
Street Maintenance/Beautification	5,000

Item	Budget Year 2001
Training and Workshops	\$ 0
Transportation (please specify):	0
Other direct Special Services to the Area (please specify):	
Ornamental Utilities	5,000
Administrative Costs for Managing S.S.A. Program:	
Salaries	3,000
Employee Benefits	0
Auditing/Accounting	1,000
Legal Fees	0
Insurance	12,000
Equipment	500
Equipment Maintenance	100
Overhead (Rent, Utilities, Et Cetera)	10,820
Contingency Fund for Uncollected Taxes (5% of Budget Recommended)	6,000
TOTAL:	<u>\$118,000</u>

Estimated Tax Levy Rate: .99% (D.P.D. use only, do not fill in)

This budget is approved by the S.S.A.
Commission chairperson:

Frank J. Caputo

Signature

Frank J. Caputo

(Print) S.S.A. Chairperson

September 27, 2000

Date

(Sub)Exhibit 3.

(To Service Provider Agreement For
Special Service Area Number 16)

*Economic Disclosure Statement
And Affidavit.*

Pursuant to Chapter 2-154 of the Municipal Code of Chicago (the "Municipal Code"), the following information is required to be disclosed prior to any City agency, department or City Council action. Please fully complete each statement, with all information current as of the attestation date. Every question must be answered. If a question is not applicable, answer with "N.A.". An incomplete E.D.S. shall be returned and any City action shall be interrupted.

Please clearly print or type all responses.

Who Must File:

1. The Undersigned: Any individual or entity (the "Undersigned") making an application to the City of Chicago (the "City") for action requiring City Council or other City agency approval must file this E.D.S.

2. Entities Holding An Interest In The Undersigned: Whenever an ownership interest in the Undersigned (such as shares of stock of the Undersigned or a limited partnership interest in the Undersigned, for example) is held or owned by a legal entity (such as a corporation or partnership, for example) rather than an individual, each such legal entity must also file an E.D.S. on its own behalf. If the original Undersigned is a corporation whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, only legal entities that own ten percent (10%) or more of the Undersigned's stock must file E.D.S.s on their own behalf.

Acknowledgment Of Possible Credit And Other Checks: By completing and filing this E.D.S., the Undersigned acknowledges and agrees, on behalf of itself and the individuals named in this E.D.S., that the City may investigate the creditworthiness of some or all of the individuals named in this E.D.S.

Certifying This E.D.S.: Execute the certification on the date of the initial submission of this E.D.S.. You may be asked to update this E.D.S. on the last page as of the date of submission of any related ordinance to the City Council, or as of the date of the closing of your transaction. If you need extra space to fully answer a question, you may insert additional pages.

I.

General Information.

- A. Exact legal name of undersigned: United Hellenic American Congress
- B. Business address: 75 East Wacker Drive, Chicago
- C. Telephone: (Omitted for printing purposes)
- D. Fax: (Omitted for printing purposes)
- E. Name of contact person: Evan
- F. Project Information. (1) City agency requesting E.D.S.: Department of Planning and Development

(2) City action requested (e.g., loan, grant, sale of property): _____

(3) Property location: _____

(4) Project description: Authorization of City of Chicago acting through its
Department of Planning and Development to enter into a Sole Service Provider
Agreement for S.S.A. Number 16.

II.

Disclosure Of Ownership Interests.

A. General Information.

1. Indicate whether the Undersigned is an individual or legal entity and, if a legal entity, indicate the type of entity below:

- ☐ Individual
- ☐ Business corporation
- ☒ Not-for-profit corporation
- ☐ General partnership
- ☐ Limited partnership
- ☐ Limited liability company
- ☐ Joint venture
- ☐ Sole proprietorship
- ☐ Other entity (please specify): _____

2. State of incorporation or organization, if applicable:

Illinois

3. For corporations, limited partnerships and limited liability companies not organized in the State of Illinois: Is the organization authorized to do business in the State of Illinois as a foreign entity?

☐ Yes

☐ No

N.A.

B. Organization Information.*

1. For Corporations:

- a. List below the names and titles of the executive officers and directors of the corporation.

Name	Title
<u>Andrew Athens</u>	<u>Executive Director</u>
<u>Mike Skoubis</u>	<u>President</u>
<u>Evan Kakis</u>	<u>Treasurer</u>

U.H.A.C. Board Of Directors.

Name	Address
<u>Ms. Gust A. Adams</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. George G. Alexopoulos</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Louis G. Apostol</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Andrew A. Athens</u>	<u>(Omitted for printing purposes)</u>

* City ordinance requires that, whenever stock or beneficial interest is held by a corporation or other legal entity, the shareholder or other entity must make the disclosure as indicated herein.

Name	Address
<u>Mr. Paul H. Athens</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Thomas A. Athens</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Louis Atsaves</u>	<u>(Omitted for printing purposes)</u>
<u>Dr. Michael J. Bakalis</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Thomas S. Cappas</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. A. Frederick Chapekis</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. George A. Collias</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Peter T. Cyrus</u>	<u>(Omitted for printing purposes)</u>
<u>Dr. George F. Dalianis</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Napoleon D. Damianides</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Constantine Danos</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. George Dovellos</u>	<u>(Omitted for printing purposes)</u>
<u>The Honorable Adeline J. Geo-Karis</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Manny Gianakakos</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Alec K. Gianaras</u>	<u>(Omitted for printing purposes)</u>
<u>Ms. Evangeline Gouletas</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Nicholas S. Gouletas</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Aristotle Halikias</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Michael Halikias</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Evan Kakis</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Frank S. Kamberos</u>	<u>(Omitted for printing purposes)</u>
<u>Dr. Charles Kanakis</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. John Koliopoulos</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Frank L. Kuchuris</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Dean Lampros</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Paul C. Lillios</u>	<u>(Omitted for printing purposes)</u>

Name	Address
<u>Mr. James Mandas</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. M. Frank Manta</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Steve Manta</u>	<u>(Omitted for printing purposes)</u>
<u>Mrs. Beatrice H. Marks</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. John L. Marks</u>	<u>(Omitted for printing purposes)</u>
<u>The Honorable Nicholas J. Melas</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. John Mellos</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Diamond Mendonides</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Louis W. Mitchell</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Jack Mitsakopoulos</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Anthony A. Nichols</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. John Pappajohn</u>	<u>(Omitted for printing purposes)</u>
<u>The Honorable Maria Pappas</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Peter P. Parthenis</u>	<u>(Omitted for printing purposes)</u>
<u>Mrs. Catherine Peponis</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. James A. Regas</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Michael N. Skoubis</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Errol Sukru</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. James Thomas</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Chris Tomaras</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Alkis G. Tsoutsias</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Paul Vallas</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Nick Verveniots</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. George Voutiritsas</u>	<u>(Omitted for printing purposes)</u>
<u>Mr. Bill J. Vranas</u>	<u>(Omitted for printing purposes)</u>

- b. For companies whose shares are registered on a national securities exchange pursuant to the Securities Exchange Act of 1934, please provide the following information concerning shareholders who own shares equal to or in excess of ten percent (10%) of the company's outstanding shares.

Name	Business Address	Percentage Interest
<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

- c. For companies that are not publicly traded pursuant to the Securities Exchange Act of 1934, list below the name, business address and percentage of ownership interest of each shareholder.

Name	Business Address	Percentage Interest
<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

- d. For not-for-profit corporations, list below the officers and any paid executive of the corporation (if the not-for-profit has members who are legal entities, also list the members).

Name	Address
<u>Andrew Athens</u>	<u>75 East Wacker Drive, Chicago</u>
<u>Mike Skoubis</u>	<u>200 West Jackson Boulevard, Chicago</u>
<u>Evan Kakis</u>	<u>2200 East Devon Avenue, Desplaines</u>
<u> </u>	<u> </u>

2. For Partnerships:

For general or limited partnerships: list below the name, business address and percentage of ownership interest of each partner. For limited partnerships, indicate whether each partner is a general partner or a limited partner.

Name	Business Address	Percentage Interest
<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

3. For Limited Liability Companies:

- a. List below the names and titles of the executive officers, if any, of the limited liability company. If there are no officers, write "no officers".

Name	Title
<u>N.A.</u>	<u>N.A.</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

- b. List below the name, business address and percentage of ownership interest of each (i) member and (ii) manager. If there are no managers, write "no managers".

Name	Business Address	Percentage Interest
N.A.	N.A.	N.A.

4. For Land Trusts, Business Trusts Or Estates:

- a. List below the name of each individual or legal entity holding legal title to the property that is the subject of the trust.

N.A.

- b. List below the name, business address and percentage of beneficial interest of each beneficiary on whose behalf title is held:

Name	Business Address	Percentage Interest
N.A.	N.A.	N.A.

*III.**Certification Of Compliance.*

- A. The Undersigned entity has not, in the past five (5) years, been found in violation of any city, state or federal environmental law or regulation. If there have been any such violations, note them below:

- B. The Undersigned entity is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor is the entity delinquent in paying any fine, fee, tax or other charge owed to the city. This includes all water charges, sewer charges, property taxes or sales taxes. If there are any such delinquencies, note them below:

- C. The Undersigned entity hereby certifies that (1) any contractors/subcontractors retained in connection with the city project have not, in the past five (5) years, been found in violation of any city, state or federal environmental law or regulation, (2) the Undersigned will not, without the city's prior written consent, use any contractors/subcontractors who have committed such violations, and (3) the Undersigned will not use any facility on the United States E.P.A.'s List of Violating Facilities in connection with the project for the duration of time that the facility remains on the list.

If the Undersigned is unable to so certify, provide an explanation: _____

IV.

Child Support Obligations.

A. Certification Regarding Court-Ordered Child Support Compliance.

For purposes of this part, "Substantial Owner" means any person who owns or holds a ten percent (10%) or more interest in the Affiant.

If the Affiant's response below is Number 1 or Number 2, then all of the Affiant's Substantial Owners must remain in compliance with any such child support obligations until the transaction is completed. Failure of the Affiant's Substantial Owners to remain in compliance with their child support obligations in the manner set forth in either Number 1 or Number 2 constitutes an event of default.

Check one:

1. ☐ No Substantial Owner has been declared in arrearage on any child support obligations by the Circuit Court of Cook County or by another Illinois court of competent jurisdiction.
2. ☐ The Circuit Court of Cook County or another Illinois court of competent jurisdiction has issued an order declaring one (1) or more Substantial Owners in arrearage on their child support obligations. All such Substantial Owners, however, have entered into court-approved agreements for the payment of all such child support owed, and all such Substantial Owners are in compliance with such agreements.
3. ☐ The Circuit Court of Cook County or another Illinois court of competent jurisdiction has issued an order declaring one (1) or more Substantial Owners in arrearage on their child support obligations and: (a) at least one (1) such Substantial Owner has not entered into a court-approved agreement for the payment of all such child support owed; or (b) at least one (1) such Substantial Owner is not in compliance with a court-approved agreement for the payment of all such child support owed; or both (a) and (b).
4. ☒ There are no Substantial Owners.

V.

Certification.

- A. The Undersigned and its principals (officers, directors, partners, members):
1. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
 2. have not within a five (5) year period preceding the date hereof been convicted of a criminal offense or had a civil judgment rendered against them in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
 3. are not presently indicated for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause (2) above;
 4. have not within a three (3) year period preceding the date hereof had one (1) or more public transactions (federal, state or local) terminated for cause or default; and
 5. have not, within a five (5) year period preceding the date hereof, been convicted, or found liable in a civil proceeding, any criminal or civil action instituted by the City or by the federal government, any state or any other unit of local government.
- B. The Undersigned, or any party to be used in the performance of the Project (an "Applicable Party"), or any Affiliated Entity (meaning an entity that, directly or indirectly, has the legal authority to control the Undersigned) of either the Undersigned or any Applicable Party, or any responsible official thereof, or any other official, agent or employee of the Undersigned or any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official thereof, has not, during the three (3) years prior to the date hereof or, with respect to an Applicable Party or any Affiliated Entity thereof, during the three (3) years prior to the date of such Applicable Party's contract in connection with the Project:

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 with other bidders or prospective bidders, or been a party to any such agreement, 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.
- C. The undersigned 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).
- D. Neither the undersigned nor any employee, official, agent or partner of the undersigned 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.
- E. If the undersigned is unable to certify to any of the above statements in this section, the undersigned shall explain below:

(If no explanation appears or begins on the lines above, it shall be conclusively presumed that the undersigned certifies to each of the above statements.)

VI.

Retained Parties.

A. Definitions And Disclosure Requirements.

1. Pursuant to Executive Order 97-1, every City contract and lease must be accompanied by a statement disclosing certain information about attorneys, lobbyists, accountants, consultants, subcontractors and other persons whom the Undersigned has retained or expects to retain in connection with obtaining the contract or lease. In particular, the Undersigned must disclose the name of each such person, his/her business address, the nature of the relationship, and the amount of the fees paid or estimated to be paid. The Undersigned is not required to disclose employees who are paid solely through the Undersigned's regular payroll.
2. "Lobbyist" means any person (i) who, on behalf of any person other than himself, undertakes to influence any legislative or administrative action, or (ii) any part of whose duty as an employee of another includes undertaking to influence any legislative or administrative action.
3. If the Undersigned is uncertain whether a disclosure is required under this section, the Undersigned must either ask the City whether disclosure is required or make the disclosure.

B. Certification.

Each and every attorney, lobbyist, accountant, consultant or other person retained or anticipated to be retained by the Undersigned in connection with obtaining the City assistance to which this E.D.S. pertains is listed below:

Name	Business Address	Relationship (attorney, lobbyist, et cetera)	Fees (indicate whether paid or estimated)
<u>George Bagley & Co.</u>	<u>Oakbrook, Illinois</u>	<u>Auditor</u>	<u>\$3,000 est.</u>

Name	Business Address	Relationship (attorney, lobbyist, et cetera)	Fees (indicate whether paid or estimated)
Chicago Christian Industrial League <u>Chicago Maintenance</u>	<u>Chicago, Illinois</u>	<u>Maintenance</u>	<u>8,000 est.</u>
George Pouloupoulos & Associates	<u>Northbrook, Illinois</u>	<u>Greekfest Coordinator</u>	<u>25,000 est.</u>

Check Here If No Such Persons Have Been Retained Or Are Anticipated To Be Retained: ____.

VII.

Business Relationships With City Elected Officials.

A. Definitions And Disclosure Requirement.

1. Pursuant to an ordinance approved by the City Council on December 2, 1998, the Undersigned must indicate whether it had a "business relationship" with a City elected official in the twelve (12) months prior to the date of execution of this E.D.S.
2. A "business relationship" means any "contractual or other private business dealing" of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a "financial interest", with a person or entity which entitles an official to compensation or payment in the amount of Two Thousand Five Hundred Dollars (\$2,500) or more in a calendar year; provided, however, a "financial interest" shall not include: (i) any ownership through purchase at fair market value or inheritance of less than one percent (1%) of the shares of a corporation, or any corporate subsidiary parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing"

shall not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

B. Certification.

Has the Undersigned had a "business relationship" with any City elected official in the twelve (12) months prior to the date of execution of this E.D.S.?

☐ Yes

☒ No

If yes, please identify below the names(s) of such City elected official(s) and describe such relationship(s):

VIII.

Contract Incorporation, Compliance, Penalties, Disclosure.

The Undersigned understands and agrees that:

- A. The certifications contained in this E.D.S. shall become part of any contract awarded to the Undersigned by the City in connection with the City assistance to which this E.D.S. pertains, and are a material inducement to the City's execution of such contract or other action with respect to which this E.D.S. is being executed and delivered on behalf of the Undersigned. Furthermore, the Undersigned shall comply with the certifications contained herein during the term and/or performance of the contract or completion of the transaction.
- B. If the City determines that any information provided herein is false, incomplete or inaccurate, the City may terminate the transaction, terminate the Undersigned's participation in the transaction, and/or

decline to allow the Undersigned to participate in other contracts or transactions with the City.

- C. Some or all of the information provided on this E.D.S. and any attachments to this E.D.S. may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this E.D.S., the Undersigned waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this E.D.S. and also authorizes the City to verify the accuracy of any information submitted herein.

By: United Hellenic American Congress
(Print or type name of individual
or legal entity)

By: Evan S. Kakis
(sign here)

Title of signatory: Treasurer

Print or type
name of signatory: Evan S. Kakis

Date: September 28, 2000

Subscribed to before me this 28th day of September
2000 at Cook County, Illinois.

John A. Walejeski
Notary Public

Commission expires: January 22, 2003

["Official Seal"]

John A. Walejeski

Notary Public, State of Illinois

My Commission expires 1/22/03]

(Do not write below this line except to recertify prior to submission
to City Council or on the date of closing.)

Recertification.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby represents, under penalty of perjury, that all certifications and statements contained in this E.D.S. are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date hereof.

(Print or type name of individual or legal entity)

By: _____
(sign here)

Title of signatory: _____

Print or type
name of signatory: _____

Date: _____, 200_____

Subscribed to before me this ____ day
of _____, 200____ at
Cook County, Illinois.

Notary Public

Commission expires: _____

(Sub)Exhibit 4.
(To Service Provider Agreement For
Special Service Area Number 16)

Contract Insurance Requirements

Special Service Area Number 16

United Hellenic American Congress.

The Contractor shall provide and maintain at Contractor's own expense, during the term of this Agreement, and during the time period following expiration if Contractor is required to return and perform additional Services, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

A. Insurance To Be Provided.

1) Workers' Compensation And Employer's Liability.

Workers' Compensation as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than One Hundred Thousand Dollars (\$100,000) each accident or illness.

2) Commercial General Liability (Primary And Umbrella).

Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage liability. Coverage shall include the following: all premises and operations, products/completed operations, separation of insureds and contractual liability (with no limitation endorsement). The City of Chicago is to be named as additional insureds on a primary, noncontributory basis for any liability arising directly or indirectly from the Services.

3) Automobile Liability (Primary And Umbrella).

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage.

4) Professional Liability.

When any professional consultants (e.g.; C.P.A.s, attorneys, architects, engineers, construction managers) perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than Five Hundred Thousand Dollars (\$500,000). Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

5) Crime.

Contractor shall be responsible for all persons handling funds under this Agreement, against loss by dishonesty, robbery, burglary, theft, destruction, or disappearance, computer fraud, credit card forgery and other related crime risks. The Contractor may self insure this exposure.

B. Security Firms.

If the Contractor enters into a subcontract with a Security Firm, such Security Firm shall be certified by the State of Illinois, and the Security Firm's employees shall be registered and certified by the State. Contractor shall ensure and require any Security Firm subcontractor to comply with the Risk Management Division approved Security Firm Insurance Provisions set forth in (Sub)Exhibit 5 of this Agreement, attached hereto and incorporated by references as though fully set forth herein.

C. Other Requirements.

The Contractor will furnish the City of Chicago, Department of Planning and Development, Community and Neighborhood Development, Room 1000, 121 North

LaSalle Street, 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Contractor shall submit evidence of insurance on the City of Chicago Insurance Certificate of Coverage Form (copy attached) prior to award of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of this Agreement. The failure of the City to obtain certificates or other insurance evidence from Contractor shall not be deemed to be a waiver by the City. The Contractor shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve Contractor of its 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 until proper evidence of insurance is provided, or the Agreement may be terminated.

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

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Contractors.

The Contractor agrees that insurers shall waive their rights of subrogation against the City of Chicago.

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

The Contractor expressly understands and agrees that any insurance or self-insurance programs maintained by the City of Chicago shall not contribute with insurance provided by the Contractor under the Agreement.

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

The Contractor shall require all subcontractors to carry the insurance required herein, or Contractor may provide the coverage for subcontractors. All subcontractors shall be subject to the same insurance requirements of Contractor unless otherwise specified herein.

If Contractor, or its subcontractors, desire additional coverage, the Contractor and each of its subcontractors, shall be responsible for the acquisition and cost of each additional protection.

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

[City of Chicago Insurance Certificate of Coverage Form referred to in this Service Provider Agreement for Special Service Area Number 16 unavailable at time of printing.]

(Sub)Exhibit 5.
(To Service Provider Agreement For
Special Service Area Number 16)

Contract Insurance Requirements

Special Service Area Number 16

United Hellenic American Congress

Security Firm.

The Security Firm shall provide and maintain at Security Firm's own expense, until Contract completion, and during the time period following expiration if Security Firm is required to return and perform additional Services, the insurance coverages specified below, insuring all operations related to the Contract.

A. Insurance To Be Provided.

1) Workers' Compensation And Employer's Liability.

Workers' Compensation, as prescribed by applicable law covering all employees who are to provide a service under this Contract and Employer's Liability coverage with limits of not less than Five Hundred Thousand Dollars (\$500,000) each accident or illness.

2) Commercial General Liability (Primary And Umbrella).

Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage liability. Coverage shall include the following: all premises and operations, products/completed operations, separation of insureds and contractual liability (with no limitation endorsement). The S.S.A.C., the City of Chicago and the Contractor are to be named as additional insureds on a primary, noncontributory basis for any liability arising directly or indirectly from the work.

3) Automobile Liability (Primary And Umbrella).

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage.

4) Professional Liability.

Professional Liability Insurance covering acts, errors or omissions shall be maintained with limits of not less than One Million Dollars (\$1,000,000). Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

B. Other Requirements.

The Security Firm will furnish the Contractor original Certificates of Insurance evidencing the required coverage to be in force on the date of this Contract, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Contract. The Security Firm shall submit evidence of insurance prior to Contract award. The receipt of any certificate does not constitute agreement by the Contractor that the insurance requirements in the Contract have been fully met or that the insurance policies indicated on the certificate are in compliance with all Contract requirements. The failure of the Contractor to obtain certificates or other insurance evidence from Security Firm shall not be deemed to be a waiver by the Contractor. The Security Firm shall advise all insurers of the Contract provisions regarding

insurance. Non-conforming insurance shall not relieve Security Firm of its obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Contract, and the Contractor retains the right to stop work until proper evidence of insurance is provided, or the Contract may be terminated.

The insurance shall provide for sixty (60) days prior written notice to be given to the Contractor in the event coverage is substantially changed, canceled or non-renewed.

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Security Firm.

The Security Firm agrees that insurers shall waive their rights of subrogation against the Contractor and the City of Chicago.

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

The Security Firm expressly understands and agrees that any insurance or self-insurance programs maintained by the Contractor shall not contribute with insurance provided by the Security Firm under the Contract.

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

The Security Firm shall require all subcontractors to provide the insurance required herein or Security Firm may provide the coverages for subcontractors. All subcontractors shall be subject to the same insurance requirements of Security Firm unless otherwise specified herein.

If Security Firm desired additional coverages, the Security Firm and each of its subcontractors shall be responsible for the acquisition and cost of such additional protection.

The Contractor maintains the right to modify, delete, alter or change these requirements.

AUTHORIZATION OF TAX LEVY FOR SPECIAL
SERVICE AREA NUMBER 17.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 17 in the amount of \$131,500, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On October 28, 1997, the City Council of the City of Chicago (the "City Council") enacted an ordinance (the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 17 (the "Area") and authorized the levy of an annual tax, for the period beginning in tax year 1997 through and including tax year 2003, not to exceed an annual rate of one quarter of one percent (0.25%) of the equalized assessed value of the taxable property in the Area (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory approximately bounded by Waveland Avenue on the north, Dayton Street on the east, Diversey Parkway on the south and Racine Avenue on the west; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included the provision of private security patrols, maintenance and beautification activities, promotional activities and other technical assistance activities to promote commercial and economic development; and

WHEREAS, The Establishment Ordinance provided for the appointment of the Central Lakeview Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the period commencing on January 1, 2001, and has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services; and

WHEREAS, In 1999, the City Council approved an agreement with the Central Lakeview Merchants Association, an Illinois not-for-profit corporation, as Service Provider, the term of which expires on December 31, 2001, and such agreement contemplated that it would be amended in the second (2nd) year of the term of the agreement to contain a revised budget and scope of services for such year; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

Central Lakeview Special Service Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

Expenditures

Service Provider Agreement
for the provision of Special
Services

\$187,599

Expenditures

TOTAL BUDGET REQUEST: \$187,599

Source Of Funding:

Tax levy at a rate not to exceed
one quarter of one percent
(0.25%) of the assessed Value,
as equalized, of taxable property
taxable property within Special
Service Area Number 17 \$131,500

Carryover funds from previous tax
years released by the Cook County
Treasurer's Office \$56,099

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(1)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Special Service Area Act and pursuant to the provisions of the Establishment Ordinance, the sum of One Hundred Thirty-one Thousand Five Hundred Dollars (\$131,500) as the amount of the Services Tax for the tax year 2000.

SECTION 4. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

AUTHORIZATION OF TAX LEVY FOR SPECIAL SERVICE
AREA NUMBER 18.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 18 in the amount of \$83,360, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On October 28, 1997, the City Council of the City of Chicago (the "City Council") enacted an ordinance (the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 18 (the "Area") and authorized the levy of an annual tax, for the period beginning in tax year 1997 through and including tax year 2003, not to exceed an annual rate of four-tenths percent (0.4%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory consisting approximately of both sides of North Halsted Street from the north side of Belmont Avenue to the north side of West Grace Street and both sides of North Broadway to the south side of West Sheridan Road; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included maintenance and beautification activities, financing of storefront facade improvements, financing of sidewalk maintenance and improvement activities, coordinated promotional and advertising activities for the Area, and other technical assistance activities to promote commercial and economic development; and

WHEREAS, The Establishment Ordinance provided for the appointment of the North Halsted Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, and has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services; and

WHEREAS, In 1999, the City Council approved an agreement (the "Service Provider Agreement") with a Service Provider, the North Halsted Area Merchants Association, an Illinois not-for-profit corporation, the term of which expires on December 31, 2001, and such Service Provider Agreement contemplated that it would be amended in the second (2nd) year of the term of the agreement to contain a revised budget and scope of services for such year; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

North Halsted Special Service Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services	\$120,104
TOTAL BUDGET REQUEST:	\$120,104
Source Of Funding:	
Tax levy at a rate not to exceed four-tenths percent (0.4%) assessed value, as equalized, of taxable property within Special Service Area Number 18	\$83,360
Carryover funds from previous years' tax levies released by Cook County in 2000	\$36,744

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Special Service Area Act and pursuant to the provisions of the Establishment Ordinance, the sum of Eighty-three Thousand Three Hundred Sixty Dollars (\$83,360) as the amount of the Services Tax for the tax year 2000.

SECTION 4. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess

of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

AUTHORIZATION OF TAX LEVY FOR SPECIAL
SERVICE AREA NUMBER 19.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 19 in the amount of \$118,000, having had the same under advisement, begs leave to report

and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Special Service Area Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, On October 28, 1997, the City Council of the City of Chicago (the "City Council") enacted an ordinance (the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 19 (the "Area") and authorized the levy of an annual tax, for the period beginning in 1997 through and including 2006, not to exceed an annual rate of one percent (1%) of the equalized assessed value of the taxable property therein (the "Services Tax")

to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory consisting approximately of Howard Street, between Greenview Avenue and Ridge Avenue, including but not limited to properties located on Paulina Street, Ashland Avenue and Clark Street, near Howard Street; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included maintenance and beautification activities, including but not limited to graffiti removal and snow removal, coordinated promotional and advertising activities for the Area, security services and other technical assistance activities to promote commercial and economic development; and

WHEREAS, The Establishment Ordinance provided for the appointment of the Howard Street Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, and has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services; and

WHEREAS, In 1999, the City Council approved an agreement with DevCorp North, an Illinois not-for-profit corporation, as Service Provider, the term of which expires on December 31, 2001, and such agreement contemplated that it would be amended in the second (2nd) year of the term of the agreement to contain a revised budget and scope of services for such year; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial

compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

Howard Street Special Service Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services	\$172,000
TOTAL BUDGET REQUEST:	\$172,000

Source Of Funding:

Tax levy at a rate not to exceed one percent (1%) of the assessed value, as equalized, of taxable property within Special Service Area Number 19	\$118,000
Carryover funds from previous tax years released by the Cook County Treasurer's Office	\$54,000

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Special Service Area Act and pursuant to the provisions of the Establishment Ordinance, the sum of One Hundred Eighteen Thousand Dollars (\$118,000) as the amount of the Services Tax for the tax year 2000.

SECTION 4. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

AMENDMENT OF ORDINANCE WHICH ESTABLISHED SPECIAL
SERVICE AREA NUMBER 20 AND AUTHORIZED LEVY
OF SPECIAL ANNUAL SERVICES TAX.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the imposition of a tax levy for Special Service Area Number 20 in the amount of \$100,000 and the increase in the maximum annual rate of the services tax to be levied, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1., et seq., as amended from time to time; and

WHEREAS, On October 28, 1997, the City Council (the "City Council") of the City of Chicago (the "City") enacted an ordinance (the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 20 (the "Area") and authorized the levy of an annual tax, for the period beginning in 1997 through and including 2003, not to exceed an annual rate of zero and twenty-seven hundredths percent (0.27%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, The Establishment Ordinance established the Area as that territory consisting approximately of the east side of South Western Avenue, from West 99th Street to West 111th Place and the west side of South Western Avenue, from West 99th Street to West 119th Street; and

WHEREAS, The Special Services authorized in the Establishment Ordinance included maintenance and beautification activities, security services, coordinated marketing and promotional activities for the Area, and other technical assistance activities to promote commercial and economic development; and

WHEREAS, According to Section 200/27-15 of the Act, the governing body of a special service area shall be the corporate authorities of the municipality for that area; and

WHEREAS, The City Council finds that it is in the public interest that the Establishment Ordinance be amended to increase the maximum annual rate of the Services Tax; and

WHEREAS, The Establishment Ordinance provided for the appointment of the South Western Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, It is the responsibility of the Commission to recommend to the Department of Planning and Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be included in the agreement between the City and the Service Provider; and

WHEREAS, The Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2001, and has advised the Mayor and the City Council concerning the Services Tax for the tax year 2000 for the purpose of providing funds necessary to provide the Special Services; and

WHEREAS, In 1999, the City Council approved an agreement (the "Service Provider Agreement") with a Service Provider, the Morgan Park Beverly Hills Business Association, an Illinois not-for-profit corporation, the term of which expires on December 31, 2001, and such Service Provider Agreement contemplated that it would be amended in the second (2nd) year of the term of the agreement to contain a revised budget and scope of services for such year; and

WHEREAS, Certain members of the Commission may serve from time to time on the Board of Directors of the Service Provider, or serve the Service Provider in some other voluntary capacity, which such service shall provide no financial compensation in any manner to such Commission member; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Findings. The City Council finds and declares as follows:

(a) the City Council adopted an ordinance on June 7, 2000 authorizing a public hearing (the "Public Hearing") to consider the amendment of the Establishment Ordinance as described herein;

(b) notice of the Public Hearing was given by publication at least once not less than fifteen (15) days prior to the hearing in the *Chicago Sun-Times*, a newspaper published in and of general circulation within the City of Chicago, and notice of the Public Hearing was also given by depositing said notice in the United States mail addressed to the person or persons in whose name the general taxes for the

last preceding year were paid on each property lying within the Area, not less than ten (10) days prior to the time set for the Public Hearing. For any properties for which taxes for the last preceding year were not paid, the notice was sent to the person last listed on the tax rolls prior to that year as the owner of the property;

(c) the notice complied with all of the applicable provisions of the Act;

(d) the Public Hearing was held on August 24, 2000 by the Committee on Finance of the City Council. All interested persons, including all persons owning real property located within the Area, were given an opportunity to be heard at the Public Hearing regarding any issues embodied in the notice and have had an opportunity to file with the City Clerk of the City written objections on such issues;

(e) the Committee on Finance of the City Council has heard and considered all of the comments, objections, protests and statements made at the Public Hearing with regard to the issues embodied in the notice and has determined to recommend to the City Council that it is in the public interest and in the interest of the City and the Area to increase the maximum annual rate of the Services Tax, all as provided in this ordinance;

(f) the Public Hearing was finally adjourned on August 24, 2000;

(g) the sixty (60) day period as described in Section 27-55 of the Act, in which an objection petition to the amendment of the Establishment Ordinance may be filed, commenced on August 24, 2000 and has expired; and

(h) the City Council hereby finds and determines that it is in the best interests of the City that the maximum annual rate of the Services Tax be increased, all as provided in this ordinance.

SECTION 3. Amendment Of Establishment Ordinance. Section 5 of the Establishment Ordinance is hereby amended by changing "twenty-seven hundredths percent (.27%)" to "one and zero hundredths percent (1.00%)".

SECTION 4. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

South Western Special Service Area Commission

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services	\$139,837.65
TOTAL BUDGET REQUEST:	\$139,837.65
Source Of Funding:	
Tax levy at a rate not to exceed one and zero hundredths percent (1.00%) of the assessed value, as equalized, of taxable property within Special Service Area Number 20	\$100,000.00
Carryover funds from previous years' tax levies released by Cook County in 2000	\$39,837.65

SECTION 5. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Act and pursuant to the provisions of the Establishment Ordinance, the sum of \$100,000 as the amount of the Services Tax for the tax year 2000.

SECTION 6. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the

Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 7. Exemption. The Service Provider Agreement is hereby declared exempt from Section 2-156-020 of the Municipal Code of the City of Chicago.

SECTION 8. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 9. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 10. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 11. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

AUTHORIZATION FOR ESTABLISHMENT OF SPECIAL SERVICE
AREA NUMBER 21, IMPOSITION OF TAX LEVY AND
EXECUTION OF SERVICE PROVIDER AGREEMENT
WITH LINCOLN SQUARE SPECIAL SERVICE
AREA COMMISSION.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the establishment of Special Service Area Number 21, and the imposition of a tax levy in an amount of \$78,734 and the execution of a service provider agreement with the Lincoln Square Special Service Area Commission, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas-- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to Article VII, Sections 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq. (the "Act") and pursuant to the Revenue Act of 1939, 35 ILCS 205/1, et seq., as amended from time to time; and

WHEREAS, The City Council of the City of Chicago (the "City Council") determines that it is in the best interests of the City of Chicago (the "City") to establish a special service area to be known and designated as Special Service Area Number 21 (the "Area") to provide certain special governmental services in addition to services provided generally by the City, all as further provided in this ordinance (the "Special Services"), and further determines to authorize the levy of an annual ad valorem real property tax in the Area sufficient to produce revenues required to provide those Special Services (the "Services Tax"); now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Findings. The City Council finds and declares as follows:

(a) the Area, as established by this ordinance, consists of contiguous territory in the City;

(b) the City Council adopted an ordinance on June 28, 2000 authorizing a public hearing (the "Public Hearing") to consider the establishment of the Area and the levy of the Services Tax on the taxable property located in the Area to provide the Special Services;

(c) notice of the Public Hearing was given by publication at least once not less than fifteen (15) days prior to the hearing in the *Chicago Sun-Times*, a newspaper published in and of general circulation within the City of Chicago, and notice of the Public Hearing was also given by depositing said notice in the United States mail addressed to the person or persons in whose name the general taxes for the last preceding year were paid on each property lying within the Area, not less than ten (10) days prior to the time set for the Public Hearing. For any properties for which taxes for the last preceding year were not paid, the notice was sent to the person last listed on the tax rolls prior to that year as the owner of the property;

(d) the notice complied with all of the applicable provisions of the Act;

(e) the Public Hearing was held on August 24, 2000 by the Committee on Finance of the City Council. All interested persons, including all persons owning real property located within the Area, were given an opportunity to be heard at the Public Hearing regarding any issues embodied in the notice and have had an opportunity to file with the City Clerk of the City written objections on such issues;

(f) the Committee on Finance of the City Council has heard and considered all of the comments, objections, protests and statements made at the Public Hearing with regard to the issues embodied in the notice and has determined to recommend to the City Council that it is in the public interest and in the interest of the City and the Area to establish the Area and to authorize the levy of the Services Tax, all as provided in this ordinance;

(g) the Public Hearing was finally adjourned on August 24, 2000;

(h) the sixty (60) day period as described in Section 27-55 of the Act, in which an objection petition to this ordinance may be filed, commenced on August 24, 2000 and has expired; and

(i) the City Council hereby finds and determines that it is in the best interests of the City that the Area be established and the Services Tax be authorized, all as set forth herein.

SECTION 3. Area Established. There is hereby established a special service area located within the City to be known and designated as City of Chicago Special Service Area Number 21. The approximate street location of said territory consists of the territory along Lincoln Avenue from Sunnyside Avenue to Winnemac Avenue, along Western Avenue from Ainslie Street to Leland Avenue, and along Lawrence Avenue from Rockwell Street to Leavitt Street. A legal description of the Area is attached as Exhibit 1 hereto and hereby incorporated herein. A map of the Area is attached as Exhibit 2 hereto and hereby incorporated herein. A list of Permanent Index Numbers for the properties in the Area is attached hereto as Exhibit 3 and hereby incorporated herein.

SECTION 4. Special Services Authorized. The Special Services authorized hereby include but are not limited to promotion of businesses within the Area, including recruitment and promotion of new businesses to the Area and retention and promotion of existing businesses within the Area; maintenance and beautification activities; streetscape improvements; strategic planning; financing of storefront facade improvements; security services; coordinated marketing and promotional activities; and other technical assistance activities to promote commercial and economic development. The Special Services shall be in addition to services provided to and by the City of Chicago generally.

SECTION 5. Authorization Of Levy. There is hereby authorized to be levied in each year beginning in 2000 through and including 2009 the Services Tax upon the taxable property within the Area to produce revenues required to provide the Special

Services, said Services Tax not to exceed the sum of twenty-five hundredths percent (0.25%) of the equalized assessed value of the taxable property within the Area. The Services Tax shall be in addition to all other taxes provided by law and shall be levied pursuant to the provisions of the Revenue Act of 1939, as amended from time to time. The levy of the Services Tax for each year shall be made by annual ordinance, commencing with this ordinance.

SECTION 6. Appropriations. Based on the recommendation of the Department of Planning and Development, there is hereby appropriated the following sum in the amount and for the purposes necessary to provide the Special Services in and for the Area indicated as follows:

Special Service Area Number 21

Special Service Area Budget.

For the fiscal year beginning January 1, 2001 and ending December 31, 2001.

	Expenditures
Service Provider Agreement for the provision of Special Services, to be authorized by future ordinance	\$78,734
TOTAL BUDGET REQUEST:	\$78,734

Source Of Funding:

Tax levy at a rate not to exceed twenty-five hundredths percent (0.25%) of the assessed value, as equalized, of taxable property within Special Service Area Number 21	\$78,734

SECTION 7. Levy Of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(1)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Act and pursuant to the provisions of this ordinance, the sum of Seventy-eight Thousand Seven Hundred Thirty-four Dollars (\$78,734) as the amount of the Services Tax for the tax year 2000.

SECTION 8. Commission Authorized. There is hereby established the Lincoln Square Special Service Area Commission (the "Commission") which shall consist of nine (9) members. The Mayor, with the approval of the City Council, shall appoint the initial Commission members from a list of nominees submitted by the Lincoln Square Chamber of Commerce (the "Organization"). Of the initial Commission members, five (5) members shall be appointed to serve for two (2) year terms, and four (4) shall be appointed to serve for one (1) year terms. Upon the expiration of the term of any Commission member, the Mayor, with the approval of City Council, shall appoint a successor Commission member from a list of nominees submitted by the Organization. Other than the initial Commissioners, each Commission member shall be appointed to serve for a term of two (2) years and until a successor is appointed. In the event of a vacancy on the Commission due to resignation, death, inability to serve, removal by the Mayor, or other reason, the Mayor, with the approval of City Council, shall appoint a successor from a list of nominees submitted by the Organization. Each successor so appointed shall serve for the remaining term for which he/she was appointed. The Commission shall designate one (1) member as the Chairman of the Commission, and he/she shall serve not more than two (2) successive two (2) year terms. The Commission may establish bylaws for its procedural operation.

The Commission shall have the powers delegated to it in Section 9 hereof. The terms and powers of the Commission members shall cease upon the termination of the time period for which the levy of the Services Tax is authorized. The members of the Commission shall serve without compensation.

SECTION 9. Powers Of The Commission. The Commission is hereby granted the following powers:

(a) to recommend the rate or amount of the Services Tax and an annual budget to the City Council; and

(b) to recommend a sole service provider contract, including a scope of services and a contractor therefor, to the City Council for the provision of the Special Services.

SECTION 10. Severability. If any provision of this ordinance or the application of any such provision to any person or circumstances shall be invalid, such invalidity shall not affect the provisions or application of this ordinance which can be given effect without the invalid provision or application, and to this end each provision of this ordinance is declared to be severable.

SECTION 11. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk"), in accordance with Section 27-75 of the Act, a certified copy of this ordinance containing an accurate map thereof. The City Clerk is hereby further ordered and directed to file in the Office of the Recorder of Deeds of Cook County, in accordance with Section 27-40 of the Act, a certified copy of this ordinance containing a description of the Area, within sixty (60) days of the effective date of this ordinance. In addition, the City Clerk is hereby further ordered and directed to file in the Office of the County Clerk, in accordance with Section 27-75 of the Act, a certified copy of this ordinance on or prior to December 26, 2000, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2000 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 12. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 13. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least one hundred (100) copies thereof, which copies are to be made available in his office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 14. Effective Date. This ordinance shall take effect ten (10) days after its passage and publication.

[Exhibits 2 and 3 referred to in this ordinance printed
on pages 45644 through 45647 of this Journal.]

Exhibit 1 referred to in this ordinance reads as follows:

Exhibit 1.
(To Ordinance)

Legal Description.

All that part of the east half of the southeast quarter of Section 12 and the east half of the northeast quarter of Section 13 in Township 40 North, Range 13 East of the Third Principal Meridian and the west half of the southwest quarter of Section 7 and the west half of the northwest quarter of Section 18 in Township 40 North, Range 14 East of the Third Principal Meridian bounded and described as follows:

beginning at the point of intersection of the centerline of West Winnemac Avenue with the centerline of North Lincoln Avenue; thence east along said centerline of West Winnemac Avenue to the northwesterly extension of the southwesterly line of Lot 20 in Schupps' Subdivision of Lots 20 and (except the south 130 feet) Lot 21 of Bowmanville, being a subdivision of part of the east half of the southeast quarter and all of the southwest quarter of the southeast quarter in Section 12, Township 40 North, Range 13 East of the Third Principal Meridian, said southwesterly line of Lot 20 being also the northeasterly line of the alley lying east of North Lincoln Avenue; thence southeasterly along said northwesterly extension and the southwesterly line of Lot 20 in Schupps' Subdivision and along the southeasterly extension thereof to the west line of Lot 10 in said Schupps' Subdivision, said west line of Lot 10 being also the east line of the alley lying east of North Lincoln Avenue; thence south along said west line of Lot 10 in said Schupps' Subdivision to the south line thereof; thence east along said south line of Lot 10 and along the south lines of Lots 11 through 14, inclusive, in said Schupps' Subdivision and along the easterly extension thereof to the west line of Lots 12 and 13 in Peter Bartzens' Subdivision of Lot 22 in Bowmanville, being a subdivision of part of the east half of the southeast quarter and all of the southwest quarter of the southeast quarter in Section 12, Township 40 North, Range 13 East of the Third Principal Meridian, said west line of Lots 12 and 13 being also the east line of the alley lying west of North Western Avenue; thence south along said east line of the alley lying west of North Western Avenue to the north line of Lot 27 in Kruchtens' Subdivision of Lots 23 and 24 in Bowmanville, being a subdivision of part of the east half of the southeast quarter and all of the southwest quarter of the southeast quarter in Section 12, Township 40 North, Range 13 East of the Third Principal Meridian; thence west along said north line of Lot 27 in Kruchtens' Subdivision to the southwesterly line thereof; thence southeasterly along said southwesterly line of Lot 27 in Kruchtens' Subdivision

and along the southwesterly line of Lots 19 through 26, inclusive, in said Kruchtens' Subdivision to the northwest corner of Lot 18 in said Kruchtens' Subdivision; thence south along the west line of said Lot 18 in Kruchtens' Subdivision and along the west line of Lots 17, 16 and 15 in said Kruchtens' Subdivision to the south line of said Lot 15, said south line of Lot 15 being also the north line of a 16 foot public alley; thence east along said south line of Lot 15 and along the easterly extension thereof to the centerline of North Western Avenue; thence south along said centerline of North Western Avenue to the easterly extension of the north line of Lot 1 in Daleiden's Addition to Ravenswood, being a subdivision of Lots 25 and 26 in Bowmanville, being a subdivision of part of the east half of the southeast quarter and all of the southwest quarter of the southeast quarter in Section 12, Township 40 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the north line of Lot 1 in Daleiden's Addition to Ravenswood to the west line of said Lot 1; thence south along said west line of Lot 1 in Daleiden's Addition to Ravenswood to the south line thereof; thence east along said south line of Lot 1 in Daleiden's Addition to Ravenswood and along the easterly extension thereof to the centerline of North Western Avenue; thence south along said centerline of North Western Avenue to the westerly extension of the centerline of West Ainslie Street as said West Ainslie Street is opened and laid out in the west half of the southwest quarter of Section 7, Township 40 North, Range 14 East of the Third Principal Meridian; thence east along said westerly extension and along said centerline of West Ainslie Street to the northerly extension of the west line of Lot 1 in Block 4 in John Bauer's Subdivision of the south 4 acres of the north 12 acres of the west half of the southwest quarter of the southwest quarter of Section 7, Township 40 North, Range 14 East of the Third Principal Meridian, said west line of Lot 1 being also the east line of the alley east of North Western Avenue; thence south along said northerly extension and along the west line of Lot 1 in Block 4 in John Bauer's Subdivision to the easterly extension of the south line of Lot 8 in said Block 4 in John Bauer's Subdivision; thence west along said easterly extension and the south line of Lot 8 in said Block 4 in John Bauer's Subdivision to the east line of North Western Avenue; thence south along said east line of North Western Avenue to the south line of Lot 6 in said Block 4 in John Bauer's Subdivision; thence east along said south line of Lot 6 in said Block 4 in John Bauer's Subdivision and along the easterly extension thereof to the west line of Lot "A" in the consolidation of Lots 4 and the south fifteen feet, three and five-eighths inches, of Lot 3 in Block 4 of John Bauer's Subdivision and the north 8.22 feet of Lot 1 in Block 2 of Lenz and Hoeffles' Subdivision in the west half of the southwest quarter of Section 7, Township 40 North, Range 14 East of the Third Principal Meridian, said west line of Lot 1 being also the east line of the alley east of North Western Avenue; thence

south along said east line of the alley east of North Western Avenue to the south line of Lot 9 in Block 2 in said Lenz and Hoeffles' Subdivision; thence east along said south line of Lot 9 in Block 2 in Lenz and Hoeffles' Subdivision to the westerly line of the north 16 feet of Lot 31 in F. Schaedler's Subdivision of the south four acres of the west half of the west half of the southwest quarter of Section 7, Township 40 North, Range 14 East of the Third Principal Meridian, said north 16 feet being that portion of Lot 31 used as a public alley; thence southeast along said westerly line of the north 16 feet of Lot 31 in F. Schaedler's Subdivision and along the westerly line of the remainder of said Lot 31 and along the westerly line of Lots 30 and 29 in said F. Schaedler's Subdivision to the northeasterly extension of the northerly line of Lot 6 in said F. Schaedler's Subdivision; thence southwest along said northeasterly extension of the northerly line of Lot 6 in said F. Schaedler's Subdivision to the centerline of the vacated alley lying northeasterly of and adjoining the northeasterly line of said Lot 6; thence southeast along said centerline of the vacated alley lying northeasterly of and adjoining the northeasterly line of said Lot 6 to the centerline of the vacated alley lying south of and adjoining the south line of aforesaid Lot 29 in said F. Schaedler's Subdivision; thence east along said centerline of the vacated alley lying south of and adjoining the south line of Lot 29 in said F. Schaedler's Subdivision to the west line of North Claremont Avenue; thence north along said west line of North Claremont Avenue to the westerly extension of the south line of Lot 28 in said F. Schaedler's Subdivision, said south line of Lot 28 being also the north line of the alley north of West Lawrence Avenue; thence east along said westerly extension and along the north line of the alley north of West Lawrence Avenue to the east line of North Oakley Avenue; thence south along said east line of North Oakley Avenue to the north line of West Lawrence Avenue; thence east along said north line of West Lawrence Avenue to the east line of Lot 46 in John R. Williams' Subdivision of Lot 2 and Lot 1 (except the north 258 feet of the south 390 feet of the east 165 feet) in the subdivision of the southeast quarter of the west half of the southwest quarter of Section 7, Township 40 north, Range 14 East of the Third Principal Meridian; thence north along said east line of Lot 46 in John R. Williams' Subdivision and along the northerly extension thereof to the south line of Lot 44 in said John R. Williams' Subdivision, said south line of Lot 44 being also the north line of the alley north of West Lawrence Avenue; thence east along said north line of the alley north of West Lawrence Avenue to the centerline of North Leavitt Street; thence south along said centerline of North Leavitt Street to the easterly extension of the south line of the north 70 feet of Lots 1, 2, 3 and 4 in the Circuit Court Partition of that part of Lot 1, lying east of North Lincoln Avenue, in the Court Partition of the west half of the northwest quarter of Section 18, Township 40 North, Range 14 East of the Third Principal Meridian;

thence west along said easterly extension and the south line of the north 70 feet of Lots 1, 2, 3 and 4 in said Circuit Court Partition to the west line of the east 9 feet of said Lot 4 in the Circuit Court Partition, said west line of the east 9 feet of Lot 4 being also the east line of a public alley lying west of North Leavitt Street; thence south along said west line of the east 9 feet of said Lot 4 in the Circuit Court Partition and along the southerly extension thereof to the north line of Lot 4 in Ward's Subdivision of Lots 48 to 109, inclusive, of the Circuit Court Partition of that part of Lot 1, lying east of North Lincoln Avenue, in the Court Partition of the west half of the northwest quarter of Section 18, Township 40 North, Range 14 East of the Third Principal Meridian, said north line of Lot 4 being also the south line of the alley lying south of West Lawrence Avenue; thence west along said south line of the alley lying south of West Lawrence Avenue to the southerly extension of the east line of Lot 6 in aforesaid Circuit Court Partition of that part of Lot 1, lying east of North Lincoln Avenue, in the Court Partition of the west half of the northwest quarter of Section 18, Township 40 North, Range 14 East of the Third Principal Meridian; thence north along said southerly extension and the east line of Lot 6 in the Circuit Court Partition to the south line of West Lawrence Avenue; thence west along said south line of West Lawrence Avenue to the west line of Lot 15 in said Circuit Court Partition; thence south along said west line of Lot 15 in the Circuit Court Partition and along the southerly extension thereof to the north line of Lots 13 and 14 in aforesaid Ward's Subdivision, said north line of Lots 13 and 14 being also the south line of the alley south of West Lawrence Avenue; thence west along said south line of the alley south of West Lawrence Avenue to the southwesterly line of Lot 27 in said Ward's Subdivision, said southwesterly line of Lot 27 being also the northeasterly line of the alley lying northeasterly of and parallel with North Lincoln Avenue; thence southeasterly along said northeasterly line of the alley lying northeasterly of and parallel with North Lincoln Avenue to the northeasterly extension of the northwesterly line of Lot 119 in Circuit Court Partition of that part of Lot 1, lying east of North Lincoln Avenue, in the Court Partition of the west half of the northwest quarter of Section 18, Township 40 North, Range 14 East of the Third Principal Meridian; thence southwesterly along said northeasterly extension and the northwesterly line of Lot 119 in Circuit Court Partition to the southwesterly line of the northeasterly 56.15 feet of said Lot 119; thence southeasterly along said southwesterly line of the northeasterly 56.15 feet of said Lot 119 and along the southwesterly line of the northeasterly 56.15 feet of Lot 120 in said Circuit Court Partition and along the southeasterly extension thereof to the centerline of West Leland Avenue; thence northeasterly along said centerline of West Leland Avenue to the northwesterly extension of the southwesterly line of Lot 25 in Amberg and Shorts' Subdivision of Lots 121 to 173, inclusive, in aforesaid Circuit Court Partition of that part of

Lot 1, lying east of North Lincoln Avenue, in the Court Partition of the west half of the northwest quarter of Section 18, Township 40 North, Range 14 East of the Third Principal Meridian, said southwesterly line of Lot 25 in Amberg and Shorts' Subdivision being also the northeasterly line of the alley lying northeast of North Lincoln Avenue; thence southeasterly along said northwesterly extension and along the northeasterly line of the alley lying northeast of North Lincoln Avenue to the angle point in the westerly line of Lot 236 in aforesaid Circuit Court Partition of that part of Lot 1, lying east of North Lincoln Avenue, in the Court Partition of the west half of the northwest quarter of Section 18, Township 40 North, Range 14 East of the Third Principal Meridian; thence south along the west line of said Lot 236 in Circuit Court Partition and along the southerly extension thereof to the centerline of West Wilson Avenue; thence east along the centerline of West Wilson Avenue to the northwesterly extension of the southwesterly line of Lot 14 in E. W. Zander and Company's Subdivision of subplot 1 of Superior Court Division of Lot 2 of the Court Partition of the west half of the northwest quarter of Section 18, Township 40 North, Range 14 East of the Third Principal Meridian, said southwesterly line of Lot 14 in E. W. Zander and Company's Subdivision being also the northeasterly line of the alley lying northeasterly of North Lincoln Avenue; thence southeasterly along said northwesterly extension and along the northeasterly line of the alley lying northeasterly of North Lincoln Avenue and along the southeasterly extension thereof to the centerline of West Sunnyside Avenue; thence west along said centerline of West Sunnyside Avenue to the southeasterly extension of the northeasterly line of Lot 6 in D. Nashlund's Addition to Chicago, a subdivision of that part west of North Lincoln Avenue of Lots 2 and 3 (except the south 33 feet) in Superior Court Division of Lot 2 in the Court Partition of the west half of the northwest quarter of Section 18, Township 40 North, Range 14 East of the Third Principal Meridian, said northeasterly line of Lot 6 in D. Nashlund's Addition being also the southwesterly line of the alley lying southwest of North Lincoln Avenue; thence northwesterly along said southeasterly extension and along the southwesterly line of the alley lying southwest of North Lincoln Avenue and along the northwesterly extension thereof to the centerline of North Oakley Avenue; thence north along said centerline of North Oakley Avenue to the centerline of West Wilson Avenue; thence west along said centerline of West Wilson Avenue to the southeasterly extension of the northeasterly line of Lot 48 in P. J. Sexton's Addition to Chicago in the northwest quarter of the northwest quarter of Section 18, Township 40 North, Range 14 East of the Third Principal Meridian, said northeasterly line of Lot 48 being also the southwesterly line of the alley lying southwest of North Lincoln Avenue; thence northwesterly along said southeasterly extension and along the southwesterly line of the alley lying southwest of North Lincoln Avenue and along the northwesterly extension thereof to the centerline of West Eastwood Avenue; thence southwesterly along

said centerline of West Eastwood Avenue to the southeasterly extension of the northeasterly line of Lot 96 in aforesaid P. J. Sexton's Addition to Chicago, said northeasterly line of Lot 96 being also the southwesterly line of the alley southwest of North Lincoln Avenue; thence northwesterly along said southeasterly extension and along the southwesterly line of the alley southwest of North Lincoln Avenue and along the northerly extension thereof to the centerline of West Leland Avenue; thence westerly along said centerline of West Leland Avenue and along the westerly extension thereof to the centerline of North Western Avenue; thence north along said centerline of North Western Avenue to the easterly extension of the centerline of West Leland Avenue, as said West Leland Avenue is opened and laid out in the east half of the northeast quarter of Section 13, Township 40 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the centerline of West Leland Avenue to the southerly extension of the east line of Lot 25 in Block 1 of North West Land Association, being a subdivision in the east half of the northeast quarter of Section 13, Township 40 North, Range 13 East of the Third Principal Meridian, said east line of Lot 25 being also the west line of the alley west of North Western Avenue; thence north along said southerly extension and along the west line of the alley west of North Western Avenue to the north line of Lot 39 in Block 1 in said North West Land Association, said north line of Lot 39 being also the south line of the alley south of West Lawrence Avenue; thence west along said south line of the alley south of West Lawrence Avenue to the centerline of North Maplewood Avenue; thence north along said centerline of North Maplewood Avenue to the south line of West Lawrence Avenue; thence west along said south line of West Lawrence Avenue to the east line of Lot 3 in Block 4 of aforesaid North West Land Association; thence south along said east line of Lot 3 in Block 4 of North West Land Association and along the southerly extension thereof to the north line of Lot 40 in said Block 4 of North West Land Association, said north line of Lot 40 being also the south line of the alley south of West Lawrence Avenue; thence west along said south line of the alley south of West Lawrence Avenue to the centerline of North Rockwell Street; thence north along said centerline of North Rockwell Street to the westerly extension of the south line of Lot 6 in E. Vogt's Subdivision of Lot 1 and that part of Lot 2 east of Rockwell Street in the subdivision of the west 163.5 feet of Lot 44 and all of Lots 45 and 50 in Bowmanville, being a subdivision of part of the east half of the southeast quarter and all of the southwest quarter of the southeast quarter in Section 12, Township 40 North, Range 13 East of the Third Principal Meridian, said south line of Lot 6 being also the north line of the alley north of West Lawrence Avenue; thence east along said westerly extension and the south line of Lot 6 in E. Vogt's Subdivision to the east line of said Lot 6, said east line of Lot 6 being also the west line of the alley east of North Rockwell Street; thence north along said west line of the alley east of North Rockwell Street to the westerly extension of the south line of Lot 2 in the subdivision of (except the west 163 feet) Lot 44 in aforesaid Bowmanville, said south line of Lot 2 being also the

north line of the alley north of West Lawrence Avenue; thence east along said north line of the alley north of West Lawrence Avenue to the centerline of the vacated alley lying east of Lot 1 in Steinbeiss' Subdivision of Lots 27, 28 and 29 in aforesaid Bowmanville; thence northerly along said centerline of the vacated alley lying east of Lot 1 in Steinbeiss' Subdivision and along the northerly extension of said centerline to the centerline of West Gunnison Street; thence west along said centerline of West Gunnison Street to the southeasterly extension of the northeasterly line of Lot 18 in the subdivision of Lots 30 and 31 in aforesaid Bowmanville, said northeasterly line of Lot 18 being also the southwesterly line of the alley southwesterly of North Lincoln Avenue; thence northwesterly and northerly along said southwesterly line of the alley southwesterly of North Lincoln Avenue and along the northerly extension thereof to the centerline of West Ainslie Street; thence west along said centerline of West Ainslie Street to the southeasterly extension of the northeasterly line of Lot 49 in Chas. Toelle's Addition to Chicago, a subdivision of part of Lots 32 and 33, and all of Lots 34 to 36, inclusive, in aforesaid Bowmanville, said northeasterly line of Lot 49 being also the southwesterly line of the alley southwesterly of North Lincoln Avenue; thence northwesterly along said southeasterly extension and along the southwesterly line of the alley southwesterly of North Lincoln Avenue and along the northwesterly extension thereof to the centerline of West Argyle Street; thence west along said centerline of West Argyle Street to the southerly extension of the easterly line of Lot 5 in Goetz Brother's Resubdivision of the south 150 feet of Lot 19 in aforesaid Bowmanville, said easterly line of Lot 5 being also the westerly line of the alley west of North Lincoln Avenue; thence northerly along said southerly extension and the easterly line of Lot 5 in Goetz Brother's Resubdivision to the westerly extension of the south line of Lot 3 in said Goetz Brother's Resubdivision; thence east along said westerly extension and the south line of said Lot 3 in Goetz Brother's Resubdivision to the southwesterly line of North Lincoln Avenue; thence northwesterly along said southwesterly line of North Lincoln Avenue to the southerly line of Lot 1 in said Goetz Brother's Resubdivision; thence west along said southerly line of Lot 1 in said Goetz Brother's Resubdivision and along the westerly extension thereof to the easterly line of aforesaid Lot 5 in Goetz Brother's Resubdivision; thence northerly along said easterly line of Lot 5 and along the northeasterly line of said Lot 5 to the north line of said Lot 5, said north line of Lot 5 being also the south line of the alley north of West Argyle Street; thence west along said south line of the alley north of West Argyle Street to the southerly extension of the west line of the parcel of property bearing Permanent Index Number 13-12-410-013; thence north along said southerly extension and the west line of the parcel of property bearing Permanent Index Number 13-12-410-013 and along the northerly extension thereof to the centerline of West Winnemac Avenue; thence east along said centerline of West Winnemac Avenue to the point of beginning at the centerline of North Lincoln Avenue; all in the City of Chicago, Cook County, Illinois.

Exhibit 2.
(To Ordinance)

Map.

