(Published by the Authority of the City Council of the City of Chicago)

COPY

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

Special Meeting—September 15, 1983

at 3:00 P.M.

(Council Chamber—City Hall—Chicago, Illinois)

OFFICIAL RECORD.

HAROLD WASHINGTON
Mayor

WALTER S. KOZUBOWSKI
City Clerk

Call to Order.

On Thursday, September 15, 1983, at 3:00 P.M. (the day and hour appointed for the meeting) Honorable Harold Washington, Mayor, called the meeting to order. Daniel J. Burke, Deputy City Clerk, then called the roll of members and it was found that there were present at that time: Aldermen Roti, Rush, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, O'Conner, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Stone--46.

Quorum present.

On motion of Aldermen Nardulli and Cullerton, respectively, it was ordered noted in the Journal that Aldermen Marzullo and Laurino were absent due to illness.

Invocation.

Alderman George J. Hagopian, 30th Ward, opened the meeting with prayer.

Call for Special Meeting Read.

The Clerk informed the City Council that the following call for the meeting was filed in the Office of the City Clerk on September 14, 1983, at 3:00 P.M.:

September 14, 1983.

Honorable Walter S. Kozubowski
City Clerk
Room 107, City Hall
Chicago, IL 60602

DEAR MR. KOZUBOWSKI--We, the undersigned Aldermen of the City of Chicago, pursuant to Illinois law and ordinances, do hereby call a Special Meeting of the City Council of the City of Chicago to be held on Thursday, September 15, 1983, at 3:00 P.M. in the City Council Chambers for the purpose of calling up for immediate consideration a report of the Committee on Finance recommending:

1. An ordinance authorizing the Levy of Taxes in Special Service Area Number 2;

2. An ordinance authorizing the execution of a Redevelopment and Loan Agreement with Trader's Building Venture Project;

3. A resolution authorizing the funding of 27 delegate agencies under the CD Year IX Program and 1983 Emergency Job Bill;

And for the purpose of introducing:

1. An ordinance authorizing a furlough plan for certain City employees to be introduced by Aldermen Gabinski, Damato and Stone.

Very truly yours,
(Signed) TERRY GABINSKI,
Alderman, 32nd Ward.

(Signed) FRANK A. DAMATO,
Alderman, 37th Ward.

(Signed) BERNARD L. STONE,
Alderman, 50th Ward.

Authority Granted for Levy of Taxes in Special Service Area Number 2 for Year 1984.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith, authorizing the levy of taxes in Special Service Area Number 2, Belmont-Central, for the fiscal year 1984 in the amount of $61,568.00.

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

Yeas--Aldermen Roti, Rush, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Stone--46.

Nays--None.

Alderman Stemberk moved to *Reconsider* the foregoing vote. The motion was *Lost*.

Alderman Burke then requested that the record reflect that the said passed ordinance was promptly transmitted to the Mayor who affixed his signature to same at 3:28 P.M.

The following is said ordinance as passed:

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

SECTION 1. Findings. The City Council of the City of Chicago finds that on June 30, 1982, a special service area was established pursuant to the provisions of "An Act to provide the manner of levying or imposing taxes for the provision of special services to areas within the boundaries of home rule units and non-home rule municipalities and counties" (Ill. Rev. Stat. Chapter 1201301, *et seq.*), in and for that part of the City of Chicago which is within the area 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 for the purpose of furnishing special services in and for such area, such special service area being designated as "City of Chicago Special Service Area Number Two"; that the ordinance creating such Special Service Area Number Two authorized the levy of annual taxes on all taxable property within said Area for the payment of the cost of furnishing maintenance, operation and upkeep of an automobile parking facility located at No. 3140 North Central Avenue, provided that such special annual tax shall be limited in amount so that the total of such annual maintenance tax will not exceed an annual rate of 1.5% of the assessed value, as equalized, of the real property within the Special Service Area; that the ordinance creating such Special Service Area Number Two provided for the appointment of the Belmont-Central Parking Commission for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing special services in and for such special service area and further to advise the Mayor and the City Council regarding the special maintenance taxes to be levied against property within such special service area; that the Belmont-Central Parking Commission has been duly appointed and qualified and has heretofore prepared and filed in the Office of the Mayor of the City of Chicago and with the City Council its recommendations for a yearly budget to meet the special services required to be furnished in said Special Service Area Number Two for the fiscal year commencing January 1, 1984 and has further advised the Mayor and the City Council concerning the annual special maintenance taxes necessary to be levied in said Special Service Area Number Two for the tax year 1983 for the purpose of providing funds necessary to provide such special services.