Lincoln Square Special Service Area
&
its Relation to Wards and Arterial Streets

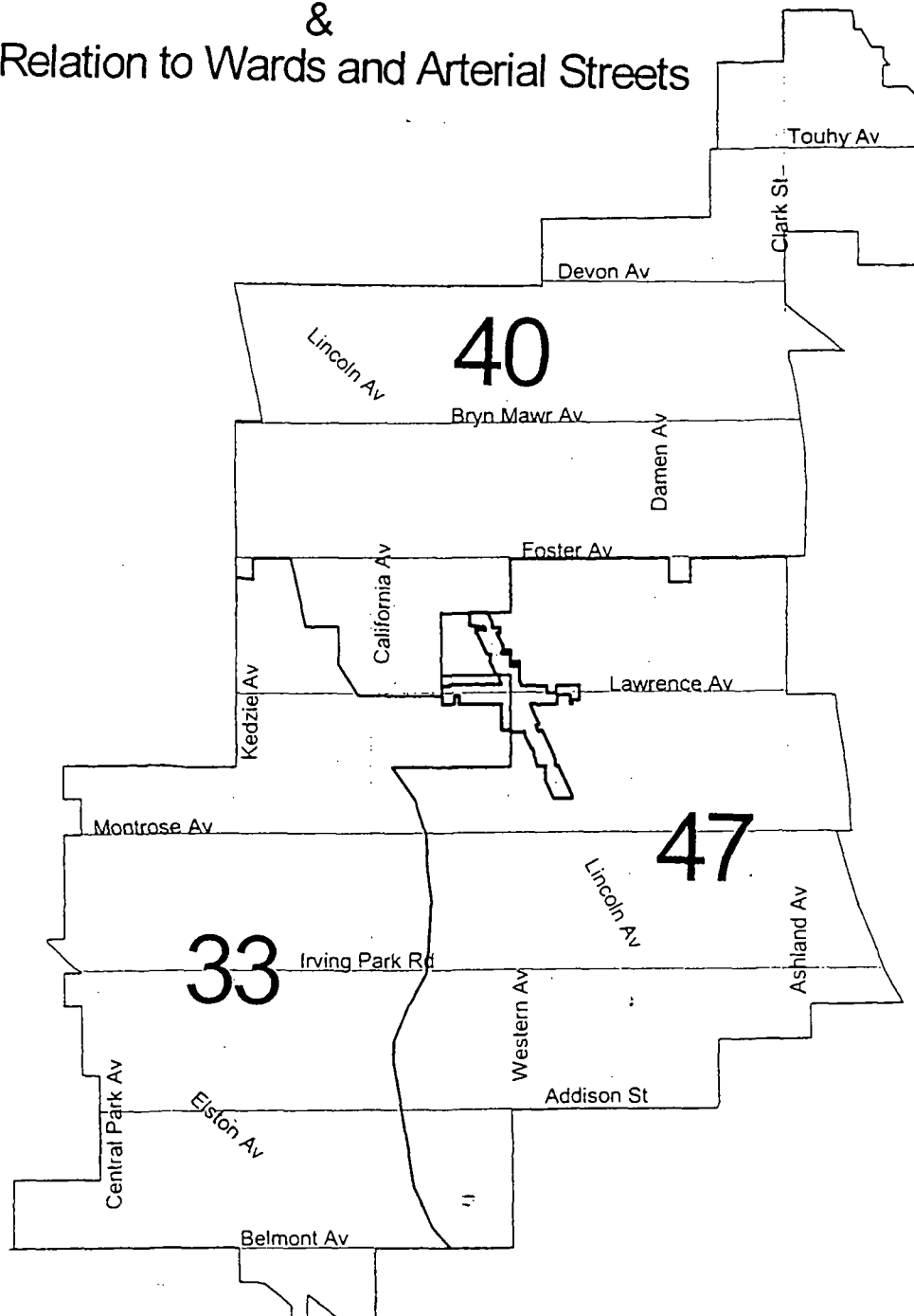


Exhibit 3.
(To Ordinance)

Permanent Index Numbers.
(Page 1 of 3)

Tax Parcels included in the Lincoln Square
Special Service Area (#21)

1	13 - 12 - 400 - 061 - 0000
2	13 - 12 - 400 - 063 - 0000
3	13 - 12 - 400 - 064 - 0000
4	13 - 12 - 401 - 001 - 0000
5	13 - 12 - 401 - 003 - 0000
6	13 - 12 - 401 - 004 - 0000
7	13 - 12 - 401 - 005 - 0000
8	13 - 12 - 401 - 006 - 0000
9	13 - 12 - 401 - 007 - 0000
10	13 - 12 - 401 - 048 - 0000
11	13 - 12 - 402 - 073 - 0000
12	13 - 12 - 402 - 074 - 0000
13	13 - 12 - 402 - 075 - 0000
14	13 - 12 - 402 - 076 - 0000
15	13 - 12 - 402 - 077 - 0000
16	13 - 12 - 402 - 078 - 0000
17	13 - 12 - 402 - 079 - 0000
18	13 - 12 - 403 - 002 - 0000
19	13 - 12 - 403 - 003 - 0000
20	13 - 12 - 403 - 004 - 0000
21	13 - 12 - 403 - 005 - 0000
22	13 - 12 - 403 - 006 - 0000
23	13 - 12 - 403 - 007 - 0000
24	13 - 12 - 403 - 052 - 0000
25	13 - 12 - 403 - 053 - 0000
26	13 - 12 - 406 - 026 - 0000
27	13 - 12 - 406 - 027 - 0000
28	13 - 12 - 406 - 028 - 0000
29	13 - 12 - 406 - 029 - 0000
30	13 - 12 - 406 - 030 - 0000
31	13 - 12 - 406 - 031 - 0000
32	13 - 12 - 406 - 032 - 0000
33	13 - 12 - 406 - 033 - 0000
34	13 - 12 - 406 - 034 - 0000
35	13 - 12 - 406 - 035 - 0000
36	13 - 12 - 406 - 036 - 0000
37	13 - 12 - 407 - 001 - 0000
38	13 - 12 - 407 - 002 - 0000
39	13 - 12 - 407 - 003 - 0000
40	13 - 12 - 407 - 004 - 0000
41	13 - 12 - 407 - 005 - 0000
42	13 - 12 - 407 - 006 - 0000
43	13 - 12 - 407 - 007 - 0000
44	13 - 12 - 407 - 010 - 0000

45	13 - 12 - 407 - 011 - 0000
46	13 - 12 - 407 - 012 - 0000
47	13 - 12 - 410 - 013 - 0000
48	13 - 12 - 410 - 035 - 0000
49	13 - 12 - 410 - 038 - 0000
50	13 - 12 - 411 - 009 - 0000
51	13 - 12 - 411 - 011 - 0000
52	13 - 12 - 411 - 012 - 0000
53	13 - 12 - 411 - 013 - 0000
54	13 - 12 - 411 - 014 - 0000
55	13 - 12 - 411 - 015 - 0000
56	13 - 12 - 411 - 016 - 0000
57	13 - 12 - 411 - 017 - 0000
58	13 - 12 - 411 - 018 - 0000
59	13 - 12 - 411 - 019 - 0000
60	13 - 12 - 411 - 020 - 0000
61	13 - 12 - 411 - 024 - 0000
62	13 - 12 - 411 - 025 - 0000
63	13 - 12 - 411 - 026 - 0000
64	13 - 12 - 411 - 027 - 0000
65	13 - 12 - 411 - 028 - 0000
66	13 - 12 - 411 - 065 - 0000
67	13 - 12 - 411 - 067 - 0000
68	13 - 12 - 411 - 068 - 0000
69	13 - 12 - 411 - 069 - 0000
70	13 - 12 - 411 - 070 - 0000
71	13 - 12 - 411 - 071 - 0000
72	13 - 12 - 411 - 072 - 0000
73	13 - 12 - 411 - 073 - 0000
74	13 - 12 - 411 - 074 - 0000
75	13 - 12 - 415 - 048 - 0000
76	13 - 12 - 415 - 049 - 0000
77	13 - 12 - 415 - 050 - 0000
78	13 - 12 - 415 - 051 - 0000
79	13 - 12 - 415 - 052 - 0000
80	13 - 12 - 415 - 053 - 0000
81	13 - 12 - 419 - 063 - 0000
82	13 - 12 - 419 - 064 - 0000
83	13 - 12 - 419 - 065 - 0000
84	13 - 12 - 419 - 072 - 0000
85	13 - 12 - 419 - 073 - 0000
86	13 - 12 - 420 - 001 - 0000
87	13 - 12 - 425 - 029 - 0000
88	13 - 12 - 425 - 030 - 0000
89	13 - 12 - 425 - 031 - 0000

Exhibit 3.
(To Ordinance)

Permanent Index Numbers.
(Page 2 of 3)

Tax Parcels included in the Lincoln Square
Special Service Area (#21)

90	13 - 12 - 425 - 032 - 0000
91	13 - 12 - 425 - 033 - 0000
92	13 - 12 - 425 - 034 - 0000
93	13 - 12 - 425 - 035 - 0000
94	13 - 12 - 425 - 036 - 0000
95	13 - 12 - 425 - 037 - 0000
96	13 - 12 - 425 - 038 - 0000
97	13 - 12 - 425 - 039 - 0000
98	13 - 12 - 425 - 040 - 0000
99	13 - 12 - 425 - 041 - 0000
100	13 - 12 - 425 - 042 - 0000
101	13 - 12 - 425 - 043 - 0000
102	13 - 12 - 425 - 044 - 0000
103	13 - 12 - 425 - 045 - 0000
104	13 - 12 - 425 - 046 - 0000
105	13 - 12 - 425 - 047 - 0000
106	13 - 12 - 425 - 048 - 0000
107	13 - 12 - 425 - 049 - 0000
108	13 - 12 - 425 - 050 - 0000
109	13 - 12 - 425 - 051 - 0000
110	13 - 12 - 425 - 052 - 0000
111	13 - 12 - 425 - 053 - 0000
112	13 - 13 - 204 - 001 - 0000
113	13 - 13 - 204 - 003 - 0000
114	13 - 13 - 204 - 004 - 0000
115	13 - 13 - 204 - 034 - 0000
116	13 - 13 - 204 - 035 - 0000
117	13 - 13 - 205 - 001 - 0000
118	13 - 13 - 205 - 002 - 0000
119	13 - 13 - 205 - 003 - 0000
120	13 - 13 - 205 - 004 - 0000
121	13 - 13 - 205 - 038 - 0000
122	13 - 13 - 206 - 038 - 0000
123	13 - 13 - 207 - 001 - 0000
124	13 - 13 - 207 - 002 - 0000
125	13 - 13 - 207 - 017 - 0000
126	13 - 13 - 207 - 018 - 0000
127	13 - 13 - 207 - 019 - 0000
128	13 - 13 - 207 - 020 - 0000
129	13 - 13 - 207 - 021 - 0000
130	13 - 13 - 207 - 022 - 0000
131	13 - 13 - 207 - 023 - 0000
132	13 - 13 - 207 - 024 - 0000
133	13 - 13 - 207 - 025 - 0000
134	13 - 13 - 207 - 026 - 0000

135	13 - 13 - 207 - 027 - 0000
136	13 - 13 - 207 - 028 - 0000
137	13 - 13 - 207 - 029 - 0000
138	14 - 7 - 318 - 001 - 0000
139	14 - 7 - 318 - 004 - 0000
140	14 - 7 - 318 - 006 - 0000
141	14 - 7 - 318 - 007 - 0000
142	14 - 7 - 318 - 008 - 0000
143	14 - 7 - 318 - 010 - 0000
144	14 - 7 - 318 - 011 - 0000
145	14 - 7 - 318 - 012 - 0000
146	14 - 7 - 318 - 013 - 0000
147	14 - 7 - 318 - 014 - 0000
148	14 - 7 - 318 - 030 - 0000
149	14 - 7 - 318 - 032 - 0000
150	14 - 7 - 318 - 033 - 0000
151	14 - 7 - 319 - 031 - 0000
152	14 - 7 - 319 - 032 - 0000
153	14 - 7 - 319 - 033 - 0000
154	14 - 7 - 319 - 034 - 0000
155	14 - 7 - 319 - 035 - 0000
156	14 - 7 - 319 - 037 - 0000
157	14 - 7 - 319 - 038 - 0000
158	14 - 7 - 320 - 042 - 0000
159	14 - 7 - 321 - 033 - 0000
160	14 - 7 - 321 - 036 - 0000
161	14 - 7 - 321 - 037 - 0000
162	14 - 18 - 100 - 001 - 0000
163	14 - 18 - 100 - 002 - 0000
164	14 - 18 - 100 - 003 - 0000
165	14 - 18 - 100 - 004 - 0000
166	14 - 18 - 100 - 005 - 0000
167	14 - 18 - 100 - 006 - 0000
168	14 - 18 - 100 - 011 - 0000
169	14 - 18 - 100 - 012 - 0000
170	14 - 18 - 100 - 013 - 0000
171	14 - 18 - 100 - 014 - 0000
172	14 - 18 - 100 - 015 - 0000
173	14 - 18 - 100 - 016 - 0000
174	14 - 18 - 100 - 017 - 0000
175	14 - 18 - 100 - 018 - 0000
176	14 - 18 - 100 - 019 - 0000
177	14 - 18 - 100 - 020 - 0000
179	14 - 18 - 100 - 021 - 0000
179	14 - 18 - 100 - 022 - 0000

Exhibit 3.
(To Ordinance)

Permanent Index Numbers.
(Page 3 of 3)

Tax Parcels included in the Lincoln Square
Special Service Area (#21)

180	14 - 18 - 100 - 024 - 0000
181	14 - 18 - 100 - 025 - 0000
182	14 - 18 - 100 - 026 - 0000
183	14 - 18 - 100 - 027 - 0000
184	14 - 18 - 100 - 028 - 0000
185	14 - 18 - 100 - 029 - 0000
186	14 - 18 - 100 - 030 - 0000
187	14 - 18 - 100 - 033 - 0000
188	14 - 18 - 101 - 001 - 0000
189	14 - 18 - 101 - 002 - 0000
190	14 - 18 - 101 - 003 - 0000
191	14 - 18 - 101 - 004 - 0000
192	14 - 18 - 101 - 005 - 0000
193	14 - 18 - 101 - 006 - 0000
194	14 - 18 - 101 - 007 - 0000
195	14 - 18 - 101 - 008 - 0000
196	14 - 18 - 101 - 009 - 0000
197	14 - 18 - 101 - 010 - 0000
198	14 - 18 - 101 - 021 - 0000
199	14 - 18 - 102 - 001 - 0000
200	14 - 18 - 102 - 002 - 0000
201	14 - 18 - 102 - 016 - 0000
202	14 - 18 - 102 - 017 - 0000
203	14 - 18 - 102 - 035 - 0000
204	14 - 18 - 102 - 036 - 0000
205	14 - 18 - 102 - 038 - 0000
206	14 - 18 - 102 - 039 - 0000
207	14 - 18 - 102 - 040 - 0000
208	14 - 18 - 106 - 001 - 0000
209	14 - 18 - 106 - 002 - 0000
210	14 - 18 - 106 - 003 - 0000
211	14 - 18 - 106 - 004 - 0000
212	14 - 18 - 106 - 060 - 0000
213	14 - 18 - 110 - 019 - 0000
214	14 - 18 - 110 - 020 - 0000
215	14 - 18 - 110 - 021 - 0000
216	14 - 18 - 110 - 022 - 0000
217	14 - 18 - 110 - 023 - 0000
218	14 - 18 - 110 - 024 - 0000
219	14 - 18 - 110 - 025 - 0000
220	14 - 18 - 111 - 002 - 0000
221	14 - 18 - 111 - 003 - 0000
222	14 - 18 - 111 - 042 - 0000
223	14 - 18 - 111 - 043 - 0000
224	14 - 18 - 111 - 044 - 0000

225	14 - 18 - 111 - 045 - 0000
226	14 - 18 - 111 - 046 - 0000
227	14 - 18 - 116 - 009 - 0000
228	14 - 18 - 116 - 010 - 0000
229	14 - 18 - 116 - 011 - 0000
230	14 - 18 - 117 - 001 - 0000
231	14 - 18 - 117 - 002 - 0000
232	14 - 18 - 117 - 003 - 0000
233	14 - 18 - 117 - 004 - 0000
234	14 - 18 - 123 - 002 - 0000
235	14 - 18 - 123 - 003 - 0000
236	14 - 18 - 123 - 004 - 0000
237	14 - 18 - 123 - 005 - 0000
238	14 - 18 - 123 - 006 - 0000
239	14 - 18 - 123 - 007 - 0000
240	14 - 18 - 123 - 008 - 0000
241	14 - 18 - 123 - 009 - 0000
242	14 - 18 - 123 - 010 - 0000
243	14 - 18 - 123 - 011 - 0000
244	14 - 18 - 123 - 012 - 0000
245	14 - 18 - 123 - 013 - 0000
246	14 - 18 - 123 - 014 - 0000
247	14 - 18 - 123 - 015 - 0000
248	14 - 18 - 123 - 021 - 0000
249	14 - 18 - 123 - 022 - 0000
250	14 - 18 - 124 - 001 - 0000
251	14 - 18 - 124 - 002 - 0000
252	14 - 18 - 124 - 003 - 0000
253	14 - 18 - 124 - 007 - 0000
254	14 - 18 - 124 - 008 - 0000
255	14 - 18 - 124 - 009 - 0000
256	14 - 18 - 124 - 010 - 0000
257	14 - 18 - 124 - 011 - 0000
258	14 - 18 - 124 - 012 - 0000
259	14 - 18 - 124 - 013 - 0000
260	14 - 18 - 124 - 014 - 0000
261	14 - 18 - 124 - 015 - 0000
262	14 - 18 - 124 - 016 - 0000
263	14 - 18 - 124 - 018 - 0000
264	14 - 18 - 124 - 019 - 0000
265	14 - 18 - 124 - 053 - 0000
266	14 - 18 - 124 - 054 - 0000
267	14 - 18 - 124 - 057 - 0000
268	14 - 18 - 124 - 058 - 0000

AUTHORIZATION FOR EXECUTION OF REDEVELOPMENT
AGREEMENT WITH CLARK TAYLOR, L.L.C.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the Commissioner of the Department of Planning and Development to execute a redevelopment agreement with Clark Taylor, L.L.C., 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 Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

Alderman Beavers 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:

WHEREAS, Pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on July 30, 1997 and published at pages 49089 and 49091 -- 49193 of the Journal of the Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (the "Plan") for the River South Redevelopment Project Area (the "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")); and

WHEREAS, Pursuant to an ordinance adopted by the City Council on July 30, 1997 and published at pages 49194 -- 49199 of the Journal of such date, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, Pursuant to an ordinance (the "T.I.F. Ordinance") adopted by the City Council on July 30, 1997 and published at pages 49199 -- 49206 of the Journal of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, Clark Taylor, L.L.C. (the "Developer"), intends to construct certain streets, alleys, utilities and additional improvements in the area generally bounded by West Polk Street, South Clark Street, West Roosevelt Road and South Wells Street and legally described on Exhibit A attached hereto and made a part hereof (the "Planned Development Property") on real property which will be dedicated to the City in order to, among other things, establish a new street grid to serve the portion of the Planned Development Property located west of the Metra right-of-way and other surrounding properties, as more fully described in the Redevelopment Agreement (as hereinafter defined); and

WHEREAS, In connection with and in consideration of such improvements and the Developer's dedication of such real property to the City, the City will cause certain City parcels to be vacated; and

WHEREAS, Such improvements, dedications and vacations (collectively, the "Project") are necessary for the redevelopment of the Area, of which the Planned Development Property is a part; and

WHEREAS, The Developer will be obligated to undertake the Project in accordance with the Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the 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 River South Redevelopment Project Area (as defined in the T.I.F. Ordinance) pursuant to Section 5/11-74.4-8(b) of the Act ("Incremental Taxes"); and

WHEREAS, Pursuant to its Resolution 00-CDC-54 adopted by the Community Development Commission of the City of Chicago (the "Commission") on April 11, 2000, the Commission published notice pursuant to Section 5/11-74.4-4(c) of the Act of the City's intention, acting through D.P.D., to negotiate a redevelopment agreement with the Developer for the Project and to request alternative proposals for redevelopment of the Property; and

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

WHEREAS, Since no other responsive proposals were received by D.P.D. for the redevelopment of the Property within fourteen (14) days after such publication, pursuant to Resolution 00-CDC-54, the Commission has recommended that the Developer be designated as developer for the Project and that D.P.D. be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Developer for the Project; now, therefore,

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

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

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

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

SECTION 4. The City Council of the City hereby finds that the City is authorized to issue its tax increment allocation revenue obligations in an aggregate amount not to exceed Eight Million Six Hundred Sixteen Thousand Seven Hundred Ninety-three Dollars (\$8,616,793) for the purpose of paying a portion of the eligible costs included within the Project.

SECTION 5. There shall be borrowed for and on behalf of the City an amount not to exceed Eight Million Six Hundred Sixteen Thousand Seven Hundred Ninety-three Dollars (\$8,616,793) for the payment of a portion of the eligible costs included within the Project. A note of the City in an amount up to Two Million Seven Hundred Nine Thousand Three Hundred Twenty-nine Dollars (\$2,709,329) (the "Phase I Note"), a second note of the City in an amount up to One Million Two Hundred Twenty-five Thousand Two Hundred Dollars (\$1,225,200) (the "Acquisition Note") and a third note of the City in an amount up to Four Million Six Hundred Eighty-two Thousand Two Hundred Sixty-four Dollars (\$4,682,264) (the "Phase II Note") shall be issued and each shall be designated "Tax Increment Allocation Revenue Note River South Redevelopment Project Area (LaSalle Park Public Improvements Project) (the "Notes"). The Notes shall be dated the date of delivery thereof, and shall also bear the date of authentication, shall be in fully registered form, shall be in the denomination of the maximum outstanding principal amount thereof and shall become due and payable as provided therein.

The Notes shall bear interest at a fixed interest rate equal to the lesser of (a) nine and zero tenths percent (9.0%) per annum, or (b) the sum of (i) the prime rate charged by Bank One, N.A. or any other major national banking association acceptable to the City as of the date the applicable Note is delivered, plus (ii) fifty hundredths percent (0.50%). Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months.

The principal of and interest on the Notes shall be paid by check or draft of the Comptroller of the City, as registrar and paying agent (the "Registrar") (or, at the City's sole election, by wire transfer of funds), payable in lawful money of the United States of America to the persons in whose names the Notes are registered at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment date; provided, that the final installment of the principal and accrued but unpaid interest of the Notes shall be payable in lawful money of the United States of America at the principal office of the Registrar or as otherwise directed by the City.

The seal of the City shall be affixed to or a facsimile thereof printed on the Notes, and the Notes shall be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City, and in case any officer whose signature shall appear on the Notes shall cease to be such officer before the delivery of the Notes, such signature shall nevertheless

be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

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

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

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

The person in whose name each Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of the Note shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid.

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

SECTION 7. The principal of the Notes shall be subject to redemption and prepayment as provided in the form of Notes attached to the Redevelopment Agreement as (Sub)Exhibits G-1 and G-2. As directed by the Commissioner, the Registrar shall proceed with redemptions without further notice or direction from the City.

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

SECTION 9. The Notes shall be prepared in substantially the form attached hereto as (Sub)Exhibits G-1 and G-2 to the Redevelopment Agreement.

SECTION 10. The Notes hereby authorized shall be executed as in this ordinance and the Redevelopment Agreement provided as soon after the passage hereof as may be practicable, and thereupon, be deposited with the Commissioner, and be by said Commissioner delivered to the Developer.

SECTION 11. (a) Special Tax Allocation Fund. Pursuant to the T.I.F. Ordinance, the City has created a special fund, designated as the River South Tax Increment Financing Redevelopment Project Area Special Tax Allocation Fund (the "Tax Allocation Fund").

The Comptroller of the City is hereby directed to maintain the Tax Allocation Fund as a segregated interest-bearing account, separate and apart from the General Fund or any other fund of the City, with a bank which is insured by the Federal Deposit Insurance Corporation or its successor. Pursuant to the T.I.F. Ordinance, all incremental ad valorem taxes received by the City for the Area are to be deposited into the Tax Allocation Fund.

(b) Developer Account. There is hereby created within the Tax Allocation Fund a special account to be known as the "LaSalle Park Public Improvements Account" (the "Developer Account"). Subject to the payment of the City Fee pursuant to Section 4.05(b) of the Redevelopment Agreement, the City shall designate and deposit into the LaSalle Park Public Improvements Account eighty percent (80%) of the incremental ad valorem taxes deposited into the Tax Allocation Fund attributable to increases in the equalized assessed value of the tax parcels comprising the Planned Development Property (the "Available Incremental Taxes"). Subject to the terms and conditions of the Redevelopment Agreement, (i) prior to the City's issuance of the Acquisition Note, the City shall use all such Available Incremental Taxes to make payments with respect to the Phase I Note, (ii) on and after issuance of the Acquisition Note, and prior to the issuance of the Phase II Note, the City shall use such Available Incremental Taxes first to make payments with respect to the Phase I Note until the Phase I Note has been fully repaid and then, if there should be any remaining Available Incremental Taxes, to make payments with respect to the Acquisition Note and (iii) on and after issuance of the Phase II Note, the City shall use such Available Incremental Taxes to make payments with respect to the Phase I Note until the Phase I Note has been fully repaid and then, if there should be any remaining Available Incremental Taxes, to make payments with respect to the Acquisition Note until the Acquisition Note has been fully repaid, and then, if there should be any remaining Available Incremental Taxes, to make payments with respect to the Phase II Note until the Phase II Note has been fully repaid. In the event that an event of default under the Redevelopment Agreement entitles the City to permanently terminate further payments of City Funds with respect to the Notes, the City may in its discretion, return the amounts in the Developer Account to the Tax Allocation Fund of the City and the Developer Account shall be closed.

(c) Pledge Of Developer Account. The City hereby assigns, pledges and dedicates the Developer Account, together with all amounts on deposit in the Developer Account, to the payment of the principal of and interest, if any, on the Notes when due, subject to the allocations set forth in Section 11(b) and the terms of the Redevelopment Agreement, including specifically, but without limitation, Section 4.03 thereof. Upon deposit, the monies on deposit in the Developer Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the applicable Developer Account. All monies on deposit in the Developer Account shall be used to pay the principal of and interest on the Notes, as applicable, at maturity or upon payment or redemption prior to maturity, in accordance with their terms, which payments from the Developer Account are hereby authorized and appropriated by the City. Upon payment of all amounts due under the Notes in accordance with their terms, the amounts on deposit in the Developer Account shall be deposited in the Tax Allocation Fund of the City and the Developer Account shall be closed.

SECTION 12. The Notes are a special limited obligation of the City, and are payable solely from amounts on deposit in the applicable Developer Account and shall be a valid claim of the registered owner thereof only against said sources. The Notes shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any constitutional or statutory provision. The registered owner(s) of the Notes shall not have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of or interest on the Notes.

SECTION 13. Monies on deposit in the Developer Account may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago. Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on the Notes.

SECTION 14. Pursuant to the Redevelopment Agreement, the Developer has agreed to acquire certain real property, construct certain public improvements and dedicate certain real property to the City. The eligible costs of such acquisition, construction and dedication, up to the amount of Eight Million Six Hundred Sixteen Thousand Seven Hundred Ninety-three Dollars (\$8,616,793) shall be deemed to be a disbursement of the proceeds of the Notes, as applicable. Upon issuance, the Phase I Note shall have an initial principal balance equal to the Developer's prior expenditures for T.I.F.-Funded Improvements relating to the Phase I Improvements (as such terms are defined in the Redevelopment Agreement), which principal balance may be increased thereafter in accordance with the terms of the Redevelopment Agreement up to a maximum amount of Two Million Seven Hundred Nine Thousand Three Hundred Twenty-nine Dollars (\$2,709,329). Upon issuance, the Acquisition Note shall have an initial principal balance equal to its maximum amount of One Million Two Hundred Twenty-five Thousand Two Hundred Dollars (\$1,225,200), or such lesser sum as the Developer may have paid for the Wells Street Parcel (as defined in the Redevelopment Agreement). Upon issuance, the Phase II Note shall have an initial principal balance equal to the Developer's prior expenditures for T.I.F.-Funded Improvements relating to the Phase II Improvements (as such term is defined in the Redevelopment Agreement), which principal balance may be increased thereafter in accordance with the terms of the Redevelopment Agreement up to a maximum amount of Four Million Six Hundred Eighty-two Thousand Two Hundred Sixty-four Dollars (\$4,682,264). After issuance, the principal amount outstanding under any Note shall be the initial principal balance of such Note (as the same may be increased in accordance with the terms of the Redevelopment Agreement), plus interest thereon, minus any principal amount and interest paid on the Notes and other reductions in principal as provided in the Redevelopment Agreement.

SECTION 15. The Registrar shall maintain a list of the names and addresses of the registered owners from time to time of the Notes and upon any transfer shall add the name and address of the new registered owner and eliminate the name and address of the transferor.

SECTION 16. The provisions of this ordinance shall constitute a contract between the City and the registered owners of the Notes. All covenants relating to the Notes are enforceable by the registered owners of the Notes.

SECTION 17. The Mayor, the Comptroller, the City Clerk, the Commissioner (or his or her designee) and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this ordinance.

SECTION 18. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 19. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 20. This ordinance shall be in full force and effect immediately upon its passage.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
(To Ordinance)

*LaSalle Park Public Improvements
Redevelopment Agreement.*

This LaSalle Park Public Improvements Redevelopment Agreement (this "Agreement") is made as of this ____ day of _____, 2000, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("D.P.D."), and Clark Taylor, L.L.C., a Delaware limited liability company (the "Developer").

Recitals.

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

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions 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 July 30, 1997: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the River South Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the River South Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the River South Redevelopment Project Area" (the "T.I.F. Adoption Ordinance"), (collectively referred to herein as the "T.I.F. Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in (Sub)Exhibit A hereto.

D. The Project: The Developer intends to construct certain streets, alleys, utilities and additional improvements in the area generally bounded by West Polk Street, South Clark Street, West Roosevelt Road and South Wells Street and legally described on (Sub)Exhibit B attached hereto and made a part hereof (the "Planned Development Property"). The real property in which such improvements shall be located shall be dedicated to the City on or before the Closing Date. The construction of such improvements will take place in two (2) phases. The first phase will include the improvements described in (Sub)Exhibit C-1 (the "Phase I Improvements"). The second phase, which is optional and shall be at the Developer's discretion, will include the improvements described in (Sub)Exhibit C-2 (the "Phase II Improvements"). The Phase I Improvements will establish a new street grid to serve the portion of the Planned Development west of the Metra right-of-way and other surrounding properties. As a condition to constructing the Phase I and Phase II Improvements, the City will cause the Old R.O.W. Property (as hereinafter defined) to be vacated and, in exchange, the Developer will dedicate the New R.O.W. Property (as hereinafter defined) (the "Vacations and Dedications"). The locations

of the rights-of-way to be vacated and dedicated are generally described on (Sub)Exhibit D-1 and are depicted on (Sub)Exhibit D-2. The time frames for completing the Phase I Improvements and, if undertaken, the Phase II Improvements, are set forth in Section 3.01 hereof. The Phase I and Phase II Improvements (including but not limited to those T.I.F.-Funded Improvements as defined below and set forth on (Sub)Exhibit E) 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 will be carried out in accordance with this Agreement and the City of Chicago River South Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") attached hereto as (Sub)Exhibit F, as amended from time to time.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) the proceeds of the City Notes (defined below) and/or (ii) Available Incremental Taxes (as defined below), to pay for or reimburse the Developer for the costs of T.I.F.-Funded Improvements pursuant to the terms and conditions of this Agreement and the City Notes.

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

Section 1.

Recitals.

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

Section 2.

Definitions.

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

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

"Available Incremental Taxes" shall mean an amount equal to eighty percent (80%) of the incremental taxes deposited in the river south redevelopment project area T.I.F. fund attributable to the taxes levied on the planned development property, less the amount of the city fee described in Section 4.05(c) hereof.

"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 each of the Certificates of Completion of Construction described in Section 7.01 hereof.

"Certificate of Expenditure" shall mean a certificate in the form of the certificate of expenditure attached as Schedule 1 to the city note.

"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 Fee" shall mean the fee described in Section 4.05(c) hereof.

"City Funds" shall mean the funds paid to the Developer pursuant to the city note(s).

"City Note -- Acquisition Parcel" shall mean the City of Chicago Tax Increment Allocation Revenue Note River South Redevelopment Project Area (Clark/Taylor, L.L.C. Project -- Acquisition Parcel), Taxable Series _____, to be in the form attached hereto as (Sub)Exhibit G-1, in the maximum principal amount of the One Million Two Hundred Twenty-five Thousand Two Hundred Dollars (\$1,225,200) to be issued by the City to the Developer on the date the City issues the Certificate under Section 7.01 for the phase I improvements. The city note -- acquisition parcel shall bear interest at an annual rate equal to the lesser of (x) nine percent (9.00%), and (y) the sum of (i) the prime rate charged by Bank One or any other major national banking association acceptable to the City as of the date such city note is delivered for authentication by the City Clerk, plus (ii) one-half percent (0.50%).

"City Note -- Phase I" shall mean the City of Chicago Tax Increment Allocation Revenue Note River South Redevelopment Project Area (Clark/Taylor, L.L.C. Project -- Phase I), Taxable Series _____, to be in the form attached hereto as

(Sub)Exhibit G-2, in the maximum principal amount of the lesser of (a) Two Million Seven Hundred Nine Thousand Three Hundred Twenty-nine Dollars (\$2,709,329), and (b) the actual cost of the phase I improvements itemized in the project budget (as the same may be amended in accordance with Section 3.05, but less One Million Two Hundred Twenty-five Thousand Two Hundred Dollars (\$1,225,200) for the Wells Street Parcel) that constitute public improvements, to be issued by the City to the Developer on the closing date. The city note -- phase I shall bear interest at an annual rate equal to the lesser of (x) nine percent (9.00%), and (y) the sum of (i) the prime rate charged by Bank One or any other major national banking association acceptable to the City as of the date such city note is delivered for authentication by the City Clerk, plus (ii) one-half percent (0.50%).

"City Note -- Phase II" shall mean the City of Chicago Tax Increment Allocation Revenue Note River South Redevelopment Project Area (Clark/Taylor, L.L.C. Project -- Phase II), Taxable Series _____, to be in the form attached hereto as (Sub)Exhibit G-2, in the maximum principal amount of the lesser of (a) Four Million Six Hundred Eighty-two Thousand Two Hundred Sixty-four Dollars (\$4,682,264), and (b) the actual cost of the phase II improvements itemized in the project budget (as the same may be amended in accordance with Section 3.05) that constitute public improvements, to be issued by the City to the Developer as described in Section 4.03 (c). The city note -- phase II shall bear interest at an annual rate equal to the lesser of (x) nine percent (9.00%), and (y) the sum of (i) the prime rate charged by Bank One or any other major national banking association acceptable to the City as of the date such city note is delivered for authentication by the City Clerk, plus (ii) one-half percent (0.50%).

"City Note(s)" shall mean one (1) or more of the City Note -- Phase I, the City Note -- Acquisition Parcel, and the City Note -- Phase II, as applicable.

"Closing Date" shall mean the date of execution and delivery of this Agreement by all parties hereto. For purposes of Section 5, "Closing Date" shall also mean the date of closing with respect to the issuance of the City Note -- Phase II, in the event the Developer elects to construct the phase II improvements.

"Construction Contract(s)" shall mean either the construction contract -- Phase I, or the construction contract -- Phase II, or both such contracts, as applicable.

"Construction Contract -- Phase I" shall mean that certain contract, substantially in the form attached hereto as (Sub)Exhibit H, between the Developer and the general contractor providing for construction of the Phase I improvements.

“Construction Contract-Phase II” shall mean the construction contract to be entered into between the Developer and the general contractor providing for construction of the phase II improvements.

“Corporation Counsel” shall mean the City’s Office of Corporation Counsel.

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

“Environmental Laws” shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601, et seq.); (ii) any so-called “Superfund” or “Superlien” law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802, et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902, et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401, et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251, et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601, et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136, et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1, et seq.); and (x) the Municipal Code of Chicago.

“Equity” shall mean funds of the Developer (other than funds derived from lender financing) irrevocably available for the Project, 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).

“Escrow” shall mean the construction escrow established pursuant to the escrow agreement.

“Escrow Agreement” shall mean the escrow agreement establishing a construction escrow, to be entered into by the title company (or an affiliate of the title company), the Developer and the Developer’s lender(s), which shall be in a form reasonably acceptable to D.P.D and the City’s Corporation Counsel.

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

“Financial Statements” shall mean compiled audited financial statements of the Developer reviewed 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 T.I.F. 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 river south redevelopment project area T.I.F. fund established to pay redevelopment project costs and obligations incurred in the payment thereof.

"Lender Financing" shall mean funds borrowed by the Developer from lenders and irrevocably available to pay for costs of the Project, in the amount set forth in Section 4.01 hereof.

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

"M.B.E./W.B.E. Budget" shall mean the budget attached hereto as (Sub)Exhibit I-2, as described in Section 10.03.

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

"New R.O.W. Property" shall mean the real property generally described on (Sub)Exhibit D-1 and depicted on (Sub)Exhibit D-2 as "New R.O.W. to be dedicated" that will be dedicated by the Developer as a public way as part of the Project, consisting of approximately one hundred twenty-one thousand sixteen (121,016) square feet.

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

"Old R.O.W. Property" shall mean the real property generally described on (Sub)Exhibit D-1 and depicted on (Sub)Exhibit D-2 as "Existing R.O.W. to be vacated" that will be vacated as part of the Project, consisting of approximately one hundred one thousand eighty-nine (101,089) square feet.

"Permitted Liens" shall mean those liens and encumbrances against the New R.O.W. Property and/or the Project set forth on (Sub)Exhibit J hereto.

"Phase I Improvements" shall mean the improvements described in (Sub)Exhibit C-1 attached hereto and made a part hereof.

"Phase II Improvements" shall mean the improvements described in (Sub)Exhibit C-2 attached hereto and made a part hereof.

"Planned Development" shall mean Residential-Business Planned Development Number 523, as approved by the City Council of the City on January 20, 1999 and published in the Journal of the Proceedings of the City Council for such date at pages 88332 -- 88369.

"Plans and Specifications" shall mean the final construction documents containing a site plan and working drawings and specifications for the Phase I Improvements and the Phase II Improvements, as applicable.

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

"Project Budget" shall mean the budget attached hereto as (Sub)Exhibit I-1 showing the total cost of the Project by line item, furnished by the Developer to D.P.D., in accordance with Section 3.03 hereof.

"Public Improvement Property" shall mean the Old R.O.W. Property and the New R.O.W. Property, collectively.

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

"Reimbursement Event" shall mean an act or omission of the Developer resulting in a Event of Default relating to: (ii) a material and intentional misrepresentation to the City relating to the Project; (ii) a fraudulent act or omission relating to the Project; (iii) a material and intentional misappropriation of funds from the uses set forth in the Project Budget resulting in the receipt by the Developer or a Developer Affiliate of additional fees, commissions or compensation not disclosed in the Project Budget or otherwise approved in writing by D.P.D.; (iv) use of City Funds for payment or reimbursement of amounts other than for T.I.F.-funded improvements or for payment of principal and interest on the City Notes; (v) a breach of the sale, refinancing, assignment and other provisions in Section 8.01(j) or Section 18.15; (vi) any material breach of Developer's representations, warranties or covenants regarding environmental matters contained in this

Agreement, as applicable; (vii) any material misrepresentation in any Economic Disclosure Statements and Affidavit submitted; or (viii) any receipt of City Funds after the occurrence of an Event of Default under this Agreement, or the occurrence of an event which, if prompt notice of such event had been given, would have entitled the City to withhold, suspend, reduce or terminate the disbursement of such City Funds under this Agreement.

"Requisition Form" shall mean the document, in the form attached hereto as (Sub)Exhibit K, to be delivered by the Developer to D.P.D. pursuant to Section 4.04 of this Agreement.

"River South Redevelopment Project Area T.I.F. 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.

"Scope Drawings" shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the applicable phase of 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 New R.O.W. Property dated within forty-five (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 New R.O.W. Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the New R.O.W. Property in connection with the construction of the Phase I Improvements and the Phase II Improvements as required by the City (or lender(s) providing Lender Financing).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the earlier of: (a) any date to which D.P.D. and the Developer have agreed, or (b) the date on which all amounts due under the City Notes have been paid. If the Developer elects not to construct the Phase II Improvements, the determination of the Term of the Agreement shall be made without reference to the City Note -- Phase II.

"T.I.F.-Funded Improvements" shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan, (iii) are set forth in the Project Budget and (iv) the City has agreed to pay for out of the Available Incremental Taxes, subject to the terms of this Agreement.

"Title Company" shall mean Ticor Title Insurance Company.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the City as the insured with respect to the New R.O.W. Property and the Developer as the insured with respect to the Old R.O.W. Property, noting the recording of this Agreement as an encumbrance against the New R.O.W. Property.

"W.A.R.N. Act" shall mean the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101, et seq.).

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

"Wells Street Parcel" shall mean the triangular parcel of real property to be acquired by the Developer and to become a portion of the New R.O.W. Property that is generally described on (Sub)Exhibit D-1 and depicted on (Sub)Exhibit D-2.

Section 3.

The Project.

3.01 The Project.

The Developer shall, (a) with respect to the Phase I Improvements, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence construction within one hundred eighty (180) days of the Closing Date; and (ii) complete construction within two (2) years of the commencement of construction of the Phase I Improvements; and (b) with respect to the Phase II Improvements, pursuant to the Plans and Specifications approved by D.P.D. in accordance with Section 3.02, and subject to the next sentence and the provisions of Section 18.17 hereof: (i) commence construction no later than June 30, 2004; and (ii) complete construction by June 30, 2006. Developer's failure to commence construction of the Phase II Improvements by June 30, 2004 shall not be a default under this Agreement but shall be deemed an election by the Developer to not construct such improvements, meaning the City shall thereafter have the right to construct such improvements itself, reimburse itself from the Available Incremental Taxes for the cost of such improvements, and not issue the City Note-Phase II to the Developer. Once the Developer commences the Phase II Improvements prior to June 30, 2004, however, the Developer shall thereafter be obligated to complete such improvements in accordance with the terms of this Agreement. The dates set forth

in this Section 3.01 may be extended by the Commissioner, in his sole discretion.

3.02 Scope Drawings And Plans And Specifications.

The Developer has delivered the Scope Drawings and Plans and Specifications for the Phase I Improvements, and the Scope Drawings for the Phase II Improvements, to D.P.D. and D.P.D. has reviewed same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to D.P.D. 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 amended from time to time and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit any other necessary documents to such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project. Final Plans and Specifications for the Phase II Improvements shall be approved by D.P.D. and any other necessary City departments prior to commencement of such construction of such improvements.

3.03 Project Budget.

The Developer has furnished to D.P.D., and D.P.D. has approved, a Project Budget showing total costs for the Project in an amount not less than Three Million Nine Hundred Thirty-four Thousand Five Hundred Twenty-nine Dollars (\$3,934,529) for the Phase I Improvements (including One Million Two Hundred Twenty-five Thousand Two Hundred Dollars (\$1,225,200) for the cost of the Wells Street Parcel) and not less than Four Million Six Hundred Eighty-two Thousand Two Hundred Sixty-four Dollars (\$4,682,264) for the Phase II Improvements. The Developer hereby certifies to the City that (a) it has Lender Financing and Equity in an amount sufficient to pay for all Redevelopment Project Costs for the Phase I Improvements; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to D.P.D. 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 D.P.D. concurrently with the progress reports described in Section 3.07 hereof. Only Change Orders relating to a delay in the commencement or completion of the Phase I Improvements or the Phase II Improvements will require D.P.D.'s prior written approval. The

Construction Contracts, 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 Available Incremental Taxes 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 One Hundred Thousand and no/100 Dollars (\$100,000.00) each, to an aggregate amount of One Million and no/100 Dollars (\$1,000,000.00), do not require D.P.D.'s prior written approval as set forth in this Section 3.04, but D.P.D. shall be notified in writing of all such Change Orders and the Developer, in connection with such notice, shall identify to D.P.D. the source of funding therefor.

3.05 D.P.D. Approval.

Any approval granted by D.P.D. 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 D.P.D. pursuant to this Agreement constitute approval of the quality, structural soundness or safety of any improvements or the Project. Without limiting the generality of the foregoing, nothing in this Agreement shall be construed to relieve the Developer of its obligation to comply with (a) all requirements applicable to a private party's construction of public improvements, whether such requirements arise under the Municipal Code, under Department of Transportation, Department of Water or Department of Sewers policies and standards, as a result of Board of Underground responses, or otherwise, or (b) the requirements of the Planned Development (the Developer acknowledging and agreeing that this Agreement does not modify the Planned Development in any way).

3.06 Other Approvals.

Any D.P.D. 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 either phase of the Project until the Developer has obtained all necessary permits and approvals (including but not limited to D.P.D.'s approval of the Scope Drawings and Plans and Specifications) for such phase of the Project and proof of the General Contractor's and each subcontractor's bonding (and the posting of any required letters of credit) as required under the Municipal Code and under any applicable City department policies. Nothing in this Section 3.06 shall be construed to obligate any subcontractor to obtain any bond or post any letter of credit not otherwise required under the Municipal Code.

3.07 Progress Reports And Survey Updates.

The Developer shall provide D.P.D. with written quarterly progress reports dated as of March 31st, June 30th, September 30th and December 31st 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 D.P.D.'s written approval pursuant to Section 3.04). Upon completion of the Phase I Improvements, if applicable, and then subsequently upon completion of the Phase II Improvements, the Developer shall provide three (3) copies of an updated Survey to D.P.D. upon the request of D.P.D. or any lender providing Lender Financing, reflecting improvements made to the New R.O.W. Property.

3.08 Barricades.

Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and regulations. D.P.D. retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all required barricades, if any.

3.09 Signs And Public Relations.

The Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Planned Development 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 Planned Development Property and the Project in the City's promotional literature and communications.

3.10 Utility Connections.

The Developer may connect all on-site water, sanitary, storm and sewer lines constructed on the New R.O.W. Property to City utility lines existing on or near the perimeter of the New R.O.W. Property, provided the Developer first complies with all City requirements and Board of Underground response requirements governing such connections, including the payment of customary fees and costs related thereto.

3.11 Permit Fees.

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

Section 4.

Financing.

4.01 Total Project Cost And Sources Of Funds.

The cost of the Project is estimated to be Eight Million Six Hundred Sixteen Thousand Seven Hundred Ninety-three Dollars (\$8,616,793), to be applied between the two (2) phases in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to Sections 4.03(b) and 4.06) and/or Lender Financing	\$8,616,793
Estimated Total:	\$8,616,793

4.02 Developer Funds.

Equity and/or Lender Financing shall be used to pay all Project Costs, including but not limited to Redevelopment Project Costs and costs of T.I.F.-Funded Improvements.

4.03 City Funds.

(a) Uses Of City Funds. City Funds may be used to reimburse the Developer only for costs of T.I.F.-Funded Improvements that constitute Redevelopment Project Costs. (Sub)Exhibit E sets forth, by line item, the T.I.F.-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Section 4.05(d)), contingent upon receipt by the City of documentation satisfactory in form and substance to D.P.D. evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources Of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to reserve City funds from the sources and in the amounts described directly below (the "City Funds") to pay for or reimburse the Developer for the costs of the T.I.F.-Funded Improvements:

Source Of City Funds	Maximum Amount
City Notes (to be repaid from Available Incremental Taxes)	\$8,616,793*

provided, however, that such Available Incremental Taxes shall be available and allocated to pay principal and interest on the City Notes only so long as:

- (i) the amount of the Incremental Taxes deposited into the River South T.I.F. Fund that comprise Available Incremental Taxes under this Agreement shall be sufficient to pay for such costs; and
- (ii) the City has been reimbursed from Available Incremental Taxes for the amount previously disbursed by the City for T.I.F.-Funded Improvements (including, without limitation, the cost of the Phase II Improvements, in the event the Developer elects not to construct such improvements and the City subsequently constructs such improvements); and
- (iii) the City has been paid the City Fee payable to Section 4.05(c).

The Developer acknowledges and agrees that the City's obligation to pay for T.I.F.-Funded Improvements up to the Maximum Amount is contingent upon the fulfillment of the conditions set forth in parts (i), (ii) and (iii) above.

(c) City Notes. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue the City Note -- Phase I to the Developer on the Closing Date. Upon issuance of the City Note -- Phase I, the initial outstanding principal indebtedness due thereunder shall equal the Prior Expenditures for T.I.F.-Funded Improvements for the Phase I Improvements approved by D.P.D. as of the Closing Date, as shown on

* Maximum principal amount of City Notes; does not include interest that may accrue thereon, which interest may also be paid from Available Incremental Taxes.

(Sub)Exhibit L, plus such additional expenditures for T.I.F.-Funded Improvements as may be approved by D.P.D.. Thereafter, the Developer may request increases in the outstanding principal indebtedness thereunder in accordance with Section 4.04 below. In no event shall the outstanding principal indebtedness of the City Note -- Phase I be increased above Two Million Seven Hundred Nine Thousand Three Hundred Twenty-nine Dollars (\$2,709,329)

Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue the City Note -- Acquisition Parcel to the Developer upon the issuance of a Certificate for the Phase I Improvements. Upon issuance of the City Note -- Phase I, the initial outstanding principal indebtedness due thereunder shall be One Million Two Hundred Twenty-five Thousand Two Hundred Dollars (\$1,225,200), representing the acquisition price of the Wells Street Parcel. The Developer shall have the right to assign the Note to the seller of the Wells Street Parcel pursuant to that certain Development and Reimbursement Agreement dated 2000 between the Developer and such seller.

Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03, Section 3.01 and Section 5 hereof, the City hereby agrees to issue the City Note -- Phase II to the Developer upon the Developer's satisfaction of the following prior to the date specified in Section 3.01: (x) delivery of written notice to the City on or before June 30, 2004 of its intent to construct the Phase II Improvements and evidence of financing to complete the Phase II Improvements, and (z) the Developer's actual commencement of construction of such improvements prior to such date. The initial outstanding principal indebtedness due under the City Note -- Phase II shall equal the prior expenditures for T.I.F.-Funded Improvements for the Phase II Improvements approved by D.P.D. as of such date. Thereafter, the Developer may request increases in the outstanding principal indebtedness thereunder in accordance with Section 4.04 below. In no event shall the outstanding principal indebtedness of the City Note -- Phase II be increased above Four Million Six Hundred Eighty-two Thousand Two Hundred Sixty-four Dollars (\$4,682,264).

The City's obligation to make payments under the City Notes is subject to the amount of Available Incremental Taxes being sufficient for such payments. Such Available Incremental Taxes shall be the sole source of payment for the City Notes. Initially, all Available Incremental Taxes shall be applied first to make payments with respect to the City Note -- Phase I. Upon issuance of the City Note -- Acquisition Parcel, and prior to the issuance of the City Note -- Phase II, Available Incremental Taxes shall be applied first to make payments with respect to the City Note -- Phase I (if not previously repaid), and then to make payments with respect to the City Note -- Acquisition Parcel. After the issuance of the City Note -- Phase II, the Available Incremental Taxes shall be applied first to make payments with

respect to the City Note -- Phase I (if not previously repaid), then to make payments with respect to the City Note -- Acquisition Parcel (if not previously repaid), and then to make payments with respect to the City Note -- Phase II.

4.04 Requisition Form.

On the Closing Date and up to four (4) times per year thereafter throughout the Term of the Agreement, the Developer may provide D.P.D. with a Requisition Form with respect to the City Note -- Phase I (and, after issuance of the City Note -- Acquisition Parcel and the City Note -- Phase II), along with the documentation described therein. Within sixty (60) days of receipt of each such date (or such other date as may be acceptable to the parties), the Developer shall meet with D.P.D. at the request of D.P.D. to discuss the Requisition Form(s) previously delivered. If D.P.D. approves the Requisition Form(s) (or some portion of the amount set forth therein) and executes a Certificate of Expenditure, the outstanding principal indebtedness under the applicable City Note shall then be increased by the amount set forth in such Certificate of Expenditure. After completion of construction of the Phase I Improvements and, if applicable, the Phase II Improvements, Requisition Forms for the respective City Notes will be submitted annually to request payments with respect to the applicable Note(s). In no instance shall the Developer submit a Requisition Form that includes costs for correcting deficient work, replacing deficient materials, or other costs attributable to a failure to initially build the Phase I Improvements or the Phase II Improvements in accordance with all applicable laws and City requirements.

4.05 Treatment Of Prior Expenditures And Subsequent Disbursements.

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

(b) City Fee. Annually, the City may allocate an amount not to exceed the twenty percent (20%) of the Incremental Taxes from the tax parcels comprising the Planned Development (i.e., the remaining Incremental Taxes not reserved under the definition of "Available Incremental Taxes" and Section 4.03(b) hereof) for payment of costs incurred by the City for the administration and monitoring of the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds under any City Notes.

(c) Allocation Among Line Items. Disbursements for expenditures related to T.I.F.-Funded Improvements may be allocated to and charged against any line items with the prior written consent of D.P.D., which shall not be unreasonably withheld, provided, however, that not more than One Million Two Hundred Twenty-five Thousand Two Hundred Dollars (\$1,225,200) may be allocated for the acquisition of the Wells Street Parcel.

4.06 Cost Overruns.

If the aggregate cost of the T.I.F.-Funded Improvements exceeds City Funds available pursuant to Section 4.03 hereof, the Developer shall be solely responsible for such excess costs, and shall hold the City harmless from any and all costs and expenses of completing the T.I.F.-Funded Improvements in excess of City Funds.

4.07 No Compensation For Vacations And Dedications.

The City has determined that the total value of the vacated Old R.O.W. Property is approximately equal to the total value of the dedicated New R.O.W. Property. Accordingly, no compensation shall be paid by the Developer to the City, nor by the City to the Developer, for any such vacations and dedications.

Section 5.

Conditions Precedent.

The following conditions shall be complied with to the City's satisfaction within the time periods set forth below or, if no time period is specified, five (5) business days prior to the Closing Date, and five (5) business days prior to the issuance of the City Note -- Phase II, as applicable:

5.01 Project Budget.

Project Budget. The Developer shall have submitted to D.P.D. and D.P.D. shall have approved, a Project Budget for the applicable phase of the Project in accordance with the provisions of Section 3.03 hereof.

5.02 Scope Drawings And Plans And Specifications.

The Developer shall have submitted to D.P.D., and D.P.D. shall have approved, the Scope Drawings and Plans and Specifications for the applicable phase of the Project in accordance with the provisions of Section 3.02 hereof.

5.03 Other Governmental Approvals.

The Developer shall have secured all other necessary approvals and permits for commencement of the Phase I Improvements or Phase II Improvements, as applicable, required by any state, federal or local statute, ordinance or regulation and shall submit evidence thereof to D.P.D.

5.04 Financing.

The Developer shall have 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 applicable phase of the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer shall have furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity set forth in Section 4.01) to complete such phase of the Project. Prior to the Closing Date, the Developer shall deliver to D.P.D. a copy of the construction escrow agreement entered into by the Developer regarding the Lender Financing.

5.05 Acquisition And Title.

On The Closing Date, the Developer shall furnish the City with a copy of the Title Policy with respect to the Phase I Improvements. The Title Policy shall be dated as of the Closing Date and shall contain only those title exceptions listed as Permitted Liens on (Sub)Exhibit J hereto and shall evidence the recording of this agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy shall also contain such endorsements as shall be required by Corporation Counsel,

including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning, access and survey. The Developer shall provide to D.P.D., prior to the Closing Date, the Developer's contract with the owner of the Wells Street Parcel pursuant to which such owners shall dedicate such Parcel to the City and certified copies of all easements and encumbrances of record with respect to the New R.O.W. Property associated with the Phase I Improvements. Comparable deliveries shall be made five (5) business days prior to the Closing Date for the Phase II Improvements.

5.06 Evidence Of Clean Title.

The Developer, at its own expense, shall have provided the City with current searches under the names of the Developer, C.T.L. Investors, L.L.C., W. H. Limited Partnership No. 17, W/H Development Corporation, Asworth Corporation, Matthew M. Walsh, Jr., Daniel J. Walsh and John W. Higgins, as follows:

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

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

5.07 Surveys.

The Developer shall have furnished the City with three (3) copies of the Survey.

5.08 Insurance.

The Developer, at its own expense, shall have delivered the certificates required pursuant to Section 12 hereof evidencing the required coverages to D.P.D. with respect to the construction of the Phase I Improvements or Phase II Improvements, as applicable.

5.09 Opinion Of The Developer's Counsel.

The Developer shall furnish the City with a draft opinion of counsel, substantially in the form attached hereto as (Sub)Exhibit M, with such changes as may be required by or acceptable to Corporation Counsel, with the original opinion to be delivered on the Closing Date. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in (Sub)Exhibit M hereto, such opinions shall be obtained by the Developer from its general corporate counsel.

5.10 Evidence Of Prior Expenditures.

The Developer shall have provided evidence satisfactory to D.P.D. in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.05(a) hereof.

5.11 Financial Statements.

The Developer shall have provided financial statements to D.P.D. for its last two (2) complete fiscal years, and interim financial statements for the current year to date.

5.12 Documentation.

The Developer shall have provided documentation to D.P.D., satisfactory in form and substance to D.P.D., with respect to current employment matters and its ability to satisfy M.B.E./W.B.E. and City resident employment standards. Such evidence shall include, without limitation: the Developer's M.B.E./W.B.E. Utilization Plan, including Schedules C and D; evidence that the General Contractor has met at least once with, and provided bid documents to, applicable M.B.E./W.B.E. contractor associations; and evidence of meeting with D.P.D.'s monitoring staff.

5.13 Environmental.

Not less than thirty (30) days prior to the Closing Date, the Developer shall have provided D.P.D. with copies of any Phase I environmental audits completed with respect to the Planned Development Property or the New R.O.W. Property. Based on the City's review thereof, the City may, in its sole discretion, require the completion of a Phase II environmental audit with respect to the Planned Development Property or New R.O.W. Property prior to the Closing Date. The City reserves the right to terminate negotiations with respect to this Agreement if, in the City's view, such audits reveal the existence of material environmental problems. Prior to the Closing Date, the Developer shall provide 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 Corporate Documents.

The Developer shall provide a copy of its Articles of Organization containing the original certification of the Secretary of State of its state of formation; certificates of good standing or existence from the Secretary of State of its state of incorporation and all other states in which the Developer is qualified to do business; a managing member's certificate in such form and substance as the Corporation Counsel may require attaching the Developer's operating agreement and evidence of requisite consent to the Redevelopment Agreement; and such other limited liability company documentation as the City may request. Comparable documentation shall, if requested by the City, be provided for the Developer's members and the upper-tier owner(s) of such members.

5.15 Litigation.

The Developer shall provide to Corporation Counsel and D.P.D., a description of all pending or threatened litigation or administrative proceedings involving the Developer (and, if requested by the City, the parties named in Section 5.06), specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

5.16 Construction Clearance.

The Developer shall provide D.P.D. with such Board of Underground documents, plats of vacation and dedication and related ordinances as D.P.D. may require in order to vacate the Old R.O.W. Property, dedicate the New R.O.W. Property and

complete construction of the Phase I Improvements and Phase II Improvements, as applicable, within the applicable time frame set forth in Section 3.01.

5.17 Preconditions Of Disbursement.

Prior to each request for an increase in the principal amount of any City Note (an "Increase Request") and prior to each disbursement (a "Payment Request") of City Funds pursuant to any City Note, the Developer shall submit documentation of such expenditures to D.P.D., which shall be satisfactory to D.P.D. in its sole discretion. Delivery by the Developer to D.P.D. of an Increase Request or Requisition Form including a Payment Request shall, in addition to the items set forth in any Requisition Form, constitute a certification to the City, as of the date of such delivery that:

(a) with respect to any Increase Request, such request represents the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the phase of the Project to which the request relates, and/or their payees;

(b) with respect to any Increase Request, all amounts shown as previous payments on the Requisition Form have been paid to the parties entitled to such payment;

(c) with respect to any Increase Request, the Developer has approved all work and materials to date for the phase of the Project to which the request relates, and such work and materials conform to the Plans and Specifications;

(d) with respect to any Increase Request or Payment Request, 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) with respect to any Increase Request or Payment Request, the Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the New R.O.W. Property except for the Permitted Liens;

(f) with respect to any Increase Request or Payment Request, 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; provided, however that if the Event of Default relates only to the Phase I Improvement or the Phase II Improvements (and not the entire Project), the City shall continue

to make disbursements with respect to the City Note applicable to the phase of the Project that is not in default; and

(g) with respect to Increase Requests only, the phase of the Project to which the request relates is In Balance. Such phase shall be deemed to be in balance ("In Balance") only if the total of the available Project funds for such phase of the Project equals or exceeds the aggregate amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of such phase. "Available Project Funds" as used herein shall mean: (i) the undisbursed Lender Financing, if any, for such phase; (ii) the undisbursed Equity for such phase, and (iii) any other amounts deposited by the Developer pursuant to this Agreement, or otherwise. The Developer hereby agrees that, if such phase of the Project is not In Balance, the Developer shall, within ten (10) days after a written request by the City, deposit with the City or the escrow agent, cash (or other evidence of Equity or Lender Financing) in an amount that will place such phase of the Project In Balance, which deposit shall first be exhausted before any further increase in the principal amount of any City Note or disbursement of any City Funds shall be made.

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. In addition, the Developer shall have satisfied all other preconditions to increases in the principal amount of the City Note and disbursement of City Funds, including but not limited to requirements set forth in the Bond Ordinance, if any, T.I.F. Bond Ordinance, if any, the Bonds, if any, the T.I.F. Bonds, if any, the T.I.F. Ordinances, this Agreement and/or the Escrow Agreement.

Section 6.

Agreements With Contractors.

6.01 Bid Requirement For General Contractor And Subcontractors.

Prior to entering into an agreement with a General Contractor or any subcontractor for construction of either phase of the Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, the City of Chicago, and shall submit all

bids received to D.P.D. for its inspection and written approval. For the T.I.F.-Funded Improvements, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the T.I.F.-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. The Developer shall submit copies of the Construction Contracts to D.P.D. in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the T.I.F.-Funded Improvements shall be provided to D.P.D. 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 D.P.D. and all requisite permits have been obtained.

6.02 Construction Contract.

Prior to the execution thereof, the Developer shall deliver to D.P.D. a copy of the proposed Construction Contract -- Phase I with the General Contractor selected to handle the Phase I Improvements in accordance with Section 6.01 above, for D.P.D.'s prior written approval to determine whether said contract conforms with this Agreement, which shall be granted or denied within ten (10) business days after delivery thereof. If D.P.D. should deny approval, it shall provide a written explanation of the grounds for denial. Within ten (10) business days after execution of the Construction Contracts by the Developer, the General Contractor and any other parties thereto, the Developer shall deliver to D.P.D. and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto. Prior to commencement of the Phase II Improvements, the Developer shall similarly deliver to D.P.D. a copy of the proposed Construction Contract -- Phase II with the General Contractor selected to handle the Phase II Improvements in accordance with Section 6.01 above, for D.P.D.'s prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. If D.P.D. should deny approval, it shall provide a written explanation of the grounds for denial.

6.03 Performance And Payment Bonds.

Prior to commencement of construction of any portion of the Project which includes work in the public way (or real property that is to become public way as part of the Project), the Developer shall require that the General Contractor be

bonded for its performance and payment by sureties having an AA rating or better using American Institute of Architect's Form Number A311 or its equivalent. The City shall be named as obligee or co-obligee on such bond.

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 Contracts and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 10.03 (M.B.E./W.B.E. Requirements; General Contractor only), 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 T.I.F.-Funded Improvements shall be provided to D.P.D. within five (5) business days of the execution thereof.

Section 7.

Completion Of Construction Or Rehabilitation.

7.01 Certificate Of Completion Of Construction.

Upon completion of the construction of the Phase I Improvements in accordance with the terms of this Agreement, and confirmation that any required security, if any, for the Phase I Improvements has been provided (whether bonds, letters of credit or otherwise), and upon the Developer's written request, D.P.D. shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to construct the Phase I Improvements in accordance with the terms of this Agreement.

Upon completion of the construction of the Phase II Improvements in accordance with the term of this Agreement, and confirmation that any required security, if any for the Phase II Improvements has been provided (whether bonds, letters of credit or otherwise, and upon the Developer's written request, D.P.D. shall issue to the

Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to construct the Phase II improvements in accordance with the terms of this Agreement.

D.P.D. shall respond to the Developer's written request for a Certificate within thirty (30) 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.

7.02 Effect Of Issuance Of Certificate; Continuing Obligations.

Each Certificate relates only to D.P.D.'s approval for construction of the applicable phase of the Project for purposes of commencing payments under the applicable City Note, and upon the Certificate's 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 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. Such terms and conditions shall be binding upon the Developer and any 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. No further increases in the outstanding principal amount of any City Note shall occur after the issuance of a Certificate for the applicable phase of the Project.

7.03 Failure To Complete.

If the Developer fails to complete either the Phase I Improvements or commences and then fails to complete the Phase II Improvements in accordance with the terms of this Agreement, then the City shall have, but shall not be limited to, any of the following rights and remedies:

- (a) the right to terminate this Agreement and the City Note for such phase of the Project and cease all payments of City Funds not yet paid pursuant to such City Note;

(b) the right (but not the obligation) to complete any Phase I Improvements or Phase II Improvements that are public improvements and to pay for the costs of T.I.F.-Funded Improvements (including interest costs) out of City Funds or other City monies. The Developer acknowledges and agrees that the City's exercise of such right with respect to the City's construction of the Phase II Improvements shall entitle the City to the priority payment of all Available Incremental Taxes until such time as the City has been paid for all of its costs, at which time the Developer shall again be entitled to the payment of such Available Incremental Taxes with respect to the City Note -- Phase I and the City Note -- Acquisition Parcel, to the extent that the Developer remains entitled at such time to further payments with respect to such City Note(s); and

(c) the right to seek reimbursement of any amounts previously paid to the Developer pursuant to the applicable City Note (if any) for the uncompleted phase of the Project.

7.04 Notice Of Expiration Of Term Of Agreement.

Upon the expiration of the Term of the Agreement, D.P.D. 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, or for such shorter period as may be expressly set forth below, that:

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

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

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary limited liability company action, and does not and will not violate its Articles of Organization or operating agreement, as amended and supplemented, any applicable provision of law, or constitute a material 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) [Intentionally Omitted];

(e) at all times prior to the issuance of the final Certificate under Section 7.01 hereof, the Developer will be solvent and able to pay its debts as they mature;

(f) at all times prior to the issuance of the final Certificate under Section 7.01 hereof, there will be no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting any Developer Parties that would impair the Developer's ability to perform under this Agreement;

(g) prior to commencing construction of each phase of the Project, the Developer shall obtain and shall thereafter maintain and comply with, all government permits, certificates and consents (including, without limitation, appropriate Department of Transportation, Department of Sewers and Department of Water consents, Board of Underground requirements and environmental approvals) necessary to conduct its business and to construct and complete the Phase I Improvements and the Phase II Improvements;

(h) at all times prior to the issuance of the final Certificate under Section 7.01 hereof, the Developer will be in material compliance with 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) until the issuance of the final Certificate under Section 7.01, the Developer shall not do any of the following without the prior written consent of D.P.D.: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets if such event would

adversely affect its ability to perform its obligations under this Agreement, it being understood that absent such adverse affect, the Developer will be free to transfer all or any portion of the remainder of the Planned Development site; (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 D.P.D., allow the existence of any liens against the New R.O.W. Property other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the New R.O.W. Property or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget;

(l) neither the Developer nor any Developer Affiliate has made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into the Agreement or any City Contract with the Developer in violation of Chapter 2-156-120 of the Municipal Code of the City.

8.02 Covenant To Redevelop.

Upon D.P.D.'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 (subject to the Developer's right to elect to not commence the Phase II Improvements) complete the Project in accordance with this Agreement and all (sub)exhibits attached hereto, the T.I.F. Ordinances, the Scope Drawings, Plans and Specifications, the Planned Development, all Board of Underground requirements, the 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 New R.O.W. Property and/or the Developer. The covenants set forth in this section shall run with the New R.O.W. Property and be binding upon any transferee.

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 attached hereto.

8.04 Use Of City Funds.

City Funds disbursed to the Developer shall be used by the Developer solely to reimburse the Developer for its prior payment of the T.I.F.-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 Project, the proceeds of which are to be used to reimburse the City for expenditures made in connection with the T.I.F.-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. If the City issues such Bonds, it may use the proceeds to repay any City Notes outstanding under this Agreement, without premium or penalty.

8.06 Job Creation And Retention; Covenant To Remain In The City.

[Intentionally Omitted]

8.07 Employment Opportunity; Progress Reports.

The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City on a monthly basis to D.P.D.. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to D.P.D. which shall outline, to D.P.D.'s satisfaction, the manner in which the Developer shall correct any shortfall.

8.08 Employment Profile.

The Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to D.P.D., from time to time, statements of its employment profile upon D.P.D.'s request.

8.09 Prevailing Wage.

The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09.

8.10 Arms-Length Transactions.

Except as disclosed in the Project Budget, and unless D.P.D. shall have given its prior written consent with respect thereto, neither the Developer nor any 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 T.I.F.-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 D.P.D.'s request, prior to any such disbursement.

8.11 Conflict Of Interest.

Pursuant to Section 5/11-74.4-4(n) of the Act, to the actual knowledge of Michael O'Connor and John Higgins, no member, official or employee of the City exercising authority over the Project, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer with respect thereto, owns or controls, has owned or controlled or intends to 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 intends to own or control any interest, direct or indirect, in

the business of the Developer or any Affiliate thereof, the New R.O.W. Property, the Planned Development Property or any other real property in the Redevelopment Area.

8.12 Disclosure Of Interest.

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

8.13 Financial Statements.

The Developer shall obtain and provide to D.P.D. Financial Statements for the Developer's fiscal year ended December 31, 1999 and each fiscal year thereafter 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 D.P.D. may request.

8.14 Insurance.

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

8.15 Non-Governmental Charges.

(a) Payment Of Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the New R.O.W. 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 New R.O.W. 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 D.P.D., within thirty (30) days of D.P.D.'s request, official receipts from the appropriate entity, or other proof satisfactory to D.P.D., evidencing payment of the Non-Governmental Charge in question.

(b) Right To Contest. The Developer shall have 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 New R.O.W. Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or

(ii) at D.P.D.'s sole option, to furnish a good and sufficient bond or other security satisfactory to D.P.D. in such form and amounts as D.P.D. 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 New R.O.W. Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charge and all interest and penalties upon the adverse determination of such contest.

8.16 Developer's Liabilities.

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

8.17 Compliance With Laws.

To the best of the Developer's knowledge, after diligent inquiry, the New R.O.W. Property and the Project are and shall be in compliance with the Planned Development, all Board of Underground requirements and all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Public Improvement Property. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording And Filing.

The Developer shall cause this Agreement, certain (sub)exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of Cook County. This Agreement shall be recorded prior to any mortgages that encumber any portion of the Public Improvement Property, provided, however, that if any such mortgages have already been recorded, a subordination agreement in a form acceptable to D.P.D. will be prepared, executed and recorded. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment Of Governmental Charges. The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the New R.O.W. Property or the Project, or become due and payable, and which create, may create or appear to create a lien upon the Developer or all or any portion of the New R.O.W. Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to the Developer, the New R.O.W. Property or the Project including but not limited to real estate taxes.

(ii) Right To Contest. The Developer shall have 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 New R.O.W. 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 D.P.D. of the Developer's intent to contest or object to a Governmental Charge and, unless, at D.P.D.'s sole option,

(i) the Developer shall demonstrate to D.P.D.'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 New R.O.W. 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 D.P.D. in such form and amounts as D.P.D. 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 New R.O.W. 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 D.P.D. thereof in writing, at which time D.P.D. may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in D.P.D.'s sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which D.P.D. deems advisable. All sums so paid by D.P.D., if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to D.P.D. 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. [Intentionally Omitted].

8.20 No Business Relationship With City Officials.

The Developer acknowledges that it has read and understands Section 2-156-030(b) of the Municipal Code. Pursuant to Section 2-156-030(b) of the Municipal Code, 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 official has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code) or to participate in any discussion of 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. Violation of Section 2-156-030(b) by any elected official, or with any person acting at the direction of such official, with respect to this Agreement, or in connection with the transactions contemplated hereby, shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer represents and warrants that no violation of Section 2-156-030(b) has occurred with respect to this Agreement, or the transactions contemplated thereby.

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 or as provided in Section 8) 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 this 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 New ROW 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 New R.O.W. Property:

(a) 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 New ROW 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 fifty percent (50%) 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 Purchasing Agent 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 (United States Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of D.P.D. in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first (1st) 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 Purchasing Agent, the Commissioner of D.P.D., 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 D.P.D., 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 Purchasing Agent) 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.

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 The Developer's M.B.E./W.B.E. 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 the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "M.B.E./W.B.E. Program"), Section 2-92-420, et seq., Municipal Code of Chicago, and in reliance upon the provisions of the M.B.E./W.B.E. 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 M.B.E./W.B.E. Budget attached hereto as (Sub)Exhibit I-2 shall be expended for contract participation by M.B.E.s or W.B.E.s:

- i. At least twenty-five percent (25%) by M.B.E.s.
- ii. At least five percent (5%) by W.B.E.s.

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" as such terms are defined in Section 2-92-420, Municipal Code of Chicago.

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's M.B.E./W.B.E. commitment may be achieved in part by the Developer's status as an M.B.E. or W.B.E. (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one (1) or more M.B.E.s or W.B.E.s (but only to the extent of the lesser of (i) the M.B.E. or W.B.E. participation in such joint venture or (ii) the amount of any actual work performed on the Project by the M.B.E. or W.B.E.), by the Developer utilizing a M.B.E. or a W.B.E. as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one (1) or more M.B.E.s or W.B.E.s, or by the purchase of materials used in the Project from one (1) or more M.B.E.s or W.B.E.s, or by any combination of the foregoing. Those entities which constitute both a M.B.E. and a W.B.E. shall not be credited more than once with regard to the Developer's M.B.E./W.B.E. commitment as described in this Section 10.03. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of M.B.E.s or W.B.E.s in its activities and operations other than the Project.

d. The Developer shall deliver monthly reports to D.P.D. during the Project describing its efforts to achieve compliance with this M.B.E./W.B.E. commitment. Such reports shall include inter alia the name and business address of each M.B.E. and W.B.E. 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 M.B.E. or W.B.E. 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 D.P.D. in determining the Developer's compliance with this M.B.E./W.B.E. commitment. D.P.D. may also require, as part of such monthly reporting: (1) subcontractors' activity reports; (2) a General Contractor's certification concerning labor standards and prevailing wage requirements; (3) General Contractor's or subcontractors' letters of understanding; (4) a utilization report; (5) an authorization for payroll agent; (6) a certified payroll; and (7) evidence that M.B.E./W.B.E. contractor's associations have been informed. D.P.D. shall have access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Section 14 of this Agreement, on five (5) business days' notice, to allow the City to review the Developer's compliance with its commitment to M.B.E./W.B.E. participation and the status of any M.B.E. or W.B.E. performing any portion of the Project.

e. Upon the disqualification of any M.B.E. or W.B.E. 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 M.B.E. or W.B.E. as a replacement. For purposes of this Subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.

f. Any reduction or waiver of the Developer's M.B.E./W.B.E. commitment as described in this Section 10.03 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

g. Prior to the commencement of the Project, the Developer, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of D.P.D. with regard to the Developer's compliance with its obligations under this Section 10.03. During this meeting, the Developer shall demonstrate to D.P.D. its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by D.P.D.. Such demonstration shall include, without limitation, submitting for D.P.D.'s review (1) evidence that its General Contractor has met at least once with and provided bid documents to M.B.E./W.B.E. contractor associations, (2) construction contracts, and (3) the Developer's M.B.E./W.B.E. utilization plan, including, without limitation, Schedules C and D. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of D.P.D.. Failure to submit such documentation on a timely basis, or a determination by D.P.D., upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (x) issue a written demand to the Developer to halt the Project, (y) withhold any further payment of any City Funds to the Developer or the General Contractor, or (z) 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 (sub)exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, the Planned Development 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 Public Improvement 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 real 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 Public Improvement 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 Public Improvement Property.

Section 12.

Insurance.

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

(a) Prior to Execution and Delivery of this Agreement.

(i) Workers' Compensation And Employer's Liability Insurance.

Workers' Compensation and Employer's Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than One Hundred Thousand Dollars (\$100,000) each accident or illness.

(ii) Commercial General Liability Insurance (Primary And Umbrella).

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

(iii) Property Insurance.

All Risk Property Insurance in the amount of the full replacement value of the New R.O.W. Property.

(b) Construction.

(i) Workers' Compensation And Employer's Liability Insurance.

Workers' Compensation and Employer's Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than Five Hundred Thousand Dollars (\$500,000) each accident or illness.

(ii) Commercial General Liability Insurance (Primary and Umbrella).

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

(iii) Automobile Liability Insurance (Primary And Umbrella).

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

(iv) Railroad Protective Liability Insurance.

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

(v) Builders Risk Insurance.

When the Contractor undertakes any construction, including improvements, betterments, and/or repairs, the Contractor shall provide, or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable. The City of Chicago shall be named as an additional insured and loss payee.

(vi) Professional Liability.

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

(vii) Valuable Papers Insurance.

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

(viii) Contractor's Pollution Liability.

When any remediation work is performed which may cause a pollution exposure, Contractor's Pollution Liability shall be provided with limits of not less than One Million Dollars (\$1,000,000) insuring bodily injury, property damage and environmental remediation, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of one (1) year. The City of Chicago is to be named as an additional insured on a primary, noncontributory basis.

(c) Other Requirements.

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

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

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

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

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

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

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

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

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

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

Section 13.

Indemnification.

The Developer agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of

action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from third party actions against the City in connection with (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 T.I.F.-Funded Improvements or any other Project improvement, or (iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum of the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or its agents, employees, contractors or persons acting under the control or at the request of the Developer or (iv) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto.

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 (or such subcontractor'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 shall have access to all portions of the Project and the Planned Development 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 (1) or more of the following events, subject to the provisions of Section 15.03, shall constitute an "Event of Default" by the Developer hereunder, provided, however, that after the issuance of the final Certificate under Section 7.01, the occurrence of an event described below in clauses (e), (f), (g), (h), (i) and (j) (unless such criminal proceeding relates to the Project) shall cease to constitute an "Event of Default":

(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 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 New R.O.W. Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;

(e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within

sixty (60) days after the commencement of such proceedings;

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

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

(h) any permanent cessation of construction of the Phase I Improvements (and, if Developer elects to construct the Phase II Improvements, the Phase II Improvements), it being understood that the absence of material construction work for a period in excess of sixty (60) days shall be deemed to be such a permanent cessation, unless D.P.D. has consented in writing to such inactivity;

(i) the dissolution of the Developer;

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer or an entity or individual named in Section 5.06 which is not dismissed within ninety (90) days, or the indictment of the Developer or such entity or individual for any crime (other than a misdemeanor); or

(k) a failure to resolve, to the satisfaction of any applicable City department, any punchlist items raised by such City department relating to the Project within three (3) months of the establishment of such punchlist item, subject to Section 18.17.

15.02 Remedies.

Upon the occurrence of an Event of Default, the City may terminate this Agreement, the City Notes and all related agreements, and may terminate 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. Notwithstanding the preceding two (2) sentences, if the Event of Default relates only to the Phase I Improvements or the Phase II Improvements (and not the entire Project), the City may only exercise the aforesaid remedies with respect to such portion of the Project and the applicable City Note.

For example, if, after the City's issuance of a Certificate for the Phase I Improvements, the Developer starts but fails to complete the Phase II Improvements (and assuming that the Developer has satisfied its M.B.E./W.B.E., City residency hiring and prevailing wage requirements, as applied both to the completed Phase I Improvement work and the incomplete Phase II Improvement Work to date, in aggregate), the Developer shall still be entitled to payments with respect to the City Note -- Phase I.

Notwithstanding the above paragraph, after the issuance of the final Certificates under Section 7.01, the Developer shall not be required to repay to the City any City Funds received by the Developer unless a Reimbursement Event occurs. The occurrence of any Reimbursement Event shall be deemed to relate to the entire Project for purposes of the limitation set forth in the third sentence of the first paragraph of this Section 15.02.

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 shall have 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 shall have 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.

Section 16.

Mortgaging Of The Project.

No mortgages or deeds of trust or other encumbrances shall be permitted with respect to the New R.O.W. Property or any portion.

The mortgages or deeds of trust encumbering the Planned Development site are listed on (Sub)Exhibit J hereto 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 Planned Development site or any portion thereof is referred to herein as a "New Mortgage". Any such mortgage or deed of trust so executed with the prior written consent of the City is referred to herein as a "Permitted Mortgage".

In the event that the holder of an Existing Mortgage or a Permitted Mortgage shall succeed to the Developer's fee simple interest such mortgaged property or any portion thereof pursuant to the exercise of remedies under a mortgage or deed of trust whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest under this Agreement 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 shall have 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 holder of an Existing Mortgage or a Permitted 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.

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, Illinois 60602
Attention: Commissioner

With Copies To:

City of Chicago
Department of Law
Finance and Economic Development
Division
121 North LaSalle Street, Room 600
Chicago, Illinois 60602

If To The Developer:

Clark Taylor, L.L.C.
101 East Erie Street, Suite 800
Chicago, Illinois 60611
Attention: Mike O'Connor

With Copies To:

Ms. Maria Saldana
Alzheimer & Gray
10 South Wacker Drive
Chicago, Illinois 60606

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 (sub)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 (Sub)Exhibits A and F hereto without the consent of any party hereto.

18.02 Entire Agreement.

This Agreement (including each (sub)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.

18.06 Remedies Cumulative.

The remedies of a party hereunder are cumulative and the exercise of any one (1) 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 T.I.F. Ordinances and/or 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, D.P.D. or the Commissioner, or any matter is to be to the City's, D.P.D.'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, D.P.D. 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 D.P.D. in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

18.15 Assignment.

Prior to the issuance by the City to the Developer of a Certificate, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Notwithstanding the issuance of such Certificates, 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 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. Notwithstanding anything to the contrary in this Section 15.15, the Developer shall have the right to assign the City Note-Acquisition Parcel to the seller of the Wells Street Parcel.

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).

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 (Sub)Exhibits.

All of the (sub)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 W.A.R. N. Act, the Developer shall, in addition to the notice required under the W.A.R.N. Act, provide at the same time a copy of the W.A.R.N. 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.

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.

Clark Taylor, L.L.C., a Delaware
limited liability company

By: CTL Investors, L.L.C., a
Delaware limited liability
company, as member

By: _____

Its: _____

By: W.H. Limited Partnership No. 17,
an Illinois limited partnership

By: W/H Development Corporation,
an Illinois corporation, its
general partner

By: _____

Its: _____

City of Chicago, acting by and through
its Department of Planning and
Development

By: _____

Christopher Hill,
Commissioner

State of Illinois)
)SS.
County of Cook)

I, _____, a notary public in and for the said County, in the State
aforesaid, do hereby certify that _____, personally known to me to
be the _____ of CTL Investors, L.L.C. (the "Member"), and personally
known to me to be the same person whose name is subscribed to the foregoing

instrument, appeared before me this day in person and acknowledged that s/he signed, sealed and delivered said instrument, pursuant to the authority given to her/him, as her/his free and voluntary act and as the free and voluntary act of the Member, on its own behalf, and as member of Clark Taylor, L.L.C., for the uses and purposes therein set forth.

Given under my hand and official seal this ____ day of _____, 2000.

Notary Public

My Commission Expires _____

(Seal)

State of Illinois)
)SS.
County of Cook)

I, _____, a notary public in and for the said County, in the State aforesaid, do hereby certify that _____, personally known to me to be the _____ of W/H Development Corporation (the "General Partner") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she/he signed, sealed and delivered said instrument, pursuant to the authority given to her/him, as her/his free and voluntary act and as the free and voluntary act of the General Partner, on its own behalf, and as general partner of W.H. Limited Partnership No. 17, in its capacity as a member of Clark Taylor, L.L.C., for the uses and purposes therein set forth.

Given under my hand and official seal this ____ day of _____, 2000.

Notary Public

My Commission Expires _____

(Seal)

State of Illinois)
)SS.
County of Cook)

I, _____, a notary public in and for the said County, in the State aforesaid, do hereby certify that Christopher Hill, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered said instrument, pursuant to the authority given to him by the City, as his free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

Given under my hand and official seal this ____ day of _____, 2000.

Notary Public

My Commission Expires _____

(Seal)

[(Sub)Exhibits "A", "F", "H" and "L" referred to in this
LaSalle Park Public Improvement Redevelopment
Agreement unavailable at time of printing.]

[(Sub)Exhibit "D-2" referred to in this LaSalle Park
Public Improvement Redevelopment Agreement
printed on page 45721 of this Journal.]

(Sub)Exhibits "B", "C-1", "C-2", "D-1", "E", "G-1", "G-2", "I-1", "I-2", "J", "K" and "M"
referred to in this LaSalle Park Public Improvement Redevelopment Agreement read
as follow:

(Sub)Exhibit "B".
(To LaSalle Park Public Improvement
Redevelopment Agreement)

Legal Description Of Planned Development Property.
(January 20, 1999 Journal Of Proceedings, Page 88332)

The area bounded by West Polk Street; South LaSalle Street; a line 258.501 feet south of and approximately parallel to West Polk Street; a line 125.683 feet east of and approximately parallel to South LaSalle Street; a line 398.046 feet north of and approximately parallel to West Taylor Street; South Clark Street; West Roosevelt Road; a line 733.363 feet west of and approximately parallel to South Clark Street; South Wells Street; a line 323.561 feet north of and approximately parallel to West Taylor Street; and the alley next east of South Wells Street.

(Sub)Exhibit "C-1".
(To LaSalle Park Public Improvement
Redevelopment Agreement)

Phase I Improvements.

- Construction and dedication of a seventy (70) foot public right-of-way, including curbs, gutters, sidewalks, parkways, streetlights and utilities on South Wells Street between West Taylor Street and West Roosevelt Road.
- Construction of a temporary bus turnaround at the south end of the South Wells Street extension; provided, however, that Developer will not be obligated to construct the turnaround unless and until the Chicago Transit Authority provides service down South Wells Street and notifies Developer of its intention to provide such service.
- Construction of improvements at the southern intersection of West Polk and South LaSalle Streets, including a sidewalk, curb and gutter (to close South LaSalle Street following its vacation).
- Construction and dedication of a twenty (20) foot alley between South Wells Street and the alley next east of South Wells Street (in a location as depicted in (Sub)Exhibit C).
- Construction and dedication of a five (5) foot strip of land (in a location as depicted on (Sub)Exhibit C) between the aforementioned twenty (20) foot alley and the north line of West Taylor Street.
- Construction of improvements to South Wells Street from the north line of West Taylor Street to a point approximately five hundred (500) feet north of West Taylor Street, including curbs, gutters, additional pavement to meet existing pavement, sidewalks (on the east side of South Wells Street only) and landscaping.
- Construction and dedication of a public right-of-way, including curbs, gutters, sidewalks, parkways, streetlights and utilities for a relocated South Financial Place between West Polk Street and West Taylor Street; said relocated South Financial Place right-of-way to be sixty (60) feet wide from the south line of West Polk Street and then narrowing to fifty (50) feet at a line approximately one hundred ninety-eight and seventy-five hundredths (198.75) feet south of and parallel to the south line of West Polk Street.

(Sub)Exhibit "C-2".
(To LaSalle Park Public Improvement
Redevelopment Agreement)

Phase II Improvements.

- Construction of improvements to West Polk Street between the Metra tracks and South Wells Street, including construction and installations of curbs, gutters, sidewalks, parkways and landscaping.
- Installation of traffic signals at the Wells/Taylor, Polk/Wells and Polk/Financial Place intersections, if warranted.
- To the extent necessary, construction and dedication of improvements to West Taylor Street, including curbs, gutters, sidewalks, parkways, streetlights and utilities between the relocated South Financial Place and South Wells Street.
- Construction and dedication of a public right-of-way, including curbs, gutters, sidewalks, parkways, streetlights and utilities for a relocated South Financial Place between West Polk Street and West Taylor Street; said relocated South Financial Place right-of-way to be sixty (60) feet wide from the south line of West Polk Street and then narrowing to fifty (50) feet at a line approximately one hundred ninety-eight and seventy-five hundredths (198.75) feet south of and parallel to the south line of West Polk Street.

(Sub)Exhibit "D-1".
(To LaSalle Park Public Improvement
Redevelopment Agreement)

Rights-Of-Way To Be Vacated.

1. South LaSalle Street between West Polk Street and West Taylor Street;
2. West Stowell Street between South Clark Street and the Metra right-of-way;
3. The alley next west of South Clark Street between West Polk Street and a line approximately three hundred ninety-eight (398) feet north of West Taylor Street;

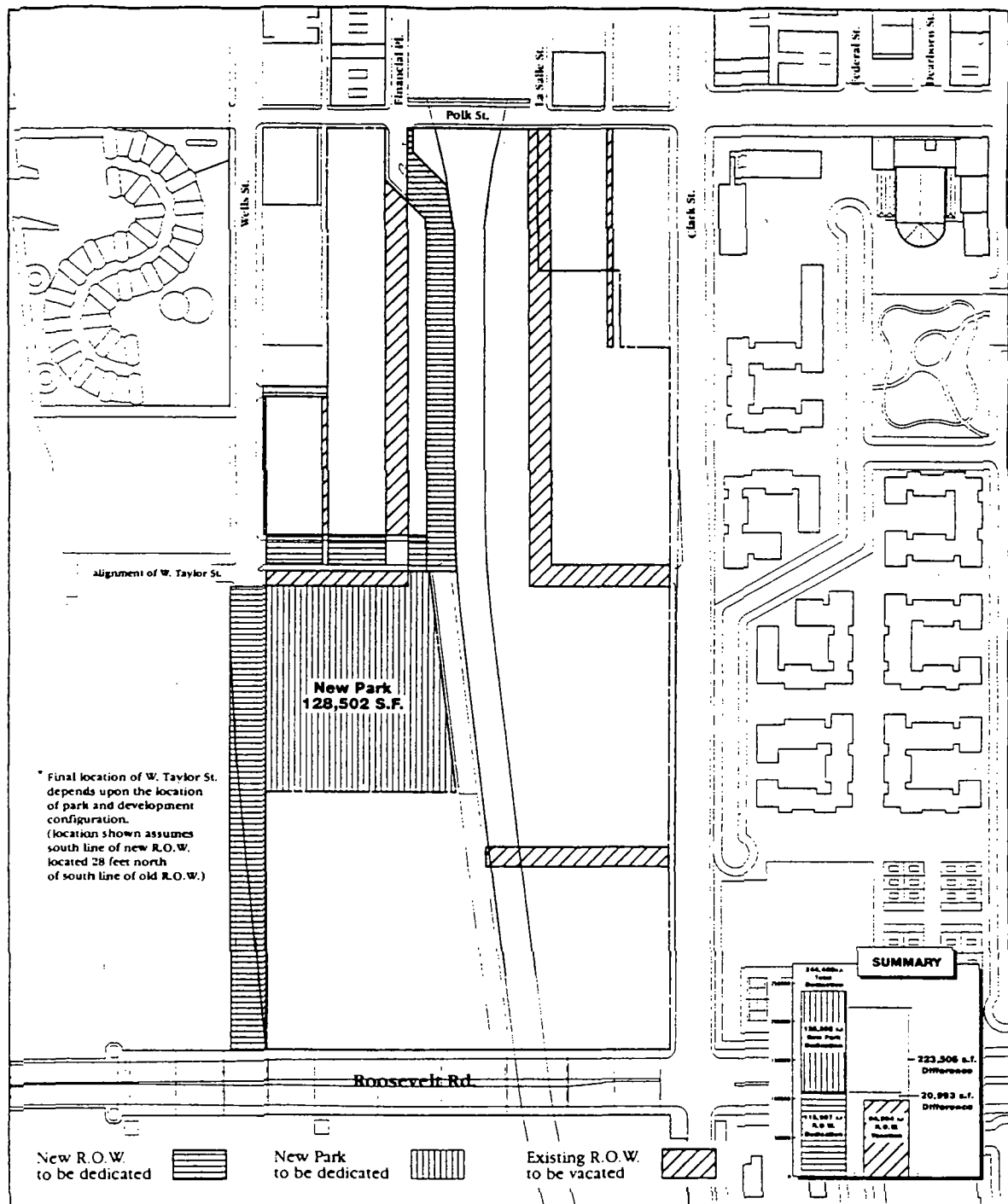
4. West Taylor Street between South Clark Street and the Metra right-of-way;
5. South Financial Place between West Polk Street and West Taylor Street;
6. The alley next east of South Wells Street from a line approximately three hundred ninety-three (393) feet south of West Polk Street and West Taylor Street; and
7. The south thirty-one and fifty-six hundredths (31.56) feet of West Taylor Street between existing South Financial Place and South Wells Street.

Rights-Of-Way To Be Dedicated.

1. An extension of South Wells Street beginning at the south line of West Taylor Street and extending to a point on the north line of West Roosevelt Road;
2. An approximately five (5) foot by two hundred eighty-three (283) foot strip of land to the east of the east line of South Wells Street and north of the north line of West Taylor Street;
3. A twenty (20) foot east/west alley (to be located approximately two hundred eighty-three (283) feet north of West Taylor Street) to allow for ingress/egress of the alley next east of South Wells Street;
4. A relocated South Financial Place (the east edge of which will be located approximately ten (10) feet to the west of the Metra right-of-way) to replace the vacated South Financial Place; and
5. Approximately fifty-one and fifty-six hundredths (51.56) feet north of the existing north line of West Taylor Street between newly dedicated South Financial Place and South Wells Street.

(Sub)Exhibit "D-2".
 (To LaSalle Park Public Improvement
 Redevelopment Agreement)

Depiction Of Vacations And Dedications.



(Sub)Exhibit "E".
(To LaSalle Park Public Improvement
Redevelopment Agreement)

T.I.F.-Funded Improvements.

Property assembly costs,
including acquisition and

site preparation and other
costs specified in
65 ILCS 5/11-74.4-3(q)(2)

\$1,616,793

Costs of construction of
public works or improvements

7,000,000

(Sub)Exhibit "G-1".
(To LaSalle Park Public Improvement
Redevelopment Agreement)

Form Of City Note.

Registered Number:
R-_____

Maximum Amount:
\$1,225,200

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note

River South Redevelopment Project Area

(LaSalle Park Public Improvements Redevelopment
Project -- Acquisition Parcel)

Registered Owner: Clark Taylor, L.L.C.

Interest Rate: A per annum interest rate equal to the lesser of (a) nine percent (9.00%), and (b) the sum of (i) the prime rate charged by Bank One, N.A., as of the execution and delivery of this Note, plus (ii) one-half percent (0.50%).

Maturity Date: July 29, 2020.

Know All Persons By These Presents, That the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of its acquisition of the Wells Street Parcel, which was necessary for the construction of the Phase I Improvements for the Project, in accordance with the ordinance hereinafter referred to up to the principal amount of One Million Two Hundred Twenty-five Thousand Two Hundred and no/100 Dollars (\$1,225,200.00) (the "Maximum Amount") and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the date of the advance, subject to the terms and conditions of the Redevelopment Agreement (as hereinafter defined). Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Principal of and interest on this Note are payable on February 1st of each year solely from Available Incremental Taxes, if any, subject to the allocation priority set forth in Section 4.03(c) of the Redevelopment Agreement. Payments on this Note shall be applied first to accrued but unpaid interest and thereafter to principal. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Redevelopment Agreement, the terms of which are incorporated herein by reference.

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the

fifteenth (15th) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This Note is issued by the City in fully registered form in the aggregate principal amount of advances made from time to time by the Registered Owner, up to the Maximum Amount, for the purpose of reimbursing the costs of certain eligible redevelopment project costs incurred by the Registered Owner in connection with the acquisition of the Wells Street Parcel, which was necessary for the construction of the Phase I Improvements for the Project, which is located in the River South Redevelopment Project Area in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an ordinance adopted by the City Council of the City on _____, 2000 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, in order to pay the principal of and interest on the Note. Reference is hereby made to the Ordinance and the Redevelopment Agreement (including specifically, but without limitation, Section 4 thereof) for a description with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to the Note and the terms and conditions under which the Note is issued and secured. This Note Is Not A General Or Moral Obligation Of The City But Is A Special Limited Obligation Of The City, And Is Payable Solely From Available Incremental Taxes And Shall Be A Valid Claim Of The Registered Owner Hereof Only Against Said Sources. This Note Shall Not Be Deemed To Constitute An Indebtedness Or A Loan Against The General Taxing Powers Or Credit Of The City, Within The Meaning Of Any Constitutional Or Statutory Provision. The Registered Owner Of This Note Shall Not Have The Right To Compel Any Exercise Of The Taxing Power Of The City, The State Of Illinois Or Any Political Subdivision Thereof To Pay The Principal Of Or Interest On This Note.

The principal of this Note is subject to (i) termination, (ii) cessation of interest accrual, (iii) reduction, and (iv) prepayment and redemption without penalty, all in accordance with the Redevelopment Agreement.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Redevelopment Agreement, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for prepayment or redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of prepayment or redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provides.

Pursuant to the Redevelopment Agreement dated as of _____, 2000 (the "Redevelopment Agreement") between the City and the Registered Owner, the Registered Owner has agreed to acquire the Wells Street Parcel as a necessary condition to completing certain Phase I Improvements relating to the Project and to advance funds for the incursion under the T.I.F. Act of certain eligible redevelopment project costs related to the Project on behalf of the City. Such costs for the acquisition of the Wells Street Parcel up to the Maximum Amount as determined and adjusted pursuant to the Redevelopment Agreement shall be deemed to be a disbursement of the proceeds of the Note, and the outstanding principal amount of the Note shall be increased by the amount of each such advance from time to time. The principal amount outstanding of the Note shall be the sum of advances made pursuant to certificates of expenditure in the form of Schedule 1 attached hereto ("Certificates of Expenditure") executed by the Commissioner of the Department of Planning and Development (or his or her designee) in accordance with the Redevelopment Agreement, minus any principal amount paid on the Note or other reductions pursuant to the Redevelopment Agreement. The City shall not execute Certificates of Expenditure with respect to the Note that total in excess of the Maximum Amount.

Pursuant to Section 7.03 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to terminate and suspend payments of principal of and interest on this Note upon the occurrence and continuance of a failure to complete the Project or an Event of Default, as defined in the Redevelopment Agreement. Such right shall survive any transfer of this Note by the Registered Owner.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

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

Mayor

(Seal)

Attest:

City Clerk

Certificate
Of
Authentication

Registrar and Paying Agent:

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the
within mentioned Ordinance and
is the One Million Two Hundred
Twenty-five Thousand Two Hundred
and no/100 Dollars (\$1,225,200.00)
Tax Increment Allocation Revenue Note,
River South Redevelopment Project
Area Redevelopment Project (LaSalle
Park Public Improvements
Redevelopment Project -- Acquisition
Parcel) Series A, of the City of Chicago,
Cook County, Illinois.

Comptroller

Date: _____

(Assignment)

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

Dated: _____

Registered Owner

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

Consented to as of: _____

City of Chicago, Illinois

By: _____

Title: _____
Department of Planning and Development

Schedule 1 attached to this Form of City Note reads as follows:

Schedule 1.
(To Form Of City Note)

Certificate Of Expenditure.

To: Registered Owner of the Note Number R-_____

Re: City of Chicago, Cook County, Illinois (the "City")
\$1,225,200 Tax Increment Allocation Revenue Note
(LaSalle Park Public Improvements Project -- Acquisition Parcel)
(the "Redevelopment Note")

This Certification is submitted to you, as Registered Owner of the Redevelopment Note, pursuant to Section _____ of the Redevelopment Agreement between the City and Clark Taylor, L.L.C., dated _____, 2000, the terms of the Redevelopment Note and an ordinance of the City authorizing the execution of the

Redevelopment Note adopted by the City Council of the City on _____, 2000 (the "Ordinance"). All terms used herein shall have the same meanings as when used in the Redevelopment Agreement.

The City hereby certifies that \$_____ is advanced as principal under the Redevelopment Note as of _____, 200__ . Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs for the Wells Street Parcel, which was a necessary condition to the construction of the Phase I Improvements, and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$_____, including the amount of this Certificate and less payments made on the Note (or other reductions in principal as provided in the Redevelopment Agreement).

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

City of Chicago, Cook County, Illinois,
acting by and through its Department
of Planning and Development

By: _____
[Deputy] Commissioner

Authenticated by:

Registrar

(Sub)Exhibit "G-2".
(To LaSalle Park Public Improvement
Redevelopment Agreement)

Form Of City Note.

Registered Number:
R-_____

Maximum Amount:
\$_____

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note

River South Redevelopment Project Area

(LaSalle Park Public Improvements Redevelopment Project -- Phase [I] [II])

Registered Owner: Clark Taylor, L.L.C.

Interest Rate: A per annum interest rate equal to the lesser of (a) nine percent (9%), and (b) the sum of (i) the prime rate charged by Bank One, N.A., as of the execution and delivery of this Note, plus (ii) one-half percent (0.50%).

Maturity Date: _____, 2020

Know All Persons By These Presents, That the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Phase [I] [II] Improvements for the Project in accordance with the ordinance hereinafter referred

to up to the principal amount of [\$_____] (the "Maximum Amount") and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the date of the advance, subject to the terms and conditions of the Redevelopment Agreement (as hereinafter defined). Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Principal of and interest on this Note are payable on February 1st of each year solely from Available Incremental Taxes, if any, subject to the allocation priority set forth in Section 4.03 (c) of the Redevelopment Agreement. Payments on this Note shall be applied first to accrued but unpaid interest and thereafter to principal. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Redevelopment Agreement, the terms of which are incorporated herein by reference.

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This Note is issued by the City in fully registered form in the aggregate principal amount of advances made from time to time by the Registered Owner, up to the Maximum Amount, for the purpose of reimbursing the costs of certain eligible redevelopment project costs incurred by the Registered Owner in connection with the Phase [I] [II] Improvements for the Project, which is located in the River South Redevelopment Project Area in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an ordinance adopted by the City Council of the City on _____, 2000 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, in order to pay the principal of and interest on the Note. Reference is hereby made to the Ordinance and the Redevelopment Agreement (including specifically, but without limitation, Section 4 thereof) for a description with respect to the determination,

custody and application of said revenues, the nature and extent of such security with respect to the Note and the terms and conditions under which the Note is issued and secured. This Note Is Not A General Or Moral Obligation Of The City But Is A Special Limited Obligation Of The City, And Is Payable Solely From Available Incremental Taxes And Shall Be A Valid Claim Of The Registered Owner Hereof Only Against Said Sources. This Note Shall Not Be Deemed To Constitute An Indebtedness Or A Loan Against The General Taxing Powers Or Credit Of The City, Within The Meaning Of Any Constitutional Or Statutory Provision. The Registered Owner Of This Note Shall Not Have The Right To Compel Any Exercise Of The Taxing Power Of The City, The State Of Illinois Or Any Political Subdivision Thereof To Pay The Principal Of Or Interest On This Note.

The principal of this Note is subject to (i) termination, (ii) cessation of interest accrual, (iii) reduction, and (iv) prepayment and redemption without penalty, all in accordance with the Redevelopment Agreement.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Redevelopment Agreement, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for prepayment or redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of prepayment or redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provides.

Pursuant to the Redevelopment Agreement dated as of _____, 2000 (the "Redevelopment Agreement") between the City and the Registered Owner, the Registered Owner has agreed to complete certain Phase [I] [II] Improvements relating to the Project and to advance funds for the incursion under the T.I.F. Act of certain eligible redevelopment project costs related to the Project on behalf of the City. Such costs for such Phase [I] [II] Improvements up to the Maximum Amount as determined and adjusted pursuant to the Redevelopment Agreement shall be deemed to be a disbursement of the proceeds of the Note, and the outstanding principal amount of the Note shall be increased by the amount of each such advance from time to time. The principal amount outstanding of the Note shall be the sum of advances made pursuant to certificates of expenditure in the form of Schedule 1

attached hereto ("Certificates of Expenditure") executed by the Commissioner of the Department of Planning and Development (or his or her designee) in accordance with the Redevelopment Agreement, minus any principal amount paid on the Note or other reductions pursuant to the Redevelopment Agreement. The City shall not execute Certificates of Expenditure with respect to the Note that total in excess of the Maximum Amount.

Pursuant to Section 7.03 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to terminate and suspend payments of principal of and interest on this Note upon the occurrence and continuance of a failure to complete the Project or an Event of Default, as defined in the Redevelopment Agreement. Such right shall survive any transfer of this Note by the Registered Owner.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

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

Mayor

(Seal)

Attest:

City Clerk

Certificate
Of
Authentication

Registrar and Paying Agent:

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the
within mentioned Ordinance and
is the [\$_____] Tax Increment
Allocation Revenue Note, River South
Redevelopment Project
Area Redevelopment Project (LaSalle
Park Public Improvements
Redevelopment Project -- Phase [I] [II])
Series A, of the City of Chicago,
Cook County, Illinois.

Comptroller

Date: _____

(Assignment)

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

11/15/2000

REPORTS OF COMMITTEES

45735

Dated: _____
Registered Owner

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

Consented to as of: _____

City of Chicago, Illinois

By: _____

Title: _____
Department of Planning and Development

Schedule 1 attached to this form of City Note reads as follows:

Schedule 1.
(To Form Of City Note)

Certificate Of Expenditure.

To: Registered Owner of the Note Number R- ____

Re: City of Chicago, Cook County, Illinois (the "City")
[S] Tax Increment Allocation Revenue Note
(LaSalle Park Public Improvements Project -- Phase [I] [II])
(the "Redevelopment Note")

This Certification is submitted to you, as Registered Owner of the Redevelopment Note, pursuant to Section _____ of the Redevelopment Agreement between the City and Clark Taylor, L.L.C. dated _____, 2000, the terms of the Redevelopment Note and an ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on _____, 2000 (the "Ordinance"). All terms used herein shall have the same meanings as when used in the Redevelopment Agreement.

The City hereby certifies that \$_____ is advanced as principal under the Redevelopment Note as of _____, 200 _____. Such amount has been properly incurred, is a proper charge made or to be made in connection with the Redevelopment Project Costs for the Phase [I] [II] Improvements and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$_____, including the amount of this Certificate and less payments made on the Note (or other reductions in principal as provided in the Redevelopment Agreement).

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

City of Chicago, Cook County Illinois,
acting by and through its Department
of Planning and Development

By: _____
(Deputy) Commissioner

Authenticated By:

Registrar

(Sub)Exhibit "I-1".
(To LaSalle Park Public Improvement
Redevelopment Agreement)

*LaSalle\Park Infrastructure
Improvement Budget.*

Use Of Funds	Phase I	Phase II
Property Acquisition	\$1,225,200	\$0
Wells Street construction (including construction and installation of sidewalks, parkways and street lights)	\$783,700	\$0
Financial Place and Taylor Street construction (including construction and installation of sidewalks, parkways and street lights)	\$0	\$1,033,000
Traffic Signals		\$360,000
Construction of sewer and water improvements	\$314,000	\$1,806,500
Street Scape	\$218,981	\$218,982
C.T.A. turnaround	\$50,000	\$0
Excess facility charges (i.e., utility relocations)	\$125,000	\$375,000
Construction Management	\$83,750	\$117,660
Legal/engineering/surveys/soil testing/inspections	\$743,845	\$116,155
Contingency	\$362,245	\$589,965
Performance Bond	\$27,808	\$65,002
TOTAL:	\$3,934,529	\$4,682,264

(Sub)Exhibit "I-2".

(To LaSalle Park Public Improvement
Redevelopment Agreement)

*LaSalle Park M.B.E./W.B.E. Infrastructure
Improvement Budget.*

Phase I:	\$2,319,276 plus \$362,245 contingency (to the extent used)
Phase II:	\$4,027,297 plus \$589,965 contingency (to the extent used)
Total:	\$6,346,573 plus \$952,210 contingency (to the extent used)

(Land and bonding costs have been excluded from the overall Project Budget)

(Sub)Exhibit "J".

(To LaSalle Park Public Improvement
Redevelopment Agreement)

Permitted Liens.

1. Liens Or Encumbrances Against The Public Improvement 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 Public Improvement Property, if any: [To be completed by Developer's counsel, subject to City approval.]

(Sub)Exhibit "K".
(To LaSalle Park Public Improvement
Redevelopment Agreement)

Requisition Form.

Note: Revise as appropriate to request an increase in the principal amount of the City Note -- Phase I or City Note -- Phase II, as applicable, and for the City Note -- Acquisition Parcel, which will be issued in its maximum principal amount of One Million Two Hundred Twenty-five Thousand Two Hundred Dollars (\$1,225,200).

River South Redevelopment Project Area

LaSalle Park Public Improvements Redevelopment Project

(Phase [I] [II] Improvements)

State of Illinois)
) SS
County of Cook)

The affiant, _____, the _____ of Clark Taylor, L.L.C., a Delaware limited liability company (the “Developer”), being duly sworn on oath deposes and says that the Developer is the developer under that certain LaSalle Park Public Improvements Redevelopment Agreement between the Developer and the City of Chicago dated _____, 2000 (the “Agreement”) and states as follows:

A. Maximum Reimbursement Amount/Principal Balance. The maximum principal amount of City Funds to be reimbursed to the Developer for T.I.F.-Funded Improvements for the Phase [I] [II] Improvements for the Project shall be [Two Million Seven Hundred Nine Thousand Three Hundred Twenty-nine Dollars (\$2,709,329)] [Four Million Six Hundred Eighty-two Thousand Two Hundred Sixty-four Dollars (\$4,682,264)] (the "Maximum Reimbursement Amount"). Line A.1 is a true and complete itemization of the total Project costs to date for such Phase [I] [II] Improvements:

1. [Itemized Description] \$_____

B. Certificates Of Expenditure. Notwithstanding the amount in Line A.1, no principal indebtedness shall exist under the City Note--Phase [I] [II], and no reimbursement payment shall be made to the Developer, unless the City executes a Certificate of Expenditure acknowledging such principal indebtedness (the "Indebtedness"). In no event shall the Indebtedness for Phase [I] [II] of the Project exceed the amount in Line A.1.

1. Enter the Indebtedness (and attach all Certificates of Expenditure): \$_____

2. Enter the lesser of Line A.1 and

Line B.1: \$_____

C. Accrued Interest. Interest shall accrue on the Indebtedness from the date of the Certificate of Expenditure acknowledging such additional Indebtedness in accordance with the terms of the City Note -- Phase [I] [II]. Attached as Schedule 1 is a true, correct and complete computation of the accrued interest to date.

1. Enter sum of amounts on Schedule 1: \$_____

D. Prior City Payments. To date, the City has made the following aggregate payments of principal and interest on the City Note -- Phase [I] [II]:

1. Principal paid to date: \$_____

2. Interest paid to date: \$_____

E. Amounts Due And Payable Under City Note. Based on the City's payments to date, the unpaid amount due under the City Note -- Phase [I] [II] as of the date hereof is:

1. Unpaid Principal (Line B.2 minus Line D.1): \$_____

2. Unpaid Interest (Line C.1 minus Line D.2): \$_____

F. Developer Reimbursement Request. The Developer requests a payment under the City Note -- Phase [I] [II] in the amount of \$_____.

G. Available Incremental Taxes. [This Section To Be Completed By The City Based On The Priorities Set Forth In Section 4.03 Of The Redevelopment Agreement]. As of December 1, ____, the amount of Available Incremental Taxes was \$_____. Of such amount, \$_____ is available to make payments with respect to the City Note -- Phase [I] [II]. The City hereby approves a payment to the Developer in an amount equal to the lesser of the amount set forth in the preceding sentence, to be applied as follows:

1. Amount to be applied to
the payment of previously
accrued and unpaid interest: \$_____
2. Amount to be applied to
the payment of current
accrued interest: \$_____
3. Amount to be applied to
the payment of principal: \$_____

H. Unpaid Principal And Interest Under City Note. [This Section To Be Completed By City] After application of the payment in accordance with paragraph G, the unpaid principal and interest under the City Note -- Phase [I] [II] shall be as follows:

1. Unpaid Principal (Line E.1
minus Line G.3): \$_____
2. Unpaid Interest (Line E.2
minus Lines G.1 and G.2): \$_____

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

1. The total amount of the payment request represents the actual amount previously paid for acquisition costs or amounts paid to general contractors, subcontractors, suppliers and other third parties who have performed work on or provided materials for the Phase [I][II] Improvements comprising T.I.F. Funded Improvements, which costs, work and materials have not been previously reimbursed by the City. The Developer has

approved all work and materials and such work and materials conform to the Plans and Specifications.

2. The representations and warranties contained in the Agreement are true and correct and the Developer is in compliance with all covenants contained therein.
3. 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.
4. No act or omission which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred.

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

Clark Taylor, L.L.C.,
a Delaware limited liability company

By: _____

Its: _____

Subscribed and sworn to before me
this _____ day of _____, 200 ____.

Notary Public

My commission expires: _____

Agreed and Accepted:

City of Chicago, acting by
and through its Department
of Planning and Development

[Deputy] Commissioner

Schedule 1 referred to in this Requisition Form reads as follows:

Schedule 1.
(To Requisition Form)

Accrued Interest Computation.

C/E = Certificate of Expenditure

The following chart indicates the interest that has accrued to date on the Indebtedness:

Note Or C/E Date	Amount Of Indebtedness	Interest Period	Interest Rate	Accrued Interest
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Accrued Interest
On Indebtedness:

\$ _____

Note: If unpaid interest has compounded, such compounding and any accrual of interest on such compounded amounts should be noted on Schedule 1.

(Sub)Exhibit "M".
(To LaSalle Park Public Improvement
Redevelopment Agreement)

Opinion Of Developer's Counsel.

[To Be Retyped On The Developer's Counsel's Letterhead]

_____, 2000.

City of Chicago
121 North LaSalle Street
Chicago, Illinois 60602

Attention: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to _____, an [Illinois] _____ (the "Developer"), in connection with the purchase of certain land and the construction of certain facilities thereon located in the _____ Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

(a) _____ Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the City of Chicago (the "City");

[(b) the Escrow Agreement of even date herewith executed by the Developer and the City;]

(c) [insert other documents including but not limited to documents related to purchase and financing of the Public Improvement Property and all lender financing related to the Project]; and

(d) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, we have examined:

(a) the original or certified, conformed or photostatic copies of the Developer's (i) Articles of Incorporation, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) Bylaws, as amended to date, and (iv) records of all corporate proceedings relating to the Project [revise if the Developer is not a corporation]; and

(b) such other documents, records and legal matters as we have deemed necessary or relevant for purposes of issuing the opinions hereinafter expressed.

In all such examinations, we have assumed the genuineness of all signatures (other than those of the Developer), the authenticity of documents submitted to us as originals and conformity to the originals of all documents submitted to us as certified, conformed or photostatic copies.

Based on the foregoing, it is our opinion that:

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

2. The Developer has full right, power and authority to execute and deliver the Documents to which it is a party and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, the Developer's [Articles of Incorporation or Bylaws] [describe any formation documents if the Developer is not a corporation] or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which the Developer is a party or by which the Developer or its properties is bound. To the best of our knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture,

undertaking or other instrument to which the Developer is a party or by which it or any of its Property may be bound, or result in the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its Property pursuant to the provisions of any of the foregoing, other than liens or security interests in favor of the lender providing Lender Financing.

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

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

5. (Sub)Exhibit A attached hereto (a) identifies each class of capital stock of the Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of the Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on (Sub)Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital stock of the Developer is duly authorized, validly issued, fully paid and nonassessable.

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

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

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

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

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

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

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

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

Very truly yours,

By: _____

Name: _____

[(Sub)Exhibit "A" referred to in this Opinion of Developer's
Counsel unavailable at time of printing.]

AUTHORIZATION FOR EXECUTION OF REDEVELOPMENT
AGREEMENT WITH 535, L.L.C AND
MONTGOMERY WARD, L.L.C.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the Commissioner of the Department of Planning and Development to execute a redevelopment agreement with 535, L.L.C. and Montgomery Ward, L.L.C. 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 Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

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

Alderman Burke invoke 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:

WHEREAS, Pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on April 12, 2000 and published at pages 28653 through 28762 of the Journal of the Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (the "Plan") for the Chicago/Kingsbury Redevelopment Project Area (the "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"); and

WHEREAS, Pursuant to an ordinance adopted by the City Council on April 12, 2000 and published at pages 28762 through 28771 of the Journal of such date, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, Pursuant to an ordinance (the "T.I.F. Ordinance") adopted by the City Council on April 12, 2000 and published at pages 28771 through 28777 of the Journal of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain redevelopment project costs (as defined in the Act) ("Redevelopment Project Costs") incurred in the Area pursuant to the Plan; and

WHEREAS, The 535, L.L.C., a Delaware limited liability company, owns, in fee simple: (1) certain property located within the Area at 535 West Chicago Avenue, Chicago, Illinois 60671 and the office tower improvement thereon (the "Office Tower"), and (2) certain property located at approximately 530 West Chicago Avenue, Chicago, Illinois 60671 and the parking garage improvement thereon (the "Parking Garage") (the Office Tower and the Parking Garage, collectively, the "Property") and, with Montgomery Ward, L.L.C., a Delaware limited liability company, which company is a corporate affiliate of The 535, L.L.C., proposes to commence and complete the remodeling and rehabilitation of the approximately six hundred six thousand (606,000) square foot Office Tower (the "Office Tower Rehabilitation") and the remodeling and rehabilitation of the approximately eight hundred (800) space

Parking Garage (the "Parking Garage Rehabilitation") (the Office Tower Rehabilitation and the Parking Garage Rehabilitation, collectively, the "Project"); and

WHEREAS, The 535, L.L.C. and Montgomery Ward, L.L.C. jointly propose to undertake the Project in accordance with the Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by both companies and the City, including but not limited to the completion of the Project, and the retention and creation of jobs, to be financed in part by the issuance of the Notes (defined below); and

WHEREAS, Pursuant to Resolution 00-CDC-63, adopted by the Community Development Commission of the City of Chicago (the "Commission") on April 25, 2000, the Commission authorized the City's Department of Planning and Development ("D.P.D.") to publish notice pursuant to Section 5/11-74.4-4(c) of the Act of its intention to negotiate a redevelopment agreement with The 535, L.L.C. for the Project and to request alternative proposals for redevelopment of the Property; and

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

WHEREAS, Since no other responsive proposals were received by D.P.D. for the redevelopment of the Property or a portion thereof within fourteen (14) days after such publication, pursuant to Resolution 00-CDC-63, the Commission has recommended that The 535, L.L.C. be designated as the developer for the Project and that D.P.D. be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with The 535, L.L.C. for the Project; and

WHEREAS, The City is committed to spurring economic development throughout all of its neighborhoods; and

WHEREAS, The City has loan recapture funds ("U.D.A.G. Recapture Funds") available to it from the United States Department of Housing and Urban Development Action Grant program; and

WHEREAS, The Project, which has the purpose of economic revitalization, is an eligible expense for the U.D.A.G. Recapture Funds; and

WHEREAS, The City wishes to appropriate a portion of the U.D.A.G. Recapture Funds to D.P.D. to assist the Project; now, therefore,

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

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

SECTION 2. The 535, L.L.C. and Montgomery Ward, L.L.C., jointly and collectively, are hereby designated as the developer ("Developer") for the Project pursuant to Section 5/11-74.4-4 of the Act.

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

SECTION 4. The City Council hereby authorizes the City to issue tax increment allocation revenue obligations in an amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) for the purpose of paying a portion of the Redevelopment Project Costs included within the Project and relating to the Office Tower.

SECTION 5. There shall be borrowed for and on behalf of the City an amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) for the purpose of paying a portion of the Redevelopment Project Costs included within the Project and relating to the Office Tower. A note of the City shall be issued up to said amount and shall be designated "Tax Increment Allocation Revenue Note (The 535, L.L.C. and Montgomery Ward, L.L.C. Redevelopment Project), Taxable Series A" (the "Note"). The Note shall be dated the date of delivery thereof, and shall also bear the date of authentication, shall be in fully registered form, shall be in the denomination of the outstanding principal amount thereof and shall become due and payable as provided therein.

The Note shall bear interest at a rate not to exceed nine and zero-tenths percent (9.0%) per annum, computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months.

The principal of and interest on the Note shall be paid by check or draft of the Comptroller of the City, as registrar and paying agent (the "Registrar"), payable in lawful money of the United States of America to the persons in whose names the

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

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

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

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

Upon surrender for transfer of the Note at the principal office of the Registrar, duly endorsed by, or accompanied by (i) a written instrument or instruments of transfer in form satisfactory to the Registrar, (ii) an investment representation in form satisfactory to the City and duly executed by the registered owner or its attorney duly authorized in writing, and (iii) the written consent of the City evidenced by the signature of the Commissioner (or his or her designee) on the instrument of transfer, the City shall execute and the Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Note of the same maturity, of authorized denomination, for a like aggregate principal amount. The

execution by the City of the fully registered Note shall constitute full and due authorization of the Note and the Registrar shall thereby be authorized to authenticate, date and deliver the Note, provided, however, that the principal amount of the Note authenticated by the Registrar shall not exceed the authorized principal amount of the Note less previous retirements. The Registrar shall not be required to transfer or exchange the Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of the Note nor to transfer or exchange the Note after notice calling the Note for redemption has been made, nor during a period of five (5) days next preceding mailing of a notice of redemption of principal of the Note. No beneficial interests in the Note shall be assigned, except in accordance with the procedures for transferring the Note described above.

The entity in whose name the Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of the Note shall be made only to or upon the order of the registered owner thereof or its legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid.

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

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

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

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

SECTION 10. The Note hereby authorized shall be executed as provided in this ordinance and the Redevelopment Agreement as soon after the passage hereof as may be practicable, and thereupon be deposited with the Commissioner and be delivered by said Commissioner to the Developer.

SECTION 11. (a) Special Tax Allocation Fund. Pursuant to the T.I.F. Ordinance, the City has created a special fund, designated as the Chicago/Kingsbury Redevelopment Project Area Special Tax Allocation Fund (the "Tax Allocation Fund"). Pursuant to the T.I.F. Ordinance, all incremental ad valorem taxes received by the City for the Area are to be deposited into the Tax Allocation Fund. Pursuant to the T.I.F. Ordinance, the Tax Allocation Fund is a segregated account, separate and apart from all other funds and accounts of the City.

(b) The 535, L.L.C. And Montgomery Ward, L.L.C. Redevelopment Project Account. There is hereby created within the Tax Allocation Fund a special account to be known as the "The 535, L.L.C. and Montgomery Ward, L.L.C. Redevelopment Project Account" ("Developer Account"). The City shall promptly designate and deposit into the Developer Account one hundred percent (100%) of the incremental ad valorem taxes deposited into the Tax Allocation Fund during the period commencing with the date of certification of the base equalized assessed valuation of the Area by Cook County and ending on the Maturity Date of the Note (as defined in the Note) that are attributable solely to the taxes levied on the Office Tower, but the total amount so deposited shall at no time exceed the amount necessary to pay all of the principal and interest required by the Note. In the event that the Developer does not commence the Project by the later of (i) one hundred twenty (120) days after the Closing Date (as defined in the Redevelopment Agreement) or (ii) July 1, 2001, then the City may, in its discretion, return the entire amount in the Developer Account as of that date to the Tax Allocation Fund.

(c) Pledge Of The 535, L.L.C. And Montgomery Ward, L.L.C. Redevelopment Project Account. The City hereby assigns, pledges and dedicates the Developer Account, together with all amounts on deposit in the Developer Account, to the payment of the principal of and interest, if any, on the Note when due. Upon deposit, the monies on deposit in the Developer Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the Developer Account. All monies on deposit in the Developer Account shall be used to pay the principal of and interest on the Note, at maturity or upon payment or redemption prior to maturity, in accordance with its terms, which payments from the Developer Account are hereby authorized and appropriated by the City. Upon payment from the Developer Account of all amounts due under the Note in accordance with its terms, any other amounts on deposit in the Developer Account shall be deposited in the Tax Allocation Fund of the City and the Developer Account shall be closed.

SECTION 12. The Note is a special limited obligation of the City, and is payable solely from amounts on deposit in the Developer Account (or, if circumstances occur

which lead to insufficient amounts on deposit in the Developer Account to pay the Note in full by maturity, the City shall, in a reasonable manner, review the increment stream and, subject to other commitments made or proposed to be made by the City, all in the City's sole discretion, and the availability of other increment, pledge such other funds in the Tax Allocation Fund as the City, in its sole discretion, may determine), and shall be a valid claim of the registered owner thereof only against said sources. The Note shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any constitutional or statutory provision. The registered owner(s) of the Note shall not have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of or interest on the Note.

SECTION 13. Monies on deposit in the Developer Account may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago. Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on the Note.

SECTION 14. Pursuant to the Redevelopment Agreement, the Developer has agreed to perform and complete the Project. The Developer's expenditure of up to the amount of Three Million Five Hundred Thousand Dollars (\$3,500,000) of eligible costs of the Project relating to the Office Tower shall be deemed to be a disbursement of the proceeds of the Note, and the outstanding principal amount of the Note shall be increased from time to time by the amount of such expenditures as represented by the sum of advances made from time to time pursuant to certificates of expenditure (the "Certificates of Expenditure") executed by the Commissioner (or his or her designee) and authenticated by the Registrar, in accordance with the Redevelopment Agreement, minus any principal amount paid on the Note and other reductions in principal as provided in the Redevelopment Agreement. A Certificate of Expenditure shall not be valid or obligatory under this ordinance unless or until authenticated by the Registrar by manual signature. The City shall not execute Certificates of Expenditure that total in excess of Three Million Five Hundred Thousand Dollars (\$3,500,000). Upon execution of a Certificate of Expenditure, the Registrar shall promptly send the Certificate to the Registered Owner and retain a copy with the Register. Certificates of Expenditure shall be in substantially the form attached hereto as Exhibit C.

SECTION 15. The Registrar shall maintain a list of the name and address of the Registered Owner from time to time of the Note and upon any transfer shall add the name and address of the new Registered Owner and eliminate the name and address of the transferor.

SECTION 16. The provisions of this ordinance shall constitute a contract between the City and the Registered Owner of the Note. All covenants relating to the Note are enforceable by the registered owners of the Note.

SECTION 17. The City Council hereby authorizes the City, through D.P.D. to pay the Developer the sum of One Million Dollars (\$1,000,000) as a City Subsidy (as defined in the Redevelopment Agreement) in the manner set forth in the Redevelopment Agreement provided that the Developer produces sufficient evidence, as set forth in the Redevelopment Agreement, that at the time the City Subsidy is provided it has at least one thousand (1,000) jobs within the Office Tower.

SECTION 18. The sum of One Million Dollars (\$1,000,000) not previously appropriated is hereby appropriated for use by D.P.D. as the City Subsidy from Fund 899 -- U.D.A.G. Loan Recapture -- as indicated in the Amendment to the 2000 Appropriation Ordinance attached hereto as Exhibit D.

SECTION 19. The Mayor, the Comptroller, the City Clerk, the Commissioner (or his or her designee) and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this ordinance.

SECTION 20. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 21. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 22. This ordinance shall be in full force and effect immediately upon its passage.

Exhibits "A", "B", "C" and "D" referred to in this ordinance reads as follows:

*Exhibit "A".
(To Ordinance)*

*The 535, L.L.C. And Montgomery Ward, L.L.C.
Redevelopment Agreement.*

By And Between

The City Of Chicago,

The 535, L.L.C.

And

Montgomery Ward, L.L.C.

This The 535, L.L.C. and Montgomery Ward, L.L.C. redevelopment agreement ("Agreement") is made this ___ day of _____, 20___, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("D.P.D."), The 535, L.L.C., a Delaware limited liability company, and Montgomery Ward, L.L.C., a Delaware limited liability company (jointly and collectively, the "Developer").

Recitals.

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on April 12, 2000: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Chicago/Kingsbury Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Chicago/Kingsbury Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Chicago/Kingsbury Redevelopment Project Area" (the "T.I.F. Adoption Ordinance") (items (1) -- (3) collectively referred to herein as the "T.I.F. Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in (Sub)Exhibit A hereto.

D. The Project: The 535, L.L.C. owns, in fee simple: (1) certain property located within the Redevelopment Area at 535 West Chicago Avenue, Chicago, Illinois 60671 and the office tower improvement thereon (the "Office Tower"), and (2) certain property located at approximately 530 West Chicago Avenue, Chicago, Illinois 60671 and the parking garage improvement thereon (the "Parking Garage"), both legally described on (Sub)Exhibit B hereto (the Office Tower and the Parking Garage collectively referred to herein as the "Property"). Within the time frames set forth in Section 3.01 hereof, the Developer shall commence and complete the remodeling and rehabilitation of the approximately six hundred six thousand (606,000) square foot Office Tower (the "Office Tower Rehabilitation") and the remodeling, rehabilitation and placing in service of the approximately eight hundred (800) space Parking Garage (the "Parking Garage Rehabilitation"). The Office Tower Rehabilitation and the Parking Garage Rehabilitation and related improvements (including but not limited to those T.I.F.-Funded Improvements as defined below and set forth on (Sub)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. Other Remodeling: In addition to the Project, the Developer has remodeled or intends to remodel its four (4) retail stores within the City of Chicago. The remodeling of the stores located at the Ford City and Brickyard Malls has been completed. The Addison Mall store remodeling is in progress. The remodeling at the 47th and Damen store is scheduled to be completed by December 31, 2001.

F. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Chicago/Kingsbury Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the "Redevelopment Plan") attached hereto as (Sub)Exhibit D.

G. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) the proceeds of the City Note (as defined below) and/or (ii) Available Incremental Taxes (as defined below) to pay for or reimburse the Developer for the costs of T.I.F.-Funded Improvements pursuant to the terms and conditions of this Agreement and the City Note. The City also agrees to grant the City subsidy (as defined below) to the Developer pursuant to the terms and conditions of this Agreement.

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

Section 1.

Recitals.

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

Section 2.

Definitions.

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

“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.

“Available Incremental Taxes” shall mean an amount equal to the Incremental Taxes deposited in the Chicago/Kingsbury T.I.F. Fund attributable solely to the taxes levied on the Office Tower (subject to the provisions of Section 4.03(b) hereof) following the certification of the base equalized assessed valuation by Cook County, as adjusted to reflect the amount of the City fee described in Section 4.04(b) hereof.

"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.

"Certificate of Expenditure" shall have the meaning set forth for such term in Section 4.03(b) hereof.

"Change Order" shall mean any amendment or modification to the plans and specifications or the project budget as described in Sections 3.02 and 3.03 hereof.

"Chicago/Kingsbury T.I.F. Fund" shall mean the Chicago/Kingsbury Redevelopment Project Area Special Tax Allocation Fund.

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

"City Fee" shall mean the fee described in Section 4.04(b) hereof.

"City Funds" shall mean the funds paid to the Developer pursuant to the city note.

"City Funds Triggering Event" shall have the meaning set forth in Section 8.22 hereof.

"City Note" shall mean the City of Chicago Tax Increment Allocation Revenue Note (The 535, L.L.C. and Montgomery Ward, L.L.C. Redevelopment Project) Taxable Series A, to be in the form attached hereto as (Sub)Exhibit M, in the maximum principal amount of Three Million Five Hundred Thousand Dollars (\$3,500,000), issued by the City to the Developer on or as of the date hereof. The city note shall bear interest at an annual rate not to exceed nine percent (9%) and shall not provide for accrued, but unpaid, interest to bear interest at the same annual rate.

"City Subsidy" shall have the meaning set forth in Section 4.08 hereof.

"City Subsidy Triggering Event" shall have the meaning set forth in Section 8.23 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.

"Commitment Period" shall mean that period of time commencing on the later to occur of the Closing Date or the project start date, and terminating ten (10) years after commencement.

"Construction Contract" shall mean those certain contracts that will be entered into from time to time between the Developer and the general contractors to provide for construction of the project.

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

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

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601, et seq.) (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802, et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902, et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401, et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251, et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601, et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136, et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1, et seq.) and (x) the Municipal Code of Chicago.

"Equity" shall mean funds of the Developer (other than funds derived from lender financing) irrevocably available for the project, in the amount set forth in Section 4.01 hereof, which amount may be increased pursuant to Section 4.05 (Cost Overruns).

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

"Financial Statements" shall mean complete audited financial statements for the most recent fiscal year of General Electric Capital Corporation ("G.E.C.C.") prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods (Form 10-K of G.E.C.C. is acceptable for purposes of this Agreement).

"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 T.I.F. 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 Chicago/Kingsbury T.I.F. Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"Lender Financing" shall mean funds borrowed, if any, by the Developer from lenders and irrevocably available to pay for costs of the Project, in the amount set forth in Section 4.01 hereof.

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

"M.B.E./W.B.E. Budget" shall mean the budget attached hereto as (Sub)Exhibit H-2, as described in Section 10.03.