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 Special Service Area Number

Two, which said special services are unique to said Area and are in addition to municipal services provided to the City as a whole, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of taxes against all taxable property within said Special Service Area, indicated as follows:

For The Fiscal Year Beginning January l, 1984
And Ending December 31, 1984
Expenditures

PAYROLL EXPENSE			
(1)	Wages		$ 8,843
	Payroll Taxes		594
	Insurance		268
		Total Payroll Expense	$ 9,705
OCCUPANCY EXPENSE			
	Utilities		$ 7,392
		Total Occupancy Expense	$ 7,392
ADMINISTRATIVE EXPENSE			
	Snow Plowing		$ 3,360
	Accounting and Legal	840	
	Advertising		112
	Cleaning		112
	Insurance		9,296
	Office Expense		78
(2)	Security Services		24,192
	Supplies		224
	Other Administrative	112	
	License Fees		1,036
		Total Administrative Expense	$ 39,362
	Reserve - Major Maintenance		$ 4,500
(3)		TOTAL OPERATING EXPENSE	$ 60,959
		FOR LOSS OF TAX IN COLLECTION-1%	609
TOTAL			$ 61,568

Source of Funds

Tax Levy	$ 61,568

SECTION 3. Levy of Taxes. There be and there is hereby levied pursuant to the provisions of Article VII, Sections 6 (a) and 6 (l) of the Constitution of the State of Illinois and pursuant to the provisions of "An Act to provide the manner of levying or imposing taxes for the provisions of special services to areas within the boundaries of home rule units and non-home rule municipalities and counties" (Ill. Rev. Stat. Chapter 120, 1301, *et seq.*), and pursuant to the provisions of an ordinance adopted on June 30, 1982, establishing the "City of Chicago Special Service Area Number Two," the sum of ($61,568) as a special tax for the tax year 1983 against all taxable property situated within that part of the City of Chicago which is subject to taxation and which is situated within the City of Chicago Special Service Area Number Two.

SECTION 4. Filing. That the City Clerk is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois, no later than the third Tuesday in September, 1983, a certified copy of this ordinance and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the special tax herein provided for, such special tax to be extended for collection by the County Clerk for the tax year 1983 against all the taxable property within the territory situated within the City of Chicago Special Service Area Number Two, the amount of such special taxes herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within said Special Service District and such special tax shall not exceed an annual rate of 1.5% of the assessed value, as equalized, of the real property within the Special Service Area.

SECTION 5. Publication. This ordinance shall be published by the City Clerk, in pamphlet form, by preparing at least 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. This ordinance shall be in full force and effect upon its publication as herein and as by law provided.

Execution of Redevelopment and Loan Agreement Authorized Between City and Trader's Building Venture Project for Premises Located at No. 401 S. LaSalle St.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith, authorizing the execution of a redevelopment and loan agreement between the City of Chicago and Trader's Building Venture Project for renovation of existing premises located at No. 401 S. LaSalle Street in the amount of $1,050,000.00.

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

Yeas--Aldermen Roti, Rush, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Stone--46.

Nays--None.

Alderman Stemberk moved to *Reconsider* the foregoing vote. The motion was *Lost*.