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

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

"Permitted Successor" shall mean (i) any entity that results from the occurrence of any consolidation or sale or merger of the Developer with or into any other limited liability company or corporation or entity (whether or not affiliated with the Developer), or successive consolidations or mergers in which the Developer or its successor or successors shall be a party or parties, or (ii) any entity which, pursuant to any sale or conveyance of the property of the Developer as an entirety or substantially as an entirety to any other corporation or entity (whether or not affiliated with the Developer), acquires and operates the same; provided, however, and the Developer and the City hereby covenant and agree, that upon any such consolidation, merger, sale or conveyance, all of the obligations of the Developer hereunder shall be expressly assumed in writing by the corporation or such other entity formed by such consolidation, or into which the Developer shall have been merged, or by the corporation or entity which shall have acquired such property.

"Permitted Transferee" shall mean any entity which is a major owner or operator of retail department stores and is also any of the following: (i) any real estate investment trust with assets in excess of One Hundred Million Dollars (\$100,000,000); (ii) any pension fund or investment fund subject to the requirements of E.R.I.S.A., or any manager thereof; (iii) any health, welfare or retirement fund of any governmental institution or other entity which would be subject to E.R.I.S.A. but for an exemption in E.R.I.S.A., or any manager thereof; (iv) any corporation, partnership or other entity that is subject to periodic public financial reporting requirements under any state or federal laws governing securities, banking or insurance and requiring periodic public financial reporting to any governmental agency; (v) any public investment fund, private investment fund or similar entity, regulated by (or specifically exempt from regulation under) federal or state securities laws, whose invested equity funds, equity funds held pending investment or funds subject to capital calls exceed Fifty Million Dollars (\$50,000,000), or any manager, general partner or managing member thereof; (vi) a privately held entity with assets of One Hundred Million Dollars (\$100,000,000) or more; (vii) any purchaser who acquires the property with financing subordinate to the Lender Financing, if any, existing as of the date hereof, provided such subordinate financing is provided by an entity described in the preceding clauses (i) through (vi). Notwithstanding the foregoing, no person or entity shall be a permitted transferee if it (or its principal officers or directors) is in violation of any City laws.

"Permitted Liens" shall mean those liens and encumbrances against the property and/or the project set forth on (Sub)Exhibit G hereto.

"Plans and Specifications" shall mean initial construction documents containing a site plan and working drawings and specifications for the project -- including but not limited to building elevations, landscaping plans, architectural design, materials and finishes, lighting, landscape materials and screening of mechanical equipment -- for those portions of the project for which a building permit must be obtained.

"Prior Expenditure(s)" shall have the meaning set forth in Section 4.04(a) hereof.

"Project" shall have the meaning set forth in the recitals hereof.

"Project Budget" shall mean the budget attached hereto as (Sub)Exhibit H-1, showing the total cost of the Project by line item, furnished by the Developer to D.P.D., in accordance with Section 3.03 hereof.

"Project Start Date" shall mean the date of application to the City for a building permit to be granted to the Developer in connection with the Project, but in any event not earlier than the Closing Date.

"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.

"Survey" shall mean a Class A plat of survey in the most recently revised form of A.L.T.A./A.C.S.M. urban survey of the Property dated within forty-five (45) days prior to the Closing Date (or such a survey dated June, 1999 and dated down to the Closing Date by the Developer, or as otherwise acceptable to the City), acceptable in form and content to the City, prepared by a surveyor registered in the State of Illinois, certified to the City, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the completion of the Project and related improvements as required by the City or lender(s) providing Lender Financing).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2024).

"T.I.F. Adoption Ordinance" shall have the meaning set forth in the recitals hereof.

"T.I.F.-Funded Improvements" shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, and (ii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. (Sub)Exhibit C lists the T.I.F.-funded improvements for the Project.

"T.I.F. Ordinances" shall have the meaning set forth in the Recitals hereof.

"Title Policy" shall mean a title insurance policy in the most recently revised A.L.T.A. 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 described in Section 5.04 hereof in favor of the City with respect to previously recorded liens against the Property.

"W.A.R.N. Act" shall mean the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101, et seq.).

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

Section 3.

The Project.

3.01 The Project.

With respect to the Project, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof (i) commence the Project no later than the later of (A) one hundred twenty (120) days after the Closing Date or (B) July 1, 2001; and (ii) complete the Project (including the placing in service of the Parking Garage) no later than June 30, 2006. Notwithstanding anything in this Agreement to the contrary, the Developer shall present its plans for the Parking Garage Rehabilitation to the Community Development Commission for a courtesy review prior to commencing such work.

3.02 Plans And Specifications.

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. The Developer shall promptly deliver to D.P.D. a copy of the Plans and Specifications and the work plan for the Project upon the earlier of (i) their revision from time to time by Developer, or (ii) every six (6) months. Developer shall obtain D.P.D.'s express prior approval of the applicable version of the Plans and Specifications before commencing each successive phase of the Project. After such initial approval of a particular phase, subsequent proposed changes to the Plans and Specifications that affect that phase shall be submitted to D.P.D. as a Change Order pursuant to Section 3.04 hereof. The Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. Prior to beginning design and development drawings, the Developer must meet with D.P.D. to review design concerns and proposed architectural solutions. Developer must receive conceptual design approval from the City prior to starting construction drawings. The Project must comply with Planned Development Number 447 or other applicable zoning.

3.03 Project Budget.

The Developer has furnished to D.P.D., and D.P.D. has approved, a Project Budget showing total costs for the Project in an amount not less than Thirteen Million Five Hundred Twenty Thousand Dollars (\$13,520,000) (subject to Section 7.01(b)). The Developer hereby certifies to the City that (a) except for the City Subsidy (as defined in Section 4.08 hereof), it has Lender Financing, if any, and the Equity, described in Section 4.02 hereof sufficient to complete the Project and to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to D.P.D. 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 D.P.D. 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 D.P.D. for D.P.D.'s prior written approval: (a) a reduction in the square footage of the Office Tower or the Parking Garage; (b) a change in the use of the Property; or (c) a delay in the completion of the Project. Change Orders costing more than Twenty-five Thousand Dollars (\$25,000) each or more than One Hundred Thousand Dollars (\$100,000) overall must be submitted by the Developer to D.P.D. as part of the progress reports described in Section 3.07 hereof. 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 D.P.D.'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 or City Subsidy which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer.

3.05 D.P.D. Approval.

Any approval granted by D.P.D. of the 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 D.P.D. pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

3.06 Other Approvals.

Any D.P.D. 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 D.P.D.'s approval of the Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required hereunder.

3.07 Progress Reports; Survey Updates; Review Of Draw Requests If Lender Financing.

The Developer shall provide D.P.D. 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 D.P.D.'s written approval pursuant to Section 3.04). If the Project or any portion of the Project changes or would change the Survey, then the Developer shall promptly provide three (3) copies of an updated Survey to D.P.D. which reflect the improvements made to the Property. If the Developer enters into Lender Financing, the City shall have the right to review Developer's draw requests which must be accompanied by customary lien waivers and sworn statements.

3.08 Inspecting Agent Or Architect.

An independent agent or architect (other than the Developer's architect) approved by D.P.D. shall be selected to act as the inspecting agent or architect, at the Developer's reasonable expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to D.P.D., prior to requests for disbursement for costs related to the Project.

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, if applicable, and constructed in compliance with all applicable federal, state or City

laws, ordinances and regulations. D.P.D. 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. With the exception of the corporate sign already approved by the City on October 18, 1999, the City must approve all construction and permanent signage for the Project.

3.11 Utility Connections.

The Developer may connect all on-site water, sanitary, storm and sewer lines, if any, 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, the Developer shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City of Chicago and are of general applicability to other property within the City of Chicago.

Section 4.

Financing.

4.01 Total Project Cost And Sources Of Funds.

The cost of the Project is estimated to be at least Thirteen Million Five Hundred Twenty Thousand Dollars (\$13,520,000) (subject to Section 7.01(b)), to be applied

in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to Section 4.06)	\$12,520,000*
City Subsidy (subject to Section 4.08)	1,000,000
ESTIMATED TOTAL:	\$13,520,000

4.02 Developer Funds.

Equity and/or Lender Financing shall be used to pay all Project costs, including but not limited to Redevelopment Project Costs and costs of T.I.F.-Funded Improvements.

4.03 City Funds.

(a) Uses Of City Funds. City Funds may only be used to reimburse the Developer for costs of T.I.F.-Funded Improvements that constitute Redevelopment Project Costs. (While City Funds will be used only to reimburse the Developer for T.I.F.-Funded Improvements to the Office Tower, which is the only portion of the Property located within the Redevelopment Area, the rehabilitation of the Parking Garage is a part of the Project and those costs will be considered for purposes of determining the maximum principal amount of the City Note as set forth in Section 4.03(b) herein). (Sub)Exhibit C sets forth, by line item, the T.I.F.-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Section 4.03(b)), contingent upon receipt by the City of documentation satisfactory in form and substance to D.P.D. evidencing such cost and its eligibility as a Redevelopment Project Cost.

* Of this amount, up to Three Million Five Hundred Thousand Dollars (\$3,500,000) shall be reimbursed to Developer by City Funds subject to the terms and conditions of this Agreement and the City Note.

(b) Sources Of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue a City Note to the Developer on the Closing Date. The initial principal balance of the City Note shall be Zero Dollars (\$0). Thereafter, the principal balance of the City Note shall be increased by the City through the issuance of a certificate ("Certificate of Expenditure") to the Developer (in the format shown in the City Note) each time the Developer expends Equity or Lender Financing on the Project in an amount so that the aggregate amount spent meets or exceeds the next larger Cumulative Expenditure listed on the T.I.F. Subsidy Milestone Schedule attached as (Sub)Exhibit F hereto. When the Developer demonstrates to the satisfaction of D.P.D. that it has reached or exceeded a Cumulative Expenditure milestone, the principal balance of the City Note shall increase to the corresponding Cumulative Note Value, which value shall not in any event exceed the costs of the T.I.F.-Funded Improvements which have been incurred through that date by the Developer and are to be reimbursed by the City through payments of principal and interest on the City Note, subject to the provisions hereof; provided, however, that the maximum principal amount of the City Note shall be an amount not to exceed the lesser of Three Million Five Hundred Thousand Dollars (\$3,500,000) or twenty-five and nine-tenths percent (25.9%) of the actual total Project costs, and shall also be limited as set forth in Section 4.09 hereof; and provided, however, that payments under the City Note are subject to the amount of Available Incremental Taxes deposited into the Chicago/Kingsbury T.I.F. Fund being sufficient for such payments. At a future date, if circumstances occur which lead to insufficient Available Incremental Taxes being available to pay the Note in full by maturity, the City shall, in a reasonable manner, review the increment stream and, subject to other commitments made or proposed to be made by the City, all in the City's sole discretion, and the availability of other increment, pledge increment from other parcels within the Redevelopment Area to the Developer.

4.04 Treatment Of Prior Expenditures And City Fee.

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

(b) City Fee. Annually, the City may allocate an amount not to exceed twenty percent (20%) of the Available Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

4.05 Cost Overruns.

If the aggregate cost of the T.I.F.-Funded Improvements exceeds the sum of the City Funds and City Subsidy available pursuant to Sections 4.03 and 4.08 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 T.I.F.-Funded Improvements in excess of the sum of the City Funds and City Subsidy and of completing the Project.

4.06 Preconditions Of Execution Of Certificate Of Expenditure.

The Developer shall demonstrate its achievement of each successive Cumulative Expenditure (as set forth in the T.I.F. Subsidy Milestone Schedule attached as (Sub)Exhibit F hereto) by timely submitting to the City a request for execution of a Certificate of Expenditure, which request shall include: (i) documentation (including an owner's sworn statement) regarding Developer's current Project expenditures and executed lien waivers for same, which documentation shall be satisfactory to D.P.D. in its sole discretion, (ii) a progress report containing a statement of the current number of jobs at the Office Tower and the information set forth in Section 8.08 herein, and, if required by said section, (iii) a plan for correcting any compliance shortfall. Delivery by the Developer to D.P.D. of any request for execution by the City of a Certificate of Expenditure 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 execution of a Certificate of Expenditure, that:

(a) the total amount of the request for Certificate of Expenditure represents the actual amount paid to the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees;

(b) all amounts shown as previous payments on the request for Certificate of Expenditure have been paid to the parties entitled to such payment;

(c) the Developer has approved all work and materials referenced in the request for Certificate of Expenditure 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

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

The City may require the Developer to submit further documentation to verify that the matters certified to above are true and correct, and any execution of a Certificate of Expenditure 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 execution of a Certificate of Expenditure including, but not limited to, the Bonds, if any, the T.I.F. Ordinances, or this Agreement.

4.07 Conditional Grants.

The City Funds and the City Subsidy being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed to the City as provided in Section 8.22 hereof and the City Subsidy is subject to being reimbursed to the City as provided in Section 8.23 hereof.

4.08 City Subsidy.

The City shall grant Developer further assistance in the amount of One Million Dollars (\$1,000,000) (the "City Subsidy") in a lump sum payment upon the Developer providing evidence satisfactory to the City that the Developer presently maintains at least one thousand (1,000) jobs within the Office Tower. If satisfactory

evidence is received at least two (2) weeks prior to Closing, then the City Subsidy shall be paid at Closing. If satisfactory evidence is received less than two (2) weeks prior to Closing or any time after Closing, then the City Subsidy shall be paid to Developer two (2) weeks thereafter.

4.09 Maximum City Financing.

Notwithstanding anything in this Agreement to the contrary, the sum of the City Subsidy and the maximum principal amount of the City Note shall be an amount not to exceed the lesser of Four Million Five Hundred Thousand Dollars (\$4,500,000) or thirty-three and three-tenths percent (33.3%) of the actual total Project costs.

Section 5.

Conditions Precedent.

Prior to the Closing Date, the following conditions shall have been completed, approved or complied with to the City's satisfaction:

5.01 Project Budget.

A Project Budget in accordance with the provisions of Section 3.03 hereof.

5.02 Plans And Specifications.

The Plans and Specifications in accordance with the provisions of Section 3.02 hereof.

5.03 Other Governmental Approvals.

Evidence of having secured all necessary approvals and permits for the portions of the Project that have commenced as of the Closing Date or are immediately pending commencement following the Closing Date, including those regarding environmental remediation, if any, as may be required by any state, federal or local statute, ordinance or regulation.

5.04 Financing.

Proof that the Developer has Lender Financing, if any, and Equity 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 the Equity set forth in Section 4.01) to complete the Project. Unless otherwise agreed to by the City, any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth in Section 8.24 herein pursuant to a Subordination Agreement, in a form acceptable to the City and attached as (Sub)Exhibit O and made a part hereof, 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 Title.

A copy of the Title Policy for the Property, dated as of the Closing Date, certified by the Title Company, showing the Developer as the named insured. The Title Policy contains only those title exceptions listed as Permitted Liens on (Sub)Exhibit G hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also shall contain an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. The Developer has provided to D.P.D., on or prior to the Closing Date, certified copies of all easements, ground leases, operating leases and encumbrances of record with respect to the Property not addressed, to D.P.D.'s satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence Of Clean Title.

The Developer, at its own expense, has provided the City with searches under the Developer's names (and the following trade names of the Developer: Montgomery Ward; Wards) as follows:

Secretary of State

UCC search (only as to the addresses
of the Office Tower and the Parking
Garage)

Secretary of State

Federal tax search

Cook County Recorder	UCC search (only as to the addresses of the Office Tower and the Parking Garage)
Cook County Recorder	Fixtures search
Cook County Recorder	Federal tax search
Cook County Recorder	State tax search
Cook County Recorder	Memoranda of judgments search
United States District Court	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

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

5.07 Surveys.

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

5.08 Insurance.

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

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 (Sub)Exhibit J, with such changes as required by or acceptable to Corporation Counsel. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in (Sub)Exhibit J hereto, such opinions were obtained by the Developer from its general corporate counsel.

5.10 Evidence Of Prior Expenditures.

The Developer has provided evidence satisfactory to D.P.D. in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.04(a) hereof.

5.11 Financial Statements.

The Developer has provided financial statements to D.P.D. (of the type inserted in Developer's vendor packets) for its most recently available fiscal quarter. The Developer has also provided to D.P.D. the Financial Statements (e.g., S.E.C. Form 10-K) of G.E.C.C. for the most recent three (3) fiscal years.

5.12 Documentation.

Documentation with respect to current employment matters at the Office Tower and a progress report containing the current information requested under Section 8.08 herein.

5.13 Environmental.

The Developer has provided D.P.D. with copies of that certain Phase I environmental audit completed with respect to the Property and any Phase II environmental audit with respect to the Property required by the City. The Developer has provided 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 or Certificate of Organization 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 of Illinois; a manager's certificate in such form and substance as the Corporation Counsel may require; operating agreements of the Developer; and such other organizational documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement regarding the Developer, and all additional Economic Disclosure Statements required thereunder, each on the City's then-current form, and each dated as of the Closing Date.

5.15 Litigation.

The Developer has provided to Corporation Counsel and D.P.D. 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.

5.16 Appraisal.

The Developer has provided the appraisal described in Section 16(e) hereof.

5.17 Guaranty.

The Developer has provided any guaranty required pursuant to Sections 8.22(f) and 8.23(c) herein.

5.18 Employees At Office Tower.

The Developer has provided evidence that, as of the Closing Date or within one (1) week prior thereto, not fewer than one thousand (1,000) full-time equivalent, permanent employees exist and are officed at the Office Tower. For purposes of this Agreement, a full-time equivalent, permanent employee is a person directly employed by the Developer who is paid by salary or hourly based upon an average of one thousand seven hundred fifty (1,750) working hours per calendar year.

Section 6.

Agreements With Contractors.

6.01 Bid Requirement For General Contractor And Subcontractors.

(a) Prior to entering into any agreement having a face value of One Hundred Thousand Dollars (\$100,000) or more with a General Contractor or a subcontractor, and except as set forth in Section 6.01(b) below, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received to D.P.D. for its inspection and written approval.

(i) For the T.I.F.-Funded Improvements, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the T.I.F.-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds.

(ii) For Project work other than the T.I.F.-Funded Improvements, if the Developer selects a General Contractor (or the General Contractor selects any subcontractor) who has not submitted the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof.

The Developer shall submit copies of the Construction Contract to D.P.D. in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the T.I.F.-Funded Improvements shall be provided to D.P.D. 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 D.P.D. and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of the Project, the Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed ten percent (10%) of the total amount of the Construction Contract. Except as explicitly stated in this paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors.

6.02 Construction Contract.

Prior to the execution thereof, the Developer shall deliver to D.P.D. a copy of any proposed Construction Contract with a General Contractor (as selected in accordance with Section 6.01 above) and having a face value of One Hundred Thousand Dollars (\$100,000) or more for D.P.D.'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 D.P.D. 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 the form attached as (Sub)Exhibit P hereto. 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 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement -- General Contractor only), Section 10.03 (M.B.E./W.B.E. 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 T.I.F.-Funded Improvements shall be provided to D.P.D. within five (5) business days of the execution thereof.

Section 7.

Completion Of Rehabilitation.

7.01 Certificate Of Completion Of Rehabilitation.

(a) Upon completion of the Project in accordance with the terms of this Agreement, the Developer may submit a written request to the City to issue a certificate of completion of rehabilitation ("Certificate").

(b) If during the Term of this Agreement, the Developer determines that the total scope of the Project will be reduced from that set forth in this Agreement, then the Developer shall notify the City immediately. The City assistance to the reduced Project will be provided subject to the terms and conditions of this Agreement, including but not limited to: (i) if actual total project costs are less than Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000), no City Funds will be provided and the City Note, including accrued interest, will be cancelled; (ii) the amount of City Funds provided will be subject to the limitations of Section 4.03(b) hereof.

(c) Upon the occurrence of (a) or (b), D.P.D. shall respond to the Developer within forty-five (45) days thereafter 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. If the City issues a written statement, the Developer may resubmit a written request for a Certificate upon its completion of the matters indicated in the statement. Any Certificate issued shall be in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement.

7.02 Effect Of Issuance Of Certificate.

The issuance of the Certificate indicates the City's certification that the terms of the Agreement specifically related to the Developer's obligation to complete the Project have been satisfied and that the covenant set forth in Section 8.02 shall be deemed to have been fulfilled. 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, 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.

7.03 Failure To Complete.

If the Developer fails to complete the Project in accordance with the terms of this Agreement (subject to Section 7.01(b)), 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 T.I.F.-Funded Improvements that are public improvements and to pay for the costs of T.I.F.-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the T.I.F.-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 T.I.F.-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds and the City Subsidy from the Developer as set forth in Sections 8.22 and 8.23.

7.04 Notice Of Expiration Of Term Of Agreement.

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

Section 8.

Covenants/Representations/Warranties Of The Developer.

8.01 General.

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

(a) the Developer is comprised of two (2) Delaware limited liability corporations duly organized, validly existing, qualified to do business in its state of organization and in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its Articles of Organization or operating agreement as amended and supplemented, any applicable provision of law, or constitute a breach of default under or require

any consent under any agreement, instrument or document to which 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 535, L.L.C. shall maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof);

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

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

(g) the Developer has or will obtain, as necessary, 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 G.E.C.C., and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of G.E.C.C. since the date of its most recent Financial Statements;

(j) the Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of D.P.D. (or except as provided in Section 16(c) hereof), allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; and

(k) the Developer has not made or caused to be made, directly or indirectly, any

payment, gratuity or offer of employment in connection with this 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 this Agreement or any City Contract with the Developer in violation of Chapter 2-156-120 of the Municipal Code of the City.

8.02 Covenant To Redevelop.

Upon D.P.D.'s approval of the Project Budget, the Plans and Specifications as provided in Sections 3.03 and 3.02 hereof and the Developer's receipt of all required building permits and governmental approvals, the Developer shall rehabilitate the Property in accordance with this Agreement and all (sub)exhibits attached hereto, the T.I.F. Ordinances, the 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 that are in effect as of the Closing Date.

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 T.I.F.-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 T.I.F.-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 cooperate and provide reasonable assistance in connection with

the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto. If the City chooses to pay the City Note using proceeds of the Bonds, the parties agree to amend this Agreement to provide the City with security for the repayment of such Bond proceeds, and which security shall be of the same nature as the repayment provisions of Section 8.22, if an Event of Default is declared under the terms and conditions of this Agreement.

8.06 Job Creation And Retention; Covenant Of Headquarters Use.

(a) For the Commitment Period, the Developer covenants that not fewer than eight hundred (800) full-time equivalent, permanent jobs shall be retained by the Developer at the Office Tower. For purposes of this Agreement, a full-time equivalent, permanent job is a job under the direct employment of the Developer that is paid by salary or hourly based upon an average of one thousand seven hundred fifty (1,750) working hours per calendar year.

(b) For the Commitment Period, the Developer covenants that the Office Tower shall continue to be a primary headquarters for the one (1) or more entities which are in the business of selling at retail under the trade name "Wards" or "Montgomery Ward" or any name the Developer, Permitted Successor or Permitted Transferee has chosen to identify the Developer's business.

(c) The Developer covenants that it shall not change the uses of the Office Tower or the Parking Garage from the initial uses as approved by D.P.D. without the written consent of D.P.D., except as are set forth in Planned Development Number 447. However, if residential units are created in the Parking Garage, then the requirements set forth in Section 8.25 hereof shall apply.

(d) The covenants set forth in this Section 8.06 shall run with the land and be binding upon any transferee.

8.07 Employment Opportunity; Employment Profile.

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 submit, and shall contractually obligate and cause the General Contractor or any subcontractor to submit, to D.P.D., from time to time, statements of its employment profile upon D.P.D.'s request.

8.08 Progress Reports.

The Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.06, 8.09, 10.02 and 10.03 of this Agreement, which must be accompanied by evidence of such compliance, to the extent required by D.P.D.. Such reports shall be delivered to the City with each request for a Certificate of Expenditure (as set forth in Section 4.06 herein) and, in addition, an annual update set of such reports not later than January 31 of each year (covering the previous calendar year) of the Commitment Period. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to D.P.D. which shall outline, to D.P.D.'s satisfaction, the manner in which the Developer shall correct any shortfall.

8.09 Prevailing Wage.

The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09.

8.10 Arms-Length Transactions.

Unless D.P.D. 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 T.I.F.-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 D.P.D.'s request, prior to any such disbursement.

8.11 Conflict Of Interest.

Pursuant to Section 5/11-74.4-4(n) of the Act, the Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee

of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Developer's business or the Property.

8.12 Disclosure Of Interest.

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

8.13 Financial Statements.

The Developer shall obtain and provide to D.P.D. the most recent Financial Statement of G.E.C.C. for each year of the Commitment Period. In addition, for the Commitment Period, the Developer shall, as soon as reasonably practicable following the close of each of the Developer's fiscal years, submit to D.P.D. a financial statement of the Developer (of the type inserted in Developer's vendor packets) that summarizes the prior fiscal year.

8.14 Insurance.

The Developer covenants that, at its own expense, it shall comply with all provisions of Section 12(c) hereof for the Commitment Period. The covenants set forth in this Section 8.14 shall run with the land and be binding upon any transferee.

8.15 Non-Governmental Charges.

(a) Payment Of Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to D.P.D., within thirty (30) days of D.P.D.'s request,

official receipts from the appropriate entity, or other proof satisfactory to D.P.D., evidencing payment of the Non-Governmental Charge in question.

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

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

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

8.16 Developer's Liabilities.

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

8.17 Compliance With Laws.

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

8.18 Recording And Filing.

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

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment Of Governmental Charges. The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon the Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State of Illinois, Cook County, City, or northeastern Illinois governmental (or any instrumentality, division, agency, body or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to the Developer, the Property or the Project, including but not limited to real estate taxes, except for those pre-petition claims of Cook County in connection with any bankruptcy proceedings of any entity doing business under the names "Wards" or "Montgomery Ward".

(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. The Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. 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 D.P.D. of the Developer's intent to contest or object to a Governmental Charge and, unless, at D.P.D.'s sole option,

A. the Developer shall demonstrate to D.P.D.'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

B. the Developer shall furnish a good and sufficient bond or other security satisfactory to D.P.D. in such form and amounts as D.P.D. 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 D.P.D. thereof in writing, at which time D.P.D. may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in D.P.D.'s sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which D.P.D. deems advisable. All sums so paid by D.P.D., if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to D.P.D. 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) 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.

(ii) 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 (Sub)Exhibit K for the applicable year.

(iii) 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 (Sub)Exhibit K.

(iv) Covenants Running With The Land. The parties agree that the restrictions contained in this Section 8.19(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, 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 8.19(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 8.19(c).

8.20 Public Benefits Program.

The Developer shall, during the Commitment Period, undertake a public benefits program as described on (Sub)Exhibit N for the benefit of, among others, the Girl Scouts of America. [Developer must add more detail]. Not later than January 31 of each year of the Commitment Period, the Developer shall provide the City with a status report describing in sufficient detail the Developer's compliance with the public benefits program for the preceding calendar year.

8.21 Job Readiness Program.

The Developer shall undertake a job readiness program, as described in (Sub)Exhibit L hereto, to work with the City through the Mayor's Office of Workforce Development, to participate in job training and hiring programs to fill vacant and

new jobs created by the Project and the operation of the Developer's business on the Property. [Developer to add more detail].

8.22 Recovery Of City Funds Upon Occurrence Of City Funds Triggering Events.

(a) Triggering Events. Notwithstanding any other provision of this Agreement, the occurrence of or the entering into a written agreement to cause the occurrence of any one (1) or more of the following events, unless approved by prior written consent by the City, shall constitute a "City Funds Triggering Event" by the Developer hereunder:

(i) prior to the issuance of the Certificate, any one (1) or more of the following:

(A) the Developer liquidates its business, except as part of a transfer to, sale to, merger with, consolidation with or purchase of the Developer's stock by a Permitted Successor or a Permitted Transferee who agrees to abide by the same limitations set forth in this Section 8.22.

(B) the Developer enters into any transaction outside the ordinary course of the Developer's business;

(C) the Developer assumes, guarantees, endorses, or otherwise becomes liable in connection with the obligations of any other person or entity outside the ordinary course of the Developer's business; or

(D) the Developer enters into any transaction that would cause a material and detrimental change to the Developer's financial condition;

(ii) at any time during the Commitment Period, any one (1) or more of the following, unless the sale, transfer, merger or consolidation is to or with a Permitted Successor or a Permitted Transferee who agree to abide by the same limitations set forth in this Section 8.22:

(A) sale, transfer or sale/leaseback of all or any portion of the Office Tower, Parking Garage or the land underlying the Property;

(B) sale of a controlling interest in the Developer;

(C) transfer of membership interests of the Developer;

(D) sale of a substantial portion of the assets of the Developer; or

(E) merger or consolidation of the Developer;

(iii) at any time during the Commitment Period, failing to employ at least eight hundred (800) full-time-equivalent jobs as corporate employees of Developer at the Office Tower (subject to not more than one (1) twelve (12) month curative period following Developer's receipt of a written notice from the City specifying the nature of the default, during which curative period any interest on the City Note that would otherwise accrue shall be suspended, and provided also that Developer must cure for a continuous period of at least three (3) months);

(iv) at any time during the Commitment Period, changing the use of the Property, except for non-residential uses as expressly allowed in Planned Development Number 447 or other applicable zoning; or

(v) at any time during the Commitment Period, any one (1) or more of the following:

(A) failing to maintain the Office Tower as a primary corporate headquarters of the Developer, a Permitted Successor or a Permitted Transferee;

(B) failing to occupy the Parking Garage as the primary employee parking facility for the Office Tower;

(C) expanding the size or "footprint" of the Office Tower or the Parking Garage, except as expressly allowed in Planned Development Number 447 or other applicable zoning;

(D) discontinuing operations at the Office Tower or Parking Garage; or

(E) failing to comply with the M.B.E./W.B.E. requirements of this Agreement.

(b) Repayment Of All City Funds To City. Upon the occurrence of any of the following City Funds Triggering Events, the Developer shall immediately notify the City of said occurrence, the City Note shall be void, the City shall cease making payments under the City Note, and the Developer covenants to immediately repay all City Funds it has received to the City in a lump sum:

(i) any of (a)(i) above;

(ii) any of (a)(ii) above;

(iii) set forth in (a)(iii) above, but only if any of the activities set forth in (a)(ii) above also applies, and the repayment is due only when the job retention shortfall extends beyond the curative period;

(iv) set forth in (a)(iv) above, except to the extent that the conditions of (c)(ii) below apply; or

(v) any of (a)(v) above.

(c) Repayment Of A Portion Of City Funds To City. Upon the occurrence of any of the following City Funds Triggering Events, the Developer shall immediately notify the City of said occurrence, the City Note shall be void, the City shall cease making payments under the City Note, and the Developer covenants to immediately repay to the City, in a lump sum, the arithmetic result of the total amount of the City Funds it has received divided by ten (10), and this remainder multiplied times the nearest whole number of years that is obtained by measuring from the date of the City Funds Triggering Event to the end of the Commitment Period:

(i) those set forth in (a)(iii) above, except to the extent that the conditions of (b)(iii) above apply; or

(ii) those set forth in (a)(iv) above, but only if the City has given its prior written consent to any of the activities set forth in (a)(ii)(A) through (a)(ii)(E) above.

(d) Example. As an example of the above calculation, assume that: (i) on July 28, 2006 a written agreement is entered into to change the use of the Office Tower by the entity that, with the City's consent, bought the Developer, (ii) as of that date the City had paid the Developer Two Million Three Hundred Thousand Dollars (\$2,300,000), and (iii) the Commitment Period ends on December 28, 2010. The calculation is:

- Two Million Three Hundred Thousand Dollars (\$2,300,000) divided by ten (10) equals Two Hundred Thirty Thousand Dollars (\$230,000)
- City Funds Triggering Event date: July 28, 2006
- the difference between that date and the end of the Commitment Period is four (4) years, five (5) months, which is rounded to the closest whole year: four (4)

- Two Hundred Thirty Thousand Dollars (\$230,000) times four (4) is Nine Hundred Twenty Thousand Dollars (\$920,000), which is the lump sum amount of City Funds owed immediately by the Developer to the City.

(e) Effect On Payment Of City Funds. Even if the City provides its prior written consent to one (1) of the actions set forth in (a) through (c) above (or if consent is not required because the transaction involves a Permitted Successor or Permitted Transferee), the continued provision of City Funds to any entity other than the Developer shall be at the sole discretion of the City, and the City must separately consent to any transfer of the City Note. However, if the City has provided its prior written consent to any such action, or if consent is not required, the Developer can continue to hold, and receive payments under, the City Note; provided that the right of the Developer to receive such payments is subject to the terms of this Agreement, including compliance with subsection (c) above by the then-current occupant of the Office Tower.

(f) Guaranty. During the Commitment Period, the City shall annually review the financial statements of the Developer submitted pursuant to Section 8.13. The Developer and any assignee of the Developer which, pursuant to the terms of this Agreement, undertakes the obligations and liabilities of the Developer hereunder ("Successor") covenant that, if the City in its sole discretion determines that the financial condition of the Developer or Successor is or has been materially diminished from the financial condition of the Developer as of the Closing Date or of the Successor as of the assignment date, then the Developer or Successor shall immediately at the direction of the City either:

- (i) secure a corporate guaranty for the recovery of City Funds under this Section 8.22 from an entity that owns or controls more than fifty percent (50%) of the Developer or Successor and that is approved by the City as having sufficient assets to perform the guaranty obligations, or

- (ii) take such other action or provide other assurances or agreements reasonably acceptable to the City so that the City may be assured of receiving from the Developer or a Successor any funds to be recovered by the City under this Section 8.22.

(g) Binding Effect. The covenants set forth in this Section 8.22 shall run with the land and be binding upon any transferee.

8.23 Recovery Of City Subsidy Upon Occurrence Of City Subsidy Triggering Events.

(a) Triggering Events. Notwithstanding any other provision of this Agreement, once the City Subsidy has been paid to Developer, then the occurrence of any one (1) or more of the following events during the Commitment Period shall constitute a "City Subsidy Triggering Event" by the Developer hereunder:

(i) failing to incur Project costs of at least One Million Dollars (\$1,000,000);

(ii) failing to employ at least eight hundred (800) full-time-equivalent jobs as corporate employees of Developer at the Office Tower (subject to not more than one (1) twelve (12) month curative period following Developer's receipt of a written notice from the City specifying the nature of the default, during which curative period any interest on the City Note that would otherwise accrue shall be suspended, and provided also that Developer must cure for a continuous period of at least three (3) months); or

(iii) during the expenditure of the first (1st) One Million Dollars (\$1,000,000) in Project costs, failing to comply with the M.B.E./W.B.E. provisions set forth in Section 10.03 herein or the City residency provisions set forth in Section 10.02 herein.

(b) Repayment of Entire City Subsidy. Upon the occurrence of a City Subsidy Triggering Event, the Developer covenants to immediately repay to the City the entire City Subsidy in a lump sum.

(c) Guaranty. During the Commitment Period, the City shall annually review the financial statements of the Developer submitted pursuant to Section 8.13. The Developer and any assignee of the Developer which, pursuant to the terms of this Agreement, undertakes the obligations and liabilities of the Developer hereunder ("Successor") covenant that, if the City in its sole discretion determines that the financial condition of the Developer or Successor is or has been materially diminished from the financial condition of the Developer as of the Closing Date or of the Successor as of the assignment date, then the Developer or Successor shall immediately at the direction of the City either:

(i) secure a corporate guaranty for the recovery of City Funds under this Section 8.23 from an entity that owns or controls more than fifty percent (50%) of the Developer or Successor and that is approved by the City as having sufficient assets to perform the guaranty obligations, or

(ii) take such other action or provide other assurances or agreements

reasonably acceptable to the City so that the City may be assured of receiving from the Developer or a Successor any funds to be recovered by the City under this Section 8.23.

(d) Binding Effect. The covenants set forth in this Section 8.23 shall run with the land and be binding upon any transferee.

8.24 Survival Of Covenants.

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

Those covenants specifically described at Sections 8.02, 8.06, 8.14, 8.19, 8.22 and 8.23 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 (or as otherwise specified in the relevant subsection) notwithstanding the issuance of a Certificate (except for Section 8.02); provided, that upon the issuance of a Certificate, the other executory terms of this Agreement 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.

8.25 Residential Use.

If the City consents to the residential use of any portion of the Property, then the City's Department of Housing, along with D.P.D., will require certain affordability levels for residential T.I.F. projects, including but not limited to twenty percent (20%) of units and eighty percent (80%) to one hundred ten percent (110%)/one hundred twenty percent (120%) of median S.M.S.A. income for purchase units, eighty percent (80%) of median income for rental units. The Mayor's Office of People with Disabilities will provide language and standards on accessibility for incorporation into project redevelopment Agreements (State of Illinois regulations apply). In addition, thirty percent (30%) of the units constructed will be reserved for public housing-eligible residents. The remaining fifty percent (50%) of the units may be sold or rented at market rate.

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 fifty percent (50%) 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 (United States Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of D.P.D. 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 D.P.D., 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 D.P.D., 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 The Developer's M.B.E./W.B.E. 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 the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "M.B.E./W.B.E. Program"), Section 2-92-420, et seq., Municipal Code of Chicago, and in reliance upon the provisions of the M.B.E./W.B.E. 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 M.B.E./W.B.E. Budget as set forth on (Sub)Exhibit H-2 attached hereto and made a part hereof (as these budgeted amounts may be reduced to reflect decreased actual costs) shall be expended for contract participation by M.B.E.s or W.B.E.s:

- i. At least twenty-five percent (25%) by M.B.E.s.
- ii. At least five percent (5%) by W.B.E.s.

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" as such terms are defined in Section 2-92-420, Municipal Code of Chicago.

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's M.B.E./W.B.E. commitment may be achieved in part by the Developer's status as an M.B.E. or W.B.E. (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one (1) or more M.B.E.s or W.B.E.s (but only to the extent of the lesser of (i) the M.B.E. or W.B.E. participation in such joint venture or (ii) the amount of any actual work performed on the Project by the M.B.E. or W.B.E.), by the Developer utilizing a M.B.E. or a W.B.E. as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one (1) or more M.B.E.s or W.B.E.s, or by the purchase of materials used in the Project from one (1) or more M.B.E.s or W.B.E.s, or by any combination of the foregoing. Those entities which constitute both an M.B.E. and a W.B.E. shall not be credited more than once with regard to the Developer's M.B.E./W.B.E. commitment as described in this Section 10.03. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of M.B.E.s or W.B.E.s in

its activities and operations other than the Project.

d. The Developer shall deliver quarterly reports to D.P.D. during the Project describing its efforts to achieve compliance with this M.B.E./W.B.E. commitment. Such reports shall include inter alia the name and business address of each M.B.E. and W.B.E. 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 M.B.E. or W.B.E. 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 D.P.D. in determining the Developer's compliance with this M.B.E./W.B.E. commitment. D.P.D. has access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Section 14 of this Agreement, on five (5) business days notice, to allow the City to review the Developer's compliance with its commitment to M.B.E./W.B.E. participation and the status of any M.B.E. or W.B.E. performing any portion of the Project.

e. Upon the disqualification of any M.B.E. or W.B.E. 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 M.B.E. or W.B.E. as a replacement. For purposes of this Subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.

f. Any reduction or waiver of the Developer's M.B.E./W.B.E. commitment as described in this Section 10.03 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

g. Prior to the earlier of the commencement of the Project or the date of the Community Development Commission meeting at which the Developer designation was recommended, the Developer, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of D.P.D. with regard to the Developer's compliance with its obligations under this Section 10.03. During this meeting, the Developer shall demonstrate to D.P.D. its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by D.P.D.. Prior to the earlier of the Closing Date or the Project Start Date, the Developer shall meet with each of the associations identified with an asterisk in Attachment II of the Developer's Tax Increment Financing Program application. During the Project, the Developer shall submit the documentation required by this

Section 10.03 to the monitoring staff of D.P.D., 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 M.B.E./W.B.E. contractor associations have been informed of the Project via written notice and hearings; (viii) evidence of compliance with job creation/job retention requirements; and (ix) M.B.E./W.B.E. utilization plan. Failure to submit such documentation on a timely basis, or a determination by D.P.D., upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) 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; provided that recovery of City Funds or of the City Subsidy is limited to the terms and conditions of Sections 8.22 and 8.23 hereof.

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 (sub)exhibits attached hereto, the Plans and Specifications and all amendments thereto, 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.

Section 12.

Insurance.

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

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

(i) Workers' Compensation And Employer's Liability Insurance.

Workers' Compensation and Employer's Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than One Hundred Thousand Dollars (\$100,000) each accident or illness.

(ii) Commercial General Liability Insurance (Primary Or Umbrella).

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

(b) Construction.

(i) Workers' Compensation And Employer's Liability Insurance.

Workers' Compensation and Employer's Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than Five Hundred Thousand Dollars (\$500,000) each accident or illness.

(ii) Commercial General Liability Insurance (Primary And Umbrella).

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

(iii) Automobile Liability Insurance (Primary And Umbrella).

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

(iv) Railroad Protective Liability Insurance.

When any work is to be done adjacent to or on railroad or transit property, General Contractor shall provide, or cause to be provided with respect to the operations that the General Contractor performs, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy has limits of not less than Two Million Dollars (\$2,000,000) per occurrence and Six Million Dollars (\$6,000,000) in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) Builders Risk Insurance.

When the General Contractor undertakes any construction, including improvements, betterments and/or repairs, the General Contractor shall provide, or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable. The City of Chicago shall be named as an additional insured and loss payee.

(vi) Professional Liability.

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

(vii) Contractor's Pollution Liability (When Applicable).

When any remediation work is performed which may cause a pollution exposure, contractor's Pollution Liability shall be provided with limits of not less than One Million Dollars (\$1,000,000) insuring bodily injury, property damage and environmental remediation, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of one (1) year. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(c) Commitment Period.

Throughout the Commitment Period, All Risk Property Insurance, including and betterments in the amount of full replacement value of the Property. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.

(d) Other Requirements.

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

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

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by the Developer or General Contractor pursuant to the requirements of subsections (a) or (b) of this Section 12, as applicable.

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

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

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

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

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

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

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

Section 13.

Indemnification.

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 "Indemnatee", 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 T.I.F.-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 Indemnatee arising from the wanton or willful misconduct of that Indemnatee. 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 (1) 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) except for the occurrence of a City Funds Triggering Event or a City Subsidy Triggering Event, 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 (including the covenants to repay City Funds or the City Subsidy, or to provide a substitute guaranty, as set forth in Sections 8.22 and 8.23 herein);

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

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

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

(e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not

constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

(g) the entry of any judgment or order against the Developer 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, if any, which default is not cured within any applicable cure period;

(i) the dissolution of the Developer (except as part of a transfer to, sale to, merger with, consolidation with or purchase of the Developer's membership interests by a Permitted Successor or a Permitted Transferee); or

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

For purposes of Sections 15.01(i) and 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of ten percent (10%) of the Developer's membership 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, that there shall be no cure period under this Section 15.03 with respect to the Developer's failure to comply with the job creation requirements of Section 8.06 hereof. Notwithstanding anything in this Agreement to the contrary, there shall be no cure period for any non-monetary covenant set forth in Sections 8.22 or 8.23 unless expressly stated therein.

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

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) In the event that any mortgagee shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of the "Developer" hereunder; provided, 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, (i) the Developer may make a collateral assignment of the City Note with the City's prior written consent, provided that the terms of the City Note remain unchanged and (ii) a New Mortgage may be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of D.P.D.; provided, however, that the loan for which such New Mortgage is executed shall not include the total value of the City Funds Three Million Five Hundred Thousand Dollars (\$3,500,000) or of an amount of Project expenditures equal to such amount.

(d) Following the issuance by the City to the Developer of a Certificate pursuant to Section 7 hereof, (i) the Developer may make a collateral assignment of the City Note with the City's prior written consent, provided that the terms of the City Note remain unchanged and (ii) the Developer may obtain additional financing for the Project, or refinance existing financing, without the consent of the City, as long as the Developer can demonstrate to the City, in the manner described in (e) below, that the loan amount does not include the value of the City Funds.

(e) Prior to the Closing Date, the Developer will provide the City with an appraisal, or similar document acceptable to the City, which states the value of the Office Tower and Parking Garage. Before the Developer seeks new financing (including refinancing), the Developer will provide the City a current appraisal containing additional documentation satisfactory to the City to substantiate that the value of the City Funds is not included in the value of the new financing.

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, Illinois 60602
Attention: Commissioner

With Copies To:

City of Chicago
Department of Law
Finance and Economic Development
Division
121 North LaSalle Street, Room 600
Chicago, Illinois 60602

If To The Developer:

The 535, L.L.C. and Montgomery Ward,
L.L.C.
In care of Montgomery Ward
535 West Chicago Avenue
Chicago, Illinois 60671

With Copies To:

Corey Light, Esq.
Erika Kruse, Esq.
Aitheimer & Gray
10 South Wacker Drive, Suite 4000
Chicago, Illinois 60606

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 (sub)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 (Sub)Exhibit D hereto without the consent of any party hereto.

18.02 Entire Agreement.

This Agreement (including each (sub)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 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 (1) 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 T.I.F. Ordinances, 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, D.P.D. or the Commissioner, or any matter is to be to the City's, D.P.D.'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, D.P.D. 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 D.P.D. 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 except to a Permitted Successor or Permitted Transferee. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 (tax provisions) and 8.24 (survival of covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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 (Sub)Exhibits.

All of the (sub)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 W.A.R.N. Act, the Developer shall, in addition to the notice required under the W.A.R.N. Act, provide at the same time a copy of the W.A.R.N. Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and Minority Leader of the Senate of State, and the mayor of each municipality where the Developer has locations in the State. Failure by the Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

18.20 Venue And Consent To Jurisdiction.

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

18.21 Costs And Expenses.

In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses, including attorneys' fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject to any limits under applicable law, attorneys' fees and legal expenses, whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay

or injunction), appeals and any anticipated post-judgement collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

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.

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.

The 535, L.L.C.

By: _____

Its: _____

My Commission Expires: _____

(Seal)

State of Illinois)
)SS.
County of Cook)

I, _____, a notary public in and for the said County, in the State aforesaid, Do Hereby Certify that _____, personally known to me to be the _____ Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed and delivered said instrument pursuant to the authority given to him/her by the City, as his/her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

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

Notary Public

My Commission Expires: _____

[(Sub)Exhibit "M" referred to in this Redevelopment Agreement with
The 535, L.L.C. and Montgomery Ward, L.L.C. constitutes
Exhibit "B" to the ordinance and printed on pages
45937 through 45942 of this Journal.]

[(Sub)Exhibits "E", "I", "K", "L", "N", "O" and "P" referred
to in this Redevelopment Agreement with The
535, L.L.C. and Montgomery Ward, L.L.C.
unavailable at time of printing.]

(Sub)Exhibits "A", "B", "C", "D", "F", "G", "H-1", "H-2" and "J" referred to in this Redevelopment Agreement with The 535, L.L.C. and Montgomery Ward, L.L.C. read as follows:

(Sub)Exhibit "A".

(To Redevelopment Agreement With The 535, L.L.C.
And Montgomery Ward, L.L.C.)

Redevelopment Area.

Legal Description Of Project Boundary.

All that part of Sections 4 and 9 in Township 39 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

beginning at the point of intersection of the west line of North Larrabee Street with the north line of West Chicago Avenue; thence east along said north line of West Chicago Avenue to the northerly extension of the west line of Lot 4 in Block 1 in Higgins, Law & Company's Addition in Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, said west line being also the east line of North Sedgwick Street; thence south along said northerly extension and along the east line of North Sedgwick Street to the south line of West Superior Street; thence west along said south line of West Superior Street to the east line of North Hudson Avenue; thence south along said east line of North Hudson Avenue to the south line of Lot 14 in Block 7 in said Higgins, Law & Company's Addition, said south line of Lot 14 being also the north line of the alley south of West Superior Street; thence east along said north line of the alley south of West Superior Street to the northerly extension of the east line of Lot 22 in said Block 7 in Higgins Law & Company's Addition; thence south along said northerly extension and the east line of Lot 22 in Block 7 in Higgins, Law & Company's Addition to the north line of West Huron Street; thence east along said north line of West Huron Street to the east line of North Orleans Street; thence south along said east line of North Orleans Street to the south line of West Erie Street; thence west along said south line of West Erie Street to the southerly extension of the east line of Lot 28 in Block 10 in aforesaid Higgins, Law & Company's Addition, said east line of Lot 28 being also the west line of North Sedgwick Street; thence north along said southerly extension and the west line of North Sedgwick Street to the north line of Lot 28 in Block 10 in Higgins, Law & Company's Addition, said north line of Lot 28 being also the south line of the alley north of West Erie Street; thence west along said south line of the alley north of West Erie Street to

the east line of Lot 22 in said Block 10 in Higgins, Law & Company's Addition; thence south along said east line of Lot 22 in Block 10 in Higgins, Law & Company's Addition to the north line of West Erie Street; thence west along said north line of West Erie Street to the east line of Lot 18 in said Block 10 in Higgins, Law & Company's Addition; thence north along said east line of Lot 18 in Block 10 in Higgins, Law & Company's Addition, to the north line thereof, said north line of Lot 18 being also the south line of the alley north of West Erie Street; thence west along said south line of the alley north of West Erie Street and along the westerly extension thereof to the west line of North Hudson Street; thence north along said west line of North Hudson Street to the south line of West Huron Street; thence west along said south line of West Huron Street to the west line of North Kingsbury Street; thence north along said west line of North Kingsbury Street to the south line of West Superior Street; thence west along said south line of West Superior Street to the east line of North Larrabee Street; thence south along said east line of North Larrabee Street to the north line of West Erie Street; thence east along said north line of West Erie Street to the northerly extension of a line parallel with the east line of Lot 4 in Block 1 in the Assessor's Division of that part, south of West Erie Street, and east of the Chicago River, of the east half of the northwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, and 140.50 feet east of the east line of North Kingsbury Street, said line being the east line of the parcel of property bearing Permanent Index Number 17-09-127-001; thence south along said northerly extension and the east line of the parcel of property bearing Permanent Index Number 17-09-127-001 to the south line of said Lot 4; thence east along said south line of Lot 4 to the northerly extension of the west line of Lot 29 in Young's Subdivision of part of the "Kingsbury Tract" in the east half of the northwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian lying east of the Chicago River; thence south along said northerly extension of the west line of Lot 29 in Young's Subdivision to the north line of said Lot 29; thence east along said north line of Lot 29 and along the north line of Lot 28 in said Young's Subdivision to the east line of said Lot 28; thence south along said east line of Lot 28 in Young's Subdivision of part of the "Kingsbury Tract" and along the southerly extension thereof to the south line of West Ontario Street; thence west along said south line of West Ontario Street to the northeasterly line of North Kingsbury Street; thence southeasterly along said northeasterly line of North Kingsbury Street to the north line of West Ohio Street; thence westerly along a straight line to the northeast corner of that part of Block 3 in the Assessor's Division of that part, south of West Erie Street, and east of the Chicago River, of the east half of the northwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, bearing Permanent Index Number 17-09-126-012; thence west along the north line of said part of Block 3 in the Assessor's Division bearing Permanent Index Number 17-09-126-012 to the easterly dock line of the north branch of the Chicago River; thence northerly along said easterly dock line of the north branch of the Chicago

River to the south line of West Chicago Avenue; thence west along said south line of West Chicago Avenue to the southerly extension of the east line of Lot 5 in Block 99 in Elston's Addition to Chicago in Section 4, Township 39 North, Range 14 East of the Third Principal Meridian; thence north along said southerly extension and the east line of Lot 5 in Block 99 in Elston's Addition to Chicago in Section 4, Township 39 North, Range 14 East of the Third Principal Meridian and along the northerly extension thereof to the southerly line of Lot 10 in Block 98 in said Elston's Addition to Chicago, said southerly line of Lot 10 being also the northerly dock line of the north branch of the Chicago River; thence easterly along said northerly dock line of the north branch of the Chicago River to the westerly dock line of the North Branch Canal; thence northerly along said westerly dock line of the North Branch Canal to the southwesterly extension of the southeasterly line of Lot 10 in Block 96 in aforesaid Elston's Addition to Chicago; thence northeasterly along said southwesterly extension and the southeasterly line of Lot 10 in Block 96 in said Elston's Addition to Chicago to the southwesterly line of North Kingsbury Street; thence southeasterly along said southwesterly line of North Kingsbury Street to the west line of North Larrabee Street; thence south along said west line of North Larrabee Street to the point of beginning at the north line of West Chicago Avenue; all in the City of Chicago, Cook County, Illinois.

(Sub)Exhibit "B".

(To Redevelopment Agreement With The 535, L.L.C.
And Montgomery Ward, L.L.C.)

Property.

Parcel 1:

Lots 1 to 10, both inclusive, Lots 15 to 28, both inclusive, and the east 19¾ feet of Lot 11 in Block 4 in Higgins, Law and Company's Addition to Chicago; Lots 1 to 4, both inclusive, in the subdivision of the west 4¼ feet of Lot 11 and all of Lots 12, 13 and 14 in Block 4 in Higgins, Law and Company's Addition to Chicago, and all of the east and west vacated alley in Block 4 in Higgins, Law and Company's Addition to Chicago, all in Section 9, Township 39 North, Range 14 East of the Third Principal Meridian in Cook County, Illinois.

Parcel 2:

That part of Peter Hugel's Subdivision and of J. L. Wilson's Addition, being a subdivision of Lot 11 in said Peter Hugel's Subdivision and of MacKubin's Subdivision, all in the southeast quarter of the southwest quarter of Section 4 Township 39 North, Range 14 East of the Third Principal Meridian, described as follows:

beginning at the southeast corner of Lot 1 in Peter Hugel's Subdivision aforesaid said point being on the north line of West Chicago Avenue; thence west along the north line of West Chicago Avenue to the southwest corner of Lot 10 in J. L. Wilson's Addition aforesaid; said point being on the east line of North Larrabee Street as appears on the plat of Peter Hugel's Subdivision aforesaid; thence north along the east line of said North Larrabee Street to the northwest corner of Lot 13 in Peter Hugel's Subdivision aforesaid; thence east along the north line of Lot 13 in Peter Hugel's Subdivision aforesaid to its intersection with the west line of the alley as shown by the plat of said alley recorded on September 22, 1910 as Document 4630739; thence south along the west line of said alley and said west line extended south to the north line of Lot 6 in Peter Hugel's Subdivision aforesaid; thence east along the north line of Lots 6, 5, 4, 3, 2 and 1 in Peter Hugel's Subdivision aforesaid to the northeast corner of Lot 1 in Peter Hugel's Subdivision aforesaid; thence south along the east line of Lot 1 in Peter Hugel's Subdivision aforesaid to the point of beginning (except that part lying west and southwesterly of the following described line:

beginning on the east line of North Larrabee Street aforesaid at a point which is 409 feet north from the southwest corner of Lot 10 in J. L. Wilson's Addition aforesaid and the northeast corner of said North Larrabee Street and West Chicago Avenue, and running thence southeastwardly along a straight line, a distance of 120.37 feet to a point which is 8 feet measured perpendicularly east from the east line of North Larrabee Street aforesaid and the west line of Lot 12 in Peter Hugel's Subdivision aforesaid; thence south along a line which is 8 feet measured perpendicularly east from and parallel with the east line of North Larrabee Street aforesaid a distance of 224.86 feet; and thence southeastwardly along the arc of a circle, convex to the southwest tangent to the last described straight line, and having a radius of 65 feet; a distance of 101.24 feet to a point of tangent with the north line of West Chicago Avenue, being also the south line of Lots 7 to 10 in J. L. Wilson's Addition aforesaid, said point of tangent being 72.14 feet east from the southwest corner of Lot 10 in J. L. Wilson's Addition aforesaid), all in Cook County, Illinois.

(Sub)Exhibit "C".
(To Redevelopment Agreement With The 535, L.L.C.
And Montgomery Ward, L.L.C.)

T.I.F.-Funded Improvements.

Line Item	Cost
Rehabilitation Costs for Office Tower	\$3,500,000
[note: reimbursement for soft costs will not exceed \$475,000]	

TOTAL:

[Notwithstanding the total of T.I.F.-Funded Improvements, the City Funds assistance to be provided by the City is limited to Three Million Five Hundred Thousand Dollars (\$3,500,000) as set forth in Section 4.03(b) of the Agreement.]

(Sub)Exhibit "D".
(To Redevelopment Agreement With The 535, L.L.C.
And Montgomery Ward, L.L.C.)

*Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan.*

I.

Introduction.

This document is to serve as a redevelopment plan for an area that is located in the River North neighborhood of the City of Chicago (the "City") approximately one (1) mile northwest of the central business district (the "Loop"). The irregularly-shaped area is located along the Chicago River and is generally bounded on the

north by Hobbie Street and Chicago Avenue; on the south by Erie and Ohio Streets; on the east by Orleans and Sedgwick Streets; and on the west by the north branch of the Chicago River and the North Branch Canal. This area is subsequently referred to in this document as the Chicago/Kingsbury Tax Increment Financing Redevelopment Project Area (the "Project Area"). The Project Area is regionally accessible by the Kennedy (I-90) and Edens/Dan Ryan (I-94) expressways, the Chicago Transit Authority's Brown and Purple elevated rail lines and the Chicago River.

The River North neighborhood of the Near North Community Area first developed as a manufacturing and warehouse district with only modest areas of housing and support commercial along its "inland" edges -- a development pattern reflected in the Project Area. As manufacturing has declined in the central City, however, much industrial loft space in River North has become obsolete and, in some cases, has been converted or replaced by residential and commercial uses. Parts of River North have also come to be recognized for art galleries, historically and architecturally significant buildings, and shopping and entertainment destinations.

The Project Area is a key component of the River North neighborhood, but has been developed and expanded over the years on an ad hoc basis with no comprehensive approach. It consists of a mixture of building types, sizes, conditions and uses. The Project Area contains numerous obsolete and vacant buildings, vacant lots and deteriorating properties. Dominating the Project Area are the buildings and properties historically associated with the retail, office, warehouse and catalog distribution operations of the Montgomery Ward company. These buildings include nearly two million six hundred thousand (2,600,000) square feet of essentially vacant space along the Chicago River that housed the Montgomery Ward catalog business. This represents eighty-five percent (85%) of the total square feet of building area within the Project Area. Aware of the Project Area's strategic and potentially valuable location, as well as the special issues involved in adaptively redeveloping such large vacant buildings, the City recognizes the need to redevelop this area on a coordinated and comprehensive basis. Recent planning efforts which address the Project Area include the *Draft Near North Redevelopment Initiative*, 1997; *Chicago River Urban Design Guidelines*, 1990; *River North Urban Design Guidelines*, 1989; *Guidelines for Transit-Supportive Development*, Chicago Transit Authority (the "C.T.A."), 1996; and the *Mayor's Parking Task Force Report*; City of Chicago, 1997 and these documents form the basis for many of the recommendations presented in this Redevelopment Plan.

Located within the Project Area is the historically significant Montgomery Ward Catalog Building on the north side of Chicago Avenue along the Chicago River. Construction of this building was completed in 1908 -- offering one of the earliest examples in the City of what is now regarded as the Chicago-style window as well as one of the first large-scale examples of steel-reinforced concrete construction in

the United States. This building has been substantially vacant for over ten (10) years (currently ninety-seven percent (97%) vacant) as the catalog operations were phased out and eventually relocated in 1980. Adaptive reuse of this building by private investment alone is impeded by the sheer magnitude of the building comprising approximately two million two hundred thousand (2,200,000) square feet and the substantial investment required to convert the building for one (1) or more uses. The City recognizes that both the Catalog Building's size and historic significance raise special and expensive challenges to its reuse.

Another historically significant building within the Project Area is the Montgomery Ward Merchandise Building (built in 1928) that is located along the North Branch of the Chicago River, south of Chicago Avenue and bears the notable Spirit of Progress statue atop its tower. This approximately three hundred sixty thousand (360,000) square foot building has been nearly half vacant for the last ten (10) years and is currently one hundred percent (100%) vacant. Essentially, the building is an empty shell, obsolete in its design, space and mechanical system. Obsolete design, coupled with years of deferred maintenance, require significant investment and rehabilitation to adapt the building for a marketable use and to attract tenants.

Despite its close proximity to major transportation arteries of the Near North Community Area, the Project Area has suffered from an absence of private investment, general neglect of its building stock, and continuing deterioration of the public infrastructure. Sidewalks are cracked and crumbling, streets and alleys show decay and disrepair, vacant lots are overgrown and misused, and the majority of buildings show signs of deterioration and general lack of upkeep and maintenance.

While surrounding areas of River North have experienced healthy development of residential units, as well as retail and commercial office space, the Project Area is an obstacle to further expansion of such development trends due to the configuration, scale and degree of obsolescence of the Montgomery Ward complex which makes reuse options improbable without extraordinary efforts.

Much of the Project Area remains zoned primarily for industrial, yet both land costs and use trends indicate such zoning classifications are unsuitable for portions of the Project Area. Recent development trends in the River North area have focused on conversion of light industrial lofts to commercial or residential space. In addition, the Chicago Housing Authority Cabrini Green housing project complex (directly to the north and east of the Project Area) is being redeveloped under a concept of a more balanced, mixed-income residential community.

The Project Area, consisting of twelve (12) full and partial blocks, is dominated by several blocks historically owned by Montgomery Ward. Two (2) of these blocks are surface parking lots and three (3) blocks are improved by buildings of architectural

prominence -- the Montgomery Ward Office Tower, Merchandise Building and Catalog Buildings. The Montgomery Ward Merchandise and Catalog Buildings have been designated as a National Historic Landmark for their significance in the history of retail merchandising and architecture. The Commission on Chicago Landmarks is considering whether to recommend designation of the buildings as Chicago landmarks to the City Council.

As mentioned above, the Montgomery Ward Merchandise and Catalog Buildings, although structurally sound, present extraordinary obstacles to redevelopment of the area. Due to functional and economic obsolescence, the buildings will require complete rehabilitation to bring them up to modern standards for any adaptive reuse. Such activity has not taken place despite a residential and office building boom in the central area in the last several years. In light of the significant costs and the evident lack of private sector activity, City intervention is critical to bring redevelopment into the realm of feasibility.

Without the designation of the Project Area as a T.I.F. District, the area will most likely continue on its current path, with the building stock continuing its gradual deterioration, property values remaining stagnant or declining, thereby presenting a negative influence on surrounding properties and blocking the potential for a cohesive and continuous neighborhood of successfully mixed residential, retail and commercial developments.

With the aid of Tax Increment Financing ("T.I.F."), however, the potential for comprehensive redevelopment in the Project Area is improved. T.I.F. can enable redevelopment that may restore this area to a healthier economic status. The benefits of such redevelopment of the Project Area are numerous and significant, and the exceptional opportunities include the following:

- Enhancement of the overall economic base and well-being of the Project Area.
- Adaptive reuse and rehabilitation of the Merchandise and Catalog Buildings, enabling two (2) of Chicago's historically significant structures to be conserved and put into active use.
- Substantial additions and improvements to river walkways and amenities, recreational facilities and open space.
- Streetscape improvements designed to promote a pedestrian-friendly neighborhood and to establish an identity for the district.
- Creation of a continuous stretch of well-developed and integrated mixed-use neighborhoods in the Near North Community Area.

-- Substantial job creation.

Recognizing the Project Area's importance as an integral part of the Near North Community Area and as a vital link to the other neighboring communities of the central area, the City is taking a proactive step toward the economic renaissance of the Project Area. The City seeks to stabilize and provide cohesion to this portion of the Near North Community Area by supporting residential, business, retail and open space expansion. It seeks to encourage private investment and development activity through the use of tax increment financing.

As part of its strategy to encourage managed growth and stimulate private investment within the Project Area, the City engaged Trkla, Pettigrew, Allen & Payne, Inc. ("T.P.A.P.") to assist the City in studying whether the Project Area of approximately forty-nine and two-tenths (49.2) acres qualifies as a "conservation area" or a "blighted area" under the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-3). The Project Area, described in more detail below as well as in the accompanying Eligibility Study, has not been subject to growth and development through investment by private enterprise and is not reasonably expected to be developed without the efforts and leadership of the City.

While small-scale or piecemeal redevelopment efforts might occur in limited portions of the Project Area, the size of several of the existing buildings within the Project Area, coupled with the extensive obsolescence, vacancies and long-term deferred physical maintenance of most of the existing buildings, are likely to preclude the revitalization of the Project Area on a scale sufficient to return the Project Area to a long-term sound condition without the intervention of the City.

The City believes that the Project Area should be revitalized on a coordinated, comprehensive and planned basis consistent with the highest quality standards of design and construction for which the central area is known and to ensure continuity with the revitalization program of the larger Near North Community Area. A coordinated and comprehensive redevelopment effort will allow the City and other taxing districts to work cooperatively to prepare for the increased service demands that may arise from the conversion of underutilized land and buildings to more intensive uses. Such a comprehensive redevelopment plan will also encourage job training to prepare residents of surrounding and nearby neighborhoods for newly created job opportunities anticipated within the Project Area.

A.

*Chicago/Kingsbury Tax Increment Financing
Redevelopment Project Area.*

The Project Area contains twenty-one (21) buildings and encompasses a total of approximately forty-nine and two-tenths (49.2) acres and is adjacent to the Near North T.I.F. Redevelopment Area. Of the total forty-nine and two-tenths (49.2) acres, approximately forty percent (40%) is devoted to streets and alley rights-of-way and a portion of the Chicago River and sixty percent (60%) is available land area within blocks. All blocks in the Project Area but one (1) are improved with buildings or surface parking lots. For a map depicting the boundaries and legal description of the Project Area, see Section II, Legal Description and Project Boundary.

The Project Area as a whole contains a mix of office, warehouse, commercial and residential buildings all varying in height and size. Ninety-five percent (95%) (or twenty (20)) of the twenty-one (21) total buildings are over thirty-five (35) years old. The Project Area is characterized by aging infrastructure, deteriorated site development, obsolescent buildings, and vacant and underutilized buildings. Significant to the Project Area are the former Montgomery Ward Catalog and Merchandise Buildings located on both sides of Chicago Avenue along the Chicago River. These buildings contain over two million six hundred thousand (2,600,000) square feet of space, but have sustained significant vacancies over ten (10) years. While portions of these buildings are generally suitable for many redevelopment opportunities, the overall size, large rehabilitation expenses, obsolescence of layout, and long-term deferred physical maintenance of the buildings are likely to seriously limit redevelopment efforts that may occur through private investment.

The considerable physical assets of the Project Area include the following features:

- Convenient access to and from the I-90/I-94 interstate highway system. The entrance/exit at Ontario/Ohio Street is located just east of the Project Area's southern boundary.
- C.T.A. Rapid Transit Station for the Brown and Purple Lines is within six (6) blocks of the majority of the Project Area, located on Chicago Avenue between Orleans and Franklin Streets.
- The Loop is located within walking distance of the Project Area, which makes the area attractive for new commercial and residential development.

- The Chicago River provides a navigable waterway and an opportunity for riveredge amenities and community open spaces along the river.
- Several C.T.A. bus lines serve the Project Area.

Although the Project Area enjoys strong locational assets, the Project Area is likely to stagnate without reinvestment as infrastructure remains in disrepair and several existing properties remain vacant due to deterioration and obsolescence.

The Project Area on the whole has not been subject to growth and development through investment by private enterprise. Evidence of this lack of growth and development is detailed in Section VI and summarized below.

- A significant number of buildings within the Project Area are vacant or underutilized. In particular, the former Montgomery Ward Merchandise and Catalog Buildings, although architecturally significant, have been virtually vacant for over ten (10) years, which represents over two million six hundred thousand (2,600,000) square feet of underdeveloped space. The Catalog Building is approximately ninety-seven percent (97%) vacant, the south section of the Catalog Building is one hundred percent (100%) vacant and the Merchandise Building is one hundred percent (100%) vacant. These vacancies are evidence of the lack of growth and development within the Project Area. Moreover, the sheer bulk of these buildings present extraordinary cost impediments to redevelopment.
- Numerous buildings show signs of obsolescence, deterioration and excessive vacancies. Moreover, several buildings have excessive land coverage and an irregular or inaccessible layout, which complicates redevelopment options.
- Several portions of the Project Area's infrastructure need to be repaired or replaced, including curbs, gutters, street lighting, alleys and sidewalks.
- Over the time period 1994 through June, 1999 no new buildings were built in the Project Area. In this same time period, only three (3) of the twenty-one (21) buildings in the Project Area indicated building improvement permit activity totaling approximately Five Hundred Fifty Thousand Dollars (\$550,000) (one (1) building accounted for Five Hundred Three Thousand Dollars (\$503,000)).

- The growth rate of the total Equalized Assessed Valuation ("E.A.V.") of the Project Area has lagged behind that of the balance of the City for three (3) of the last five (5) calendar years for which information is available (1993 to 1998). For these three (3) years (1994/1995, 1995/1996, 1996/1997) the rate of growth of the Project Area total E.A.V. was less than the Consumer Price Index for All Urban Consumers (C.P.I.-U.) for the United States and the C.P.I.-U. Chicago region.⁽¹⁾
- Between 1993 and 1998, the Assessed Value (the "A.V.") of the Project Area increased from Sixteen Million Six Hundred Forty-four Thousand Forty-one Dollars (\$16,644,041) to Seventeen Million Eight Hundred Ninety-two Thousand Seven Hundred Fifty-four Dollars (\$17,892,754), an increase of One Million Two Hundred Forty-eight Thousand Seven Hundred Thirteen Dollars (\$1,248,713) or seven and five-tenths percent (7.5%) (average annual rate of one and five-tenths percent (1.5%)). Over this same period, the A.V. of the City as a whole increased by sixteen and three-tenths percent (16.3%) (average annual rate of three and one-tenth percent (3.1%)).
- Between 1993 and 1998, the E.A.V. of the Project Area increased from Thirty-five Million Six Hundred Twenty-nine Thousand Eight Hundred Ninety-nine Dollars (\$35,629,899) to Thirty-nine Million Four Thousand Four Hundred Fourteen Dollars (\$39,004,414), an increase of Three Million Three Hundred Seventy-four Thousand Five Hundred Fifteen Dollars (\$3,374,515) or nine and five-tenths percent (9.5%) (average annual rate of one and eight-tenths percent (1.8%)). Over this same period, the E.A.V. of the City as a whole increased by eighteen and four-tenths percent (18.4%) (average annual rate of three and four-tenths percent (3.4%)).

(1) The Consumer Price Index (C.P.I.) is a measure of the average change over time in the prices paid by urban consumers for a fixed market basket of consumer goods and services. The broadest, most comprehensive C.P.I. is the "C.P.I. for All Urban Consumers for the U.S. City Average for All Items, 1982-84" (C.P.I.-U.) and is based on the expenditures reported by almost all urban residents and represents about eighty percent (80%) of the total United States population. The C.P.I. data are also published for metropolitan areas which measure how much prices have changed over time for a given area. The C.P.I. is the most widely used measure of price change for application in escalation agreements for payments such as rental contracts, collective bargaining agreements, alimony, child support payments, et cetera.

Without a comprehensive and area-wide effort by the City to promote investment, the Project Area will not likely be subject to sound growth and development through private investment. In spite of existing plans and City programs that support the rehabilitation and improvement of the Project Area, minimal new construction and private investment has occurred there. Most of the Project Area developed more than eighty (80) years ago on a parcel-by-parcel basis without the benefit of community planning guidelines and standards. Today, much of the Project Area is characterized by obsolescence, deterioration, structures below minimum code standards, excessive vacancies, deleterious land-use or layout, excessive land coverage, and an overall lack of community planning.

B. Tax Increment Financing.

In January, 1977, Tax Increment Financing ("T.I.F.") was authorized by the Illinois General Assembly through passage of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the "Act"). The Act provides a means for municipalities, after the approval of a redevelopment plan and project, to redevelop blighted, conservation or industrial park conservation areas and to finance eligible "redevelopment project costs" with incremental property tax revenues. "Incremental Property Tax" or "Incremental Property Taxes" are derived from the increase in the current E.A.V. of real property within the redevelopment project area over and above the "Certified Initial E.A.V." of such real property. Any increase in E.A.V. is then multiplied by the current tax rate which results in Incremental Property Taxes. A decline in current E.A.V. does not result in a negative Incremental Property Tax.

To finance redevelopment project costs, a municipality may issue obligations secured by Incremental Property Taxes to be generated within the project area. In addition, a municipality may pledge towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit of the municipality; (d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge.

Tax increment financing does not generate tax revenues by increasing tax rates; it generates revenues by allowing the municipality to capture, for a certain number of years, the new tax revenues produced by the enhanced valuation of properties resulting from the municipality's redevelopment program, improvements and activities, various redevelopment projects, and the reassessment of properties. Under T.I.F., all taxing districts continue to receive property taxes levied on the initial valuation of properties within the redevelopment project area. Additionally, taxing districts can receive distributions of excess Incremental Property Taxes when

annual Incremental Property Taxes received exceed principal and interest obligations for that year and redevelopment project costs necessary to implement the redevelopment plan have been paid. Taxing districts also benefit from the increased property tax base after redevelopment project costs and obligations are paid.

C. The Redevelopment Plan For The Chicago/Kingsbury Tax Increment Financing Redevelopment Project Area.

As evidenced in Section VI, the Project Area as a whole has not been subject to growth and development through private investment. Furthermore, it is not reasonable to expect that the Project Area as a whole will be redeveloped without the use of T.I.F.

T.P.A.P. has prepared the Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") and the related Eligibility Study with the understanding that the City would rely on (i) the findings and conclusions of the Redevelopment Plan and the related eligibility study in proceeding with the designation of the Redevelopment Plan, and (ii) the fact that T.P.A.P. has obtained the necessary information so that the Redevelopment Plan and the related eligibility study will comply with the Act.

This Redevelopment Plan has been formulated in accordance with the provisions of the Act and is intended to guide improvements and activities within the Project Area in order to stimulate private investment in the Project Area. The goal of the City, through implementation of this Redevelopment Plan, is that the entire Project Area be revitalized on a comprehensive and planned basis to ensure that private investment in rehabilitation and new development occurs:

1. on a coordinated rather than piecemeal basis to ensure that land-use, access and circulation, parking, public services and urban design are functionally integrated and meet present-day principles and standards; and
2. on a reasonable, comprehensive and integrated basis to ensure that the factors of blight and conservation are eliminated; and
3. within a reasonable and defined time period so that the Project Area may contribute productively to the economic vitality of the City.

Redevelopment of the Project Area will constitute a large and complex endeavor, and presents challenges and opportunities commensurate with its scale. The

success of this redevelopment effort will depend to a large extent on the cooperation between the private sector and agencies of local government. Adoption of this Redevelopment Plan enables the implementation of a comprehensive program for redevelopment of the Project Area. Through this Redevelopment Plan, the City will serve as the central force for directing the assets and energies of the private sector to ensure a unified and cooperative public-private redevelopment effort.

This Redevelopment Plan sets forth the overall "Redevelopment Project" to be undertaken to accomplish the City's above-stated goal. During implementation of the Redevelopment Project, the City may, from time to time: (i) undertake or cause to be undertaken public improvements and activities; and (ii) enter into redevelopment agreements and intergovernmental agreements with private or public entities to construct, rehabilitate, renovate or restore private improvements on one (1) or several parcels (items (i) and (ii) are collectively referred to as "Redevelopment Projects").

This Redevelopment Plan specifically describes the Project Area and summarizes the conservation area factors which qualify the Project Area as a "conservation area" as defined in the Act.

Successful implementation of this Redevelopment Plan requires that the City utilize Incremental Property Taxes and other resources in accordance with the Act to stimulate the comprehensive and coordinated development of the Project Area. Only through the utilization of T.I.F. will the Project Area develop on a comprehensive and coordinated basis, thereby eliminating the existing and threatened blight and conservation area conditions which have limited development of the Project Area by the private sector.

The use of Incremental Property Taxes will permit the City to direct, implement and coordinate public improvements and activities to stimulate private investment within the Project Area. These improvements, activities and investments will benefit the City, its residents and all taxing districts having jurisdiction over the Project Area. These anticipated benefits include:

- The enhancement of the economic base arising from new development and the rehabilitation of existing buildings.
- An increased sales tax base resulting from new and existing retail development.
- An increase in construction, business, retail, commercial and other full-time employment opportunities for existing and future residents of the City.

- The construction of an improved system of roadways, utilities and other infrastructure that better serves existing businesses and adequately accommodates desired new development.
- Preservation of historic buildings.

II.

Legal Description And Project Boundary.

The boundaries of the Project Area have been drawn to include only those contiguous parcels of real property and improvements substantially benefited by the proposed Redevelopment Project to be undertaken as part of this Redevelopment Plan. The boundaries of the Project Area are shown in Figure 1, Project Area Boundary, and are generally described below:

the Project Area is generally bounded on the north by Hobbie Street and Chicago Avenue; on the south by Erie and Ohio Streets; on the east by Kingsbury Street, Hudson Avenue, Orleans Street and Sedgwick Street; and on the west by the north branch of the Chicago River and the North Branch Canal.

The boundaries of the Project Area are legally described in (Sub)Exhibit I at the end of this report.

III.

Eligibility Conditions.

The results summarized in this section are more fully described in a separate report which presents the definition, application and extent of the conservation and blight factors in the Project Area. The report, prepared by T.P.A.P., is entitled "Chicago/Kingsbury Redevelopment Project Area Tax Increment Financing Eligibility Study" and is attached as (Sub)Exhibit IV to this Redevelopment Plan.

A. Summary Of Project Area Eligibility.

Based upon surveys, inspections and analyses of the Project Area, the Project Area qualifies as a "conservation area" within the requirements of the Act. Fifty percent (50%) or more of the buildings in the Project Area have an age of thirty-five (35) years or more, and the Project Area is characterized by the presence of a combination of three (3) or more of the conservation factors listed and defined in the Act, rendering the Project Area detrimental to the public safety, health and welfare of the citizens of the City. The Project Area is not yet a blighted area, but it may become a blighted area. Specifically,

- Of the twenty-one (21) buildings in the Project Area, twenty (20) buildings (ninety-five percent (95%)) are thirty-five (35) years of age or older.
- Of the remaining thirteen (13) factors set forth in the Act for conservation areas, nine (9) factors are found to be present.
- Eight (8) factors found to be present are found to be present to a major extent and are reasonably distributed throughout the Project Area. These factors include: obsolescence, deterioration, excessive vacancies, structures below minimum code standards, excessive land coverage and overcrowding of structures and community facilities, deleterious land-use or layout, declining or lagging growth rate of total equalized assessed valuation, and lack of community planning.
- One (1) factor is found to be present to a limited extent -- environmental remediation.
- All blocks within the Project Area show the presence of conservation factors.
- The Project Area includes only real property and improvements thereon substantially benefitted by the proposed redevelopment project improvements.

B. Surveys And Analyses Conducted.

The conservation factors found to be present in the Project Area are based upon surveys and analyses conducted by T.P.A.P.. The surveys and analyses conducted for the Project Area include:

1. exterior survey of the condition and use of each building;
2. detailed interior surveys of the Montgomery Ward buildings;
3. field survey of environmental conditions, covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls and general property maintenance;
4. analysis of the existing uses within the Project Area and their relationships to the surroundings;
5. comparison of current land-use to current zoning ordinance and the current zoning map;
6. analysis of origin and current platting and building size and layout;
7. analysis of vacant portions of the area and buildings;
8. analysis of building floor area and site coverage;
9. analysis of building permits issued for the Project Area from January 1, 1993 to June 9, 1999;
10. analysis of building code violations for the Project Area from August, 1998;
11. review of previously prepared plans, studies and data;
12. analysis of Cook County Assessor records for assessed valuations and equalization factors for tax parcels in the Project Area for assessment years 1993 to 1998; and
13. Clayton Group Services, Inc., Environmental Consultants Report, April, 1999.

IV.

Redevelopment Goals And Objectives.

Comprehensive and coordinated area-wide investment in new public and private improvements and facilities is essential for the successful redevelopment of the Project Area and the elimination of conditions that have impeded redevelopment of

the Project Area in the past. Redevelopment of the Project Area will benefit the City through improvements in the physical environment, an increased tax base and additional employment opportunities.

This section identifies the general goals and objectives adopted by the City for redevelopment of the Project Area. Section V presents more specific objectives for development and design within the Project Area and the redevelopment activities that the City plans to undertake to achieve the goals and objectives presented in this section.

A. General Goals.

Listed below are the general goals adopted by the City for redevelopment of the Project Area. These goals provide overall focus and direction for this Redevelopment Plan.

1. An improved quality of life in the Project Area and the surrounding community.
2. Elimination of the influences and manifestations of physical and economic deterioration and obsolescence within the Project Area.
3. An environment which will contribute more positively to the health, safety and general welfare of the Project Area and the surrounding community.
4. An environment which will preserve or enhance the value of properties, some of which are architecturally significant, within and adjacent to the Project Area.
5. An enhanced economic climate for the City and other taxing districts having jurisdiction over the Project Area.
6. The retention and enhancement of sound and viable existing businesses and industries within the Project Area.
7. The attraction of new business, commercial, retail and residential development and the creation of new job opportunities within the Project Area.
8. Employment of residents within the Project Area and within the adjacent communities in jobs in the Project Area and in adjacent redevelopment project areas.

B. Redevelopment Objectives.

Listed below are the redevelopment objectives which will guide planning decisions regarding redevelopment within the Project Area.

1. Reduce or eliminate those conditions that qualify the Project Area as a conservation area. These conditions are described in detail in (Sub)Exhibit IV to this Redevelopment Plan.
2. Strengthen the economic well-being of the Project Area.
3. Assemble or encourage the assembly of land into parcels of appropriate shape and sufficient size for redevelopment in accordance with this Redevelopment Plan.
4. Create an environment that stimulates private investment in the upgrading and expansion of existing businesses and the construction of new business, residential, retail and commercial facilities.
5. Encourage visually attractive buildings, rights-of-way, public parks and open spaces and encourage high standards of design, including a range of riveredge enhancements, amenities and facilities that provide significant water-related recreational opportunities.
6. Rehabilitate and enhance historically significant buildings, some of which have special needs due to their sheer size, within the Project Area.
7. Promote a pedestrian-friendly environment with ground-level retail, streetscape improvement, public art, outdoor seating and landscaped setback areas where appropriate.
8. Incorporate public transit amenities and otherwise promote use of transit and bicycles through design of new and rehabilitation of existing facilities and roads.
9. Provide ramps, elevators and other amenities that improve access for people with disabilities.
10. Ensure that housing units affordable to a variety of income levels, including low- and very low-income households, are built within the Project Area to create mixed-income communities.

11. Provide improvements and facilities in proper relationship to the projected demand for such facilities and in accordance with present-day design standards for such facilities.
12. Provide incentives to encourage business retention, building rehabilitation and new development.
13. Establish job readiness and job training programs to provide residents within the surrounding adjacent communities with the skills necessary to secure jobs in the Project Area and in adjacent redevelopment project areas.
14. Secure commitments from employers in the Project Area and adjacent redevelopment project areas to interview graduates of the Project Area's job readiness and job training programs.
15. Create new job opportunities for City residents utilizing first source hiring programs and appropriate job training programs.
16. Encourage the development of day care centers and services that support the needs of Project Area businesses and employees.
17. Provide opportunities for women and minority businesses to share in the redevelopment of the Project Area.
18. Encourage safe, efficient and convenient transportation routes and access, including promoting pedestrian access wherever possible.
19. Create adequate off-street parking to meet existing and anticipated requirements in the Project Area.

V.

Redevelopment Project.

This section presents the Redevelopment Project anticipated to be undertaken by the City and by private entities on behalf of the City in furtherance of this Redevelopment Plan. Several previous plans and policies, including the *Near North Redevelopment Initiative*, 1997; *Chicago River Urban Design Guidelines*, 1990; *River North Urban Design Guidelines*, 1989; *Guidelines for Transit-Supportive Development*, Chicago Transit Authority (the "C.T.A."), 1996; and the *Mayor's*

Parking Task Force Report, City of Chicago, 1997, have been reviewed and form the basis for many of the recommendations presented in this Redevelopment Plan.

The Redevelopment Project described in this Redevelopment Plan and pursuant to the Act includes: a) the overall redevelopment concept, b) the land-use plan, c) improvement and development recommendations for planning subareas, d) development and design objectives, e) a description of redevelopment improvements and activities, f) estimated redevelopment project costs, g) a description of sources of funds to pay estimated redevelopment project costs, h) a description of obligations that may be issued and i) identification of the most recent E.A.V. of properties in the Project Area and an estimate of future E.A.V.

A. Overall Redevelopment Concept.

The Project Area should be redeveloped as a cohesive and distinctive mixed-use district with commercial and residential uses that restore vitality to this part of the Near North Community Area and provide links to adjacent communities. It should consist of residential and business uses offering a range of site development opportunities, including: a range of mixed-income, multi-family and single-family residential uses; commercial uses that provide contemporary office space; retail and restaurant businesses that serve and support surrounding neighborhoods and employment centers; and a range of public facilities, open spaces and pedestrian amenities. The river's edge should be improved and enhanced with walkways, open space and other amenities. To implement this plan, viable existing businesses should be retained and enhanced, and new business, residential and retail development should be undertaken in the existing vacant or underutilized properties within the Project Area.

The entire Project Area should be marked by improvements in safety and infrastructure, retention and expansion of jobs and businesses, new business and residential development, and enhancement of the area's overall image and appearance. Improvement projects should include: the rehabilitation and reuse of existing office, warehouse and commercial buildings, several of which require special attention due to their enormous size; new office, residential and commercial construction; street and infrastructure improvements; creation of open space, riveredge amenities, landscaping and other appearance enhancements; creation of adequate off-street parking facilities and improvements that encourage use of public transit, bicycles and pedestrian access; and the provision of new amenities which both businesses and residents expect to find in a contemporary mixed-use urban neighborhood.

The Project Area should have good accessibility and should be served by a street system and public transportation facilities that provide safe and convenient access

to and circulation within the Project Area.

The Project Area should be characterized by cohesive urban design features that organize and provide focus to the Project Area, including pedestrian and streetscape amenities which link business centers, retail, residential development, community facilities, open spaces and the riverfront. Individual developments should also be compatible with the overall character of the Project Area. The Project Area should be designed to promote continuity with, and pedestrian access to, the adjacent areas outside of the Redevelopment Area. The height of new buildings should be compatible with the predominant low- to mid-rise character of the area. New projects within the Redevelopment Project Area should be planned to help to integrate the Cabrini-Green housing development with adjacent properties. This can be accomplished through the inclusion of housing units that are affordable to a variety of income levels, including low- and very low-income households, within residential developments and the construction of new buildings that relate to the scale of the Cabrini row homes.

The Project Area should respect architecturally and historically significant buildings of the Project Area as well as the City's traditional Near North Community Area form which is characterized by a grid pattern of streets with buildings facing the street and located at or very near the front property line.

B. Land-Use Plan.

Figure 2 presents the Land-Use Plan that will be in effect upon adoption of this Redevelopment Plan.

The Project Area's strategic location in close proximity to the Loop, the River North Area and the Kennedy/Dan Ryan Expressways creates an environment generally suitable for a mix of land uses, including: office, industrial, retail, business, residential, entertainment, institutional uses, community facilities and open space. Several key factors have contributed to the appropriateness of the mixed-use district within the Project Area and are listed below.

1. Proximity to the expressways, numerous C.T.A. bus routes, a C.T.A. elevated station and the Loop has made the Project Area attractive for residential development as well as office and retail developments.
2. Retail, entertainment, restaurants and open spaces are requisites for creating a viable urban neighborhood and attracting residents and office tenants. In addition, such uses will complement the existing art galleries, restaurants and entertainment sites found in the adjacent areas of River North.

The combination of all of the above uses creates a viable urban district full of energy and life, enabling a smooth transition between the densely developed Near North Community Area and the less dense Near West Side. A mixed-use district will build upon the established character of River North in order to provide gradual transitions from the central city functions to surrounding neighborhoods. The density of development within the Project Area (floor area ratios and minimum lot area) should reflect that of areas adjacent to it to ensure compatibility and smooth flow of traffic.

The Land-Use Plan highlights numerous opportunities for mixed-use improvement, enhancement and new development within the Project Area. The Plan is focused on maintaining and enhancing sound and viable existing businesses, and promoting new business and residential development at selected locations.

Recommended land-use strategies for specific subareas are presented in the following section of this Redevelopment Plan.

All development should comply with the Redevelopment Plan objectives set forth in Section IV above, the Chicago Zoning Ordinance, the Chicago Landmarks Ordinance and all other relevant City ordinances and development guidelines.

C. Planning Subareas.

The Project Area has been subdivided into six (6) subareas, each of which would be suitable for a different mix of uses and intensity of development, and each of which warrants a different approach to improvement and redevelopment (See Figure 3).

It should be emphasized that the boundaries of these subareas and the specification of uses within the subareas are for guidance only, and are subject to refinement and modification as a part of the City's planned development process.

Key recommendations for individual subareas are highlighted below. More specific development and design objectives for the Project Area are presented in a following section of this Redevelopment Plan.

Subarea A.

Subarea A encompasses two (2) areas within the Project Area. The first (1st) area is located at the northern end of the Project Area, and is generally bounded by Hobbie Street on the north, the North Branch Canal on the west, Chicago Avenue on the south and Kingsbury Street on the east. The existing use in this

area is the former Montgomery Ward Catalog Building. The second (2nd) area is located in the northwest portion of the Project Area, and is generally bounded by the North Branch of the Chicago River on the north and east, on the west by a north/south line approximately three hundred (300) feet west of the point where the west side of the Chicago River intersects Chicago Avenue and Chicago Avenue on the south. The area is vacant and used for surface parking.

The first (1st) area is anchored by the Catalog Building which has been predominantly vacant for over ten (10) years (currently ninety-seven percent (97%) vacant). This architecturally significant building offers approximately two million two hundred thousand (2,200,000) square feet of space that is available for reuse or redevelopment. Because of the sheer magnitude of this property, it is recommended that the building be redeveloped as a mixed-use development since no single use is likely to effectively utilize the available space. In this mixed-use framework, a number of uses would be appropriate for the building and the area including: conventional office, high technology and telecommunications office, retail, residential and entertainment. A publicly accessible riverwalk should be included along the length of this subarea.

Office and/or open space or light industrial and/or open space uses are recommended for the second (2nd) area of Subarea A. Convenient access to Chicago Avenue, the location along the River, and adjacent land uses make the area particularly attractive for office and light industrial development. Access to and from the development area should be strategically located to provide efficient ingress and egress to the site while maintaining the flow of traffic along the Chicago Avenue arterial. Open space and riveredge amenities should be integrated into development of this area.

Subarea B.

Subarea B is generally bounded by Chicago Avenue on the north, the North Branch of the Chicago River on the west, Erie Street on the south, and Larrabee Street on the east. The existing use in this area is the architecturally significant former Montgomery Ward Merchandise Building and the corporate park and surface parking. Given the location along the River, Subarea B is best suited for multi-family residential developments that could include ground floors dedicated to retail or restaurant uses (particularly outdoor opportunities) that are compatible with Chicago River development guidelines. The subarea should include amenities that support the residential development and complement the riverfront location which could include walkways, open space and recreational uses. Overall enhancement of the riveredge amenities in this subarea should be encouraged, including a riverwalk along the length of the subarea and

streetscaping that provides distinctive visual links and access to the River.

Subarea C.

Subarea C encompasses the block containing the Montgomery Ward Corporate Office Tower, and is bounded by Chicago Avenue on the north, Larrabee Street on the west, Superior Street on the south, and Kingsbury Street on the east.

The Montgomery Ward Corporate Office Tower is identified as a separate subarea because Montgomery Ward is in the process of a corporate reorganization and is consolidating operations to this building. Any new development in the subarea should be mixed-use in nature with an emphasis on office and commercial with ground floor retail and restaurants.

Subarea D.

Subarea D encompasses the area generally bounded by Chicago Avenue on the north, Huron Street on the south, Kingsbury Street on the west and Hudson Avenue on the east. The two (2) blocks of Subarea D are currently dedicated to surface parking and have strong potential for redevelopment. Consistent with the overall mixed-use nature of the Project Area, Subarea D should be redeveloped for a range of residential uses (multi-family, townhouses, et cetera) and commercial and retail uses and amenities that are compatible with and contribute to the character of the Project Area neighborhood. Ground floor retail, commercial or lobby uses should be provided on Chicago Avenue. Streetscape enhancements would be especially important for complementing the residential development and creating a soft, cohesive link to the riverfront and blocks with commercial uses. Access to and from the development area should be strategically located to provide efficient ingress and egress to the site while maintaining the flow of traffic along the Chicago Avenue arterial.

Subarea E.

Subarea E encompasses two (2) planning areas; the first (1st) area is vacant land and is generally bounded by Erie Street on the north, the North Branch of the Chicago River on the west, the I-94/I-90 expressway ramp on the south, and Kingsbury Street on the east. As additional residential development occurs within and near the Project Area, open space, recreation and community facilities will be needed to serve the growing residential population. The vacant portion of Subarea E along the River (west of Kingsbury) should be developed for some of these uses -- particularly park space, riveredge walkways and riveredge

development that links the area to the north and south walkways. Multi-family residential development could be considered for a portion of this area. Streetscape enhancements and infrastructure improvements that link developments within the Project Area to the open space and community facilities should be encouraged.

The second (2nd) area of this subarea includes several parcels wrapping around the corners between Erie and Ontario along Kingsbury. The area currently contains vacant parcels and should be redeveloped for multi-family housing with ground floor retail that is consistent with other residential housing proposed in the Project Area.

Subarea F.

Subarea F is irregularly shaped and is located in the eastern portion of the Project Area. It is generally bounded by Chicago Avenue on the north, Erie Street on the south, Hudson Avenue on the west, and Sedgwick and Orleans Streets on the east.

The area is a mixed-use area with primarily business, retail and office, but also includes a few small residential buildings and a City of Chicago administrative building. Among the mix of restaurants and small businesses within low- and mid-rise buildings are several vacant parcels. Many properties within Subarea F are in poor condition and contain marginal uses. These properties should be redeveloped as new small-scale offices, retail establishments, community facilities, restaurants, and parking as needed. This type of development should serve as a smooth visual and functional transition between the established River North artist and gallery area directly to the east and the residential/commercial developments proposed for the Project Area subareas to the west and along the River. New facilities and uses in this location would also be easily accessible to adjacent existing and planned residential areas in the Near North Tax Increment Financing Redevelopment Area.

D. Development And Design Objectives.

Listed below are the specific Development and Design Objectives which will assist the City in directing and coordinating public and private improvement and investment within the Project Area in order to achieve the general goals and objectives identified in Section IV of this Redevelopment Plan.

The Development and Design Objectives are intended to help attract a variety of desirable uses such as new commercial and residential development; foster a

consistent and coordinated development pattern; and create an attractive urban identity for the Project Area.

a) Land-Use.

- Promote comprehensive, area-wide redevelopment of the Project Area as a planned mixed-use district, allowing a wide range of business, residential, retail, services and public uses.
- Promote business retention and new employment development throughout the Project Area.
- Encourage the clustering of similar and supporting commercial uses to promote cumulative attraction.
- Promote convenient retail and service uses that can provide for the day-to-day needs of nearby residents, employees and business patrons.

b) Building And Site Development.

- Preserve buildings with historic and architectural value.
- Where feasible, repair and rehabilitate buildings in poor condition.
- Where rehabilitation is not feasible, demolish deteriorated buildings to allow for new development.
- Ensure that construction standards are established in order to prevent adverse environmental impacts to the Chicago River.
- Ensure that demolition and rehabilitation activities include environmental surveys and abatement, particularly for asbestos and lead-based paint where appropriate.
- Reuse vacant buildings in serviceable condition for new businesses, residential uses or mixed-use development.
- Ensure that the design, bulk and massing of new buildings is compatible with the surrounding building context.
- Locate building service and loading areas away from front entrances and major streets, where possible.

- Encourage parking, service, loading and support facilities that can be shared by multiple businesses and/or converted residential loft buildings with no on-site parking.
- Encourage retail, entertainment and restaurants on the first (1st) floor of buildings to create a pedestrian-oriented environment.
- Improve the design and appearance of commercial storefronts, including facade treatment, color, materials, awnings and canopies and commercial signage.

c) Transportation And Infrastructure.

- Ensure safe and convenient access to and circulation within the Project Area for pedestrians, bicyclists, autos, trucks and public transportation.
- Provide well-defined, safe pedestrian connections between developments within the Project Area and nearby destinations.
- Promote the development of river edge amenities and provide a continuous pedestrian corridor along the river.
- Alleviate traffic congestion along arterial routes through limited driveways, shared loading zones, efficient bus stop spacing and traffic management improvements.
- Promote "transit-friendly" developments that incorporate transit facilities into their design.
- Improve the street surface conditions, street lighting and traffic signalization.
- Improve existing bus stop waiting areas and shelters, and ensure convenient location of new waiting areas and shelters, where appropriate.
- Upgrade public utilities and infrastructure as required.

d) Parking.

- Ensure that all commercial and retail businesses and residential developments are served by an adequate supply of conveniently located parking.

- Ensure construction of an adequate supply of off-street parking by encouraging the larger new developments to construct spaces in excess of their projected needs. These excess spaces will then capture overflow from street parking at peak periods.
- Maintain curb parking on selected streets to serve the retail and commercial businesses.
- Promote shared parking through cooperative arrangements between businesses which would permit existing parking lots to be used by neighboring businesses during off-peak periods.
- Ensure that parking structures are attractively designed and adequately maintained, and meet the standards of the City's new parking garage structure ordinance and that surface parking lots are adequately landscaped.
- Promote the use of ground floor space within parking structures for retail or service businesses.

e) Urban Design.

- Provide distinctive design features, including special landscaping, signage, decorative pavements and fountains at the major entryways into the Project Area and along major street corridors.
- Provide new pedestrian-scale lighting in areas with intense pedestrian activity.
- Provide accent lighting where space permits.
- Promote high quality and harmonious architectural and landscape design within the mixed-use district.
- Enhance the appearance of the Project Area by landscaping all streets.
- Clean up vacant land and, where possible, use vacant lots for open space or pocket parks.
- Promote the development of public art at selected locations.

- Conform building height, density and other design elements to the requirements of the planned development for the area (Commercial-Manufacturing Planned Development Number 447).

f) Open Space And Landscaping.

- Promote the development of new public parks and shared open spaces within the Project Area, including tot lots, recreational areas, courtyards, eating areas, et cetera.
- Promote a continuous landscaped open space area or covered, open air riverwalk within existing buildings along the river corridor.
- Promote the use of landscaping and attractive fencing to screen dumpsters, waste collection areas, loading areas and the perimeter of parking lots and other vehicular use areas.
- Ensure that all open spaces are designed, landscaped and lighted to achieve a high level of security.
- Ensure that all landscaping and design materials comply with the City of Chicago Landscape Ordinance.
- Provide amenities and facilities to expand and encourage recreational use of the River.
- Ensure that open space is provided according to the specifications set forth in the planned development for the area (Commercial-Manufacturing Planned Development Number 447).

E. Redevelopment Improvements And Activities.

The City proposes to achieve its redevelopment goals and objectives for the Project Area through the use of public financing techniques including, but not limited to, tax increment financing, to undertake some or all of the activities and improvements authorized under the Act, including the activities and improvements described below. The City also maintains the flexibility to undertake additional activities and improvements authorized under the Act, if the need for activities or improvements change as redevelopment occurs in the Project Area.

The City may enter into redevelopment agreements or intergovernmental agreements with public or private entities for the furtherance of this Redevelopment Plan to construct, rehabilitate, renovate or restore improvements or facilities public or private facilities on one (1) or several parcels or for any other lawful purpose. Redevelopment agreements may contain terms and provisions which are more specific than the general principles set forth in this Redevelopment Plan and which include affordable housing requirements as described below.

It is City policy to require that developers who receive T.I.F. assistance for market-rate housing set aside twenty percent (20%) of the units to meet affordability criteria established by the City's Department of Housing. Generally, this means the affordable for-sale units should be priced at a level that is affordable to persons earning no more than one hundred twenty percent (120%) of the area median income, and affordable rental units should be affordable to persons earning no more than eighty percent (80%) of the area median income. Additionally, it is the City's desire to include housing that is affordable to a variety of income levels, including low- and very low-income households, as part of development within the Project Area.

1. Property Assembly.

Property acquisition and land assembly by the private sector in accordance with this Redevelopment Plan will be encouraged by the City. To meet the goals and objectives of this Redevelopment Plan, the City may acquire and assemble property throughout the Project Area. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain or through the Tax Reactivation Program and may be for the purpose of: (a) sale, lease or conveyance to private developers; or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

In connection with the City exercising its power to acquire real property, including the exercise of the power of eminent domain, under the Act in implementing the Redevelopment Plan, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Redevelopment Plan.

The City may demolish improvements, remove and grade soils and prepare sites with soils and materials suitable for new construction. Clearance and demolition will, to the greatest extent possible, be timed to coincide with redevelopment activities so that tracts of land do not remain vacant for extended periods and so that the adverse effects of clearance activities may be minimized.

The City may (a) acquire any historic structure (whether a designated City or State landmark or listed on or eligible for listing on the National Register of Historic Places); (b) demolish any non-historic feature of such structure; and (c) incorporate any historic structure or historic feature into a development on the subject property or adjoining property.

2. Relocation.

Relocation assistance may be provided in order to facilitate redevelopment of portions of the Project Area and to meet other City objectives. Businesses or households legally occupying properties to be acquired by the City may be provided with relocation advisory and financial assistance as determined by the City.

3. Provision Of Public Works Or Improvements.

The City may provide public improvements and facilities that are necessary to service the Project Area in accordance with this Redevelopment Plan and the comprehensive plan for development of the City as a whole. Public improvements and facilities may include, but are not limited to, the following:

a) Streets And Utilities.

A range of individual roadway, utility and related improvement projects, from repair and resurfacing to major construction or reconstruction.

b) Parks, Open Space And Recreational Facilities.

Improvements to existing or future parks, river walkways, open spaces, public plazas and recreational facilities, including the construction of pedestrian walkways, stairways, lighting, landscaping and general beautification improvements may be provided for the use of the general public.

c) Transportation Infrastructure.

Improvements and/or expansion of existing C.T.A. transit stations, bus stops, bicycle lanes, and bicycle locking stations to support the increased demand resulting from future development within the Project Area.

4. Rehabilitation Of Existing Buildings.

The rehabilitation of buildings that are basically sound and/or historically significant.

5. Job Training And Related Educational Programs.

Separate or combined programs designed to increase the skills of the labor force to meet employers' hiring needs and to take advantage of the employment opportunities within the Project Area.

6. Day Care Services.

Development of day care services and centers within the Redevelopment Project Area for children of employees of Redevelopment Project Area businesses.

7. Taxing Districts Capital Costs.

The City may reimburse all or a portion of the costs incurred by certain taxing districts in the furtherance of the objectives of this Redevelopment Plan.

8. Interest Subsidies.

Funds may be provided to redevelopers for a portion of interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

- (a) such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;

- (b) such payments in any one (1) year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper with respect to the redevelopment project during that year;
- (c) if there are not sufficient funds available in the special tax allocation fund to make the payment, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
- (d) the total of such interest payments paid pursuant to the Act may not exceed thirty percent (30%) of the total (i) costs paid or incurred by a redeveloper for a redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act; and
- (e) up to seventy-five percent (75%) of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.

9. Affordable Housing.

Funds may be provided to developers for up to fifty percent (50%) of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act.

10. Analysis, Administration, Studies, Surveys, Legal, Et Cetera.

Under contracts that will run for three (3) years or less, the City may undertake or engage professional consultants, engineers, architects, attorneys, et cetera, to conduct various analyses, studies, surveys, administration or legal services to establish, implement and manage this Redevelopment Plan.

F. Redevelopment Project Costs.

The various redevelopment expenditures which are eligible for payment or reimbursement under the Act are reviewed below. Following this review is a list of estimated redevelopment project costs which are deemed to be necessary to implement this Redevelopment Plan (the "Redevelopment Project Costs").

1. Eligible Redevelopment Project Costs.

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this Redevelopment Plan pursuant to the Act. Such costs may include, without limitation, the following:

- a) costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided that no charges for professional services are based on a percentage of the tax increment collected;
- b) the cost of marketing sites within the area to prospective businesses, developers and investors;
- c) property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;
- d) costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;
- e) costs of the construction of public works or improvements;
- f) costs of job training and retraining projects including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area and such proposals should feature a

community-based training program which ensures maximum reasonable opportunities for residents of the Near North Community Area with particular attention to the needs of those residents who have previously experienced inadequate employment opportunities and development of job-related skills including residents of public and other subsidized housing and people with disabilities;

- g) financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a period not exceeding thirty-six (36) months following completion and including reasonable reserves related thereto;
- h) to the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project;
- i) relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
- j) payment in lieu of taxes as defined in the Act;
- k) costs of job training, retraining, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one (1) or more taxing districts, provided that such costs: (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections

3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code;

- l) interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - 1. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
 - 2. such payments in any one (1) year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
 - 3. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
 - 4. the total of such interest payments paid pursuant to the Act may not exceed thirty percent (30%) of the total: (i) cost paid or incurred by the redeveloper for such redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act; and
 - 5. up to seventy-five percent (75%) of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.
- m) unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;
- n) an elementary, secondary or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;
- o) up to fifty percent (50%) of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes

units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act; and

- p) the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed eighty percent (80%) of the City, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development.

If a special service area has been established pursuant to the Special Service Area Tax Act, 35 ILCS 235/0.01, et seq., then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act may be used within the redevelopment project area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

2. Estimated Redevelopment Project Costs.

A range of redevelopment activities and improvements will be required to implement this Redevelopment Plan. The activities and improvements and their estimated costs are set forth in (Sub)Exhibit II of this Redevelopment Plan. All estimates are based on 1999 dollars. Funds may be moved from one (1) line item to another or to an eligible cost category described in this Plan.

Redevelopment Project Costs described in this Redevelopment Plan are intended to provide an upper estimate of expenditures. Within this upper estimate, adjustments may be made in line items without amending this Redevelopment Plan.

G. Sources Of Funds To Pay Redevelopment Project Costs.

Funds necessary to pay for Redevelopment Project Costs and secure municipal obligations issued for such costs are to be derived primarily from Incremental Property Taxes. Other sources of funds which may be used to pay for Redevelopment Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, private financing and other legally permissible funds the City may deem appropriate. The City may incur

Redevelopment Project Costs which are paid for from funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes. Also, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers. Additionally, the City may utilize revenues, other than State sales tax increment revenues, received under the Act from one (1) redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received. The City may incur Redevelopment Project Costs which are paid from funds of the City other than incremental taxes, and the City may then be reimbursed from such costs from incremental taxes.

The Project Area is contiguous to the Near North Tax Increment Financing Redevelopment Project Area and may, in the future, be contiguous or separated by only a public right-of-way to other redevelopment project areas created under the Act. The City may utilize net incremental property taxes received from the Project Area to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas or project areas separated only by a public right-of-way, and vice versa. The amount of revenue from the Project Area made available to support such contiguous redevelopment project areas or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in this Redevelopment Plan.

The Project Area may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1, et seq.). If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent with those of the Project Area, the City may determine that it is in the best interests of the City and in furtherance of the purposes of the Redevelopment Plan that net revenues from the Project Area be made available to support any such redevelopment project areas and vice versa. The City therefore proposes to utilize net incremental revenues received from the Project Area to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas and vice versa. Such revenues may be transferred or loaned between the Project Area and such areas. The amount of revenue from the Project Area so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in (Sub)Exhibit II of this Redevelopment Plan.

H. Issuance Of Obligations.

The City may issue obligations secured by Incremental Property Taxes pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation, the City may pledge its full faith and credit through the issuance of general obligation bonds. Additionally, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

The redevelopment project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third (23rd) calendar year following the year in which the ordinance approving the Project Area is adopted (by December 31, 2024). Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One (1) or more series of obligations may be sold at one (1) or more times in order to implement this Redevelopment Plan. Obligations may be issued on a parity or subordinated basis.

In addition to paying Redevelopment Project Costs, Incremental Property Taxes may be used for the scheduled retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds. To the extent that Incremental Property Taxes are not needed for these purposes, any excess Incremental Property Taxes shall then become available for distribution annually to taxing districts having jurisdiction over the Project Area in the manner provided by the Act.

I. Valuation Of The Project Area.

1. Most Recent E.A.V. Of Properties In The Project Area.

The purpose of identifying the most recent equalized assessed valuation ("E.A.V.") of the Project Area is to provide an estimate of the initial E.A.V. which the Cook County Clerk will certify for the purpose of annually calculating the incremental E.A.V. and incremental property taxes of the Redevelopment Project Area. The 1998 E.A.V. of all taxable parcels in the Project Area is approximately Thirty-nine Million Four Thousand Four Hundred Fourteen Dollars (\$39,004,414). This total E.A.V. amount by parcel is summarized in (Sub)Exhibit III. The E.A.V. is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk, and shall become the Certified Initial E.A.V. from which all incremental property taxes in the Project Area will be calculated by Cook County. If the 1999 E.A.V. shall become available prior to the date of the adoption of the Redevelopment Plan by the City Council, the City may

update the Redevelopment Plan by replacing the 1998 E.A.V. with the 1999 E.A.V. without further City Council action.

2. Anticipated Equalized Assessed Valuation.

By the tax year 2023 (collection year 2024) and following roadway and utility improvements, installation of additional and upgraded lighting, improved signage and landscaping, et cetera and substantial completion of potential Redevelopment Projects, the E.A.V. of the Project Area is estimated to range from Two Hundred Thirty-five Million Dollars (\$235,000,000) to Two Hundred Fifty Million Dollars (\$250,000,000). The estimate is based on several key assumptions, including: 1) redevelopment of the Project Area will occur in a timely manner; 2) approximately one million five hundred thousand (1,500,000) to two million (2,000,000) square feet of office/retail space will be constructed or significantly rehabilitated in the Project Area and occupied by 2009; 3) approximately one thousand five hundred (1,500) to one thousand nine hundred (1,900) residential units, one million eight hundred thousand (1,800,000) to two million two hundred thousand (2,200,000) square feet will be constructed in the Project Area and occupied by 2009; 4) approximately two thousand eight hundred fifty (2,850) private-market parking spaces will be constructed in the Project Area and in use by 2009; 5) approximately three (3) acres will be dedicated to public park land; 6) an estimated annual inflation in E.A.V. of two percent (2%) will be realized through 2023; and 7) the five (5) year average state equalization factor of 2.1437 (tax years 1994 through 1998) is used in all years to calculate estimated E.A.V.

VI.

Lack Of Growth And Development Through Investment By Private Enterprise.

As described in Section III of this Redevelopment Plan, the Project Area as a whole is adversely impacted by the presence of numerous conservation and blight factors, and these factors are reasonably distributed throughout the Project Area. Conservation and blight factors within the Project Area are widespread and represent major impediments to sound growth and development.

The decline of and the lack of private investment in the Project Area are evidenced by the following:

Physical Condition Of The Project Area.

- The Project Area is characterized by age (ninety-six percent (96%) of the buildings are thirty-five (35) years or older), obsolescence, deterioration, structures below minimum code specifications, excessive vacancies, and an overall lack of community planning.
- Several portions of the Project Area's infrastructure (i.e. streets, alleys, curbs and gutters, street lighting and sidewalks) need major repair or replacement.

Lack Of New Construction And Renovation By Private Enterprise.

- Over the time period 1994 through June 1999, no new buildings were built in the Project Area. In this same time period, only three (3) of the twenty-one (21) buildings in the Project Area indicated building improvement permit activity totaling approximately Five Hundred Fifty Thousand Dollars (\$550,000) (one (1) building accounted for Five Hundred Three Thousand Dollars (\$503,000)).

Lack Of Investment And Growth By Private Enterprise.

- A significant number of buildings within the Project Area are vacant or underutilized. In particular, the former Montgomery Ward Merchandise Building and Catalog Buildings, although architecturally significant, have had significant vacancies for several years, which represents over two million six hundred thousand (2,600,000) square feet of underdeveloped space. The Catalog Building is approximately ninety-seven percent (97%) vacant and the Merchandise Building is one hundred percent (100%) vacant. These vacancies are evidence of the lack of growth and development within the Project Area. Moreover, the sheer bulk of these buildings present extraordinary cost impediments to redevelopment.
- The growth rate of the total Equalized Assessed Valuation ("E.A.V.") of the Project Area has lagged behind that of the balance of the City for three (3) of the last five (5) calendar years for which information is available (1993 to 1998). For these three (3) years 1994/1995, 1995/1996, 1996/1997, the rate of growth of the Project Area total E.A.V. was less than the Consumer Price Index for All Urban Consumers (C.P.I.-U.) for the United States and the C.P.I.-U. Chicago region.

- Between 1993 and 1998, the Assessed Value (the "A.V.") of the Project Area increased from Sixteen Million Six Hundred Forty-four Thousand Forty-one Dollars (\$16,644,041) to Seventeen Million Eight Hundred Ninety-two Thousand Seven Hundred Fifty-four Dollars (\$17,892,754), an increase of One Million Two Hundred Forty-eight Thousand Seven Hundred Thirteen Dollars (\$1,248,713) or seven and five-tenths percent (7.5%) (average annual rate of one and five-tenths percent (1.5%)). Over this same period, the A.V. of the City as a whole increased by sixteen and three-tenths percent (16.3%) (average annual rate of three and one-tenth percent (3.1%)).
- Between 1993 and 1998, the E.A.V. of the Project Area increased from Thirty-five Million Six Hundred Twenty-nine Thousand Eight Hundred Ninety-nine Dollars (\$35,629,899) to Thirty-nine Million Four Thousand Four Hundred Fourteen Dollars (\$39,004,414), an increase of Three Million Three Hundred Seventy-four Thousand Five Hundred Fifteen Dollars (\$3,374,515) or nine and five-tenths percent (9.5%) (average annual rate of one and eight-tenths percent (1.8%)). Over this same period, the E.A.V. of the City as a whole increased by eighteen and four-tenths percent (18.4%) (average annual rate of three and four-tenths percent (3.4%)).

Impediments To Redevelopment.

- The sheer magnitude of the adaptive reuse component of the Redevelopment Project, particularly in terms of planning and expenses, is a deterrent to private investment. In particular, the former Montgomery Ward Catalog and Merchandise Buildings have over two million six hundred thousand (2,600,000) square feet of available space for redevelopment. Also, within the Project Area there are several other buildings available for adaptive reuse.
- Numerous buildings show signs of obsolescence, deterioration and excessive vacancies.
- Several portions of the Project Area's infrastructure need to be repaired or replaced. Extensive sidewalk, curb, gutter and alley repairs or replacement, street lighting, landscaping and other infrastructure improvements are necessary to transform the Project Area into a pedestrian-friendly environment.

- The architecturally and historically significant former Montgomery Ward Catalog and Merchandise Buildings will require substantial and extraordinary investment to rehabilitate the interior for adaptive reuse.

In summary, the Project Area is not yet a blighted area, but is deteriorating and declining and may become a blighted area. The Project Area on the whole has not been subject to growth and development through investment by private enterprise. The Project Area would not reasonably be anticipated to be developed on a comprehensive and coordinated basis without the intervention of the City and the adoption of this Redevelopment Plan for the Project Area.

VII.

Financial Impact.

Without the adoption of the Redevelopment Plan and T.I.F., the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of City-sponsored redevelopment initiatives, there is a prospect that conservation factors will continue to exist and spread, and the Project Area on the whole and adjacent properties will become less attractive for the maintenance and improvement of existing buildings and sites. In the absence of City-sponsored redevelopment initiatives, erosion of the assessed valuation of property in and outside of the Project Area could lead to a reduction of real estate tax revenue to all taxing districts.

Section V of this Redevelopment Plan describes the comprehensive, area-wide Redevelopment Project proposed to be undertaken by the City to create an environment in which private investment can occur. The Redevelopment Project will be staged over a period of years consistent with local market conditions and available financial resources required to complete the various redevelopment improvements and activities as well as Redevelopment Projects set forth in this Redevelopment Plan. Successful implementation of this Redevelopment Plan is expected to result in new private investment in rehabilitation of buildings and new construction on a scale sufficient to eliminate problem conditions and to return the area to a long-term sound condition.

The Redevelopment Project is expected to have significant short- and long-term positive financial impacts on the taxing districts affected by this Redevelopment Plan. In the short-term, the City's effective use of T.I.F. can be expected to stabilize existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long-term, after the completion of all redevelopment

improvements and activities, Redevelopment Projects and the payment of all Redevelopment Project Costs and municipal obligations, the taxing districts will benefit from the enhanced tax base which results from the increase in E.A.V. caused by the Redevelopment Projects.

VIII.

Demand On Taxing District Services.

The following major taxing districts presently levy taxes against properties located within the Project Area:

Cook County. The County has principal responsibility for the protection of persons and property, the provision of public health services and the maintenance of County highways.

Cook County Forest Preserve District. The Forest Preserve District is responsible for acquisition, restoration and management of lands for the purpose of protecting and preserving open space in the City and County for the education, pleasure and recreation of the public.

Metropolitan Water Reclamation District Of Greater Chicago. This district provides the main trunk lines for the collection of waste water from cities, villages and towns, and for the treatment and disposal thereof.

Chicago Community College District 508. This district is a unit of the State of Illinois' system of public community colleges, whose objective is to meet the educational needs of residents of the City and other students seeking higher education programs and services.

Board Of Education Of The City Of Chicago. General responsibilities of the Board of Education include the provision, maintenance and operations of educational facilities and the provision of educational services for kindergarten through twelfth (12th) grade. No public schools are located in or directly adjacent to the Project Area.

Chicago Park District. The Park District is responsible for the provision, maintenance and operation of park and recreational facilities throughout the City and for the provision of recreation programs. There are no parks currently located within the Project Area.

Chicago School Finance Authority. The Authority was created in 1980 to exercise oversight and control over the financial affairs of the Board of Education.

City Of Chicago. The City is responsible for the provision of a wide range of municipal services, including: police and fire protection; capital improvements and maintenance; water supply and distribution; sanitation service; building, housing and zoning codes, et cetera.

City Of Chicago Library Fund. General responsibilities of the Library Fund include the provision, maintenance and operation of the City's library facilities.

In addition to the major taxing districts summarized above, the Chicago Urban Transportation District has taxing jurisdiction over part or all of the Project Area. The Chicago Urban Transportation District (formerly a separate taxing district from the City) no longer extends tax levies, but continues to exist for the purpose of receiving delinquent taxes.

In 1994, the Act was amended to require an assessment of any financial impact of the Project Area on, or any increased demand for services from, any taxing district affected by the Redevelopment Plan and a description of any program to address such financial impacts or increased demand. The City intends to monitor development in the areas and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

A. Impact Of The Redevelopment Project.

The replacement of vacant and underutilized properties with business, residential and other development may cause increased demand for services and/or capital improvements to be provided by the Metropolitan Water Reclamation District, the City of Chicago, the Board of Education and the Chicago Park District. The estimated nature of these increased demands for services on these taxing districts are described below.

Metropolitan Water Reclamation District Of Greater Chicago. The replacement of vacant and underutilized properties with new development may cause increased demand for the services and/or capital improvements provided by the Metropolitan Water Reclamation District.

City Of Chicago. The replacement of vacant and underutilized properties with new development may increase the demand for services and programs provided by

the City, including police protection, fire protection, sanitary collection, recycling, et cetera.

Board Of Education. The addition of new households with school-aged children to the Project Area may increase the demand for services and programs provided by the Board of Education. No public schools are located within the boundaries of the Project Area. The nearest public schools are the Chicago Academy of Math, Science and Language High School, the Byrd School, the Franklin School, the Jenner School, the Salazar School and the Schiller School, the closest of which is located approximately one-half (½) mile outside the boundaries of the Project Area.

The locations of these schools are illustrated in Figure 4, Surrounding Community Facilities.

Chicago Park District. The replacement of vacant and underutilized properties with residential, business and other development may increase the demand for services, programs and capital improvements provided by the Chicago Park District within and adjacent to the Project Area. These public services or capital improvements may include, but are not necessarily limited to, the provision of additional open spaces and recreational facilities by the Chicago Park District. Currently, there are no public parks located within the Project Area. The nearest parks are Stanton Park and Seward Park located approximately one-half (½) mile north of the Project Area and Eckhart Park located approximately one (1) mile west of the Project Area. The locations of these parks are illustrated in Figure 4, Surrounding Community Facilities.

B. Program To Address Increased Demand For Services Or Capital Improvements.

The following activities represent the City's program to address increased demand for services or capital improvements provided by the impacted taxing districts.

- It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Project Area can be adequately handled by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District. Therefore, no special program is proposed for the Metropolitan Water Reclamation District.
- It is expected that any increase in demand for City services and programs associated with the Project Area can be adequately handled by existing City, police, fire protection, sanitary collection and recycling services and programs maintained and operated by the City. Therefore, no special programs are proposed for the City.

- It is expected that the households that may be added to the Project Area will contain few school-aged children and, at this time, no special program is proposed for the Board of Education. The City and the Board of Education, will attempt to ensure that any increased demands for the services and capital improvements provided by the Board of Education are addressed in connection with any particular residential development in the Project Area.
- It is expected that the households and businesses that may be added to the Project Area may generate additional demand for recreational services and programs and may create the need for additional open spaces and recreational facilities operated by the Chicago Park District. The City intends to monitor development in the Project Area and, with the cooperation of the Chicago Park District, will attempt to ensure that any increased demands for the services and capital improvements provided by the Chicago Park District are addressed in connection with any particular residential and business development. One (1) or more open space facilities and riveredge amenities are included in the land-use plan to address the needs of a rapidly expanding residential population and existing and future employees of the Project Area and nearby areas.
- It is expected that any increase in demand for Cook County, Cook County Forest Preserve District, and the Chicago Community College District 508's services and programs associated with the Project Area can be adequately handled by services and programs maintained and operated by these taxing districts. Therefore, at this time, no special programs are proposed for these taxing districts. Should demand increase so that it exceeds existing service and program capabilities, the City will work with the affected taxing district to determine what, if any, program is necessary to provide adequate services.

(Sub)Exhibit II to this Redevelopment Plan illustrates the allocation of Redevelopment Project Costs.

*IX.**Conformity Of The Redevelopment Plan For The Project
Area To Land Uses Approved By The Planning
Commission Of The City.*

This Redevelopment Plan and the Redevelopment Project described herein include land uses which will be approved by the Chicago Plan Commission prior to the adoption of the Redevelopment Plan.

*X.**Phasing And Scheduling.*

A phased implementation strategy will be utilized to achieve comprehensive and coordinated redevelopment of the Project Area.

It is anticipated that City expenditures for Redevelopment Project Costs will be carefully staged on a reasonable and proportional basis to coincide with Redevelopment Project expenditures by private developers and the receipt of Incremental Property Taxes by the City.

The estimated date for completion of Redevelopment Projects is no later than the year 2023.

*XI.**Provisions For Amending This Redevelopment Plan.*

This Redevelopment Plan may be amended pursuant to the Act.

*XII.**Commitment To Fair Employment Practices
And Affirmative Action Plan.*

The City is committed to and will affirmatively implement the following principles with respect to this Redevelopment Plan:

- A) The assurance of equal opportunity in all personnel and employment actions, with respect to the Redevelopment Project, including, but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, et cetera, without regard to race, color, religion, sex, age, handicapped status, national origin, creed or ancestry.
- B) Redevelopers must meet the City's standards for participation of twenty-five percent (25%) Minority Business Enterprises and five percent (5%) Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.
- C) This commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
- D) Redevelopers will meet City standards for the prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

The City shall have the right in its sole discretion to exempt certain small businesses, residential property owners and developers from the above.

*XIII.**Housing Impact And Related Matters.*

The Project Area contains two (2) mixed-use buildings (a commercial/residential condominium building and an office/residential building) and one (1) multi-family building for a total of seven (7) residential units.

Included in the Plan is the Land-Use Plan (Figure 2). This map indicates three (3) parcels of real property on which there are buildings containing residential units that could be removed if the Plan is implemented in this regard, and that to the extent those units are inhabited, the residents thereof might be displaced.

The number and type of residential buildings in the Project Area potentially affected by the Plan were identified during the building condition and land-use survey conducted as part of the eligibility analysis for the Area. A good faith estimate and determination of the number of residential units within each such building, whether such residential units were inhabited and whether the inhabitants were low-income or very low-income households were based on a number of research and analytical tools including, where appropriate, physical building surveys, data received from data bases maintained by the City's Department of Planning and Development, Cook County tax assessment records or 1990 census data.

Any buildings containing residential units that may be removed and any displacement of residents of inhabited units projected in this Plan are expressly intended to be within the contemplation of the comprehensive program intended or sought to be implemented pursuant to this Plan. To the extent that any such removal or displacement will affect households of low-income and very low-income persons, there shall be provided affordable housing and relocation assistance not less than that which would be provided under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations thereunder, including the eligibility criteria. Affordable housing may either be existing or newly constructed housing and the City shall make a good faith effort to ensure that the affordable housing is located in or near the Project Area. For the purposes hereof, "low-income households", "very low-income households" and "affordable housing" shall have the meanings set forth in the Illinois Affordable Housing Act. The City shall make a good faith effort to ensure that this affordable housing is located in or near the Project Area.

Map And Survey Overview.

Based on the Plan's General Land-Use Plan, where compared to the Existing Land-Use map included as part of (Sub)Exhibit IV herein, there are certain parcels of property currently containing residential uses and units that, if the Plan is implemented in that regard, could result in such buildings being removed. There are seven (7) residential units reflected on the Land-Use Plan map that could be subject to displacement. Of this number, zero (0) are estimated to be occupied by residents classified as low-income, and zero (0) are estimated to be occupied by residents classified as very low-income.

Housing Impact Study.

The Act indicates that if a redevelopment plan would result in the displacement of residents from ten (10) or more inhabited residential units, or if the redevelopment project area contains seventy-five (75) or more inhabited residential units and no certification is made, then the City shall prepare a housing impact study (65 ILCS 5/11-74.4-3(n)(5)). Given that this Redevelopment Plan would not result in the displacement of residents from ten (10) or more inhabited residential units and does not contain seventy-five (75) or more inhabited residential units, the completion of a housing impact study is not required under the Act.

[(Sub)Exhibit III and Figures 2, 3 and 4 referred to in this
Chicago/Kingsbury Tax Increment Financing
Redevelopment Project and Plan printed
on pages 45880 through 45885
of this Journal.]

(Sub)Exhibits I, II and IV referred to in this Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan read as follows:

(Sub)Exhibit I.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Legal Description Of Project Boundary.