The following is said ordinance as passed:

WHEREAS, The City Council of the City of Chicago, by ordinance passed December 1, 1982, authorized the submission of an application of the United States Department of Housing and Urban Development for an Urban Development Action Grant to promote the economic revitalization of the South Loop; and

WHEREAS, Pursuant to said application the United States Department of Housing and Urban Development has approved Urban Development Action Grant Number B-83-AB-17-0132 which provides for a loan of grant funds to American National Bank and Trust Company, as Trustee, and Trader's Building Venture, an Illinois limited partnership, for the acquisition and renovation of property located at No. 401 S. LaSalle Street which will create expanded employment in the South Loop; now, therefore,

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

SECTION 1. The Acting Commissioner of the Department of Economic Development is authorized to enter into and execute on behalf of the City of Chicago a Redevelopment Agreement which obligates the City of Chicago upon the granting of sufficient security, to lend $1,050,000.00 of Urban Development Action Grant funds to American National Bank and Trust Company, as Trustee, and Trader's Building

Venture, the Developer, for the acquisition and renovation of property located at 401 South LaSalle Street in the South Loop of the City of Chicago; and which Redevelopment Agreement obligates Trader's Building Venture to purchase and renovate the aforesaid property as part of the rehabilitation of the South Loop by expending approximately $14,960,325.00 in private funds; and further obligates Trader's Building Venture to use its best efforts to create 297 new, permanent job opportunities as represented in the original application for funds.

The Acting Commissioner of the Department of Economic Development is further authorized to enter into and execute any and all other instruments, documents and agreements as may be necessary and proper to effect the terms of the Redevelopment Agreement said Redevelopment Agreement being substantially in the form attached hereto as Exhibit A.

SECTION 2. This ordinance shall be effective by and from the date of its passage.

Exhibit A attached to this ordinance reads as follows:

EXHIBIT A

This Redevelopment and Loan Agreement ("Agreement") entered into and executed this ____ day of ______, 1983, by and among the Department of Economic Development on behalf of the City of Chicago, a Home Rule Unit of Government of the State of Illinois ("DED"), with principal offices located at No. 20 N. Clark Street, Room 2800, Chicago, Illinois 60602, American National Bank and Trust Company, as Trustee, under Trust Agreement dated August 2, 1983, and known as Trust Number 55704 ("Borrower"), with principal offices located at No. 33 N. LaSalle Street, Chicago, Illinois 60690, and Trader's Building Venture, an Illinois limited partnership with principal offices located at No. 401 South LaSalle Street, Chicago, Illinois 60605 ("Developer").

RECITALS

Whereas, DED has as its primary purpose the creation of additional employment opportunities in the City of Chicago through the attraction and expansion of economic development in the City; and

Whereas, Developer desires to acquire and renovate that certain piece of property located at 401 South LaSalle Street, Chicago, Illinois, and commonly known as The Trader's Building ("Premises"), into a mixed use office/retail complex ("Project"); and

Whereas, Developer has obtained commitments from commercial institutions to provide a portion but not all of the interim permanent financing (collectively "Lender"); and

Whereas, the United States Department of Housing and Urban Development ("HUD") Urban Development Action Grant Number B-83-AB-17-0139 to DED in the amount of $1,100,000.00 ("Grant"), which Grant provides for DED to loan $1,050,000.00 to Borrower and Developer; and

Whereas, completion of the Project will help enhance the development of the area of the central business district of the City of Chicago known as the South Loop and will create additional job opportunities in the South Loop.

Now Therefore, the parties agree as follows:

Section 1. The foregoing recitals are hereby made a part hereof.

Section 2. Borrower agrees to borrow from DED, and DED agrees to lend to Borrower $1,050,000.00 ("Loan"), subject to the terms and conditions of this Agreement and the Grant, which is hereby incorporated herein by reference.

Section 3. Project Description and Schedule.