All that part of Sections 4 and 9 in Township 39 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

beginning at the point of intersection of the west line of North Larrabee Street with the north line of West Chicago Avenue; thence east along said north line of

West Chicago Avenue to the northerly extension of the west line of Lot 4 in Block 1 in Higgins, Law & Company's Addition in Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, said west line being also the east line of North Sedgwick Street; thence south along said northerly extension and along the east line of North Sedgwick Street to the south line of West Superior Street; thence west along said south line of West Superior Street to the east line of North Hudson Avenue; thence south along said east line of North Hudson Avenue to the south line of Lot 14 in Block 7 in said Higgins, Law & Company's Addition, said south line of Lot 14 being also the north line of the alley south of West Superior Street; thence east along said north line of the alley south of West Superior Street to the northerly extension of the east line of Lot 22 in said Block 7 in Higgins, Law & Company's Addition; thence south along said northerly extension and the east line of Lot 22 in Block 7 in Higgins, Law & Company's Addition to the north line of West Huron Street; thence east along said north line of West Huron Street to the east line of North Orleans Street; thence south along said east line of North Orleans Street to the south line of West Erie Street; thence west along said south line of West Erie Street to the southerly extension of the east line of Lot 28 in Block 10 in aforesaid Higgins, Law & Company's Addition, said east line of Lot 28 being also the west line of North Sedgwick Street; thence north along said southerly extension and the west line of North Sedgwick Street to the north line of Lot 28 in Block 10 in Higgins, Law & Company's Addition, said north line of Lot 28 being also the south line of the alley north of West Erie Street; thence west along said south line of the alley north of West Erie Street to the east line of Lot 22 in said Block 10 in Higgins, Law & Company's Addition; thence south along said east line of Lot 22 in Block 10 in Higgins, Law & Company's Addition to the north line of West Erie Street; thence west along said north line of West Erie Street to the east line of Lot 18 in said Block 10 in Higgins, Law & Company's Addition; thence north along said east line of Lot 18 in Block 10 in Higgins, Law & Company's Addition, to the north line thereof, said north line of Lot 18 being also the south line of the alley north of West Erie Street; thence west along said south line of the alley north of West Erie Street and along the westerly extension thereof to the west line of North Hudson Avenue; thence north along said west line of North Hudson Avenue to the south line of West Huron Street; thence west along said south line of West Huron Street to the west line of North Kingsbury Street; thence north along said west line of North Kingsbury Street to the south line of West Superior Street; thence west along said south line of West Superior Street to the east line of North Larrabee Street; thence south along said east line of North Larrabee Street to the north line of West Erie Street; thence east along said north line of West Erie Street to the northerly extension of a line parallel with the east line of Lot 4 in Block 1 in the Assessor's Division of that part, south of West Erie Street and east of the Chicago River, of the east half of the northwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, and 140.50 feet east of the east line of North Kingsbury Street, said line being the east line

of the parcel of property bearing Permanent Index Number 17-09-127-001; thence south along said northerly extension and the east line of the parcel of property bearing Permanent Index Number 17-09-127-001 to the south line of said Lot 4; thence east along said south line of Lot 4 to the northerly extension of the west line of Lot 29 in Young's Subdivision of part of the "Kingsbury Tract" in the east half of the northwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian lying east of the Chicago River; thence south along said northerly extension of the west line of Lot 29 in Young's Subdivision to the north line of said Lot 29; thence east along said north line of Lot 29 and along the north line of Lot 28 in said Young's Subdivision to the east line of said Lot 28; thence south along said east line of Lot 28 in Young's Subdivision of part of the "Kingsbury Tract" and along the southerly extension thereof to the south line of West Ontario Street; thence west along said south line of West Ontario Street to the northeasterly line of North Kingsbury Street; thence southeasterly along said northeasterly line of North Kingsbury Street to the north line of West Ohio Street; thence westerly along a straight line to the northeast corner of that part of Block 3 in the Assessor's Division of that part, south of West Erie Street, and east of the Chicago River, of the east half of the northwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, bearing Permanent Index Number 17-09-126-012; thence west along the north line of said part of Block 3 in the Assessor's Division bearing Permanent Index Number 17-09-126-012 to the easterly dock line of the north branch of the Chicago River; thence northerly along said easterly dock line of the north branch of the Chicago River to the south line of West Chicago Avenue; thence west along said south line of West Chicago Avenue to the southerly extension of the east line of Lot 5 in Block 99 in Elston's Addition to Chicago in Section 4, Township 39 North, Range 14 East of the Third Principal Meridian; thence north along said southerly extension and the east line of Lot 5 in Block 99 in Elston's Addition to Chicago in Section 4, Township 39 North, Range 14 East of the Third Principal Meridian and along the northerly extension thereof to the southerly line of Lot 10 in Block 98 in said Elston's Addition to Chicago, said southerly line of Lot 10 being also the northerly dock line of the north branch of the Chicago River; thence easterly along said northerly dock line of the north branch of the Chicago River to the westerly dock line of the North Branch Canal; thence northerly along said westerly dock line of the North Branch Canal to the southwesterly extension of the southeasterly line of Lot 10 in Block 96 in aforesaid Elston's Addition to Chicago; thence northeasterly along said southwesterly extension and the southeasterly line of Lot 10 in Block 96 in said Elston's Addition to Chicago to the southwesterly line of North Kingsbury Street; thence southeasterly along said southwesterly line of North Kingsbury

Street to the west line of North Larrabee Street; thence south along said west line of North Larrabee Street to the point of beginning at the north line of West Chicago Avenue; all in the City of Chicago, Cook County, Illinois.

(Sub)Exhibit II.

(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Estimated Redevelopment Project Costs.

Eligible Expense	Estimated Cost
Analysis, Administration, Studies, Surveys, Legal, Marketing, et cetera	\$ 3,250,000
Property Assembly Including Acquisition, Site Preparations and Demolition, Environmental Remediation	9,300,000
Rehabilitation of Existing Buildings, Leasehold Improvements, and Affordable Housing Construction and Rehabilitation Costs	155,000,000
Public Works and Improvements, Including Streets and Utilities, Parks and Open Space, Public Facilities (Schools and Other Public Facilities) ⁽¹⁾	76,750,000
Relocation Costs	2,000,000

(1) This category may also include paying for or reimbursing (i) an elementary, secondary or unit school district's increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts impacted by the redevelopment of the Project Area. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay, or reimburse all, or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan.

Eligible Expense	Estimated Cost
Job Training, Retraining, Welfare-to-Work	\$ 18,600,000
Day Care Services	9,300,000
Interest Subsidy	<u>6,500,000</u>
TOTAL REDEVELOPMENT COSTS ⁽²⁾⁽³⁾ :	\$280,700,000

(Sub)Exhibit IV.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Eligibility Study.

Executive Summary.

The purpose of this study is to determine whether the Chicago/Kingsbury Tax Increment Financing Redevelopment Project Area (the "Project Area") qualifies for

(Continued on page 45886)

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- (2) Total Redevelopment Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Project Costs.
- (3) The amount of the Total Redevelopment Costs that can be incurred in the Project Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Project Area only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the Project Area, but will not be reduced by the amount of redevelopment project costs incurred in the Project Area which are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated from the Project Area only by a public right-of-way.

Additional funding from other sources such as federal, state, county or local grant funds may be utilized to supplement the City's ability to finance Redevelopment Project Costs identified above.

(Sub)Exhibit III.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

1998 Equalized Assessed Valuation (E.A.V.) By Tax Parcel.
(Page 1 of 3)

TAX NUMBER	1998 EAV
17-04-300-004-0000	\$78,843
17-04-300-005-0000	\$859
17-04-300-006-0000	\$205,314
17-04-300-007-0000	\$543,133
17-04-300-008-0000	\$4,880,990
17-04-329-003-0000	\$418,833
17-04-501-002-0000	\$81,945
17-09-113-001-0000	\$3,344,987
17-09-113-002-0000	\$571,733
17-09-113-003-0000	\$512
17-09-113-004-0000	\$83,874
17-09-113-005-0000	\$512
17-09-113-006-0000	\$820,270
17-09-113-007-0000	exempt
17-09-113-008-0000	exempt
17-09-114-013-0000	\$7,280,936
17-09-114-014-0000	\$691,606
17-09-114-015-0000	\$2,936,883
17-09-115-010-0000	\$886,807
17-09-115-011-0000	\$885,366
17-09-116-001-0000	\$216,444
17-09-116-002-0000	\$227,161
17-09-116-003-0000	\$210,524
17-09-116-004-0000	\$455,625
17-09-116-005-0000	\$2,866,527
17-09-116-007-0000	exempt
17-09-116-008-0000	\$1,470,539
17-09-119-023-0000	\$1,507,691
17-09-120-015-1001	\$196,191
17-09-120-015-1002	\$55,422
17-09-120-015-1003	\$94,869

(Sub)Exhibit III.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

1998 Equalized Assessed Valuation (E.A.V.) By Tax Parcel.
(Page 2 of 3)

17-09-120-015-1004	\$55,311
17-09-120-016-0000	\$234,152
17-09-124-001-0000	\$60,207
17-09-124-002-0000	\$51,422
17-09-124-003-0000	\$51,422
17-09-124-004-0000	\$51,422
17-09-124-005-0000	\$51,422
17-09-124-006-0000	\$51,422
17-09-124-007-0000	\$51,550
17-09-124-008-0000	\$747,704
17-09-124-009-0000	\$799,947
17-09-124-010-0000	\$52,714
17-09-124-011-0000	\$51,422
17-09-124-012-0000	\$51,422
17-09-124-015-0000	\$48,743
17-09-124-016-0000	\$48,743
17-09-124-017-0000	\$48,743
17-09-124-018-0000	\$78,636
17-09-125-001-0000	exempt
17-09-125-002-0000	exempt
17-09-125-003-0000	exempt
17-09-125-004-0000	\$52,291
17-09-125-005-0000	exempt
17-09-125-006-0000	exempt
17-09-125-007-0000	\$211,500
17-09-125-008-0000	\$538,435
17-09-126-001-0000	exempt
17-09-126-002-0000	\$27,624
17-09-126-003-0000	\$85,173
17-09-126-004-0000	\$390,196
17-09-126-008-0000	\$574,175
17-09-126-009-0000	\$16,221
17-09-126-010-0000	\$419,391
17-09-127-001-0000	\$219,254
17-09-127-023-0000	\$191,668
17-09-127-024-0000	\$160,129
17-09-127-025-0000	\$38,092
17-09-214-001-0000	\$54,471

(Sub)Exhibit III.

(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

1998 Equalized Assessed Valuation (E.A.V.) By Tax Parcel.
(Page 3 of 3)

17-09-214-002-0000	\$54,471
17-09-214-003-0000	\$140,061
17-09-214-004-0000	exempt
17-09-214-005-0000	exempt
17-09-214-006-0000	\$549,753
17-09-214-007-0000	\$229,637
17-09-214-008-0000	\$62,441
17-09-214-009-0000	\$63,710
17-09-214-015-0000	\$82,956
17-09-214-017-0000	\$85,650
17-09-214-018-0000	\$318,915
17-09-500-001-0000	\$270,532
17-09-500-002-0000	\$22,398
17-09-500-003-0000	\$8,247
17-09-500-006-0000	\$102,113
17-09-500-007-0000	\$44,226
17-09-127-023-0000	\$191,668
17-09-127-024-0000	\$160,129
17-09-127-025-0000	\$38,092
Total EAV	\$39,004,414

Figure 2.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Land-Use Plan.

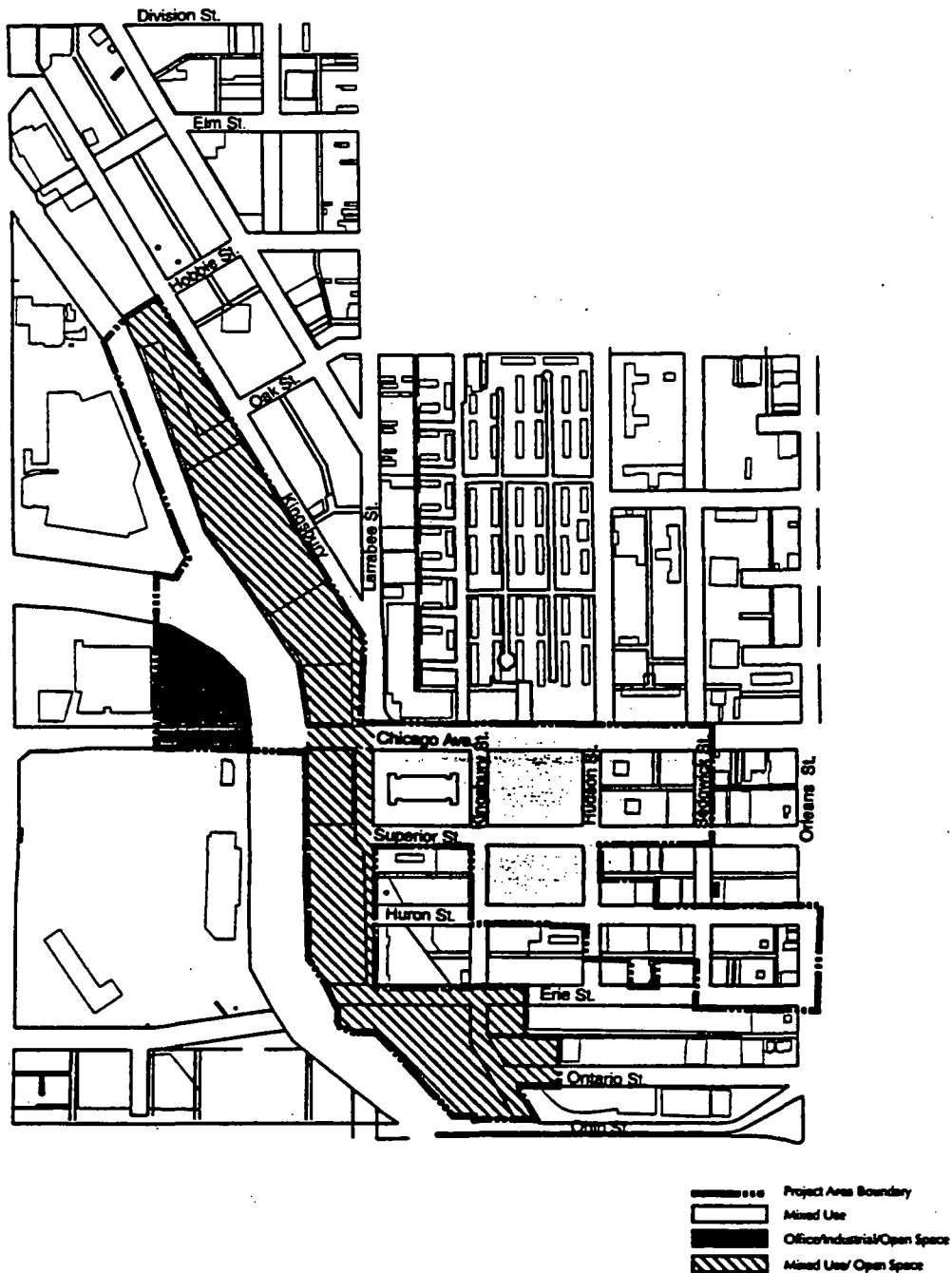


Figure 3.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Subarea Plan.

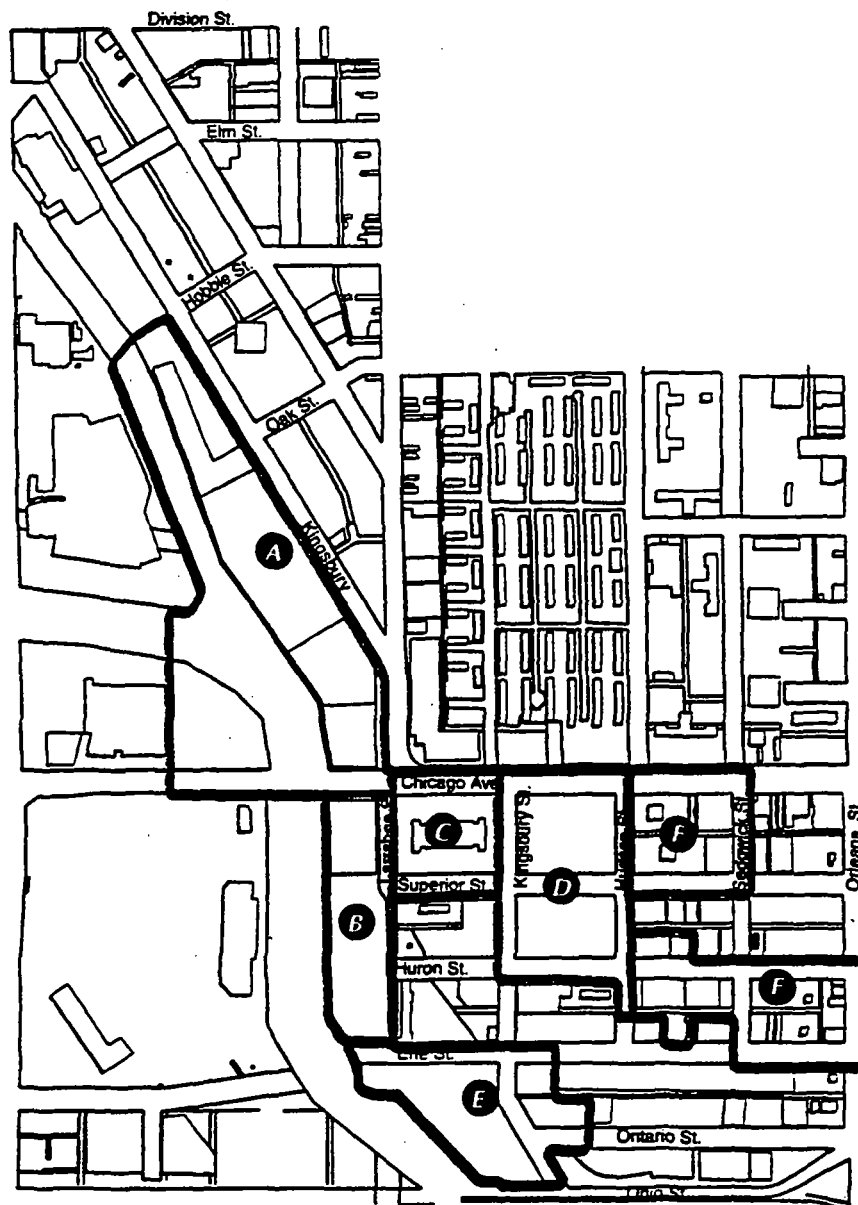
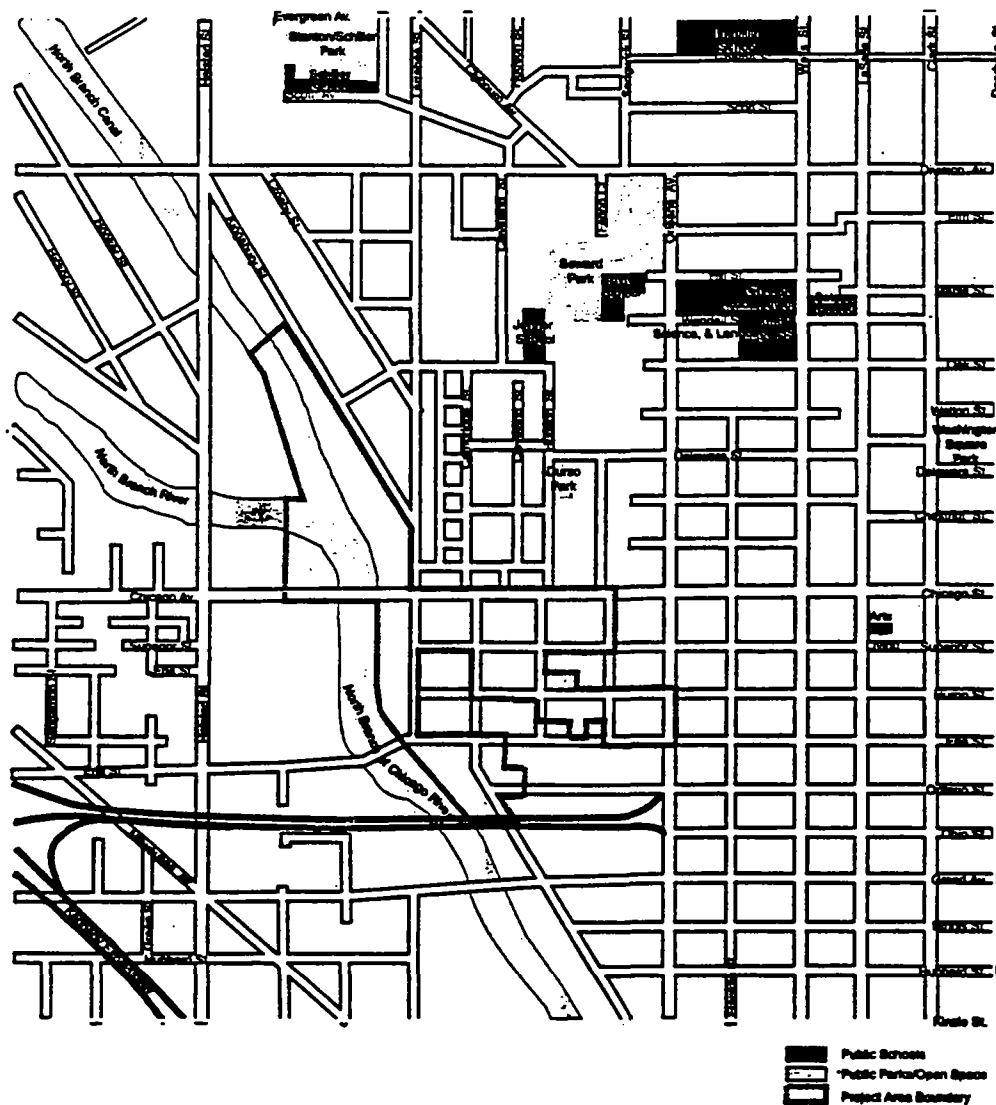


Figure 4.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Community Facilities.



(Continued from page 45879)

designation as a "conservation area" within the requirements set forth in the Tax Increment Allocation Redevelopment Act (the "Act"). The Act is found in Illinois Compiled Statutes, Chapter 65, Act 5, Section 11-74.4-1, et seq., as amended.

The findings presented in this study are based on surveys and analyses conducted by Trkla, Pettigrew, Allen & Payne, Inc. ("T.P.A.P.") for the Project Area of approximately forty-nine and two-tenths (49.2) acres located within the City of Chicago's Near North Community Area. The Project Area is generally bounded by Hobbie Street and Chicago Avenue on the north, portions of Sedgwick Street and Orleans Street on the east, portions of Ohio Street and Erie Street (east of the Chicago River) on the south, and the North Branch of the Chicago River on the west. The boundaries of the Project Area are shown on Figure 1, Project Area Boundary.

As set forth in the Act, a "redevelopment project area" means an area designated by the municipality which is not less in the aggregate than one and one-half (1½) acres, and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted and conservation areas. The Project Area exceeds the minimum acreage requirements of the Act.

As set forth in the Act, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which fifty percent (50%) or more of the structures in the area have an age of thirty-five (35) years or more. Such an area is not yet a blighted area, but because of a combination of three (3) or more of the following factors, the area is detrimental to the public safety, health, morals or welfare and it may become a blighted area: dilapidation; obsolescence; deterioration; presence of structures below minimum code standards; illegal use of individual structures; excessive vacancies; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage and overcrowding of structures and community facilities; deleterious land-use or layout; lack of community planning; environmental remediation costs (incurred or required); or a declining or lagging rate of growth in total equalized assessed valuation.

While it may be concluded that the mere presence of the minimum number of the stated factors may be sufficient to make a finding as a conservation area, this evaluation was made on the basis that the conservation area factors must be

present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of conservation area factors throughout the Project Area must be reasonable so that basically good areas are not arbitrarily found to be conservation areas simply because of proximity to areas which are blighted. This study identifies all existing conservation factors so that reasonable persons can conclude not only that statutory compliance exists, but that public intervention is appropriate and necessary.

On the basis of this approach, the Project Area is eligible as a "conservation area" within the requirements of the Act. Twenty (20) (or ninety-five percent (95%)) of the twenty-one (21) buildings within the Project Area are thirty-five (35) years of age or older. In addition to age, nine (9) of the thirteen (13) qualifying factors required under the Act are present in the Project Area. These factors are reasonably distributed throughout the entire Project Area. The entire Project Area is impacted by and shows the presence of these conservation factors. Finally, the Project Area includes only real property and improvements substantially benefited by the proposed redevelopment project improvements. The extent to which these factors are present in the Project Area is summarized below.

Conservation Area Factors.

1. Obsolescence.

Obsolescence as a factor is present to a major extent. Conditions contributing to this factor include the functional and economic obsolescence of existing single-purpose buildings in the Montgomery Ward warehouse buildings and within buildings of limited size and long-term utility, located within blocks throughout major portions of the Project Area. Obsolescence is present to a major extent in six (6) blocks (fifty percent (50%)) and to a limited extent in one (1) block (eight percent (8%)).

2. Deterioration.

Deterioration as a factor includes deterioration of buildings, parking areas, loading and service areas, portions of streets and alleys and is present to a major extent in nine (9) blocks (seventy-five percent (75%)) and to a limited extent in two (2) blocks (seventeen percent (17%)).

3. Structures Below Minimum Code.

Structures below minimum code requirements as a factor include buildings which are below the minimum legal requirements established by the laws, ordinances and regulations of the City of Chicago. Structures below minimum code standards is present to a major extent in three (3) blocks (twenty-five percent (25%)) and to a limited extent in two (2) blocks (seventeen percent (17%)).

4. Excessive Vacancies.

Excessive vacancies include buildings which are either totally vacant or contain vacant floor areas. Excessive vacancies are present to a major extent in five (5) blocks (forty-two percent (42%)) and to a limited extent in one (1) block (eight percent (8%)).

5. Excessive Land Coverage And Overcrowding Of Structures And Community Facilities.

Excessive land coverage and overcrowding of structures and community facilities as a factor is present to a major extent and includes buildings which occupy nearly one hundred percent (100%) of the parcels upon which they are located, resulting in limited and confined off-street parking, inadequate service and loading facilities, limited ingress and egress from the site and excessive travel distances between remote parking areas and building entrances. Excessive land coverage is present to a major extent in four (4) blocks (thirty-three percent (33%)) and to a limited extent in one (1) block (eight percent (8%)).

6. Deleterious Land-Use Or Layout.

Deleterious land-use or layout as a factor is present to a major extent. The layout of buildings and the relation to adjacent buildings, resulting from improperly sized blocks and parcels, including odd-shaped triangular parcels, or parcels with limited depth which are not compatible with present-day development standards for large industrial or commercial buildings. Deleterious land-use or layout is present to a major extent in four (4) blocks (thirty-three percent (33%)) and to a limited extent in two (2) blocks (seventeen percent (17%)).

7. Lack Of Community Planning.

Lack of community planning as a factor is present to a major extent. The Project Area was developed over eighty (80) years ago without the benefit or guidance at that time of a community plan with reasonable policies and standards for building setbacks, the location and arrangement of off-street parking and for buffering/screening of warehousing uses from adjacent commercial and residential areas.

8. Declining Or Lagging Rate Of Growth Of Total Equalized Assessed Valuation.

The presence of a declining or lagging equalized assessed valuation for the Project Area is present to a major extent. For three (3) of the last five (5) calendar years for which information is available, the rate of growth in the Project Area's total equalized assessed valuation was less than that for the balance of the City of Chicago and less than the increase in the Consumer Price Index for All Urban Consumers for those same three (3) years.

9. Environmental Remediation.

Environmental remediation is present to a major extent in the one (1) block of the Project Area for which information is available. This block, however, comprises well under fifty percent (50%) of the land area in the Project Area; thus environmental remediation is present to a limited extent.

1. Basis For Redevelopment.

The Illinois General Assembly made two (2) key legislative findings in adopting the Act:

1. that there exists in many municipalities within the state blighted and conservation areas; and
2. that the eradication of blighted areas and the treatment and improvement of conservation areas by redevelopment projects are essential to the public interest.

These findings were made on the basis that the presence of blight or conditions which lead to blight are detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the Act also specifies certain requirements which must be met before a municipality can proceed with implementing a redevelopment project. One (1) of these requirements is that the municipality must demonstrate that a prospective redevelopment project qualifies either as a "blighted area" or as a "conservation area" within the definitions for each set forth in the Act (in Section 11-74.4-3). These definitions are described below.

Eligibility Of A Blighted Area.

A blighted area may be either improved or vacant. If the area is improved (e.g., with industrial, commercial and residential buildings or improvements), a finding may be made that the area is blighted because of the presence of a combination of five (5) or more of the thirteen (13) factors listed and defined in the Act, each of which is a) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and b) reasonably distributed throughout the improved part of the redevelopment area.

These thirteen (13) factors are listed as follows:

- Dilapidation.
- Obsolescence.
- Deterioration.
- Illegal use of individual structures.
- Presence of structures below minimum code standards.
- Excessive vacancies.
- Lack of ventilation, light or sanitary facilities.
- Inadequate utilities.
- Excessive land coverage and overcrowding of structures and community facilities.

- Deleterious land-use or layout.
- Lack of community planning.
- Environmental remediation costs have been incurred or are required.
- Declining or lagging rate of growth of total equalized assessed valuation.

If the area is vacant, it may be found to be eligible as a blighted area based on the finding that the sound growth of the taxing districts is impaired by one (1) of the following seven (7) criteria each of which is a) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and b) reasonably distributed throughout the improved part of the redevelopment area. These seven (7) criteria are listed as follows:

- A combination of two (2) or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land; environmental remediation costs have been incurred or are required; or a declining or lagging rate of growth (relative to the balance of the municipality or the consumer price index of all urban consumers) of total equalized assessed valuation for three (3) of the last five (5) calendar years.
- The area consists of one (1) or more unused quarries, mines or strip mine ponds.
- The area consists of unused railyards, rail tracks or railroad rights-of-way.
- The area, prior to its designation, is subject to chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency.
- The area consists of an unused or illegal disposal site, containing earth, stone, building debris or similar materials, which were removed from construction, demolition, excavation or dredge sites.
- The area is not less than fifty (50) nor more than one hundred (100) acres and seventy-five percent (75%) of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five (5) years prior to the designation of the redevelopment project area, and which area meets at least one (1) of the factors itemized in provision

(1) of the subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

- The area qualified as a blighted improved area immediately prior to becoming vacant unless there has been substantial private investment in the immediately surrounding area.

Eligibility Of A Conservation Area.

A conservation area is an improved area in which fifty percent (50%) or more of the structures in the area have an age of thirty-five (35) years or more and there is a presence of a combination of three (3) or more of the thirteen (13) factors defined in the Act and listed below. Such an area is not yet a blighted area, but because of a combination of three (3) or more of these factors, the area may become a blighted area.

- Dilapidation.
- Obsolescence.
- Deterioration.
- Illegal use of individual structures.
- Presence of structures below minimum code standards.
- Excessive vacancies.
- Lack of ventilation, light or sanitary facilities.
- Inadequate utilities.
- Excessive land coverage and overcrowding of structures and community facilities.
- Deleterious land-use or layout.
- Lack of community planning.
- Environmental remediation costs have been incurred or are required.

-- Declining or lagging rate of growth of total equalized assessed valuation.

For conservation areas, the Act does not describe what constitutes the extent of presence necessary to make a finding that a factor exists. Therefore, reasonable criteria should be developed to support each local finding that an area qualifies as a conservation area. In developing these criteria, the following principles have been applied:

1. the minimum number of factors must be present to a meaningful extent and the presence of each must be documented;
2. for a factor to be found present, it should be present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act; and
3. the factors should be reasonably distributed throughout the redevelopment project area.

It is also important to note that the test of eligibility is based on the conditions of the area as a whole; it is not required that eligibility be established for each and every property in the Project Area.

2. The Project Area.

The Project Area consists of a twelve (12) full and partial block area of approximately forty-nine and two-tenths (49.2) acres including street and alley rights-of-way and a portion of the land underneath the Chicago River. Of the total forty-nine and two-tenths (49.2) acres, nineteen and five-tenths (19.5) acres (thirty-nine and six-tenths percent (39.6%)), is devoted to streets and alleys rights-of-way and a portion of the Chicago River and twenty-nine and seven-tenths (29.7) acres (sixty and three-tenths percent (60.3%)) is available land area within blocks. The dominant activity within the area is the corporate headquarters of Montgomery Ward, consisting of five (5) large vacant warehouse-type buildings along the east side of the Chicago River at Chicago Avenue, and the twenty-six (26) floor Tower Building located on a single block east of the warehouse buildings. Remaining blocks consist of light industrial uses, offices and a variety of mixed commercial activity. Two (2) blocks are used for surface parking only. The Chicago Housing Authority's Cabrini Green public housing complex is located to the east and north of the Project Area. Figure 2, Existing Land-Use identifies the various land uses in the Project Area.

The Project Area is generally bounded by Hobbie Street and Chicago Avenue to the north, an irregular line including portions of Sedgwick Street and Orleans Street to the east, Ohio Street and portions of Erie Street to the south, and the North Branch of the Chicago River and the North Branch Canal on the west. The Montgomery Ward buildings along the east side of the Chicago River, from Hobbie Street south to Chicago Avenue, consist of four (4) buildings that comprise the Catalog Buildings or "complex" and include a large single-story loading dock "building" at the north end and the nine (9) story Catalog Buildings (including the "Atrium" Office building) running south along the River and fronting Chicago Avenue. The eight (8) story Merchandise Building, including an old enclosed walkway extension on the south that provided access to the former Research and Development Building, is located south of Chicago Avenue along the Chicago River. Currently, due to the consolidation of offices, only the Tower Building is fully occupied. The older Catalog warehouse buildings -- the Atrium, the loading dock and the Merchandise Building -- are used for limited storage and are essentially vacant.

The Montgomery Ward warehouse buildings, including the Catalog Buildings and Merchandise Building contain approximately two million six hundred thousand (2,600,000) square feet of floor area. Total floor area of the Montgomery Ward buildings, including the twenty-six (26) floor Tower Building, exceed three million one hundred thousand (3,100,000) square feet. Catalog Buildings were constructed from 1908 through 1939; the Merchandise Building was built in 1928. The loading dock was constructed in 1962 and the Tower Building was completed in 1972. All buildings are connected at the basement level, including a tunnel under Larrabee Street connecting the Tower Building to the Merchandise Building.

The Montgomery Ward buildings represent a major vacant and underutilized building mass in a very strategic part of the Near North Community Area. In addition to the Montgomery Ward properties, remaining blocks to the east within the Project Area also consist of both large and small warehouse-type buildings with vacancies; small, aged, obsolete and narrow single-purpose buildings with limited potential for expansion or conversion; parcels of limited size and depth; and properties with deferred maintenance. These problems have resulted in excessive vacancies and limited occupancies, indicating the need for significant capital improvements in many properties of the Project Area.

Access to the area is provided principally by Chicago Avenue which crosses the Chicago River in an east/west direction. The Project Area also has convenient access to the I-90/I-94 interstate highway system, which is accessible directly south and east of the Project Area at the Ohio Street and Ontario Street access ramps.

3. Eligibility Survey And Analysis Findings.

An analysis was made of each of the conservation factors listed in the Act to determine whether each or any are present in the Project Area, and if so, to what extent and in what locations. Surveys and analyses conducted by Trkla, Pettigrew, Allen & Payne, Inc. included:

1. exterior survey of the condition and use of all buildings;
2. detailed interior surveys of the Montgomery Ward Buildings;
3. field survey of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
4. analysis of the existing uses within the Project Area and their relationships to the surroundings;
5. comparison of current land-use to current zoning ordinance and the current zoning map;
6. analysis of original and current platting and building size and layout;
7. analysis of vacant portions of the area and buildings;
8. analysis of building floor area and site coverage;
9. analysis of building permits issued for the Project Area from January 1, 1993 to June 9, 1999;
10. analysis of building code violations for the Project Area from August, 1998;
11. review of previously prepared plans, studies and data;
12. analysis of Cook County Assessor records for assessed valuations and equalization factors for tax parcels in the Project Area for assessment years 1993 to 1998; and
13. Clayton Group Services, Inc., Environmental Consultants, January, 2000 Memorandum of Findings of April, 1999 Assessments.

Figures 3 and 4 present copies of the forms used to record building conditions for interior and exterior surveys.

The following statement of findings is presented for each conservation factor listed in the Act. The conditions that exist and the relative extent to which each factor is present are described below.

A factor noted as "not present" indicates either that no information was available or that no evidence could be documented as part of the various surveys and analyses. A factor noted as "present to a limited extent" indicates that conditions exist which document that the factor is present, but that the distribution or impact of the conservation or blight condition is limited. Finally, a factor noted as present to a major extent indicates that conditions exist which document that the factor is present throughout major portions of the block, and that the presence of such conditions has a major adverse impact or influence on adjacent and nearby development.

What follows is the summary evaluation of the conservation factors, presented in order of their listing in the Act.

A. Age.

Age is a primary and prerequisite factor in determining an area's qualification for designation as a "conservation" area. Age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems can be a function of time and climate, structures which are thirty-five (35) years or older typically exhibit more problems and require greater maintenance than more recently constructed buildings.

Five (5) of the six (6) Montgomery Ward buildings were constructed during the period 1908 to 1962. Of the total twenty-one (21) buildings within the seven (7) blocks containing buildings, twenty (20) or ninety-five percent (95%), are thirty-five (35) years in age or older.

Conclusion.

The Project Area meets the prerequisite age test for designation as a "conservation area". Nearly all buildings ninety-five percent (95%) within the Project Area exceed thirty-five (35) years in age (the only exception is the Montgomery Ward Tower Building).

Figure 5, Age, illustrates the presence and distribution of all buildings impacted by building age (by block) where more than fifty percent (50%) of the block contains buildings thirty-five (35) years or older in the Project Area. This factor is widely

distributed throughout the Project Area.

B. Dilapidation.

As defined in the Act, Dilapidation refers to an advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

This section summarizes the process used for assessing building conditions in the Project Area, the standards and criteria used for evaluation, and the findings as to the existence of dilapidation or deterioration of structures. The process, standards and criteria were applied in accordance with the T.P.A.P. Building Condition Survey Manual.

The building condition analysis is based on a thorough interior-exterior inspection of the Montgomery Ward buildings and sites during October, 1998 and exterior surveys of the properties in adjacent blocks during January, May and August of 1999. Noted during the inspection were structural deficiencies in building components and related environmental deficiencies in the Project Area. The Building Condition Survey Forms are shown in Figures 3 and 4.

Building Components Evaluated.

During the field survey, each component of the buildings in the Project Area was examined to determine whether it was in sound condition or had minor, major or critical defects. Building components examined were of two (2) types:

- Primary Structural.

These include the basic elements of any building: foundation walls, load-bearing walls and columns, floors, roof and roof structure.

- Secondary Components.

These are components generally added to the primary structural components and are necessary parts of the building, including exterior and interior stairs, windows and window units, doors and door units, interior walls, chimneys, and gutters and downspouts.

-- Criteria For Classifying Defects For Building Components.

Each primary and secondary component was evaluated separately as a basis for determining the overall condition of individual buildings. This evaluation considered the relative importance of specific components within a building and the effect that deficiencies in components will have on the remainder of the building.

Building Component Classifications.

The four (4) categories used in classifying building components and systems and the criteria used in evaluating structural deficiencies are described below:

-- Sound.

Building components which contain no defects, are adequately maintained, and require no treatment outside of normal ongoing maintenance.

-- Deficient -- Requiring Minor Repair.

Building components which contain defects (loose or missing material or holes and cracks over a limited area) which often may be corrected through the course of normal maintenance. Minor defects have no real effect on either primary or secondary components and the correction of such defects may be accomplished by the owner or occupants, such as pointing masonry joints over a limited area or replacement of less complicated components. Minor defects are not considered in rating a building as structurally substandard.

-- Deficient -- Requiring Major Repair.

Building components which contain major defects over a widespread area and would be difficult to correct through normal maintenance. Buildings in the major deficient category would require replacement or rebuilding of components by people skilled in the building trades.

-- Critical.

Building components which contain major defects (bowing, sagging or settling to any or all exterior component causing the structure to be out-of-plumb, or broken, loose or missing material and deterioration over a widespread area) so extensive that the cost of repair would be excessive.

Final Building Rating.

After completion of the exterior-interior building condition survey, the structure was placed in one (1) of four (4) categories based on the combination of defects found in various primary and secondary building components. Each final rating is described below:

-- Sound.

Sound buildings can be kept in a standard condition with normal maintenance. Buildings so classified have less than one (1) minor defect.

-- Deficient.

Deficient buildings contain defects which collectively are not easily correctable and cannot be accomplished in the course of normal maintenance. The classification of major or minor reflects the degree or extent of defects found during the survey of the building.

-- Minor.

Buildings classified as deficient -- requiring minor repairs -- have more than one (1) minor defect but less than one (1) major defect.

-- Major.

Buildings classified as deficient -- requiring major repairs -- have at least one (1) major defect in one (1) of the primary components or in the combined secondary components, but less than one (1) critical defect.

-- Substandard.

Structurally substandard buildings contain defects which are so serious and so extensive that the building must be removed. Buildings classified as structurally substandard have two (2) or more major defects.

"Minor deficient" and "major deficient" buildings are considered to be the same as "deteriorating" buildings as referenced in the Act; "substandard" buildings are the same as "dilapidated" buildings. The words "building" and "structure" are presumed to be interchangeable.

Exterior-Interior Surveys.

The condition of the buildings within the Project Area were determined based on observable components. Based on the degree and distribution of major and minor defects, the overall condition ratings classify all buildings as either sound, or requiring minor or major repairs.

Conclusion.

Structurally substandard buildings (dilapidation) as a factor does not exist within the Project Area.

C. Obsolescence.

As defined in the Act, "obsolescence" refers to the condition or process of falling into disuse. Structures have become ill-suited for the original use.

These definitions provide the basis for describing the general obsolescence of buildings or site improvements in a proposed redevelopment project area. In making findings with respect to buildings, it is important to distinguish between functional obsolescence, which relates to the physical utility of a structure, and economic obsolescence, which relates to a property's ability to compete in the market place.

-- Functional Obsolescence.

Structures historically have been built for specific uses or purposes. The design, location, height and space arrangement are intended for a specific occupant at a given time. Buildings become obsolescent when they contain characteristics or deficiencies which limit the use and

marketability of such buildings after the original use ceases. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout or the improper orientation of the building on its site, which detracts from the overall usefulness or desirability of a property.

-- Economic Obsolescence.

Economic obsolescence is normally a result of adverse conditions which cause some degree of market rejection and, hence, depreciation in market values. Typically, buildings classified as dilapidated and buildings which contain vacant space are characterized by problem conditions which may not be economically curable, resulting in net rental losses and/or depreciation in market value.

Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, may also evidence obsolescence in terms of their relationship to contemporary development standards for such improvements. Factors of obsolescence may include inadequate utility capacities or outdated designs.

Obsolescence as a factor should be based upon the documented presence and reasonable distribution of buildings and site improvements evidencing such obsolescence.

Obsolete Building Types.

Obsolete buildings contain characteristics or deficiencies which limit their long-term sound use or reuse. Obsolescence in such buildings is typically difficult and expensive to correct. Obsolete building types have an adverse affect on nearby and surrounding development and detract from the physical, functional and economic vitality of the area.

Obsolescence is present within seventeen (17) of the twenty-one (21) buildings in the Project Area. The structures are characterized by conditions which limit their use and marketability according to contemporary standards for either warehouse buildings or commercial use, particularly those suitable for large operations. Obsolescence is evidenced by the following:

Montgomery Ward Buildings.

Obsolescence is present in four (4) of the six (6) buildings and includes the Merchandise Building, south section of the Catalog Building, main portion of the Catalog Building (north of the Atrium Building) and the loading dock. Characteristics which contribute to the obsolescence of these four (4) buildings include:

- Multi-story design with eight (8) and nine (9) story buildings adds to elevator waiting time to move goods vertically up and down many floors. The Merchandise Building contains two (2) large interior light wells which are required to provide natural light to this multi-story building and thereby reduce the available floor area for warehousing or commercial use.
- Due to the age of buildings and the technology at the time of construction, clear floor space without interior walls required many columns for supporting floors -- resulting in "close" column spacing throughout the complex of the four (4) buildings which, in turn, limits the amount of available floor space for current or future commercial use.
- Except for the Merchandise Building, which has new thermo-pane windows, three (3) buildings contain old, metal single-pane windows resulting in excessive heat loss.
- Portions of the complex are "under-elevated" with the south section and main section of the Catalog Building containing a limited number of both freight or passenger elevators.
- Electrical fixtures and lighting conditions are obsolete. Portions of the complex contain single bulb fixtures with frayed wiring and a limited number of electrical outlets. As a result of these out-dated features, the renovation of the Merchandise Building for office use has required the installation of wire molds along the many interior columns in order to provide receptacles to accommodate modern office needs (primarily computer capacity).
- Buildings were constructed during different periods resulting in heating, venting and air-conditioning (H.V.A.C.) systems that do not function properly and cannot be zoned efficiently throughout all portions of the complex. The boilers in the Catalog Buildings have reached the end of their service life.
- Maintenance required for the complex is excessive in cost, both for on-going items and for future budgeted improvements.

Buildings In Adjacent Blocks.

Buildings are of limited size in width and depth with small floor plates, and close column spacing resulting in limited open floor areas. Inadequate mechanical systems and inefficient construction result in energy inefficiencies. Many buildings are also single-purpose in nature, including a multi-story warehouse, or are small service buildings with inadequate potential for conversion to other commercial uses. Many buildings also lack provisions for proper loading or service.

Obsolete Site Conditions.

Obsolescence within the sites of the Project Area include the following problems:

- Limited exit and entry points to the existing Montgomery Ward Warehouse Buildings.
- Buildings cover the entire property on which they are located allowing only limited space for loading, service and off-street parking.
- Off-street parking is located in areas of adjacent blocks resulting in extensive travel distance between parking areas and building entrances.
- Parcels of limited width (twenty-four (24) feet) and depth (one hundred (100) feet) with several owners in many blocks inhibit the potential for expansion or land assembly for new development.
- Larrabee Street is only thirty-three (33) feet in right-of-way width and has approximately fifteen (15) feet in pavement width.

Conclusion.

The analysis indicates that obsolescence is present to a major extent in six (6) blocks and to a limited extent in one (1) block of the seven (7) blocks containing buildings.

Blocks in which twenty percent (20%) or more of the buildings or sites are obsolete are indicated as characterized by the presence of obsolescence to a major extent. Blocks in which less than twenty percent (20%) of the buildings or sites are obsolete are indicated as characterized by the presence of obsolescence to a limited extent. Figure 6, Obsolescence, illustrates the presence and extent of obsolescence in the Project Area.

D. Deterioration.

As defined in the Act, "deterioration" refers to, with respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

Based on the definition given by the Act, deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair.

- Deterioration may be evident in basically sound buildings containing minor defects, such as lack of painting, loose or missing materials, or holes and cracks over limited areas. This deterioration can be corrected through normal maintenance.
- Deterioration which is not easily correctable and cannot be accomplished in the course of normal maintenance may also be evident in buildings. Such buildings may be classified as minor deficient or major deficient buildings, depending upon the degree or extent of defects. This would include buildings with defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, et cetera), and defects in primary building components (e.g., foundations, frames, roofs, et cetera), respectively.

Deterioration Of Buildings.

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on "Dilapidation". Of the total twenty-one (21) buildings within the Project Area, seventeen (17) are classified as deteriorating. Table 1, Summary of Building Deterioration, summarizes building deterioration within the blocks containing buildings in the Project Area. It should be noted that while defects in the minor deficient buildings were limited, the large size of the Montgomery Ward structures and other multi-story buildings would require significant cost to correct or improve the condition of these structures beyond normal maintenance required in buildings of limited size.

Table 1.

Summary Of Building Conditions.

Building Conditions.

Survey Block Number	Number Of Buildings	Sound	Deteriorated/ Deteriorating	Substandard/ Dilapidated
300/501	4	1	3	0
113/500	1	0	1	0
114	1	0	1	0
116	4	2	2	0
120	1	0	1	0
124	3	0	3	0
125/214	7	1	6	0
Project Area Total	21	4	17	0
Percent	100%	20%	80%	0%

Montgomery Ward Buildings.

Deterioration is present in five (5) of the six (6) Montgomery Ward buildings. These include the Tower, the Merchandise Building, and the portions of the complex of Catalog buildings. Only the Atrium portion of the Catalog complex is in sound condition. Of the five (5) buildings exhibiting deterioration, three (3) are minor deficient and two (2) are in major deficient condition. Deterioration is present in exterior walls, roofs, windows, ceilings, floors, parapets, portions of interior walls and loading dock overhead doors.

Buildings In Other Project Area Blocks.

Deterioration is present in all seven (7) blocks containing buildings including defects requiring major and minor repairs. Defects and deterioration were noted on visible components including exterior walls, windows, doors, loading docks, porches and steps, fire escapes, portions of foundations and cornices.

Deterioration Of Site Surface Areas, Streets And Alleys.

Field surveys were conducted to identify the condition of parking and surface storage areas, streets and alleys. Deteriorated parking areas include broken asphalt, worn or "alligatored" surface and pot holes, sections of gravel surface and weed growth and debris along the east side and north end of the vacant loading dock and west of the Chicago River along Chicago Avenue. Similar conditions in other Project Area parking lots include the Ward's visitor parking area, south of the Merchandise Building at Superior and Larrabee Streets; the block devoted to parking bordered by Kingsbury Street, Superior Street, Hudson Avenue and Huron Street; and three (3) surface lots in three (3) separate blocks west of Hudson Avenue. Streets with deteriorated pavement include the narrow section of Larrabee Street, from Erie Street to Chicago Avenue and within the north parking lane of Erie Street, between Kingsbury Street and Hudson Avenue. Alleys with poor, uneven surface conditions and deteriorated pavement exist in the two (2) blocks east of Hudson Avenue, south of Huron Street. The Project Area also contains several sections of uneven, settled and cracked sidewalk along both sides of Chicago Avenue between the Chicago River and Larrabee Street and along the west side of Kingsbury Street, between Huron and Erie Streets.

Conclusion.

Deterioration is present to a major extent throughout the main portions of the Montgomery Ward properties and within the remaining blocks within the Project Area. Deterioration is present to a major extent in nine (9) blocks and to a limited extent in two (2) blocks.

Blocks in which twenty percent (20%) or more of the buildings or site improvements are indicated as characterized by deterioration and, provided that at least ten percent (10%) of all buildings are deteriorating to a major deficient level, indicate the presence of deterioration to a major extent. Blocks in which less than twenty percent (20%) of the buildings or sites show the presence of deterioration and less than ten percent (10%) of all buildings are deteriorating to a major deficient

level, indicate that deterioration is present to a limited extent. Figure 7, Deterioration, illustrates the presence and extent of deterioration within the Project Area.

E. Presence Of Structures Below Minimum Code Standards.

As defined in the Act, the "presence of structures below minimum code standards" refers to all structures that do not meet the standards of zoning, subdivision, building, fire and other governmental codes applicable to property, but not including housing and property maintenance codes.

As referenced in the definition above, the principal purposes of governmental codes applicable to properties are to require buildings to be constructed in such a way as to sustain safety of loads expected from the type of occupancy, to be safe for occupancy against fire and similar hazards, and/or to establish minimum standards essential for safe and sanitary habitation. Structures below minimum code are characterized by defects or deficiencies which threaten health and safety.

Montgomery Ward Buildings.

Based on the Eckland Engineering Consultant Report⁽¹⁾, City Department of Buildings Code Inspection Reports, and the T.P.A.P. surveys, the presence of structures below minimum code, as a factor, is present to a degree. However, considering the size of the complex and history of building maintenance and compliance to code violations, this factor may only be present to a moderate extent. Generally, the list of code violations is limited and intentions of compliance have been part of Ward's past policy. Indications are that the City has not completed a detailed code inspection in recent years. Below minimum code items can, however, be considered as a significant problem due to the size of the complex and related cost for compliance. Items or conditions which are not in compliance to the City Building or Maintenance Codes include the following:

(1) Property Condition Report: Montgomery Ward Campus, Eckland Consultants, March 4, 1997. Eckland Consultants are an Architectural, Engineering and Environmental consulting firm.

- Lack of Americans with Disabilities Act (A.D.A.) provisions in parking areas, access to buildings, and access to washrooms and elevators. The A.D.A. provisions are not required as long as the complex is under a single private owner but would be required under future multi-tenant or public ownership.
- Due to exterior wall conditions, buildings are not in compliance with the Exterior Inspection and Maintenance for Existing Buildings Ordinance of the City. This ordinance addresses exterior wall integrity and indicates a required plan and corrective action for eliminating exterior surface defects. No record of a City inspection or plan for improvements were documented.
- Lack of ground fault intercept (G.F.I.) receptacles near sink locations throughout the complex.
- General defects, holes, cracks, loose material of exterior walls, windows, interior walls and ceilings, and seepage of roofs are below City code requirements for existing buildings.
- Open stud and chicken-wire interior partitions and partitions with open-stud and plywood in portions of the Catalog Building are below the fire-proof ratings required for the type of occupancy and construction of the building.
- Lack of sprinkler systems in some portions of the Catalog Complex.
- Flammable storage of wooden shelving in vacant floors of the south portion of the Catalog Complex.
- Brittle, old wiring of single-bulb fixtures in the south portion of the Catalog Complex.
- Inconsistent presence and illumination of exit signs at all exits and stairs.
- Fire extinguishers need to be recharged with an attached tag with recharge date and signature.

The factor of buildings below minimum code standards is present to a moderate extent within the Ward's Complex.

Buildings In Other Project Area Blocks.

Seven (7) buildings in three (3) of the four (4) “non-Ward” blocks exhibited advanced defects on visible exterior components which are below the City’s Exterior Inspection and Maintenance Ordinance for Existing Buildings.

Conclusion.

The factor of structures below minimum code standards is present to a major extent in three (3) blocks and to a limited extent in two (2) blocks of the Project Area.

Blocks in which twenty percent (20%) or more of the buildings contain advanced defects are indicated as characterized by the presence of structures below minimum code standards to a major extent. Blocks in which less than twenty percent (20%) of the buildings are below minimum code standards are considered present to a limited extent. Figure 8, Structures Below Minimum Code Standards, illustrates the extent of buildings below minimum code standards in area blocks.

F. Illegal Use Of Individual Structures.

As defined in the Act, “illegal use of individual structures” refers to the use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

A review of the Chicago Zoning Ordinance indicates that the Project Area is divided into a variety of business, commercial, manufacturing and planned districts and not all of the uses or activity may comply with the requirements of the zoning of the area, however, no illegal uses were noted or documented during the surveys of the Project Area.

Conclusion.

No illegal uses of individual structures were evident from the field surveys conducted.

G. Excessive Vacancies.

As defined in the Act, “excessive vacancies” refers to the presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent or duration of the vacancies.

A review of the Montgomery Ward corporate documents and the survey of all buildings indicate that vacancies are extensive throughout the Project Area. Within the Ward's buildings, the Merchandise Building is one hundred percent (100%) vacant and the Catalog buildings are ninety-seven percent (97%) vacant (the loading dock is one hundred percent (100%) vacant). Only the Tower is substantially occupied. Five (5) of the six (6) buildings (eighty-three percent (83%)) of the Ward buildings are vacant.

Buildings in other blocks which are either vacant or contain vacant floor areas include an additional nine (9) buildings in five (5) blocks.

Conclusion.

The factor of excessive vacancies exists to a major extent in five (5) blocks and to a limited extent in one (1) block within the Project Area.

Blocks in which twenty percent (20%) or more of the buildings are partially or totally vacant are indicated as characterized by the presence of excessive vacancies to a major extent. Blocks with less than twenty percent (20%) of the buildings partially or totally vacant are characterized by the presence of excessive vacancies to a limited extent. Figure 9, Excessive Vacancies, illustrates the extent of vacancies by block.

H. Lack Of Ventilation, Light Or Sanitary Facilities.

As defined in the Act, lack of ventilation, light, or sanitary facilities refers to the absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke or other noxious airborne materials. Inadequate natural light and ventilation means the absence or inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

Conclusion.

No conditions of the lack of ventilation, light or sanitary facilities have been documented as part of the surveys and analyses undertaken within the Project Area.

I. Inadequate Utilities.

As defined in the Act, "inadequate utilities" refers to underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines and gas, telephone and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete or in disrepair, or (iii) lacking within the redevelopment project area.

Conclusion.

While upgrading of the utilities may be required within the Project Area, no conditions of inadequate utilities in place have been documented as part of the surveys and analysis undertaken within the Project Area.

J. Excessive Land Coverage And Overcrowding Of Structures And Community Facilities.

As defined in the Act, "excessive land coverage and overcrowding of structures and community facilities" refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one (1) or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonable required off-street parking, or inadequate provision for loading and service.

Excessive land coverage and overcrowding of structures and community facilities is present within the Project Area. Four (4) of the six (6) Montgomery Ward buildings cover one hundred percent (100%) of the portion of the block on which they are located. Adjacency to the River and the placement of buildings to the edge of the blocks leave no space for loading and service resulting in remote off-street parking (in some cases two (2) blocks away) for employees and visitors. Any future re-use of the Catalog Complex which is a continuous line of large buildings over one

thousand six hundred (1,600) feet in length along Kingsbury Street and the Chicago River, would require additional off-street parking. Considering the impact of this factor, a garage structure, while outside of the Project Area, is directly across the street from one-third ($\frac{1}{3}$) of the buildings of the Catalog Complex. The long-term use of this parking structure is unknown.

Three (3) additional blocks within the Project Area contain buildings which occupy between sixty percent (60%) and one hundred percent (100%) of the lot on which they are located with limited or lack of provisions for proper loading and servicing of buildings (i.e. not blocking sidewalks or the limited number of alleys).

Conclusion.

Excessive land coverage and overcrowding of structures and community facilities is present to a major extent in four (4) blocks and to a limited extent in one (1) of the six (6) blocks containing buildings in the Project Area.

Blocks in which twenty percent (20%) or more of the sites or land area are impacted by excessive land coverage and overcrowding of structures is indicated as characterized by the presence this factor to a major extent. Blocks in which less than twenty percent (20%) of the sites or land area are impacted are indicated as characterized by the presence of excessive land coverage to a limited extent. Figure 10, Excessive Land Coverage and Overcrowding of Structures and Community Facilities illustrates the presence and extent of blocks impacted by this factor within the Project Area.

K. Deleterious Land-Use Or Layout.

As defined in the Act, "deleterious land-use or layout" refers to the existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive or unsuitable for the surrounding area.

Based on the definition given above, examples of deleterious layout include evidence of improper or obsolete platting of the land, inadequate street layout, and parcels of inadequate size or shape to meet contemporary development standards. It also includes evidence of improper layout of buildings on parcels and in relation to other buildings.

The present Montgomery Ward Catalog Buildings' configuration consists of a series of large multi-story warehouse buildings located in an elongated form of buildings contiguous to each other without any setback from the Chicago River. The river wall abuts the west wall of these buildings. The lack of even a limited setback from the river side of the complex restricts ingress and egress to only one (1) side along Kingsbury Street, thereby reducing accessibility to the properties.

Additionally, parcels of narrow width, limited depth or irregular shape are located in five (5) blocks within the Project Area. This improper layout inhibits the potential for expansion or assembly of property for future development. One (1) residential building is incompatible with adjacent commercial uses in one (1) block along Orleans Street, south of Huron Street.

Conclusion.

The current layout and configuration of Montgomery Ward buildings, which function as a one (1) company complex, result in poor and limited accessibility to all portions of the buildings. Off-street parking, access, loading and service to many properties throughout the Project Area is limited by total building coverage on sites, narrow parcels and parcels of limited depth. The factor of deleterious land-use or layout is present to a major extent in four (4) blocks and to a limited extent in two (2) blocks of the Project Area.

Blocks in which twenty percent (20%) or more of all properties indicate deleterious land-use or layout are indicated as characterized by the presence of deleterious land-use or layout to a major extent. Blocks in which less than twenty percent (20%) of the properties indicate deleterious land-use or layout are indicated as characterized by the presence of deleterious land-use or layout to a limited extent. Figure 11, Deleterious Land-Use or Layout, illustrates the extent of these conditions in the Project Area.

L. Lack Of Community Planning.

As defined in the Act, "lack of community planning" means that the proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must

be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

No plans or guidelines for private development and land-use had been established by the City around the time the Project Area was developed during the early 1900s. The lack of building and site planning guidelines during the development of the Project Area contributed to some of the problem conditions which characterize the Project Area.

The Project Area, with the limited accessibility to the Ward's buildings, lack of proper building set-backs, surface parking in remote areas of adjacent blocks, blocks with small, narrow parcels or irregularly shaped parcels, would not meet current standards for commercial development.

Conclusion.

Lack of community planning as a factor is present to a major extent in the Project Area:

M. Environmental Remediation.

As defined in the Act, "environmental remediation" means that the area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

A Phase I Environmental Site Assessment Update and Phase II Environmental Assessment for the Catalog Building were completed by Clayton Group Services, Inc., environmental consultants, in April, 1999. Building and site assessments identified four (4) underground storage tanks and associated petroleum-impacted soil; materials containing asbestos inside the building; and lead paint on the exterior of the building in proximity to the Chicago River. These conditions, as well

as others that may be identified upon completion of a full assessment of the Montgomery Ward complex, will require remediation as required by the Illinois Environmental Protection Agency and, as such, have been identified as a material impediment to the redevelopment of the property.

Conclusion.

Environmental remediation is present to a major extent in the one (1) block of the Project Area for which information is available. This block however, comprises well under fifty percent (50%) of the land area in the Project Area; thus, environmental remediation is present to a limited extent.

N. Declining Or Lagging Equalized Assessed Valuation.

As defined in the Act, a "declining or lagging equalized assessed valuation" means that the total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years for which information is available.

Over the period 1993 to 1998, the growth rate of the total equalized assessed valuation of the Project Area has lagged behind that of the balance of the City of Chicago for three (3) of these years (1994/1995, 1995/1996 and 1996/1997). For each of these same three (3) years, the rate of growth of the Project Area total equalized assessed valuation was less than the Consumer Price Index for All Urban Consumers (C.P.I.-U.) for the United States and the C.P.I.-U. for the Chicago-Gary-Kenosha metropolitan region. These figures are shown in Table 2 below.

Table 2.

Percent Change In Annual Equalized Assessed Valuation (E.A.V.) And Increase In Consumer Price Index -- All Urban Consumers (C.P.I.-U.), Years 1994/1995, 1995/1996 And 1996/1997.

	Percent Change In E.A.V. 1994/1995	Percent Change In E.A.V. 1995/1996	Percent Change In E.A.V. 1996/1997
Project Area	-1.8	1.2	-1.9
City of Chicago (balance of)	1.0	1.3	8.4
C.P.I.-U., United States	2.5*	3.3*	1.7*
C.P.I.-U., Chicago-Gary-Kenosha	2.2*	3.8*	1.9*

Conclusion.

The Project Area as a whole is affected by a growth rate of total equalized assessed valuation that has lagged behind that of the balance of the City for three (3) of the last five (5) calendar years and has lagged the Consumer Price Index for All Urban Consumers for both the United States and the Chicago-Gary-Kenosha region for each of these three (3) years.

4. Determination Of Project Area Eligibility.

The Project Area meets the requirements of the Act for designation as a "conservation area". Twenty (20) of the twenty-one (21) buildings in the Project Area, or ninety-five percent (95%), exceed thirty-five (35) years in age. In addition to age, there is a reasonable presence and distribution of nine (9) of the thirteen (13) factors required under the Act for improved areas. These include:

* This figure is the increase in the Consumer Price Index for All Urban Consumers, All Items, for the year ending in December of year two (2). Source: Department of Labor, Bureau of Labor Statistics.

1. Obsolescence -- major presence.
2. Deterioration -- major presence.
3. Structures below minimum code -- major presence.
4. Excessive vacancies -- major presence.
5. Excessive land coverage and overcrowding of structures and community facilities -- major presence.
6. Deleterious land-use or layout -- major presence.
7. Lack of community planning -- major presence.
8. Declining or lagging total equalized assessed valuation -- major presence.
9. Environmental remediation -- minor presence.

The summary of conservation factors within the Project Area is illustrated in Table 3.

The eligibility findings indicate that the Project Area is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic and social well-being of the City. The Project Area is deteriorating and declining. All factors indicate that the Project Area as a whole has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without public action.

[Figure 1 referred to in this Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan Eligibility Study constitutes Figure 1 to the Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan and is printed on page 45918 of this Journal.]

[Table 3 and Figures 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 referred to in this Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan Eligibility Study printed on pages 45919 through 45929 of this Journal.]

Figure 1.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Project Area Boundary.

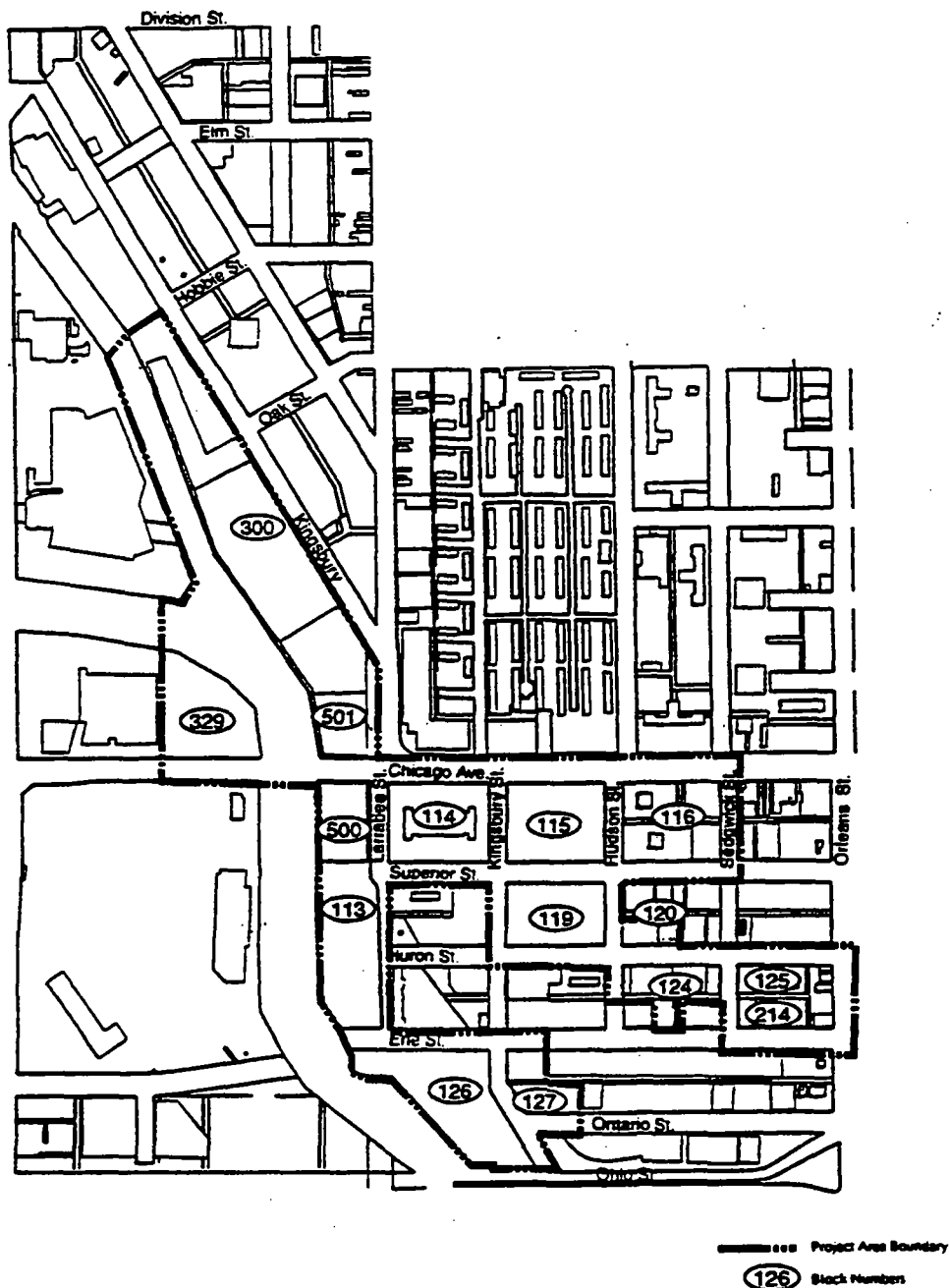


Figure 2.
 (To Chicago/Kingsbury Tax Increment Financing Redevelopment
 Plan And Project Eligibility Study)

Existing Land-Use.

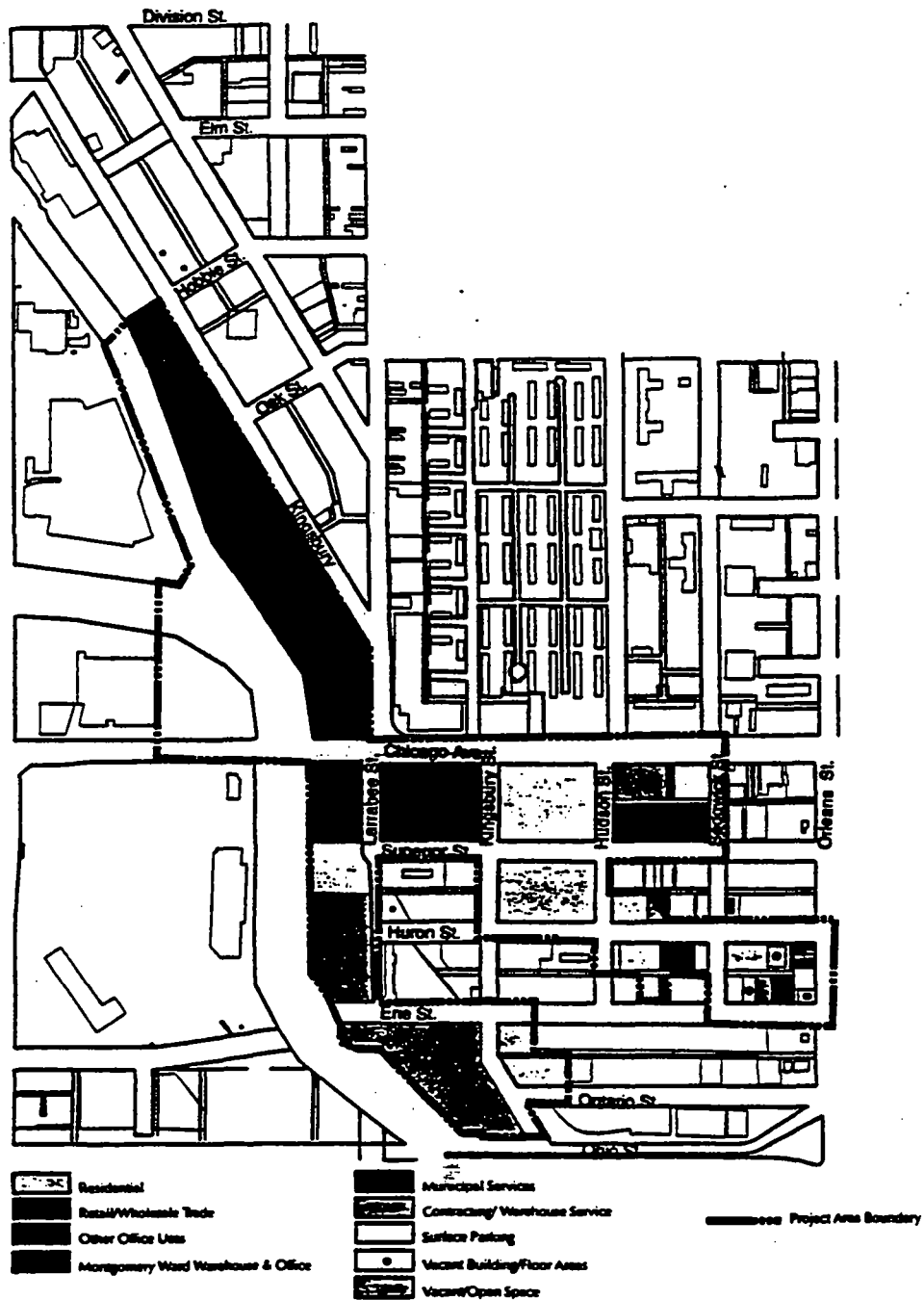


Figure 5.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Age.

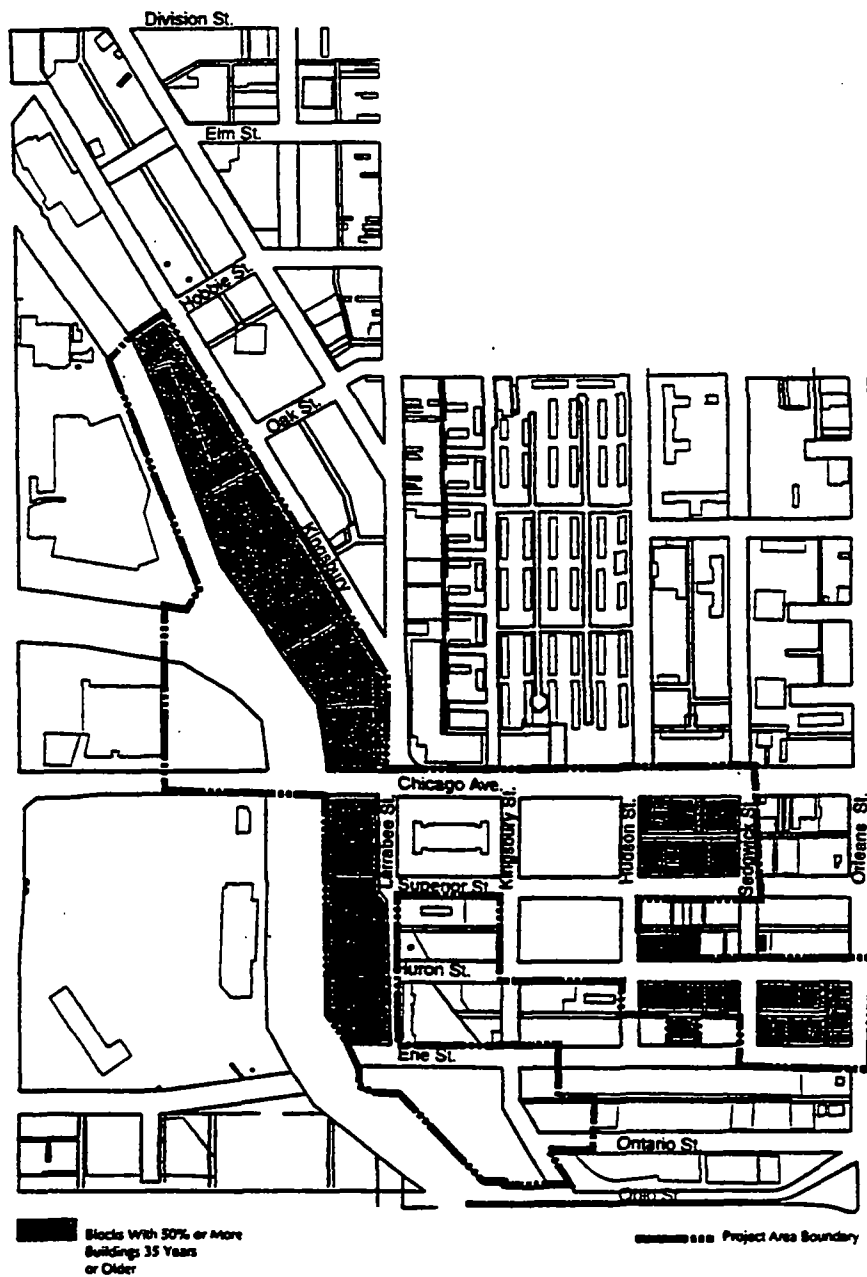


Figure 6.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Obsolescence.

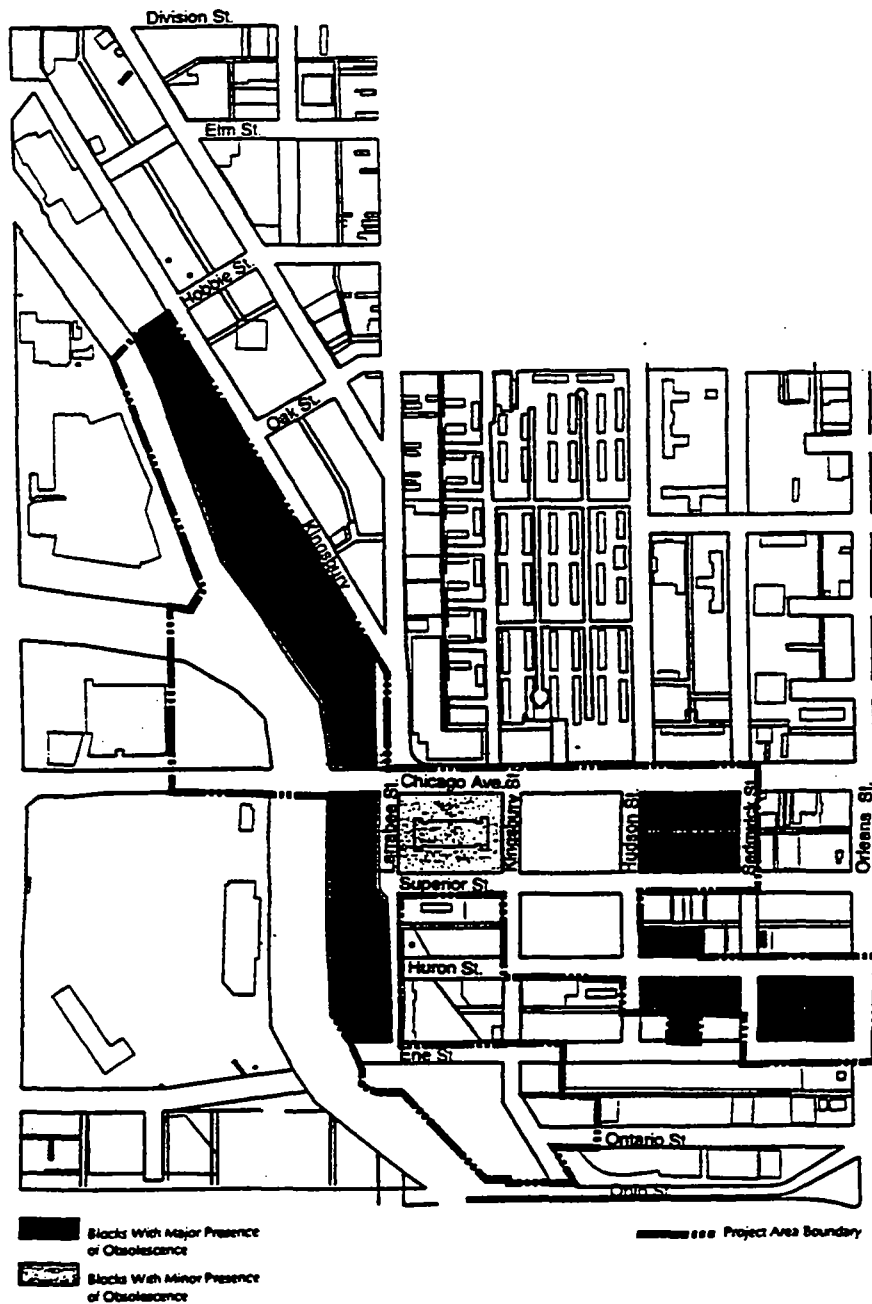


Figure 7.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Deterioration.

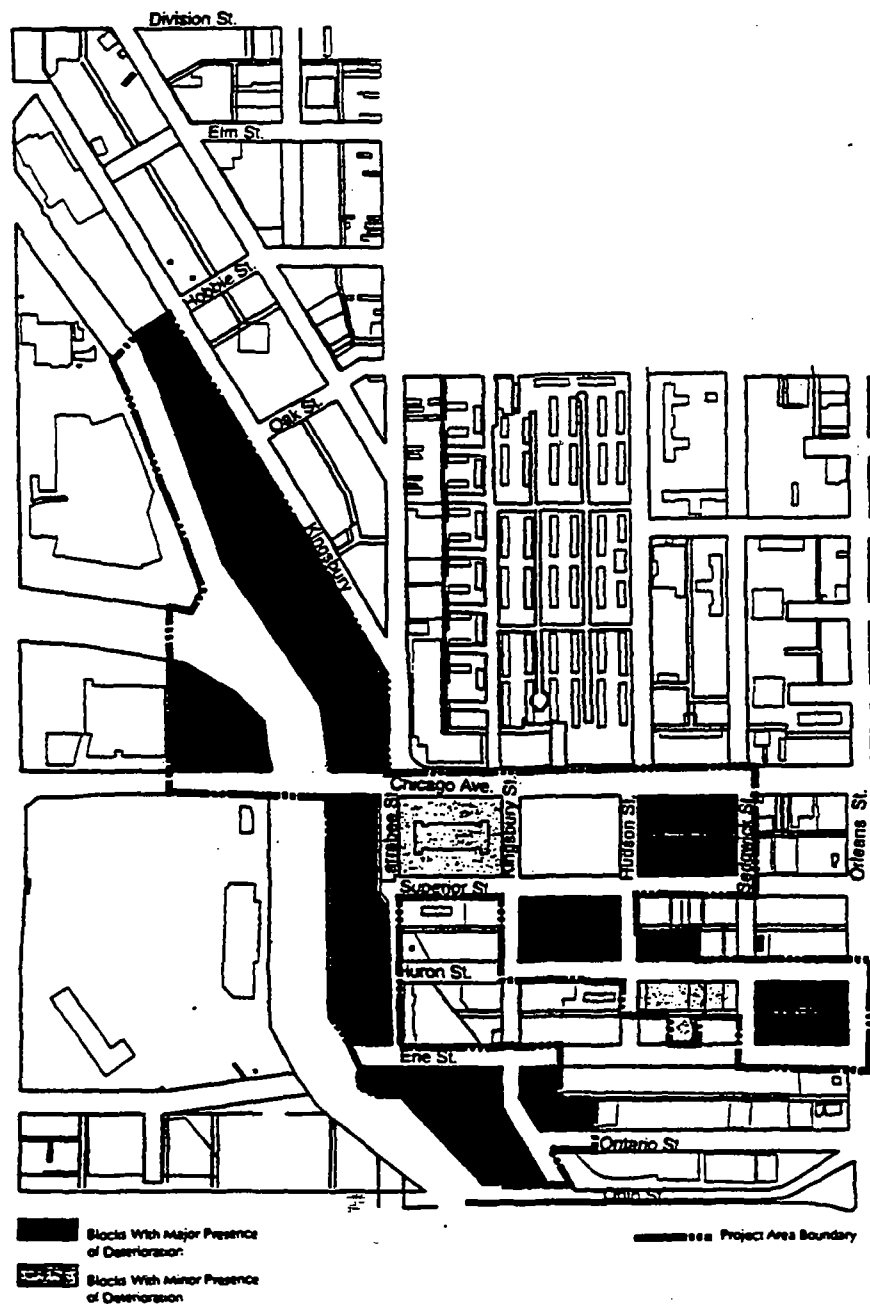


Figure 8.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Structures Below Minimum Code Standards.

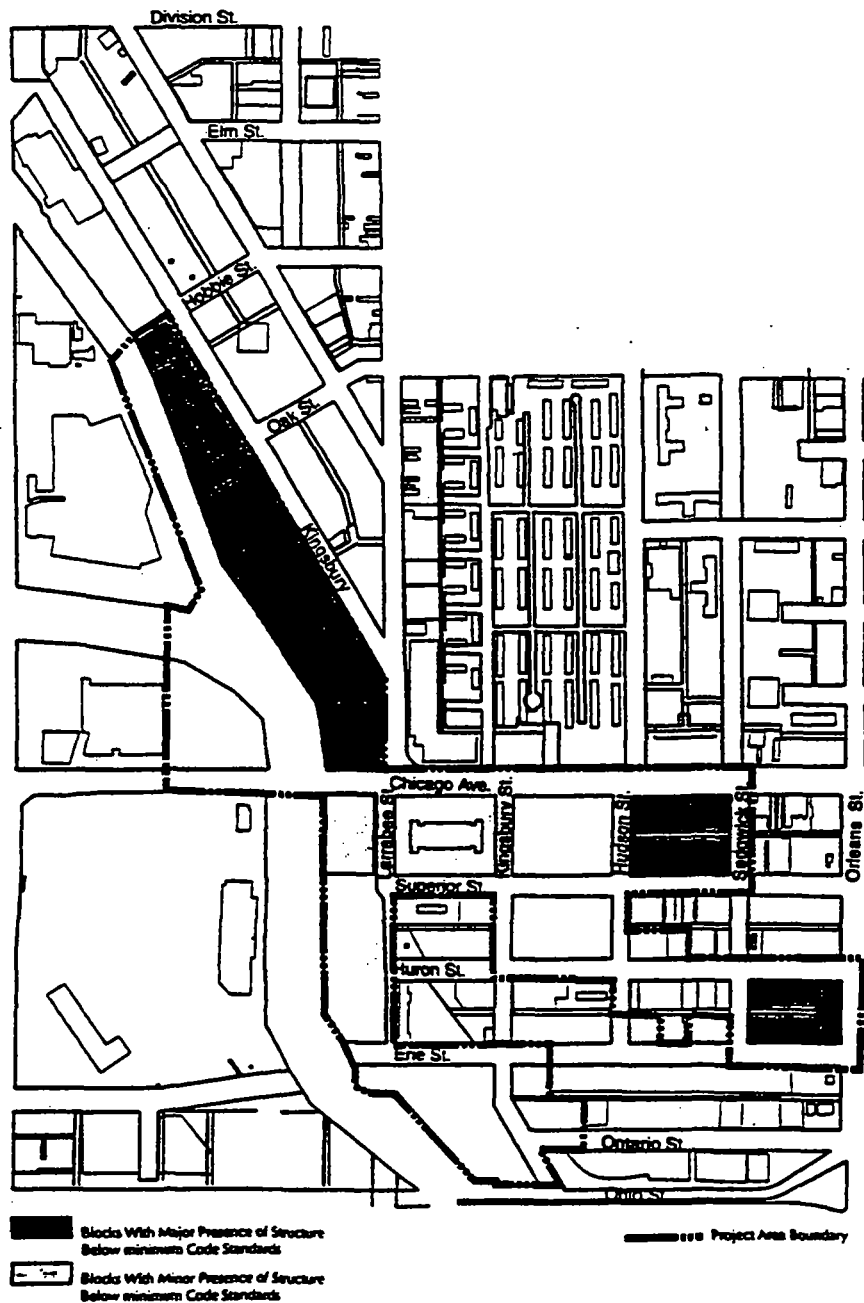


Figure 9.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Excessive Vacancies.

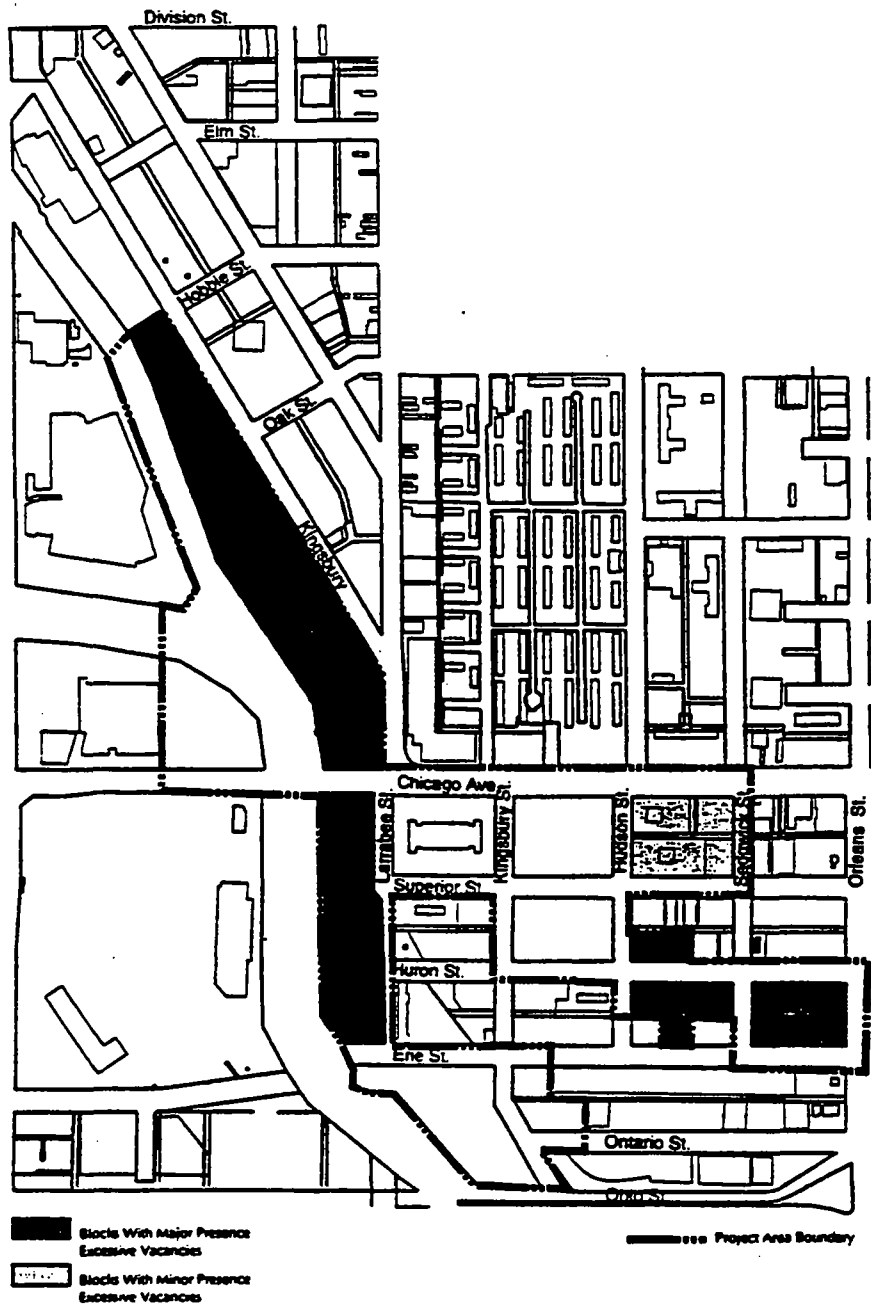


Figure 10.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

*Excessive Land Coverage And Overcrowding Of
Structures And Community Facilities.*

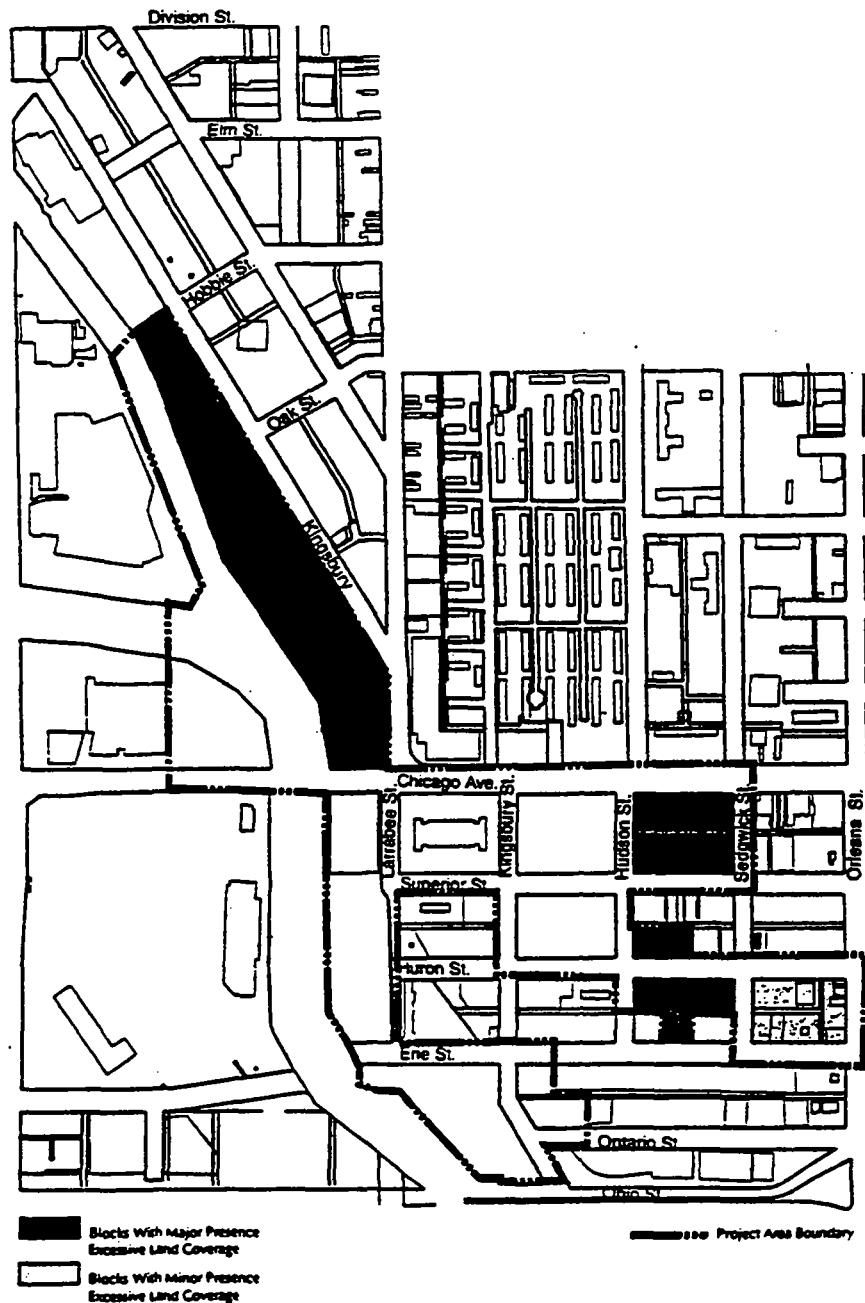
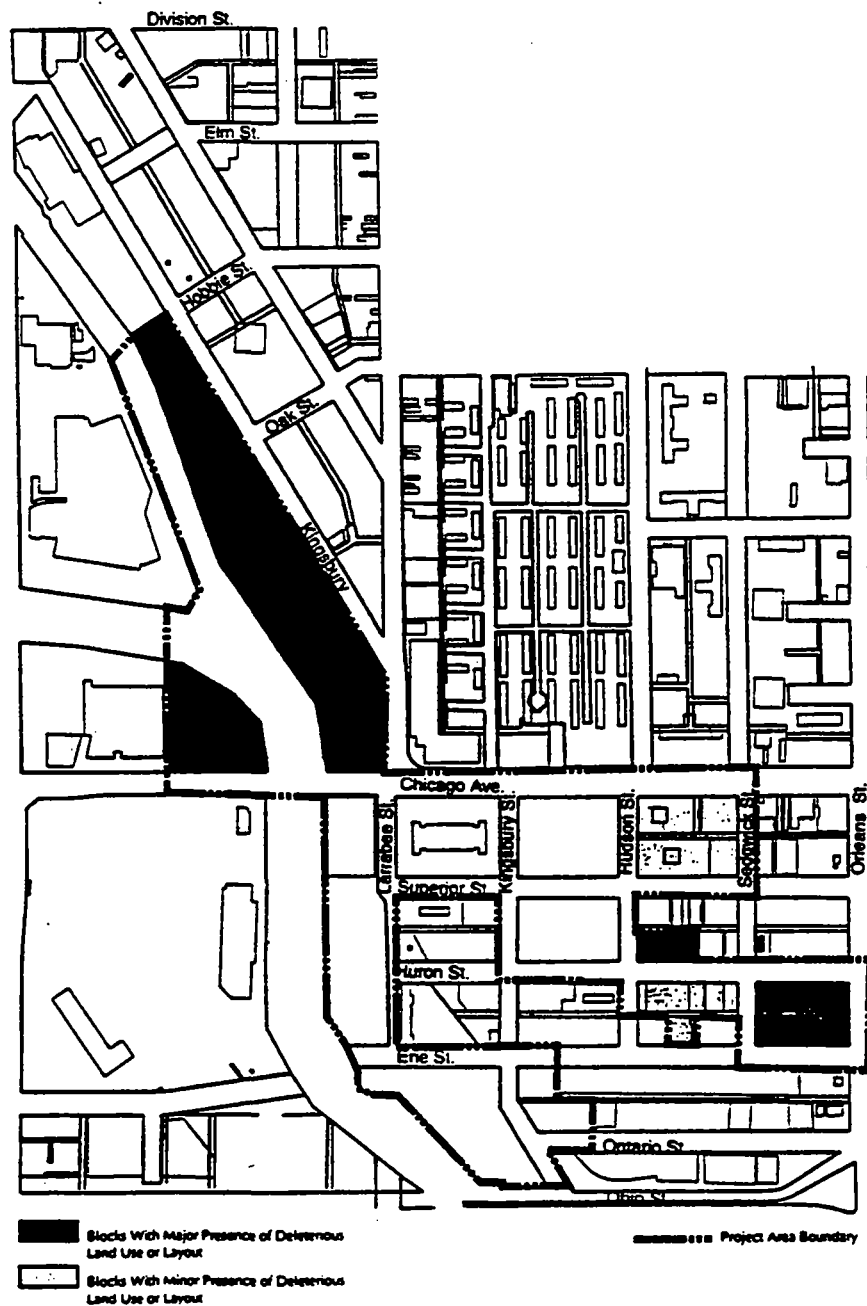


Figure 11.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Deleterious Land-Use And Layout.



(Sub)Exhibit "F".
(To Redevelopment Agreement With The 535, L.L.C.
And Montgomery Ward, L.L.C.)

T.I.F. Subsidy Milestone Schedule.

	Expenditure	Cumulative Expenditure	Note Value	Cumulative Note Value (Principal only)
1.	\$1,000,000	\$1,000,000	\$259,000	\$ 259,000
2.	750,000	1,750,000	194,250	453,250
3.	750,000	2,500,000	194,250	647,500
4.	750,000	3,250,000	194,250	841,750
5.	750,000	4,000,000	194,250	1,036,000
6.	750,000	4,750,000	194,250	1,230,250
7.	750,000	5,500,000	194,250	1,424,500
8.	750,000	6,250,000	194,250	1,618,750
9.	750,000	7,000,000	194,250	1,813,000
10.	750,000	7,750,000	194,250	2,007,250
11.	750,000	8,500,000	194,250	2,201,500
12.	750,000	9,250,000	194,250	2,395,750
13.	750,000	10,000,000	194,250	2,590,000
14.	750,000	10,750,000	194,250	2,784,250

	Expenditure	Cumulative Expenditure	Note Value	Cumulative Note Value (Principal only)
15.	\$750,000	\$11,500,000	\$ 194,250	\$2,978,500
16.	750,000	12,250,000	194,250	3,172,750
17.	750,000	13,000,000	194,250	3,367,000
18.	520,000	13,520,000	133,000	3,500,000

(Sub)Exhibit "G".

(To Redevelopment Agreement With The 535, L.L.C.
And Montgomery Ward, L.L.C.)

Permitted Liens.

Liens or encumbrances against the Property:

1. 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:

[To be completed by Developer's counsel,
subject to City approval.]

(Sub)Exhibit "H-1".
(To Redevelopment Agreement With The 535, L.L.C.
And Montgomery Ward, L.L.C.)

Project Budget.

Hard Costs:

Office Tower \$ 9,505,000

Parking Garage 3,540,000

Soft Costs: 475,000

TOTAL: \$13,520,000

(Sub)Exhibit "H-2".
(To Redevelopment Agreement With The 535, L.L.C.
And Montgomery Ward, L.L.C.)

M.B.E./W.B.E. Budget.

Hard Costs:

Office Tower \$ 9,505,000

Parking Garage 3,540,000

Soft Costs: 475,000

TOTAL: \$13,520,000

(Sub)Exhibit "J".
(To Redevelopment Agreement With 535, L.L.C.
And Montgomery Ward, L.L.C.)

Opinion Of Developer's Counsel.

[To Be Retyped On The Developer's Counsel's Letterhead]

[date]

City of Chicago
121 North LaSalle Street
Chicago, Illinois 60602

Attention: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to The 535, L.L.C. and Montgomery Ward, L.L.C., two (2) Delaware limited liability companies (collectively, the "Developer"), in connection with the construction or rehabilitation of certain facilities located in the Chicago/Kingsbury Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

(a) Chicago/Kingsbury Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the City of Chicago (the "City");

(b) [insert other documents including but not limited to documents related to purchase and financing of the Property and all lender financing related to the Project]; and

(c) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, we have examined

(a) the original or certified, conformed or photostatic copies of the Developer's

(i) Articles of Organization, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) Operating Agreement, as amended to date and (iv) records of all corporate proceedings relating to the Project; and

(b) such other documents, records and legal matters as we have deemed necessary or relevant for purposes of issuing the opinions hereinafter expressed.

In all such examinations, we have assumed the genuineness of all signatures (other than those of the Developer), the authenticity of documents submitted to us as originals and conformity to the originals of all documents submitted to us as certified, conformed or photostatic copies.

Based on the foregoing, it is our opinion that:

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

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

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

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

5. (Sub)Exhibit A attached hereto (a) identifies the number of outstanding membership interests of the Developer and (b) identifies the record owners of the membership interests of the Developer and the number of interests held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on (Sub)Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the membership interests of the Developer.

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

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

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

9. The execution, delivery and performance of the Documents by the Developer have not and will not require the consent of any person or the giving of notice to, any exemption by, any registration, declaration or filing with or any taking of any

other actions in respect of, any person, including without limitation any court, government or regulatory authority.

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

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

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than the federal laws of the United States of America and the laws of the State of Illinois, and the laws of the State of Delaware regarding limited liability companies:

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

Very truly yours,

By: _____

Name: _____

[(Sub)Exhibit "A" referred to in this Opinion of Developer's
Counsel unavailable at time of printing.]

Exhibit "B".
(To Ordinance)

Form Of Note.

Registered Number:
R-1

Maximum Amount:
\$3,500,000

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note (The 535, L.L.C. And Montgomery Ward, L.L.C. Redevelopment Project), Taxable Series.

Registered Owner: The 535, L.L.C. and Montgomery Ward, L.L.C.

Interest Rate: 9.0% per annum [or less]

Maturity Date: _____, _____ [twenty years from issuance date]

Know All Persons By These Presents, That the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of Three Million Five Hundred Thousand Dollars (\$3,500,000) and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of the advance. Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Accrued but unpaid interest on this Note shall not accrue interest. The principal amount of this Note will be set from time to time by the City through the City's issuance of Certificates of Expenditure (in the format attached to this Note) from time to time.

Payments of principal of and interest on this Note will not commence until the Developer (as that term is defined in that Redevelopment Agreement (the "Redevelopment Agreement") dated as of _____, ____ and executed by and between the City and The 535, L.L.C. and Montgomery Ward, L.L.C.) has certified to the satisfaction of the City that at least Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000) in T.I.F.-Eligible Improvements (as defined in the Redevelopment Agreement) have been expended on the Project, and the City has issued Certificates of Expenditure (as defined in Section 4.03(b) of the Redevelopment Agreement) regarding such work. Thereafter, principal of and interest on this Note from the Available Incremental Taxes (as defined in the Redevelopment Agreement) is due February 1 of each year until the earlier of Maturity or until this Note is paid in full, pursuant to the Payment Record attached hereto and made a part hereof Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to Three Million Five Hundred Thousand Dollars (\$3,500,000) for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Developer (the "Project"), which were installed in connection with the Office Tower building (as defined in the Redevelopment Agreement) in the Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an ordinance adopted by the City Council of the City on _____, _____ (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the

aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. This Note Is A Special Limited Obligation Of The City, And Is Payable Solely From Available Incremental Taxes, And Shall Be A Valid Claim Of The Registered Owner Hereof Only Against Said Sources. This Note Shall Not Be Deemed To Constitute An Indebtedness Or A Loan Against The General Taxing Powers Or Credit Of The City, Within The Meaning Of Any Constitutional Or Statutory Provision. The Registered Owner Of This Note Shall Not Have The Right To Compel Any Exercise Of The Taxing Power Of The City, The State Of Illinois Or Any Political Subdivision Thereof To Pay The Principal Or Interest Of This Note. The principal of this Note is subject to redemption on any date, as a whole or in part, at a redemption price of one hundred percent (100%) of the outstanding principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes or other denominations.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

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

Pursuant to the Redevelopment Agreement, the Developer has agreed to complete the Project and to advance funds related to the Project on behalf of the City. The cost of such completion in the amount of Three Million Five Hundred Thousand

Dollars (\$3,500,000) shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Sections 8.22 and 15.02 of the Redevelopment Agreement, the City has reserved the right to terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. The City shall not be obligated to make payments under this Note if a City Funds Triggering Event (as defined in the Redevelopment Agreement), an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

In Witness Whereof, The City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of

_____, _____.

Mayor

(Seal)

Attest:

City Clerk

11/15/2000

REPORTS OF COMMITTEES

45941

Certificate
Of
Authentication

Registrar and Paying Agent:

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the
within mentioned Ordinance and
is the Tax Increment Allocation
Revenue Note (The 535, L.L.C.
and Montgomery Ward, L.L.C.
Redevelopment Project), Taxable
Series, of the City of Chicago,
Cook County, Illinois.

Comptroller

Date: _____

Principal Payment Record.

Date Of Payment	Principal Payment	Principal Balance Due

[fill in]

[first date will not precede the date that Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000) in T.I.F.-eligible improvements have been made]

[thereafter, payments will be annual]

(Assignment)

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

Dated:

Registered Owner.

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

Signature Guaranteed:

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

Consented to by:

City of Chicago
Department of Planning and Development

By: _____

Its: _____

Exhibit "C".
(To Ordinance)

Certificate Of Expenditure.

[Closing Date]

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$3,500,000 Tax Increment Allocation Revenue Note
(The 535, L.L.C. and Montgomery Ward, L.L.C. Redevelopment Project, Taxable
Series (the "Redevelopment Note")).

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on _____, _____ (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

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

In Witness Whereof, The City has caused this Certification to be signed on its behalf as of (Closing Date).

City of Chicago

By: _____
Commissioner,
Department of Planning and
Development

Authenticated By:

Registrar

Exhibit "D".
(To Ordinance)

Amendment To The 2000 Appropriation Ordinance.

Fund 899 -- Urban Development Action Grant Loan Recapture.

Code	Department And Item	Strike Amount	Add Amount
08	Department of Planning and Development		
9103	Rehabilitation Loans and Grants		\$1,000,000

AUTHORIZATION FOR ISSUANCE OF FREE PERMIT AND
CANCELLATION OF WATER/SEWER ASSESSMENTS
FOR CERTAIN RELIGIOUS INSTITUTIONS.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, to which had been referred November 8, 2000 sundry proposed ordinances transmitted therewith to authorize the issuance of free permit and cancellation of water/sewer assessments for certain religious institutions, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinances transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following are said ordinances as passed (the italic heading in each case not being a part of the ordinance):

FREE PERMIT.

Saint John's Church Of God In Christ.

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

SECTION 1. That the Commissioner of Buildings, the Commissioner of Transportation, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, the Commissioner of Water and the Commissioner of Fire are hereby directed to issue all necessary permits, all on-site water/sewer inspection fees and all water/sewer plan review fees, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary, to Saint John's Church of God in Christ, 7527 South Cottage Grove Avenue, for the rehabilitation of the administration building and community center on the premises known as 7519 South Cottage Grove Avenue.

Said building shall be used exclusively for not-for-profit and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2 This ordinance shall take effect and be in force from and after its passage.

CANCELLATION OF WATER/SEWER ASSESSMENTS.

Church Of The Open Door.

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

SECTION 1. Pursuant to Section 11-12-540 of the Municipal Code of Chicago, the Commissioner of Water and the Commissioner of Sewers are hereby authorized and directed to cancel existing, future and delinquent assessments, notwithstanding other ordinances of the City of Chicago to the contrary, assessed against Church of the Open Door, 5954 South Albany Avenue (Account Number 828090000256).

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

EXEMPTION OF SOUTH SIDE YOUNG MEN'S CHRISTIAN
ASSOCIATION FROM PAYMENT OF ALL CITY PERMIT,
LICENSE AND INSPECTION FEES.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration a proposed ordinance presented by Alderman Troutman (20th Ward) exempting South Side Young Men's Christian Association from payment of all city permit, license and inspection fees and having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

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

SECTION 1. That the Commissioner of Buildings, the Commissioner of Transportation, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, the Commissioner of Water and the Commissioner of Fire are hereby directed to issue all necessary permits, all on-site water/sewer inspection fees and all water/sewer plan review fees, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary, to South Side Young Men's Christian Association, a not-for-profit Illinois corporation, related to the erection and maintenance of building(s) for the Child Care Addition Project located at 6330 South Stony Island Avenue.

Said building(s) and all appurtenances thereto shall be used exclusively for charitable purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted and all of the appropriated provisions of the Municipal Code of the City of Chicago and departmental requirements of various departments of the City of Chicago, and said building(s) and all appurtenances thereto shall be constructed and maintained so that they shall comply in all respects with the requirements of appropriate provisions of the Municipal Code of the City of Chicago for the issuance of all permits and licences.

SECTION 2. South Side Young Men's Christian Association, a not-for-profit, Illinois corporation, located at 6330 South Stony Island Avenue, shall be exempt from the payment of city license fees and shall be entitled to the cancellation of warrants for collection for inspection fees.

EXEMPTION OF ILLINOIS MASONIC MEDICAL CENTER
FROM PAYMENT OF ALL CITY PERMIT, LICENSE
AND INSPECTION FEES FOR YEAR ENDING
DECEMBER 31, 2001.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration a proposed ordinance presented by Alderman Hansen (44th Ward) exempting Illinois Masonic Medical Center from payment of all city permit, license and inspection fees for the year ending December 31, 2001 and having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

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

SECTION 1. That the Commissioner of Buildings, the Commissioner of Transportation, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, the Commissioner of Water, the Commissioner of Fire and the Commissioner of the Environment are hereby authorized and directed to issue all necessary permits, all on-site water/sewer inspection fees and all water/sewer plan review fees, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary, to the Illinois Masonic Medical Center, a not-for-profit Illinois corporation, related to the erection and maintenance of the buildings at the following locations:

810 West Nelson Street;
814 West Nelson Street;
824 West Nelson Street;
831 West Nelson Street;
836 West Nelson Street;
856 West Nelson Street;
901 West Wellington Avenue;
919 West Wellington Avenue;
927 West Wellington Avenue;
836 West Wellington Avenue;
900 -- 908 West Oakdale Avenue; and
3048 North Wilton Avenue.

Said buildings and all appurtenances thereto shall be used exclusively for charitable purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted and all of the appropriated provisions of the Municipal Code of the City of Chicago and said buildings and appurtenances thereto shall be constructed and maintained so that they shall comply in all respects with the requirements of the appropriate provisions of the Municipal Code of the City of Chicago for the issuance of all permits and licences.

SECTION 2. The Illinois Masonic Medical Center, a not-for-profit Illinois corporation located at 836 West Wellington Avenue, engaged in medical, educational and related activities shall be exempt from the payment of city license fees and shall be entitled to the cancellation of warrants for collection for inspection fees.

SECTION 3. The Illinois Masonic Medical Center shall be entitled to a refund of city fees which it has paid and to which it is exempt pursuant to Sections 1 and 2 of this ordinance.

SECTION 4. This ordinance shall be in force for a period of one (1) year but in no event beyond December 31, 2001.

EXEMPTION OF LYRIC OPERA OF CHICAGO FROM PAYMENT
OF ALL CITY PERMIT, LICENSE AND INSPECTION FEES
FOR YEAR ENDING DECEMBER 31, 2001.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration a proposed ordinance presented by Alderman Haithcock (2nd Ward) exempting the Lyric Opera of Chicago from payment of all city permit, license and inspection fees for the year ending December 31, 2001 and having had the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

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

SECTION 1. That the Commissioner of Buildings, the Commissioner of Transportation, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, the Commissioner of Water and the Commissioner of Fire are hereby directed to issue all necessary permits, all on-site water/sewer inspection fees and all water/sewer plan review fees, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary, to Lyric Opera of Chicago on the premises known as 2559 South Dearborn Street.

Said buildings and all appurtenances thereto shall be used exclusively for not-for-profit and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted and all of the appropriate provisions of the Municipal Code of the City of Chicago and departmental requirements of various departments of the City of Chicago, and said buildings and all appurtenances thereto shall be constructed and maintained so that they shall comply in all respects with the requirements of the appropriate provisions of the Municipal Code of the City of Chicago for the issuance of all permits and licenses.

SECTION 2. The Lyric Opera of Chicago, a not-for-profit corporation, located at 2559 South Dearborn Street, engaged in educational and related activities, shall be exempt from payment of the city license fees and shall be entitled to the cancellation of warrants for collection for inspection fees.

SECTION 3. The Lyric Opera of Chicago shall be entitled to a refund of city fees which it has paid and to which it is exempt pursuant to Sections 1 and 2 of this ordinance.

SECTION 4. This ordinance shall take effect and be in force for a period of one (1) year but in no event beyond December 31, 2001.

EXEMPTION OF SAINT JOSEPH'S HOSPITAL FROM PAYMENT
OF ALL CITY PERMIT, LICENSE AND INSPECTION FEES
FOR YEAR ENDING DECEMBER 31, 2001.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration a proposed ordinance presented by Alderman Hansen (44th Ward) exempting Saint Joseph's Hospital from payment of all city permit, license and inspection fees for the year ending December 31, 2001 and having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas-- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said ordinance as passed:

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

SECTION 1. That the Commissioner of Buildings, the Commissioner of Transportation, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, the Commissioner of Water and the Commissioner of Fire are hereby directed to issue all necessary permits, all on-site water/sewer inspection fees and all water/sewer plan review fees, free of charge, notwithstanding other ordinances of the City of Chicago to the contrary, to Saint Joseph's Hospital, a not-for-profit Illinois corporation, related to erection and maintenance of building(s) and fuel storage facilities at various locations in Chicago, Illinois.

Said building(s) and all appurtenances thereto shall be used exclusively for charitable purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted and all of the appropriate provisions of the Municipal Code of the City of Chicago, and said building(s) and all appurtenances thereto shall be constructed and maintained so that they shall comply in all respects with the requirements of the appropriate provisions of the Municipal Code of the City of Chicago for the issuance of all permits and licenses.

SECTION 2. Saint Joseph's Hospital, a not-for-profit, Illinois corporation, located at 2900 North Lake Shore Drive, engaged in medical, educational and related activities, shall be exempt from payment of the city license fees and shall be entitled to the cancellation of warrants for collection for inspection fees.

SECTION 3. Saint Joseph's Hospital shall be entitled to a refund of city fees which it has paid and to which it is exempt pursuant to Sections 1 and 2 of this ordinance.

SECTION 4. This ordinance shall be in force for a period of one (1) year but in no event beyond December 31, 2001.

AUTHORIZATION FOR WAIVER OF FOOD VENDOR
AND ITINERANT MERCHANT PERMIT FEES FOR
PRE-KWANZA/PRE-CHRISTMAS AFRICAN
HERITAGE SHOPPING FESTIVAL.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an order authorizing waiver of Food Vendor and Itinerant Merchant Permit fees in conjunction for the Pre-Kwanza/Pre-Christmas African Heritage Shopping Festival (referred November 8, 2000), having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said order as passed:

Ordered, That the Director of the Department of Revenue is hereby authorized and advised to waive Food Vendor and Itinerant Merchant Permit fees in connection with the Pre-Kwanza/Pre-Christmas African Heritage Shopping Festival, sponsored by the South Side Young Men's Christian Association, 6330 South Stony Island Avenue, scheduled for December 1 through 3, 2000 and located at the South Side Young Men's Christian Association, 6330 South Stony Island Avenue.

AUTHORIZATION FOR PAYMENT OF HOSPITAL, MEDICAL AND
NURSING SERVICES RENDERED CERTAIN INJURED
MEMBERS OF POLICE AND FIRE DEPARTMENTS.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an order authorizing the payment of hospital and medical expenses of police officers and fire fighters injured in the line of duty, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said order as passed:

Ordered, That the City Comptroller is authorized and directed to issue vouchers, in conformity with the schedule herein set forth, to physicians, hospitals, nurses or other individuals, in settlement for hospital, medical and nursing services rendered to the injured members of the Police Department and/or the Fire Department herein named. The payment of any of these bills shall not be construed as an approval of any previous claims or pending future claims for expenses or benefits on account of any alleged injury to the individuals named. The total amount of said claims is set opposite the names of the injured members of the Police Department and/or the Fire Department, and vouchers are to be drawn in favor of the proper claimants and charged to Account Number 100.9112.937:

[Regular orders printed on pages 45958 through
45963 of this Journal.]

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 11/15/2000

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
ALMDALE	POLICE OFFICER	FIFTEENTH DISTRICT	8/26/1999	3253.60
ANDERSON	POLICE OFFICER	SIXTH DISTRICT	4/28/2000	23.00
ANDINO	POLICE OFFICER	SEVENTEENTH DISTRICT	5/08/2000	353.00
ANDRADE	POLICE OFFICER	FIFTH DISTRICT	2/01/1996	785.00
ANDRUZZI	POLICE OFFICER	TWENTY-FOURTH DISTRICT	1/23/2000	186.00
ASSAF	POLICE OFFICER	FOURTEENTH DISTRICT	5/08/2000	161.00
AUGLE	POLICE OFFICER	EIGHTH DISTRICT	5/12/1998	354.00
AZZOLI	POLICE OFFICER	SECOND DISTRICT	1/09/2000	350.00
BANKS	POLICE OFFICER	ELEVENTH DISTRICT	9/07/1998	53.00
BANSLEY	POLICE OFFICER	TWELFTH DISTRICT	5/04/2000	89.07
BANT	POLICE OFFICER	NINTH DISTRICT	5/06/2000	166.23
BARBER	POLICE OFFICER	TWENTY-FIFTH DISTRICT	12/25/1999	389.25
BARCLAY	POLICE OFFICER	SIXTH DISTRICT	5/05/2000	232.00
BARRETT	POLICE OFFICER	SEVENTH DISTRICT	9/01/1999	277.00
BIZARRO	POLICE OFFICER	NINTH DISTRICT	2/01/1995	79.00
BLANTON	POLICE OFFICER	TWENTY-THIRD DISTRICT	4/21/1999	75.00
BOOTH	POLICE OFFICER	SIXTH DISTRICT	5/07/2000	39.00
BOWEN	POLICE OFFICER	SPECIAL OPERATIONS SECTION	1/06/2000	927.00
BOWEN	POLICE OFFICER	YOUTH DIVISION AREA ONE	10/06/1999	2967.30
BRADDOCK	POLICE OFFICER	NARCOTICS SECTION	5/02/2000	250.00
BRYANT	POLICE OFFICER	THIRD DISTRICT	3/24/2000	13.00
BRYSON	POLICE OFFICER	EIGHTEENTH DISTRICT	8/29/1999	81.60
BURKE	POLICE OFFICER	TWENTY-THIRD DISTRICT	6/12/2000	482.39
CANNON	POLICE OFFICER	RECRUIT TRAINING	5/22/2000	316.40
CARROLL	POLICE OFFICER	ELEVENTH DISTRICT	4/28/2000	58.00
CARROTHERS	POLICE OFFICER	FIFTEENTH DISTRICT	4/09/2000	1329.66
CASALE	POLICE OFFICER	TWELFTH DISTRICT	5/29/2000	13.00
CASTANADA	POLICE OFFICER	SEVENTH DISTRICT	4/13/2000	268.00
CHERNIK	POLICE OFFICER	TWENTY-FOURTH DISTRICT	11/21/1988	8.00
CIAVARINO	POLICE OFFICER	PUBLIC HOUSING UNIT-NORTH	5/13/2000	80.00
COLE	POLICE OFFICER	FIRST DISTRICT	1/25/2000	13.00
COLEMAN	POLICE OFFICER	FIFTEENTH DISTRICT	4/24/2000	279.50
COLLIER	POLICE OFFICER	FIFTEENTH DISTRICT	5/04/2000	146.00
COUTINHO	POLICE OFFICER	TWENTY-THIRD DISTRICT	4/19/2000	49.00
COYLE	POLICE OFFICER	NINTH DISTRICT	4/24/1999	109.00
CUMMINS	POLICE OFFICER	PUBLIC HOUSING UNIT-NORTH	6/06/2000	316.20
CYGNAR	POLICE OFFICER	ELEVENTH DISTRICT	6/01/1998	379.35
DALTO	POLICE OFFICER	EIGHTH DISTRICT	2/24/1985	188.00
DAVID	POLICE OFFICER	NINETEENTH DISTRICT	9/02/1998	330.30
DAVIS	POLICE OFFICER	SIXTH DISTRICT	6/23/1999	161.00
DAVIS	POLICE OFFICER	PUBLIC TRANSPORTATION SECTION	10/15/1999	76.00
DEARTH	POLICE OFFICER	PUBLIC TRANSPORTATION SECTION	4/20/2000	259.00
DECICCO	POLICE OFFICER	SEVENTEENTH DISTRICT	4/22/1999	28.00
DEFALCO	POLICE OFFICER	GANG CRIME SECTION	4/25/2000	155.00
DELACRUZ	POLICE OFFICER	TWENTY-THIRD DISTRICT	6/24/1998	142.00
DELASO	POLICE OFFICER	TWELFTH DISTRICT	6/15/1999	338.45
DESCH	POLICE OFFICER	TWENTY-SECOND DISTRICT	4/04/1999	53.00
DEVITO	POLICE OFFICER	EIGHTEENTH DISTRICT	6/22/2000	371.00
DOBSON	POLICE OFFICER	TENTH DISTRICT	1/07/1991	330.00

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 11/15/2000

REGULAR ORDERS

11/15/2000

REPORTS OF COMMITTEES

45959

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
DOIO	POLICE OFFICER	EVIDENCE AND RECOVERED PROPERTY	5/04/2000	255.00
DOMAGALA	POLICE OFFICER	UNKNOWN	7/14/1988	44712.00
DOWLING	POLICE OFFICER	NINTH DISTRICT	2/06/2000	520.00
DOYAL	POLICE OFFICER	FIRST DISTRICT	5/29/2000	556.20
DOYLE	POLICE OFFICER	SEVENTH DISTRICT	6/05/1998	22.61
EGAN	POLICE OFFICER	TWENTY-FOURTH DISTRICT	3/02/2000	75.00
EVANS	POLICE OFFICER	THIRD DISTRICT	5/09/1998	8556.05
FITZPATRICK	POLICE OFFICER	ELEVENTH DISTRICT	5/01/2000	39.00
FLEISCHACKER	POLICE OFFICER	FIFTEENTH DISTRICT	6/15/2000	274.30
FOSS	POLICE OFFICER	EIGHTH DISTRICT	1/28/2000	836.40
GAMBINO	POLICE OFFICER	THIRTEENTH DISTRICT	4/21/1998	2156.80
GARCIA	POLICE OFFICER	TWELFTH DISTRICT	4/06/1998	638.25
GARRIDO	POLICE OFFICER	TENTH DISTRICT	2/02/2000	428.00
GATRELL	POLICE OFFICER	ELEVENTH DISTRICT	5/08/2000	126.22
GEORGAS	POLICE OFFICER	TWENTY-FOURTH DISTRICT	4/15/2000	270.00
GERMAK	POLICE OFFICER	FIFTEENTH DISTRICT	5/18/2000	24.20
GHUSAIN	POLICE OFFICER	THIRD DISTRICT	4/14/2000	457.30
GIBBELINA	POLICE OFFICER	RECRUIT TRAINING	5/18/2000	187.00
GONZALES	POLICE OFFICER	TWENTY-SECOND DISTRICT	6/15/1999	28.00
GONZALEZ	POLICE OFFICER	PUBLIC TRANSPORTATION SECTION	4/05/2000	66.00
GOODE	POLICE OFFICER	SECOND DISTRICT	1/16/2000	13.00
GRIGGS	POLICE OFFICER	PUBLIC HOUSING UNIT-SOUTH	4/21/2000	1309.00
GUTHRIE	POLICE OFFICER	PUBLIC TRANSPORTATION SECTION	1/06/1998	108.00
GUTIERREZ	POLICE OFFICER	SPECIAL OPERATIONS SECTION	8/21/1999	73.60
HAFFEY	POLICE OFFICER	AIRPORT LAW ENFORCEMENT NORTH	3/26/2000	111.00
HALEEM	POLICE OFFICER	EIGHTH DISTRICT	5/07/2000	787.40
HAMMERMEISTER	POLICE OFFICER	SIXTEENTH DISTRICT	1/17/1999	53.00
HANNIGAN	POLICE OFFICER	EIGHTEENTH DISTRICT	3/30/1999	13.00
HARRIS	POLICE OFFICER	GANG CRIME SECTION	5/18/2000	232.00
HESPEL	POLICE OFFICER	TWENTY-THIRD DISTRICT	5/10/2000	259.59
HINES	POLICE OFFICER	THIRD DISTRICT	5/03/2000	2274.41
HOPKINS	POLICE OFFICER	NINTH DISTRICT	1/22/2000	160.00
HOWLEY	POLICE OFFICER	DETECTIVE DIVISION - AREA 1	7/23/1999	13.00
JACKSON	POLICE OFFICER	ELECTRONICS MAINTENANCE DIVISI	10/14/1977	21.19
JACOBSEN	POLICE OFFICER	TRAFFIC SECTION - LOOP TRAFFIC	6/19/2000	489.60
JAROS	POLICE OFFICER	SECOND DISTRICT	9/04/1999	53.00
JOHNSON	POLICE OFFICER	BOMB AND ARSON SECTION	3/03/1997	818.10
KASPER	POLICE OFFICER	TWENTY-SECOND DISTRICT	8/25/1999	916.00
KAUP	POLICE OFFICER	TWENTIETH DISTRICT	3/02/2000	13.00
KEEFE	POLICE OFFICER	PUBLIC HOUSING UNIT-NORTH	5/13/2000	539.00
KING	POLICE OFFICER	TWENTY-FOURTH DISTRICT	5/28/2000	13.00
KOLMAN	POLICE OFFICER	UNKNOWN	3/17/2000	13.00
KOUZOUKAS	POLICE OFFICER	SIXTH DISTRICT	5/11/2000	13.00
KUYKENDALL	POLICE OFFICER	RECRUIT TRAINING	4/11/2000	395.00
LAMPKIN	POLICE OFFICER	DETECTIVE DIVISION - AREA 5	3/30/2000	288.58
LAPALERMO	POLICE OFFICER	THIRD DISTRICT	9/21/1999	26.00
LEWIS	POLICE OFFICER	EIGHTEENTH DISTRICT	4/15/2000	130.00
LIARAKOS	POLICE OFFICER	RECRUIT TRAINING	4/07/2000	103.00
MACLAREN	POLICE OFFICER		7/11/2000	190.00

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 11/15/2000

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
MALDONADO	POLICE OFFICER	EIGHTEENTH DISTRICT	12/18/1999	114.00
MALITO	POLICE OFFICER	SCHOOL PATROL UNIT-ADMINISTRAT	5/17/1999	438.20
MALLORY	POLICE OFFICER	SIXTH DISTRICT	7/06/2000	128.00
MARTIN	POLICE OFFICER	SECOND DISTRICT	4/18/2000	220.00
MATJEVICH	POLICE OFFICER	FIFTEENTH DISTRICT	5/21/2000	423.50
MATTERA	POLICE OFFICER	SIXTEENTH DISTRICT	5/21/2000	24.20
MCCANN	POLICE OFFICER	SIXTH DISTRICT	10/29/1998	619.68
MCCORMACK	POLICE OFFICER	FIFTEENTH DISTRICT	4/26/2000	710.73
MCCORMICK	POLICE OFFICER	SECOND DISTRICT	5/08/2000	589.00
MCDONAGH	POLICE OFFICER	TWELFTH DISTRICT	4/01/2000	149.00
MCGANN	POLICE OFFICER	TWENTY-THIRD DISTRICT	3/08/2000	1970.80
MCGUIRE	POLICE OFFICER	EIGHTEENTH DISTRICT	1/14/2000	198.00
MCMEEL	POLICE OFFICER	NARCOTICS SECTION	4/06/2000	314.10
MCNAMEE	POLICE OFFICER	PUBLIC HOUSING UNIT-NORTH	12/08/1999	2120.00
MEDINA	POLICE OFFICER	FIFTEENTH DISTRICT	4/20/2000	245.50
MENDOZA	POLICE OFFICER	PUBLIC HOUSING UNIT-NORTH	4/13/2000	161.00
MILLER	POLICE OFFICER	SECOND DISTRICT	4/06/2000	833.40
MINNIEFIELD	POLICE OFFICER	TWELFTH DISTRICT	5/09/2000	142.62
MINNIEFIELD-FORTENDER	POLICE OFFICER	TWENTIETH DISTRICT	5/06/2000	528.00
MOORE	POLICE OFFICER	FOURTH DISTRICT	4/06/2000	871.50
MORALES	POLICE OFFICER	TWENTY-FOURTH DISTRICT	5/29/2000	883.43
MORALES	POLICE OFFICER	FOURTEENTH DISTRICT	4/01/2000	161.00
MORRIS	POLICE OFFICER	RECRUIT TRAINING	5/08/2000	215.80
MORROW	POLICE OFFICER	FOURTH DISTRICT	5/24/2000	1842.50
MULLANE	POLICE OFFICER	NINETEENTH DISTRICT	2/16/2000	41.00
MULLEN	POLICE OFFICER	TWENTY-FOURTH DISTRICT	10/16/1996	4386.92
MUNIZ	POLICE OFFICER	FIRST DISTRICT	5/11/2000	237.00
MUNDO	POLICE OFFICER	FOURTEENTH DISTRICT	5/25/2000	214.40
NASZKE	POLICE OFFICER	NINTH DISTRICT	8/22/1999	1788.50
NASZKE	POLICE OFFICER	FIFTEENTH DISTRICT	4/22/2000	191.50
NOLAN-OMALLEY	POLICE OFFICER	FIFTEENTH DISTRICT	5/17/2000	103.60
NYKIEL	POLICE OFFICER	TWENTY-FIRST DISTRICT	4/27/2000	220.00
OBOIKOVITZ	POLICE OFFICER	TWENTY-FIRST DISTRICT	3/03/2000	220.00
OBRIN	POLICE OFFICER	SPECIAL OPERATIONS SECTION	5/12/2000	1108.26
OCOR	POLICE OFFICER	NINETEENTH DISTRICT	5/24/2000	928.40
OCOR	POLICE OFFICER	RECRUIT TRAINING	5/05/2000	59.00
OCOR	POLICE OFFICER	EIGHTEENTH DISTRICT	5/18/2000	360.34
ODONNELL	POLICE OFFICER	NINETEENTH DISTRICT	5/25/2000	1226.90
ODONNELL	POLICE OFFICER	SEVENTEENTH DISTRICT	5/08/2000	689.50
OHSE	POLICE OFFICER	TWENTY-SECOND DISTRICT	5/22/2000	338.52
ORTIZ	POLICE OFFICER	EIGHTH DISTRICT	5/22/2000	317.76
OSHEA	POLICE OFFICER	EIGHTH DISTRICT	4/03/2000	140.00
OSTROWSKI	POLICE OFFICER	TWENTY-SECOND DISTRICT	4/09/2000	92.92
PAGAN	POLICE OFFICER	TWENTIETH DISTRICT	5/02/2000	159.29
PAKULA	POLICE OFFICER	SECOND DISTRICT	5/02/2000	977.00
PAKULA	POLICE OFFICER	SECOND DISTRICT	7/04/2000	258.81
PARK	POLICE OFFICER	SEVENTEENTH DISTRICT	3/05/2000	24.00
PARKER	POLICE OFFICER	RECRUIT TRAINING	4/11/2000	155.00
PARKER	POLICE OFFICER	SECOND DISTRICT	5/22/2000	225.00

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 11/15/2000

REGULAR ORDERS

11/15/2000

REPORTS OF COMMITTEES

45961

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
PARR	POLICE OFFICER	SECOND DISTRICT	5/27/2000	1332.35
PAVIS	POLICE OFFICER	NINETEENTH DISTRICT	2/03/2000	1486.00
PAVIS-SCOTT	POLICE OFFICER	TWENTIETH DISTRICT	5/06/2000	743.40
PEREZ	POLICE OFFICER	TWENTY-FOURTH DISTRICT	4/13/2000	132.00
PICKETT	POLICE OFFICER	FIFTH DISTRICT	4/15/2000	156.00
PORTER	POLICE OFFICER	TWENTY-THIRD DISTRICT	3/07/2000	4698.96
PRICE	POLICE OFFICER	UNKNOWN	8/09/1999	664.50
QUARLES	POLICE OFFICER	PUBLIC HOUSING UNIT-SOUTH	5/03/2000	429.00
GUINN	POLICE OFFICER	EIGHTH DISTRICT	2/15/1999	140.00
RADTKE-UGINCHUS-EVANS	POLICE OFFICER	EIGHTH DISTRICT	4/13/2000	557.00
RAINES	POLICE OFFICER	TWELFTH DISTRICT	11/25/1999	219.75
RAMIREZ	POLICE OFFICER	FOURTH DISTRICT	6/29/2000	652.00
RANGEL	POLICE OFFICER	TWENTY-FIFTH DISTRICT	5/11/2000	475.50
REGAN	POLICE OFFICER	THIRD DISTRICT	5/17/2000	439.00
REIFF	POLICE OFFICER	EIGHTH DISTRICT	2/09/2000	1064.25
REMPAS	POLICE OFFICER	SECOND DISTRICT	4/19/2000	211.75
RESPONDI	POLICE OFFICER	PUBLIC TRANSPORTATION SECTION	5/13/2000	270.80
REYES	POLICE OFFICER	ELEVENTH DISTRICT	5/08/2000	165.00
RICHARD	POLICE OFFICER	YOUTH DIVISION AREA THREE	8/30/2000	665.75
RICHARDS	POLICE OFFICER	EIGHTEENTH DISTRICT	5/26/2000	212.52
ROA	POLICE OFFICER	RECRUIT TRAINING	6/18/2000	549.33
RODRIGUEZ	POLICE OFFICER	SIXTEENTH DISTRICT	8/12/1999	27.00
RODRIGUEZ	POLICE OFFICER	TWENTY-THIRD DISTRICT	12/12/1999	79.00
ROGERS JR	POLICE OFFICER	THIRD DISTRICT	5/30/2000	188.00
ROMAN	POLICE OFFICER	TENTH DISTRICT	5/03/2000	80.00
RONAN	POLICE OFFICER	TWENTIETH DISTRICT	5/08/2000	697.25
RUHL	POLICE OFFICER	EIGHTH DISTRICT	2/01/1999	140.00
SADOWSKY	POLICE OFFICER	TENTH DISTRICT	4/10/2000	39.00
SALDANA	POLICE OFFICER	PUBLIC TRANSPORTATION SECTION	6/22/2000	1878.00
SALYERS	POLICE OFFICER	TWENTIETH DISTRICT	12/16/1999	4295.56
SARABIA	POLICE OFFICER	TENTH DISTRICT	4/27/2000	623.25
SARLO	POLICE OFFICER	EIGHTEENTH DISTRICT	12/29/1999	209.00
SCHAB	POLICE OFFICER	SECOND DISTRICT	6/10/2000	1802.00
SCHMITZ	POLICE OFFICER	SEVENTEENTH DISTRICT	5/11/2000	429.80
SCORNAVACCO	POLICE OFFICER	MAJOR ACCIDENT INVESTIGATION U	12/24/1999	1605.50
SIMPSON	POLICE OFFICER	SIXTEENTH DISTRICT	5/02/2000	972.40
SMITH	POLICE OFFICER	TENTH DISTRICT	3/17/2000	160.22
SMITH	POLICE OFFICER	SECOND DISTRICT	5/22/2000	466.00
SOLIS	POLICE OFFICER	TENTH DISTRICT	3/14/2000	1119.60
SOPIKIOTIS	POLICE OFFICER	TWENTY-FOURTH DISTRICT	5/20/2000	536.50
SPENCER	POLICE OFFICER	SEVENTEENTH DISTRICT	5/03/2000	195.30
SPRAGGINS	POLICE OFFICER	AIRPORT LAW ENFORCEMENT NORTH	9/04/1999	174.60
STATION	POLICE OFFICER	SECOND DISTRICT	1/14/1983	87.00
STROMEK	POLICE OFFICER	SEVENTEENTH DISTRICT	5/25/2000	6722.70
STUCK	POLICE OFFICER	PUBLIC TRANSPORTATION SECTION	8/07/2000	1449.20
SUDDIE	POLICE OFFICER	TWELFTH DISTRICT	3/23/2000	317.00
SWAIN	POLICE OFFICER	INTERNAL AFFAIRS DIVISION	4/06/2000	26.00
TARR	POLICE OFFICER	FIRST DISTRICT	7/29/2000	206.80
	POLICE OFFICER	SIXTEENTH DISTRICT	5/02/2000	200.00

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 11/15/2000

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
TORTORIELLO	WILLIAM J	SIXTEENTH DISTRICT	5/02/2000	2673.00
TRAYNOR	FRANK	TWENTY-THIRD DISTRICT	5/05/2000	108.77
VANVEGTEN	ANDRE H	EIGHTH DISTRICT	1/08/1997	1326.50
VEGA	JULIAN A	FOURTEENTH DISTRICT	7/14/2000	600.00
WALDERA	THOMAS	TWELFTH DISTRICT	2/01/2000	149.00
WALSH	JAMES	FOURTH DISTRICT	12/09/1999	608.00
WALSH	JAY	TWENTY-THIRD DISTRICT	5/01/2000	73.50
WALSH	JAY	TWENTY-THIRD DISTRICT	8/07/2000	654.54
WARE	CHRISTOPHER	THIRD DISTRICT	4/11/2000	130.00
WATKINS	MARIE	EIGHTH DISTRICT	5/08/2000	4171.25
WEAVER	MICHAEL A	PUBLIC HOUSING UNIT-SOUTH	5/30/2000	655.00
WIECZOREK	STEVE	TWELFTH DISTRICT	12/13/1999	32.00
WIER	ERIC A	FIRST DISTRICT	10/15/1997	1029.20
WILLIAMS	DAWN T	SECOND DISTRICT	5/14/2000	2184.00
WILLIAMS	SUSAN M	EIGHTH DISTRICT	4/13/2000	421.00
WILSON	MARK	TWENTY-THIRD DISTRICT	5/14/2000	141.52
WINTERS-THOMPSON	DANIELLE L	TWENTY-FIRST DISTRICT	2/08/2000	326.03
WORTHAM	THOMAS E III	AIRPORT LAW ENFORCEMENT SOUTH	7/10/1999	59.20
WRIGHT-KRYGOWSKI	TAMMI L	SPECIAL OPERATIONS SECTION	3/02/2000	92.00
YANCEY-HAYWOOD	TRACEY M	THIRD DISTRICT	2/16/1999	120.00
YANEZ	CARLOS	TENTH DISTRICT	3/24/2000	309.90
ZABER	RENEE A	TWELFTH DISTRICT	2/10/1998	702.00
ZALALIS	LEE W	FOURTH DISTRICT	12/12/1999	174.00
ZARAGOZA	JUAN F	EIGHTH DISTRICT	5/18/2000	894.82
ZEGA	JAMES E	FOURTH DISTRICT	12/28/1999	741.00
ALEX	JAMES	AMBULANCE 16	12/20/1999	30.00
ALLEN	ALFRED L	ENGINE COMPANY 115	3/17/1999	50.00
ASENCIO	RITA	AMBULANCE 21	4/03/2000	2167.50
BELLAIR	WILLIAM	ENGINE COMPANY 47	2/08/1985	191.00
BOMBEN	DANIEL P	AMBULANCE 10	3/30/2000	3602.50
BOYER	WILLIAM	ENGINE COMPANY 115	5/11/2000	438.80
CIARA	MICHAEL	UNKNOWN	5/28/2000	613.00
CLIFFORD	MICHAEL	TRUCK 21	4/26/2000	1115.90
CONNORS	PATRICK	TRUCK 35	3/03/2000	3721.98
CRAVEN	PATRICK	TRUCK 32	5/18/2000	5457.56
DALTON	THOMAS	TRUCK 55	5/07/1998	79.00
DATZ	EDWARD A	TRUCK 28	7/08/2000	140.00
DEAN-FIRREK	JOANNE	AMBULANCE 47	3/30/1999	238.70
DENIS	JEFFREY	ENGINE COMPANY 126	5/10/2000	1505.00
EDWARDS	JOHN	BATTALION 23	4/07/1999	147.00
GRASSMUCK	SHARISSE	AMBULANCE 36	6/05/2000	5306.32
GRASSMUCK	SHARISSE	AMBULANCE 36	5/10/1999	296.00
HAMPE	JAMES	TRUCK 26	2/08/2000	6446.58
HAYNES	PATRICK	TRUCK 7	11/12/1999	146.83
HOLLOWAY	SAMUEL	ENGINE COMPANY 56	8/27/2000	342.72
KEYS	GLEN E	TRUCK 5	5/14/2000	140.00
LARAMORE-HEARD	MAJ	AMBULANCE 22	1/11/1999	1443.25
MAJ	TERED	BATTALION 11	8/28/2000	650.20
MARCUS	CHRISTINE	AMBULANCE 18	9/19/1999	552.00

11/15/2000

REPORTS OF COMMITTEES

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CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 11/15/2000

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
MARTIN	FIREFIGHTER	UNKNOWN	5/15/2000	50.00
MCGINLEY	FIREFIGHTER	ENGINE COMPANY 55	1/19/2000	192.00
MILLER	FIREFIGHTER	TRUCK 8	12/13/1999	391.00
MUNIZZI	FIREFIGHTER	SQUAD 5	2/05/1999	140.00
MUSCOLINO	FIREFIGHTER	TRUCK 15	3/19/2000	415.00
OLSON	FIREFIGHTER	ENGINE COMPANY 91	8/25/2000	990.80
OLSZENSKI	FIREFIGHTER	ENGINE COMPANY 54	5/30/2000	187.00
PETRASEK	CAPTAIN	ENGINE COMPANY 47	6/02/1986	225.00
PHILLIPS	FIREFIGHTER	ENGINE COMPANY 107	3/15/2000	9830.87
POLO	FIREFIGHTER	ENGINE COMPANY 115	11/03/1999	994.44
REED	FIREFIGHTER	ENGINE COMPANY 79	6/23/1999	64.00
REIDY	FIREFIGHTER	TRUCK 52	6/26/2000	106.00
RODRIGUEZ	PARAMEDIC	AMBULANCE 44	8/19/2000	193.20
SANGARI	PARAMEDIC	AMBULANCE 32	8/16/2000	367.30
SCHNEIDER	FIREFIGHTER	ENGINE COMPANY 102	3/18/2000	620.00
SCULLY	FIREFIGHTER	TRUCK 27	12/15/1999	140.00
SHEEHAN	PARAMEDIC	AMBULANCE 45	5/31/2000	22.00
SOSO	PARAMEDIC	AMBULANCE 26	12/21/1999	6638.00
STEINER	PARAMEDIC	AMBULANCE 47	8/29/1999	324.52
SULLIVAN	FIREFIGHTER	ENGINE COMPANY 73	6/03/2000	443.80
SULLIVAN	CAPTAIN	TRUCK 20	5/14/2000	8998.46
ZWOFLER	FIREFIGHTER	ENGINE COMPANY 68	7/13/2000	185.08

; and

Be It Further Ordered, That the City Comptroller is authorized and directed to issue warrants, in conformity with the schedule herein set forth, to physicians, hospitals, nurses or other individuals, in settlement for hospital, medical and nursing services rendered to the injured members of the Police Department and/or Fire Department herein named, provided such members of the Police Department and/or Fire Department shall enter into an agreement in writing with the City of Chicago to the effect that, should it appear that any of said members of the Police Department and/or Fire Department have received any sum of money from the party whose negligence caused such injury, or have instituted proceedings against such party for the recovery of damage on account of such injury or medical expenses, then in that event the City shall be reimbursed by such member of the Police Department and/or Fire Department out of any sum that such member of the Police Department and/or Fire Department has received or may hereafter receive from such third party on account of such injury or medical expenses, not to exceed the expense in accordance with Opinion Number 1422 of the Corporation Counsel of said City, dated March 19, 1926. The payment of any of these bills shall not be construed as approval of any previous claims pending or future claims for expenses or benefits on account of any alleged injury to the individuals named. The total amount of such claims, as allowed, is set opposite the names of the injured members of the Police Department and/or Fire Department and warrants are to be drawn in favor of the proper claimants and charged to Account Number 100.9112.937:

[Third party orders printed on pages 45965
through 45966 of this Journal.]

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 11/15/2000

THIRD PARTY ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
ALFRED	POLICE OFFICER	NARCOTICS SECTION	5/10/2000	59.00
ALLEN-THOMPSON	POLICE OFFICER	SIXTH DISTRICT	3/28/2000	395.04
ARROYO	POLICE OFFICER	SIXTEENTH DISTRICT	3/03/1998	551.00
BANKSON	POLICE OFFICER	SIXTEENTH DISTRICT	10/19/1998	113.00
BETTS	POLICE OFFICER	SEVENTH DISTRICT	5/08/2000	475.00
BORSKI	POLICE OFFICER	TWENTY-THIRD DISTRICT	6/15/2000	2554.00
BOYD	POLICE OFFICER	THIRTEENTH DISTRICT	2/14/2000	59.00
BUCHANAN	POLICE OFFICER	PUBLIC HOUSING UNIT-SOUTH	4/21/2000	220.00
BUCKLEY	POLICE OFFICER	FOURTH DISTRICT	8/28/1998	54.00
BURNS	POLICE OFFICER	SIXTH DISTRICT	7/12/1998	141.00
CERVENY	POLICE OFFICER	SEVENTH DISTRICT	4/11/1998	311.00
CONWAY	POLICE OFFICER	FIFTH DISTRICT	3/01/2000	412.00
CROWLEY	POLICE OFFICER	SECOND DISTRICT	9/04/1987	354.58
DARLING	POLICE OFFICER	SIXTH DISTRICT	7/12/1998	229.00
DENNIS	POLICE OFFICER	FIFTH DISTRICT	4/02/1999	434.00
DORRIS	POLICE OFFICER	EIGHTH DISTRICT	5/10/2000	105.00
EJNIK	POLICE OFFICER	EIGHTEENTH DISTRICT	4/19/1996	336.00
EPTING	POLICE OFFICER	TWENTY-FIRST DISTRICT	2/21/2000	4418.11
FITZGERALD	POLICE OFFICER	FOURTEENTH DISTRICT	9/06/2000	106.79
FOULKS	POLICE OFFICER	SEVENTH DISTRICT	11/10/1999	551.18
FOWLER	POLICE OFFICER	THIRTEENTH DISTRICT	10/05/1998	414.00
GARCIA	POLICE OFFICER	EIGHTH DISTRICT	5/10/2000	613.37
GEERS	POLICE OFFICER	EIGHTEENTH DISTRICT	1/27/2000	1040.25
HAWTHORNE	POLICE OFFICER	TWENTY-FIRST DISTRICT	11/05/1999	871.85
HOPKINS	POLICE OFFICER	EIGHTH DISTRICT	5/14/1999	1299.00
HUNT	POLICE OFFICER	TWENTY-FIRST DISTRICT	6/07/1999	921.20
JACINTO	POLICE OFFICER	FIRST DISTRICT	6/07/2000	3374.43
KING	POLICE OFFICER	RECRUIT TRAINING	1/25/1998	616.79
KOGER	POLICE OFFICER	SEVENTEENTH DISTRICT	6/03/2000	320.00
LIPMAN	POLICE OFFICER	SECOND DISTRICT	11/13/1999	231.00
LISS	POLICE OFFICER	SECOND DISTRICT	4/17/2000	755.70
LONG	POLICE OFFICER	TWELFTH DISTRICT	4/01/2000	1124.80
MACEY	POLICE OFFICER	PUBLIC HOUSING UNIT-NORTH	4/28/2000	531.01
MACEVOY	POLICE OFFICER	RECRUIT TRAINING	5/16/1999	884.09
MILLER-SHEMASH	POLICE OFFICER	RECRUIT TRAINING	5/16/2000	238.00
MITZNER	POLICE OFFICER	TENTH DISTRICT	6/08/1993	112.50
MORIN	POLICE OFFICER	EIGHTEENTH DISTRICT	12/22/1993	246.00
OCONNELL	POLICE OFFICER	ELEVENTH DISTRICT	4/15/2000	35.99
ORTMAN	POLICE OFFICER	SIXTH DISTRICT	2/24/1998	368.45
OSHAUGHNESSY	POLICE OFFICER	FIRST DISTRICT	6/02/2000	354.48
PERISEE	POLICE OFFICER	ELEVENTH DISTRICT	4/15/2000	34.99
PIETRZYLA	POLICE OFFICER	TRAFFIC SECTION - ENFORCEMENT	8/01/1997	2618.99
PLEBANSKI	POLICE OFFICER	DETECTIVE DIVISION - AREA 4	3/07/2000	549.99
POSILOVICH	POLICE OFFICER	TWENTY-FIRST DISTRICT	5/29/2000	1267.75
QUINONES	POLICE OFFICER	EIGHTEENTH DISTRICT	9/21/1994	3799.52
RAPIER-MARTIN	POLICE OFFICER	EIGHTEENTH DISTRICT	6/27/2000	1085.08
RICHARDS	POLICE OFFICER	THIRD DISTRICT	6/04/2000	312.00
ROCHE	POLICE OFFICER	EIGHTH DISTRICT	5/03/2000	63.00
	POLICE OFFICER	FIFTEENTH DISTRICT	4/18/2000	268.00

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 11/15/2000

THIRD PARTY ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
ROKOSIK	POLICE OFFICER	BOMB AND ARSON SECTION	5/28/2000	2529.00
ROWE	POLICE OFFICER	TWENTY-FIFTH DISTRICT	12/15/1999	540.00
STROCCHIA	POLICE OFFICER	TENTH DISTRICT	6/14/1997	205.44
WHITE	POLICE OFFICER	SEVENTH DISTRICT	3/30/2000	82.40
WILLINGHAM	POLICE OFFICER	RECRUIT TRAINING	4/17/2000	325.43
BAUMGARTNER	PARAMEDIC	DISTRICT RELIEF 4	5/22/1984	75.00
WILLIAMS	PARAMEDIC	UNKNOWN	10/26/1997	326.00

AUTHORIZATION FOR PAYMENT OF MISCELLANEOUS
REFUNDS, COMPENSATION FOR PROPERTY
DAMAGE, ET CETERA.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an order authorizing the payment of various small claims against the City of Chicago, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said order as passed:

Ordered, That the City Comptroller is authorized and directed to pay the following named claimants the respective amounts set opposite their names, said amount to be paid in full and final settlement on each claim on the date and location by type of claim, with said amount to be charged to the activity and account specified as follows:

Damage To Property.

*Department Of Police/Office Of Emergency Communication:
Account Number 100-99-2005-0934-0934.*

Name And Address	Date And Location	Amount
The Townhouse Apartments Unit 1201 7022 South South Shore Drive Attention: John Price Chicago, Illinois 60649	5/18/00 7022 South South Shore Drive	\$1,112.00

Damage To Vehicle.

*Department Of Police/Office Of Emergency Communication:
Account Number 100-99-2005-0934-0934.*

Name And Address	Date And Location	Amount
Sylvester Adamski and Allstate Insurance Company P.O. Box 227257 Dallas, Texas 75222	3/25/00 West Addison Street and North Narragansett Avenue	\$1,112.00

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Name And Address	Date And Location	Amount
Steven A. Willis 711 East 105 th Place Chicago, Illinois 60628	6/2/00 2939 West Madison Street	\$2,259.00

Damage To Vehicle.

*Department Of Sewers:
Account Number 314-99-2005-0934-0934.*

Name And Address	Date And Location	Amount
Ronald McLaughlin 9050 South Claremont Avenue Chicago, Illinois 60620	6/20/00 6213 South Winchester Avenue	\$ 51.00
The American Road Services P.O. Box 6069 Dearborn, Michigan 48121	12/20/99 2555 North Clark Street	1,778.00

Damage To Property.

*Department Of Streets And Sanitation/Bureau Of Streets:
Account Number 300-99-2005-0934-0934.*

Name And Address	Date And Location	Amount
Altman Building, in care of Serene Altman 5501 North Rockwell Street Chicago, Illinois 60625	10/26/99 5501 North Rockwell Street	\$230.00

Damage To Vehicle.

*Department Of Streets And Sanitation/Bureau Of Streets:
Account Number 300-99-2005-0934-0934.*

Name And Address	Date And Location	Amount
Robert Amster and MetLife Auto & Home P.O. Box 668 Warwickurg, Rhode Island 02887	1/20/99 3400 North Western Avenue	\$899.00
Diana Brannon Apartment 305 2510 North Wayne Avenue Chicago, Illinois 60614	5/20/00 West Altgeld Street and North Southport Avenue	373.00
Stephanie Taylor-Foster 1953 East 72 nd Street Chicago, Illinois 60649	2/13/00 1314 East 63 rd Street	237.00*
Dietz, Inc. 1822 West 23 rd Street Chicago, Illinois 60608	5/18/99 1634 West 21 st Street	858.00
George Gottlieb 3847 North Sacramento Avenue Chicago, Illinois 60618	5/21/00 6858 North Western Avenue	84.00
Margie Jones 7631 South Colfax Avenue Chicago, Illinois 60649	5/17/00 1900 East 82 nd Street	276.00
Edward Kruk 4843 West Fletcher Street Chicago, Illinois 60641	5/9/00 1700 North Austin Avenue	140.00

* To City of Chicago, Bureau of Parking

11/15/2000

REPORTS OF COMMITTEES

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Name And Address	Date And Location	Amount
Bertha M. Perry 4914 West Cortez Street Chicago, Illinois 60651	6/18/00 4900 West Cortez Street	\$ 96.00
Barbara Piasecki 2516 North Mozart Street Chicago, Illinois 60647	5/22/00 6700 West North Avenue	197.00
Leslie Scopes 613 West Willow Street Chicago, Illinois 60614	6/8/00 192.00 1800 North Clybourn Avenue	150.00*
Richard Shulhafer 2 Coventry Lane Lincolnshire, Illinois 60069	1/25/00 6900 South South Shore Drive	267.00
Carla L. Sykes 116 West 104 th Street Chicago, Illinois 60628	5/8/00 103 rd Street and South State Street	216.00
Deborah Woods 2248 East 100 th Street Chicago, Illinois 60617	5/18/00 9055 South South Chicago Avenue	203.00 110.00*

Damage To Vehicle.

*Department Of Human Services:
Account Number 100-99-2005-0934-0934.*

Name And Address	Date And Location	Amount
Peggy A. Cusic 2601 West 82 nd Street Chicago, Illinois 60652	7/16/99 10 South Kedzie Avenue	\$1,127.00 60.00*

* To City of Chicago, Bureau of Parking.

Damage To Vehicle.

*Department Of Streets And Sanitation/Bureau Of Forestry:
Account Number 100-99-2005-0934-0934.*

Name And Address	Date And Location	Amount
Robert Hill and Unique Insurance Company 2200 East Devon Avenue Des Plaines, Illinois 60018	4/15/00 237 North Lavergne Avenue	\$1,070.00 80.00*

Damage To Property.

*Department Of Streets And Sanitation/Bureau Of Sanitation:
Account Number 300-99-2005-0934-0934.*

Name And Address	Date And Location	Amount
Margaret A. Bingham 1328 South Claremont Avenue Chicago, Illinois 60608	6/15/00 1928 South Claremont Avenue	\$300.00
Richard Dioguardi 11239 South Maplewood Avenue Chicago, Illinois 60655	6/1/99 11239 South Maplewood Avenue	576.00
Jewell Realty, Inc., in care of Ronald J. Gronek, owner 7512 West Belmont Avenue Chicago, Illinois 60634	1/19/00 7512 West Belmont Avenue	419.00
Maria Zajczenko-Varela 3126 West Fullerton Avenue Chicago, Illinois 60647	3/1/99 3126 West Fullerton Avenue	400.00

* To City of Chicago, Bureau of Parking.

Damage To Vehicle.

*Department Of Streets And Sanitation/Bureau Of Sanitation:
Account Number 300-99-2005-0934-0934.*

Name And Address	Date And Location	Amount
Steve Arnold 13012 South Burley Avenue Chicago, Illinois 60633	2/18/00 13012 South Burley Avenue	\$ 846.00
Antonio Black 9725 South Yale Avenue Chicago, Illinois 60628	6/6/00 6243 South Rockwell Street	1,950.00
Robert Fitzpatrick 2250 West 112 th Street Chicago, Illinois 60643	6/22/00 2250 West 112 th Street	466.00 260.00*
Carmen Gonzalez 2321 South Trumbull Avenue Chicago, Illinois 60623	5/16/00 2321 South Homan Avenue	845.00 25.00*
Hans Heitmann 6475 North Nokomis Avenue Chicago, Illinois 60646	4/27/00 400 South Clinton Street	686.00
David Maty 9420 South Bell Avenue Chicago, Illinois 60620	1/25/00 9420 South Bell Avenue	523.24
Paul Rossi 311 Chesapeake Lane Bloomingtondale, Illinois 60108	4/4/00 3201 West 48 th Place	1,472.00

* To City of Chicago, Bureau of Parking.

Name And Address	Date And Location	Amount
David Salgado 4556 North Bernard Street Chicago, Illinois 60625	6/7/00 818 West Dakin Street	\$1,790.00

; and

Be It Further Ordered, That the Commissioner of Water is authorized to refund the amount due by the amount set opposite the name of the claimant on account of underground leaks and to charge same to Account Number 200-87-2015-0952-0952:

Name And Address	Date And Location	Amount
Edward Malik 6244 North Fairfield Avenue Chicago, Illinois 60659	2/29/00 to 6/23/00 6244 North Fairfield Avenue	\$400.00

AUTHORIZATION FOR PAYMENT OF SUNDRY CLAIMS
FOR CONDOMINIUM REFUSE REBATES.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an order authorizing the payment of various condominium refuse rebate claims against the City of Chicago, having had the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed order transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas-- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schuler, M. Smith, Moore, Stone -- 48.

Nays-- None.

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

The following is said order as passed:

Ordered, That the City Comptroller is authorized and directed to pay the following named claimants the respective amounts set opposite their names, said amounts to be paid in full as follows and charged to Account Number 100-99-2005-0939-0939:

[List of claimants printed on pages 45976 through
45979 of this Journal.]

CITY OF CHICAGO
COMMITTEE ON CLAIMS AND LIABILITY
REFUSE REBATE COUNCIL ORDERS--PASSED

MEETING DATE 11/15/2000

CONDOMINIUM/ COOPERATIVE NAME	NO. OF ELIGIBLE UNITS	TYPE	AMOUNT OF REBATE	***** SPONSOR *****	*****
ADDISON MANOR CONDOMINIUM	12	ANNUAL	900.00	THOMAS ALLEN	38
ALTGELD COMMONS CONDO. ASSOC.	35	ANNUAL	2,549.07	THEODORE MATLAK	32
ALTGELD COURT CONDO. ASSN.	44	ANNUAL	3,300.00	THEODORE MATLAK	32
AMHURST LOFT CONDO ASSN.	65	ANNUAL	4,875.00	THEODORE MATLAK	32
APPLEWAY CONDOMINIUMS	6	ANNUAL	450.00	FRANK OLIVO	13
AROLEY ESTATES CONDO. ASSN.	6	ANNUAL	450.00	EUGENE C. SCHULTER	47
AUGUSTA CONDOMINIUM ASSN.	6	ANNUAL	450.00	HELEN SHILLER	46
AZTEC CONDOMINIUM ASSOCIATION	17	ANNUAL	1,275.00	VI DALEY	43
BELL-WEST CONDOMINIUM ASSN.	30	ANNUAL	2,250.00	BERNARD L. STONE	50
BIRCHTREE MANOR CONDOMINIUM	18	SEMI-ANNUAL	675.00	BRIAN G. DOHERTY	41
BLACKSTONE CONDOMINIUM	18	ANNUAL	1,350.00	LESLIE HAIRSTON	05
BREWSTER CONDOMINIUM ASSN.	91	ANNUAL	6,243.81	VI DALEY	43
BUENA PARK CONDO. ASSOC.	12	ANNUAL	900.00	HELEN SHILLER	46
BURLING ON THE PARK CONDO. ASSN	29	ANNUAL	2,160.00	VI DALEY	43
CAMBRIDGE CONDO ASSN.	16	ANNUAL	1,200.00	BERNARD J. HANSEN	44
CAMDEN PASSAGE CONDO. ASSN.	19	ANNUAL	1,425.00	VI DALEY	43
CHERYL APARTMENTS CONDOMINIUM	15	ANNUAL	1,125.00	FREDDRENN LYLE	06
CINEMA LOFTS CONDOMINIUM ASSOC	118	ANNUAL	1,910.25	THEODORE MATLAK	32
CLEAR RIDGE CONDOMINIUMS II	24	ANNUAL	1,800.00	MICHAEL R. ZALEWSKI	23
CLYBOURN LOFTS CONDOMINIUMS	58	ANNUAL	4,350.00	VI DALEY	43
COLUMBIAN CONDOMINIUM ASSN.	18	ANNUAL	1,350.00	LESLIE HAIRSTON	05
COMMON SENSE CONDO. ASS'N. INC.	12	ANNUAL	900.00	VI DALEY	43
CORNELL TERRACE CONDOMINIUMS	6	ANNUAL	450.00	LESLIE HAIRSTON	05
DIVERSEY-RACINE CONDO. ASS'N.	11	ANNUAL	825.00	THEODORE MATLAK	32
EAST POINT CONDOMINIUM	160	ANNUAL	12,000.00	MARY ANN SMITH	48
EDGEWATER BEACH APTS. CORP.	307	ANNUAL	23,025.00	MARY ANN SMITH	48
EDGEWOOD MANOR #1	11	SEMI-ANNUAL	412.50	BRIAN G. DOHERTY	41
ESTES/WASHTENAW CONDOMINIUM	12	ANNUAL	900.00	BERNARD L. STONE	50
EVERETT CONDO ASSOC.	16	ANNUAL	1,200.00	LESLIE HAIRSTON	05
FITCH PARK CONDOMINIUM ASSN.	30	ANNUAL	2,250.00	BERNARD L. STONE	50
GARIBALDI SQUARE ON THE PARK	42	ANNUAL	3,150.00	BURTON F. NATARUS	42
GLEN ALBION CONDO. ASSN.	12	ANNUAL	900.00	PATRICK J O'CONNOR	40
GRACE CONDOMINIUM ASSOCIATION	20	ANNUAL	1,900.00	HELEN SHILLER	46
GREENVIEW PASSAGE CONDO. ASSN.	30	ANNUAL	2,250.00	THEODORE MATLAK	32
HANOVER CONDOMINIUM	168	ANNUAL	7,329.00	BURTON F. NATARUS	42
HAWTHORNE COURT TOWNHOME CONDO	80	ANNUAL	3,797.00	BERNARD J. HANSEN	44
HEARTHSTONE ON HALSTED CONDO	11	ANNUAL	825.00	VI DALEY	43
HEDGEROW CONDOMINIUMS	56	ANNUAL	3,500.00	LESLIE HAIRSTON	05
IVY LANE CONDOMINIUMS	23	ANNUAL	660.00	VI DALEY	43
JACKSON COURT APARTMENTS	26	ANNUAL	1,950.00	LESLIE HAIRSTON	05
JACKSON TOWERS CONDOMINIUM	72	ANNUAL	5,074.50	LESLIE HAIRSTON	05
KENWOOD GREEN CONDOMINIUM	21	ANNUAL	1,575.00	LESLIE HAIRSTON	05
KIMBARK OF UNIVERSITY CONDO.	6	ANNUAL	450.00	LESLIE HAIRSTON	05
LA CASA CONDOMINIUM ASSN.	6	ANNUAL	450.00	JOE MOORE	49
LAKE SHORE TOWERS COOPERATIVE	34	ANNUAL	2,550.00	HELEN SHILLER	46

11/15/2000

REPORTS OF COMMITTEES

45977

C I T Y O F C H I C A G O
COMMITTEE ON CLAIMS AND LIABILITY
REFUSE REBATE COUNCIL ORDERS--PASSED

MEETING DATE 11/15/2000

CONDOMINIUM/ COOPERATIVE NAME	NO. OF ELIGIBLE UNITS	TYPE	AMOUNT OF REBATE	***** SPONSOR *****	*****
LAKESIDE MANOR CONDO ASSN	8	ANNUAL	600.00	HELEN SHILLER	46
LAKESIDE PLACE CONDO ASSOC.	33	ANNUAL	2,475.00	MARY ANN SMITH	48
LARCHMONT LOFTS CONDO. ASS'N.	57	ANNUAL	3,702.00	EUGENE C. SCHULTER	47
LELAND COURT CONDOMINIUM ASSN.	9	ANNUAL	675.00	EUGENE C. SCHULTER	47
LISHMORE PLACE EAST CONDO.	24	SEMI-ANNUAL	878.30	MICHAEL R. ZALEWSKI	23
MANGO CONDOMINIUMS	7	ANNUAL	525.00	PATRICK J. LEVAR	45
MANOR HOUSE CONDO ASSOCIATION	16	ANNUAL	1,200.00	MARY ANN SMITH	48
MAYFAIR COURTS CONDOMINIUMS	48	ANNUAL	959.28	PATRICK J. LEVAR	45
MELROSE GARDEN CONDOMINIUM	18	ANNUAL	1,350.00	BERNARD J. HANSEN	44
METALWORKS CONDO. ASS'N.	20	ANNUAL	1,500.00	THEODORE MATLAK	32
MIDWAY APARTMENT BUILDING CORP	38	ANNUAL	2,850.00	LESLIE HAIRSTON	05
MILLWORKS CONDOMINIUM ASSOC.	36	ANNUAL	2,700.00	THEODORE MATLAK	32
MONTARNASSE CONDO. ASSOC.	7	ANNUAL	525.00	MARY ANN SMITH	48
NARRAGANSETT CONDO ASSOC.	63	ANNUAL	4,725.00	TONI PRECKWINKLE	04
NEW CONCORD CONDOMINIUM WEST	6	ANNUAL	450.00	TONI PRECKWINKLE	04
NEWPORT COURT TOWNHOUSE ASSN.	21	ANNUAL	1,352.92	BERNARD J. HANSEN	44
ORCHARD GARDENS CONDO. ASSN.	8	ANNUAL	600.00	VI DALEY	43
PANDRAMA CONDOMINIUM	6	ANNUAL	450.00	LESLIE HAIRSTON	05
PARK LANE TOWNHOME CONDO	86	ANNUAL	6,450.00	THEODORE MATLAK	32
PARK THIRTEEN CONDO. ASSOC.	6	ANNUAL	450.00	TONI PRECKWINKLE	04
PARK TOWER CONDO. ASSOCIATION	728	ANNUAL	27,773.84	MARY ANN SMITH	48
PARKVIEW CONDOMINIUM ASSN.	18	ANNUAL	1,350.00	LESLIE HAIRSTON	05
PAXTON PLACE CONDO. ASSN.	15	ANNUAL	1,125.00	LESLIE HAIRSTON	05
PRATT ON THE LAKE CONDO. ASSOC.	11	ANNUAL	825.00	JOE MOORE	49
RAVENSWOOD COURT CONDO. ASS'N.	28	ANNUAL	1,953.71	MARY ANN SMITH	48
RAVENSWOOD LOFTS CONDO. ASSOC.	35	ANNUAL	1,608.00	THEODORE MATLAK	32
RIDGEMOOR ESTATES CONDO. ASSN. 2	44	SEMI-ANNUAL	1,458.50	THOMAS ALLEN	38
ROSCOE VILLAGE LOFTS CONDO.	139	ANNUAL	7,060.00	THEODORE MATLAK	32
ROSEMONT APARTMENTS CONDO.	36	ANNUAL	2,700.00	BERNARD J. HANSEN	44
RUSKIN APARTMENTS	14	ANNUAL	1,050.00	LESLIE HAIRSTON	05
SHERIDAN BRIAR SO. CONDO. ASSN	15	SEMI-ANNUAL	562.50	BERNARD J. HANSEN	44
SHORELINE CONDOMINIUM ASSN.	49	ANNUAL	3,672.00	LESLIE HAIRSTON	05
SODA POP FACTORY CONDO. ASSN.	9	ANNUAL	675.00	VI DALEY	43
SOUTH LAPORTE CONDO. ASS'N.	8	ANNUAL	600.00	MICHAEL R. ZALEWSKI	23
SOUTHPORT SQUARE CONDO. ASSN.	10	ANNUAL	750.00	THEODORE MATLAK	32
TERRA COTTA VILLAGE CONDO.	73	ANNUAL	3,063.60	THEODORE MATLAK	32
THE BRIGHTON OF LINCOLN PARK	72	ANNUAL	2,561.00	VI DALEY	43
THE HAMPDEN GREEN CONDO ASSN.	206	ANNUAL	4,822.86	VI DALEY	43
THE MAYFAIR	29	ANNUAL	720.42	BURTON F. NATARUS	42
THE PALACE LOFTS CONDO. ASS'N.	9	ANNUAL	570.75	THEODORE MATLAK	32
THE PARKSHORE ASSOCIATED	115	ANNUAL	6,077.95	LESLIE HAIRSTON	05
THE REGENT CONDOMINIUM ASSOC.	17	ANNUAL	627.83	BURTON F. NATARUS	42
THE VINNEDGE CONDO. ASSN.	13	ANNUAL	975.00	BURTON F. NATARUS	42
THE WHEELWORKS CONDO. ASSN.	41	ANNUAL	2,936.63	THEODORE MATLAK	32
THORNDALE BEACH NORTH CONDO	151	ANNUAL	7,968.00	MARY ANN SMITH	48

C I T Y O F C H I C A G O
COMMITTEE ON CLAIMS AND LIABILITY
REFUSE REBATE COUNCIL ORDERS--PASSED

MEETING DATE 11/15/2000

CONDOMINIUM/ COOPERATIVE NAME	NO. OF ELIGIBLE UNITS	TYPE	AMOUNT OF REBATE	***** SPONSOR *****	*****
TREVI SQUARE CONDO. ASSN.	69	ANNUAL	5,175.00	BURTON F. NATARUS	42
UNIVERSITY COMMONS CONDOMINIUM	30	ANNUAL	2,250.00	LESLIE HAIRSTON	05
VILLA BONITA CONDO. ASSN.	7	ANNUAL	525.00	MARY ANN SMITH	48
VILLAS OF EDISON PARK CONDO	16	SEMI-ANNUAL	600.00	BRIAN G. DOHERTY	41
WABANSIA LOFTS CONDO. ASS'N.	9	ANNUAL	675.00	THEODORE MATLAK	32
WATERGATE EAST CONDOMINIUM	32	ANNUAL	2,204.00	LESLIE HAIRSTON	05
WATERLOO COURT CONDO. ASSN.	25	ANNUAL	1,875.00	BERNARD J. HANSEN	44
WILLOW SQUARE CONDO. ASSOC.	43	ANNUAL	3,225.00	THEODORE MATLAK	32
WINDSOR HOUSE CONDO. ASSN.	30	SEMI-ANNUAL	1,125.00	PATRICK J. LEVAR	45
WINSTON SOUTH CONDOMINIUM	18	ANNUAL	1,350.00	LESLIE HAIRSTON	05
WOLCOTT / DIVERSEY CONDO ASSOC	20	ANNUAL	1,246.00	THEODORE MATLAK	32
WOLCOTT ROW CONDO. ASSOC.	36	ANNUAL	2,700.00	THEODORE MATLAK	32
WRIGHTWOOD CONDO. ASSOC.	19	ANNUAL	1,404.00	VI DALEY	43
1110 N. LAKE SHORE DRIVE	74	SEMI-ANNUAL	2,775.00	BURTON F. NATARUS	42
1130 ARMITAGE CONDO. ASSN.	8	ANNUAL	600.00	VI DALEY	43
119 W. CHESTNUT CONDO ASSOC.	9	ANNUAL	675.00	BURTON F. NATARUS	42
1235-45 ASTOR STREET BUILDING	9	ANNUAL	675.00	BURTON F. NATARUS	42
1246-48 W. ALBION CONDO. ASS'N.	6	ANNUAL	450.00	JOE MOORE	49
1400-12 E. 56TH ST. CONDO. ASSOC	18	ANNUAL	1,350.00	LESLIE HAIRSTON	05
1410 NORTH STATE PARKWAY CONDO	50	ANNUAL	3,750.00	BURTON F. NATARUS	42
155 HARBOR DRIVE CONDO ASSOC	742	SEMI-ANNUAL	16,386.20	BURTON F. NATARUS	42
1807-11 NORTH ORLEANS CONDO.	8	ANNUAL	600.00	VI DALEY	43
1914-16 SHEFFIELD CONDOS	10	ANNUAL	750.00	VI DALEY	43
2020 LINCOLN PARK WEST CONDO.	433	SEMI-ANNUAL	8,289.00	VI DALEY	43
2229-31 N. BISSELL CONDO. ASS'N	12	ANNUAL	900.00	VI DALEY	43
2309-19 COMMONWEALTH CONDO.	31	ANNUAL	2,325.00	VI DALEY	43
232 E. WALTON BLDG. CORP.	20	SEMI-ANNUAL	750.00	BURTON F. NATARUS	42
233 EAST WALTON BUILDING CORP	13	ANNUAL	894.40	BURTON F. NATARUS	42
2336 N. COMMONWEALTH CONDO.	48	ANNUAL	2,772.00	VI DALEY	43
2830 BURLING ASSOCIATION	6	ANNUAL	450.00	BERNARD J. HANSEN	44
2909 N. SHERIDAN ROAD CONDO.	223	ANNUAL	14,158.53	BERNARD J. HANSEN	44
33 EAST CEDAR CONDOMINIUM	128	ANNUAL	4,752.00	BURTON F. NATARUS	42
33 PHILLIPS CONDOMINIUM ASSN.	6	ANNUAL	450.00	WILLIAM M. BEAVERS	07
3312 N. OAKLEY CONDOMINIUM	6	ANNUAL	450.00	THEODORE MATLAK	32
336 WELLINGTON CONDO. ASSN.	120	ANNUAL	5,196.00	BERNARD J. HANSEN	44
3900 N. LAKE SHORE DRIVE	66	SEMI-ANNUAL	2,475.00	HELEN SHILLER	46
3940 N. JANSSEN CONDO. ASSOC.	7	ANNUAL	525.00	EUGENE C. SCHULTER	47
415 ALDINE CONDOMINIUM ASSOC.	60	ANNUAL	4,500.00	BERNARD J. HANSEN	44
4200 N. MARINE DRIVE CONDO.	65	ANNUAL	3,924.00	HELEN SHILLER	46
426 BARRY CONDOMINIUM ASSN.	52	SEMI-ANNUAL	1,950.00	BERNARD J. HANSEN	44
4422-24 N. DOVER CONDO. ASSN.	6	ANNUAL	450.00	EUGENE C. SCHULTER	47
4826 NORTH KENMORE CONDO. ASSN.	6	ANNUAL	450.00	HELEN SHILLER	46
4900 MARINE DRIVE CONDO. ASSN.	82	ANNUAL	5,177.84	MARY ANN SMITH	48
4900 N. LESTER CONDOMINIUM	8	ANNUAL	600.00	PATRICK J. LEVAR	45
500-502 WEST ROSCOE STREET	13	ANNUAL	975.00	BERNARD J. HANSEN	44

11/15/2000

REPORTS OF COMMITTEES

45979

C I T Y O F C H I C A G O
COMMITTEE ON CLAIMS AND LIABILITY
REFUSE REBATE COUNCIL ORDERS--PASSED

MEETING DATE 11/15/2000

CONDOMINIUM/ COOPERATIVE NAME	NO. OF ELIGIBLE UNITS	TYPE	AMOUNT OF REBATE	***** SPONSOR *****	*****
5000 EAST END COOPERATIVE APTS	98	ANNUAL	6,197.86	TONI PRECKWINKLE	04
501 W. BELMONT CONDO. ASS'N.	19	ANNUAL	1,425.00	THEODORE MATLAK	32
5155/59 N. EAST RIVER RD.	72	SEMI-ANNUAL	1,808.00	BRIAN G. DOHERTY	41
5200 DORCHESTER CONDOMINIUM	31	ANNUAL	2,325.00	TONI PRECKWINKLE	04
5216-18 S. DORCHESTER CONDO.	6	ANNUAL	450.00	TONI PRECKWINKLE	04
5302-12 CORNELL CONDOMINIUM	15	ANNUAL	1,125.00	LESLIE HAIRSTON	05
5328-30 HYDE PARK CONDO. ASSOC	6	ANNUAL	450.00	LESLIE HAIRSTON	05
5331-41 S. CORNELL CONDOMINIUM	18	ANNUAL	1,350.00	LESLIE HAIRSTON	05
5340-44 HYDE PARK CONDOMINIUM	12	ANNUAL	900.00	LESLIE HAIRSTON	05
537-545 W. ROSCOE CONDO ASSN.	26	ANNUAL	1,950.00	BERNARD J. HANSEN	44
5401 HYDE PARK CONDOMINIUM	78	ANNUAL	4,247.00	LESLIE HAIRSTON	05
5419 S. MASSAQUIT CONDO. ASSN.	11	ANNUAL	775.80	MICHAEL R. ZALEWSKI	23
5434-36 HYDE PARK CONDO	6	ANNUAL	450.00	LESLIE HAIRSTON	05
5440 W. HIGGINS CONDO ASS'N.	6	ANNUAL	450.00	PATRICK J. LEVAR	45
5458-60 HYDE PARK CONDO. ASSN.	6	ANNUAL	450.00	LESLIE HAIRSTON	05
5514 CORNELL CONDOMINIUM ASSN.	31	ANNUAL	2,325.00	LESLIE HAIRSTON	05
5518-22 EVERETT CONDOMINIUM	6	ANNUAL	450.00	LESLIE HAIRSTON	05
554-556 ROSCOE CONDOMINIUM	6	ANNUAL	450.00	BERNARD J. HANSEN	44
5547-49 S. DORCHESTER CONDO.	6	ANNUAL	450.00	LESLIE HAIRSTON	05
555 CORNELIA CONDO. ASSN.	229	SEMI-ANNUAL	2,733.60	BERNARD J. HANSEN	44
5553-55 BLACKSTONE CONDO.	5	ANNUAL	375.00	LESLIE HAIRSTON	05
5729 MIDWAY ESTATES CONDO.	6	ANNUAL	450.00	FRANK OLIVO	13
5750 S. KENWOOD CO-OP	7	ANNUAL	525.00	LESLIE HAIRSTON	05
6114-16 N. HAMILTON CONDO	6	ANNUAL	450.00	PATRICK J O'CONNOR	05
6248-50 N. WASHTENAW CONDO.	7	ANNUAL	525.00	BERNARD L. STONE	50
6410-12 GLENWOOD CONDO. ASSN.	6	ANNUAL	450.00	PATRICK J O'CONNOR	40
6922 JEFFERY CONDOMINIUM INC.	13	ANNUAL	975.00	LESLIE HAIRSTON	05
76-82 E. ELM CONDO ASSOC	18	ANNUAL	240.60	BURTON F. NATARUS	42
808-810 W. BUCKINGHAM CONDO.	6	ANNUAL	450.00	BERNARD J. HANSEN	44
8200 LANGLEY CO-OP APT.	13	ANNUAL	900.00	FREDRENNNA LYLE	06
852-854 LAKESIDE CONDOMINIUM	6	ANNUAL	450.00	MARY ANN SMITH	48

AUTHORIZATION FOR PAYMENT OF SENIOR CITIZEN
SEWER REBATE CLAIMS.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an order authorizing the payment of senior citizen sewer rebate claims, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schuler, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

The following is said order as passed:

Ordered, That the City Comptroller is authorized and directed to pay the following named claimants the respective amounts set opposite their names, said amounts to be paid in full as follows and charged to Account Number 314-99-2005-9148-0938:

[List of claimants printed on page 45982 of this Journal.]

Do Not Pass -- SUNDRY CLAIMS FOR VARIOUS REFUNDS.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, Small Claims Division, to which was referred on January 20, 1999 and on subsequent dates, sundry claims as follows:

Bernal, April Dinh

Gales, Freda

Garza, Apapita

Gray, Chester

Hetmanowska, Margie

Ingallinera, Rose Ann

Johnson, Tommy

(Continued on page 45983)

COMMITTEE ON FINANCE
SMALL CLAIMS, CITY OF CHICAGO
SEWER REBATE JOURNAL

NAME	PIN NUMBER	ALDERMAN	AMOUNT
ALSDORF, MARILYN B.	17-03-208-005-0000	42 NATARUS	50.00
ARMINAH, ELIZABETH J.	10-36-100-015-1031	50 STONE	50.00
BARNES, AMY L.	20-12-100-003-1512	04 PRECKWINKLE	50.00
BASSE, JACK	14-06-120-005-1244	40 D'CONNOR	50.00
BLAKEMORE, VERNA L.	20-12-100-003-1304	04 PRECKWINKLE	50.00
BOGAN, MADINE	20-11-319-036-1008	04 PRECKWINKLE	50.00
BOGDANOWICZ, ELIZABETH	13-18-409-069-1216	38 ALLEN	50.00
CHILDRESS, RUBY	20-14-202-076-1318	04 PRECKWINKLE	50.00
COHEN, CELINE	14-08-408-029-0000	48 SMITH	50.00
CROWN, WILLIAM R. & BESSIE M.	20-11-313-028-1022	04 PRECKWINKLE	50.00
DAVIS, DELLA F.	20-12-100-003-1594	04 PRECKWINKLE	50.00
DORAN, VICTORIA	13-18-411-006-1024	38 ALLEN	50.00
DORSEY, TARDIEFAY	20-12-100-003-1515	04 PRECKWINKLE	50.00
EBNER, SYLVIA & SOL	10-36-100-015-1126	50 STONE	50.00
GHOLSON, ARLETTA D.	20-12-100-003-1322	04 PRECKWINKLE	50.00
KELLY, THOMAS	13-18-409-069-1196	38 ALLEN	50.00
LEONARDO, EUGENE R.	12-14-112-025-1079	36 BANKS	50.00
LEVY, VERA M.	20-12-100-003-1546	04 PRECKWINKLE	50.00
LOBODZINSKI, ELEONORA E.	17-09-410-014-1025	42 NATARUS	50.00
MCDUFFIE, JOAN I.	20-12-100-003-1440	04 PRECKWINKLE	50.00
MOSLEY, RICHARD E.	20-12-100-003-1197	04 PRECKWINKLE	50.00
OLAH, GERTRUDE	13-18-411-006-1008	38 ALLEN	50.00
ROTTMAN, ANN	10-36-120-003-1192	50 STONE	50.00
SMITH, EMMA	20-12-100-003-1122	04 PRECKWINKLE	50.00
TESLER, STANLEY A.	17-03-220-020-1400	42 NATARUS	50.00
TOWLES, DELORES	20-12-100-003-1513	04 PRECKWINKLE	50.00
YOUNG, ANNA T.	20-12-100-003-1357	04 PRECKWINKLE	50.00
* TOTAL AMOUNT			1,350.00

(Continued from page 45981)

Little, Tony

Luschnig, Rose

Nevitt, Roseann A.

Orenstien, Larry and State Farm Insurance Company

Saucedo, David

Taylor, Robert and Sharon

Thorne, Mildred

Williams, Tim and Kim and Universal Casualty Company

Wright, Cherly,

having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Do Not Pass* said claims for payment.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the committee's recommendation was *Concurred In* by yeas and nays as follows:

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Frias, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Austin, Colom, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

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

*Placed On File -- APPLICATIONS FOR CITY OF CHICAGO
CHARITABLE SOLICITATION (TAG DAY) PERMITS.*

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration two applications for City of Chicago charitable solicitation (tag day) permits:

- A. Les Turner ALS Foundation,
May 1, 2001 through May 31, 2001 -- city-wide;
- B. Northwestern University Dance Marathon,
November 17, 2000 through November 18, 2000 and
February 9, 2001 through February 10, 2001 -- city-wide,

having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Place on File* the proposed applications transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the committee's recommendation was *Concurred In* and said applications and report were *Placed on File*.

Action Deferred -- AMENDMENT OF REDEVELOPMENT PLAN FOR
READ/DUNNING REDEVELOPMENT PROJECT AREA.

The Committee on Finance submitted the following report which was, on motion of Alderman Burke and Alderman Allen, *Deferred* and ordered published.

CHICAGO, November 15, 2000.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance amending the redevelopment plan for the Read/Dunning Redevelopment Project Area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body pass the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

The following is said proposed ordinance transmitted with the foregoing committee report:

WHEREAS, Under ordinances adopted on January 11, 1991, and published in the Journal of Proceedings of the City Council for such date (the "Journal of Proceedings") at pages 28768 to 28828, and under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.1, et seq., as amended

(the "Act"), the City Council (the "Corporate Authorities") of the City of Chicago (the "City"): (i) approved a redevelopment plan and project (the "Redevelopment Plan") for a portion of the City known as the "Read/Dunning Redevelopment Project Area" (the "Redevelopment Project Area") (such ordinance being defined herein as the "Plan Ordinance"); (ii) designated the Redevelopment Project Area as a "redevelopment project area" within the requirements of the Act (the "Designation Ordinance") and, (iii) adopted tax increment financing for the Redevelopment Project Area (the "T.I.F. Adoption Ordinance") (the Plan Ordinance, the Designation Ordinance and the T.I.F. Adoption Ordinance are collectively referred to in this ordinance as the "T.I.F. Ordinances"); and

WHEREAS, The Corporate Authorities have determined that an amendment to the Redevelopment Plan is necessary to incorporate the "portability" language included in Section 11-74.4-4(q) of the Act and in the Illinois Industrial Jobs Recovery Law 65 ILCS 5/11-74.6-15(s) (1998 State Bar Edition), as amended to permit the City to transfer a certain amount of tax increment revenues to and from the Redevelopment Project Area and other redevelopment areas contiguous to or separated only by a public right-of-way from the Redevelopment Project Area, and vice versa; and

WHEREAS, Under Section 11-74.4-5(c) of the Act, certain amendments may be made to a redevelopment plan without further hearing, provided that notice is given as set forth in the Act, including: (i) an amendment which does not substantially change the nature of a redevelopment plan approved by a municipality; and, (ii) an increase in the total estimated redevelopment project costs stated in a redevelopment plan by not more than five percent (5%) after adjustment for inflation from the date of adoption of a redevelopment plan; and

WHEREAS, The Corporate Authorities find that allowing for the portability of not to exceed ten percent (10%) of the Estimated Project Costs set forth in Section V.D. of the Redevelopment Plan, as such Estimated Project Costs are increased by five percent (5%) after adjustment for inflation from the date of adoption of the Redevelopment Plan, does not constitute a substantial change in the nature of the Redevelopment Plan; and

WHEREAS, The Redevelopment Plan established the estimated dates of completion of the redevelopment project described in the Redevelopment Plan and of the retirement of obligations issued to finance redevelopment project costs to be January 11, 2014, which date is not more than twenty-three (23) years from the date of the adoption of the Designation Ordinance, and the Corporate Authorities made a finding in the Plan Ordinance that such dates were not more than twenty-three (23) years from the date of the adoption of the Designation Ordinance in accordance with the provisions of Section 11-74.4-3(n)(3) of the Act in effect on the date of adoption of the T.I.F. Ordinances; and

WHEREAS, Public Act 91-478 (the "Amendatory Act"), which became effective November 1, 1999, amended the Act, among other things, to: (i) change the dates set forth in Section 11-74.4-3(n)(3) of the Act by which redevelopment projects must be completed and obligations issued to finance redevelopment project costs must be retired to be no later than December 31 of the year in which the payment to a municipal treasurer as provided in Section 11-74.4-8(b) of the Act is to be made with respect to ad valorem taxes levied in the twenty-third (23rd) calendar year after the year in which the ordinance approving a redevelopment project area is adopted; and (ii) provide that a municipality may amend an existing redevelopment plan to conform such redevelopment plan to Section 11-74.4-3(n)(3) of the Act, as amended by the Amendatory Act, by an ordinance adopted without further hearing or notice and without complying with the procedures provided in the Act pertaining to an amendment to or the initial approval of a redevelopment plan and project and designation of a redevelopment project area; and

WHEREAS, The Corporate Authorities desire to amend the Redevelopment Plan to conform the Redevelopment Plan to Section 11-74.4-3(n)(3) of the Act, as amended by the Amendatory Act, in accordance with the procedures set forth in amended Section 11-74.4-3(n)(3); now, therefore,

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

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

SECTION 2. Approval Of Amendment To Redevelopment Plan. The "Revision Number 1 to the Read/Dunning Tax Increment Financing Redevelopment Plan and Project", a copy of which is attached hereto as Exhibit A (the "Plan Amendment Number 1"), is hereby approved. Except as amended hereby, the Redevelopment Plan shall remain in full force and effect.

SECTION 3. Finding. The Corporate Authorities hereby find that the estimated dates of completion of the redevelopment project described in the Redevelopment Plan and of the retirement of obligations issued to finance redevelopment project costs set forth in the Redevelopment Plan, as amended by the Plan Amendment, conform to the provisions of Section 11-74.4-3(n)(3) of the Act, as amended by the Amendatory Act.

SECTION 4. Invalidity Of Any Section. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

SECTION 5. Superseder. All ordinances (including, without limitation, the T.I.F. Ordinances), resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflicts.

SECTION 6. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

City Of Chicago

Read/Dunning Tax Increment

Redevelopment Area

Redevelopment Plan And Project

Revision Number 1.

[Note: Alphabetical order of section designations reflects original document.]

E. Sources of Funds to Pay Redevelopment Project Costs Eligible Under Illinois T.I.F. Statute.

Funds necessary to pay for public improvements and other project costs eligible under the T.I.F. statute are to be derived principally from property tax increment revenues, proceeds from municipal obligations to be retired primarily with tax increment revenues and interest earned on resources available but not immediately needed for the Redevelopment Plan and Project.

"Redevelopment Project Costs" specifically contemplate those eligible public costs set forth in the Illinois statute and do not contemplate the preponderance of the costs to redevelop the area. The majority of development costs will be *privately* financed, and T.I.F. or other public sources are to be used only to leverage and commit private redevelopment activity.

The tax increment revenues which will be used to pay debt service on the tax increment obligations, if any, and to directly pay redevelopment project costs shall be the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the R.P.A. over and above the initial equalized assessed value of each such lot, block, tract or parcel in the R.P.A. in the 1989 tax year.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are the following: special service area taxes, the proceeds of property sales, property taxes, certain land lease payments, certain Motor Fuel Tax revenues, certain state and federal grants or loans, certain investment income and such other sources of funds and revenues as the City may from time to time deem appropriate.

If the Redevelopment Project Area is contiguous to, or separated only by a public right-of-way from, one (1) or more redevelopment project areas created under the Act, the City may utilize revenues received under the Act from the Redevelopment Project Area in an amount not to exceed ten percent (10%) of the Estimated Project Costs set forth in Section V, Part D, as such Estimated Project Costs are increased by five percent (5%) after adjustment for inflation from the date the Redevelopment Plan was adopted, to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas or other redevelopment project areas separated only by a public right-of-way, and vice versa. In addition, if the Redevelopment Project Area is contiguous to, or separated only by a public right-of-way from, one or more redevelopment project areas created under the Industrial Jobs Recovery Law (the "Law"), 65 ILCS 5/11-74.6-1, et seq. (1996 State Bar Edition), as amended (an "IJRB Project Area"), the City may utilize revenues received from such IJRB Project Area(s) in an amount not to exceed ten percent (10%) of the Estimated Project Costs set forth in Section V, Part D, as such Estimated Project Costs are increased by five percent (5%) after adjustment for inflation from the date the Redevelopment Plan was adopted, to pay eligible redevelopment project costs or obligations issued to pay such costs in the Redevelopment Project Area, and vice versa. Such revenues may be transferred outright from or loaned by the IJRB Project Area to the Redevelopment Project Area and vice versa. The amount of revenue from the Redevelopment Project Area made available to support any contiguous redevelopment project areas, or those redevelopment project areas separated only by a public right-of-way, when added to all amounts used to pay eligible redevelopment project costs within the Redevelopment Project Area, shall not at any time exceed the total Estimated Project Costs, as adjusted, described in this Redevelopment Plan. This paragraph is intended to give the City the benefit of the "portability" provisions set forth in the Act, 65 ILCS 5/11-74.4-4 (q), and the Law, 65 ILCS 5/11-74.6-15(s).

The Redevelopment Project Area would not reasonably be expected to be developed without the use of the incremental revenues provided by the Act.

F. Nature And Term Of Obligations To Be Issued.

The City may issue obligations secured by the tax increment special tax allocation fund established for the Redevelopment Project Area pursuant to the Act or such other funds as are available to the City by virtue of its power pursuant to the Illinois State Constitution.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired no later than December 31 of the year in which the payment to the municipal treasurer as provided in Section 11-74.4-8(b) of the Act is to be levied in the twenty-third (23rd) calendar year after the year in which the ordinance approving the Original Project Area and Original Redevelopment Plan was adopted (such ultimate retirement date occurring on December 31, 2015). [Any and/or all obligations issued by the City pursuant to this Redevelopment Plan and Project and the Act shall be retired not more than twenty-three (23) years from the date of adoption of the ordinance approving the redevelopment Project Area.] However, the final maturity date of any obligations issued pursuant to the Act may not be later than twenty (20) years from their respective date of issuance. One (1) or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. The total principal and interest payable in any year, or projected to be available in that year, from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds and all other sources of funds as may be provided by ordinance.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Redevelopment Plan, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping the R.P.A. in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions.

G. Most Recent Equalized Assessed Valuation (E.A.V.) Of Properties In The
Redevelopment Project Area.

The most recent estimate of equalized assessed valuation (E.A.V.) of the property within the R.P.A. is approximately *Six Million Thirty-seven Thousand One Hundred Seventy-five Dollars (\$6,037,175)* which is the 1989 equalized assessed valuation. The Boundary Map, Exhibit 3, shows the location of the R.P.A.

H. Anticipated Equalized Assessed Valuation.

Upon completion of the anticipated private development of the Redevelopment Project Area over a ten (10) year period, it is estimated that the equalized assessed valuation of the property within the Redevelopment Project Area will be approximately Forty-five Million Dollars (\$45,000,000). The estimate assumes a constant Cook County equalization factor (multiplier) of 1.9122 and 1990 dollars.

Relocation: The City may pay for certain relocation costs, conformant with City policies and regulations.

Interest Cost Coverage: The City may pay for certain interest costs incurred by a redeveloper for construction, renovation or rehabilitation of the redevelopment project. Such funding would be paid for out of annual tax increment revenue generated from the R.P.A. as allowed under the Act.

Professional Services: The City may use tax increment financing to pay necessary planning, legal, engineering, administrative and financing costs during project implementation.

B. Commitment To Fair Employment Practices And Affirmative Action.

As part of any Redevelopment Agreement entered into by the City and any private developers, both will agree to establish and implement a honorable, progressive, and goal-oriented affirmative action program that serves appropriate sectors of the City. The program will conform to the most recent City policies and plans.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people

regardless of sex, color, race or creed. Neither party will countenance discrimination against any employee or applicant because of sex, marital status, national origin, age or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and education opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The City and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, any public/private entities will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which all employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals.

Finally, the entities will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

C. Completion Of Redevelopment Project And Retirement Of Obligations To Finance Redevelopment Costs.

The estimated date for completion of Redevelopment Projects is no later than December 31, 2015. [This Redevelopment Project will be completed on or before a date twenty-three (23) years from the adoption of an ordinance designating the Redevelopment Project Area.] The City expects that the Redevelopment Project will be completed sooner than the maximum time limit set by the Act, depending on the incremental property tax yield. Actual construction activities for both phases are anticipated to be completed within approximately seven (7) to ten (10) years.

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