A. Developer shall acquire and renovate the Premises into approximately 142,500 square feet of office rental space, and 6,000 square feet of retail space for a total Project cost of not less than $16,055,325.00, of which not less than $6,622,065.00 (including a contingency of $600,000.00) shall be for renovation. In addition, Developer shall provide tenant improvements of not less than $1,643,404.00 within the Premises as part of the total Project cost.

B. The Project will proceed according to the following schedule:

i. site acquisition on August 17, 1982;

ii. renovation commencing on July 31, 1983 and finishing on July 31, 1985; subject only to delays in performance due to strikes, wars, acts of God, insurrection, government restrictions in obtaining any labor or material or the performance thereof, or other causes beyond the reasonable control of Developer (all or any of the foregoing are hereinafter sometimes referred to as "Permitted Delays"). In the event Developer shall not conform to the timetable referred to in the Grant Agreement and such delay shall be caused by a "Permitted Delay," then, in such event, the time lost as a result of such "Permitted Delay" shall be added to the time for completion by Developer.

Section 4. The Loan. The Loan will be comprised of a construction component ("Construction Loan"), which shall be converted to a permanent loan ("Permanent Loan").

A. The Construction Loan shall be in the amount of $1,050,000.00 plus interest at the rate of 4.5% per annum, and shall have a term of 24 months from the date of initial disbursement *of funds, or June 30, 1985, whichever comes first. The interest shall accrue during the term* of the construction and both principal and said accrued interest shall be prepaid by conversion to a Permanent Loan.

B. The Permanent Loan shall be in the amount of $1,050,000.00 plus interest accrued during the term of the Construction Loan, and shall have a term of 20 years, commencing on the earlier to occur of substantial completion of construction or July 31, 1985.

1. Interest shall be charged on the Permanent Loan as follows:

a. 4.5% per annum during years 1 through 7 of the term.

b. 8% per annum during years 8 through 20 of the term.

2. Repayment shall be in accordance with the following schedule:

a. interest shall accrue during months 1 through 36.

b. interest accrued under "2a." above shall be added to the principal balance of the Permanent Loan to form a new principal balance outstanding which shall be repaid monthly, in equal installments of principal together with interest thereon at the rate of 4.5% per annum based on a 17 year amortization schedule for months 37 through 84.

c. equal monthly installments of the principal balance outstanding together with interest thereon at the rate of 8% per annum based upon a 13 year amortization schedule, for months 85 through 240.

Section 5. Additional Interest. Additional interest shall be paid DED by Borrower as follows:

A. After Developer has earned and received on a cumulative basis, an amount equal to 10% of Developer's equity investment determined as of the date of this Agreement DED shall receive 25% of the remaining Net Cash Flow on an annual basis. Net Cash Flow shall mean all operating revenues less debt service, real estate taxes and reasonable and customary operating expenses (9 including a management fee not to exceed 4% of revenues), without deduction for depreciation or extraordinary capital improvements (sums treated as capital expenses for tax and accounting purposes).

B. Developer shall, within 120 days of the close of each calendar year during the term of the Loan, deliver a statement from a certified public accountant, certified by a duly authorized officer of Developer stating: a) gross revenues; b) Net Cash Flow: and c) additional interest, if any, due DED under this Section 5.

Section 6. Syndication/Sale/Refinancing. In the event of a Syndication, Sale or Refinancing of all or any portion of the Project, then the outstanding principal balance of the Loan together with interest accrued thereon shall be immediately due and payable to DED. In addition to the aforesaid payment, DED shall receive: (i) an amount equal to 15% of the proceeds of such Syndication, Sale, or Refinancing after paying off then existing long term secured creditors; and (ii) the then fair market value of DED's right to participation in Net Cash Flow pursuant to Section 5A of this Agreement.

A. Syndication shall mean any sale of any interest or participation in the Project where the issuer retains a significant interest, other than a private offering as described in Section 4 (2) of the Securities Act of 1933 and all rules and regulations pertaining thereto.

B. Determination of the fair market value under this Section 6 shall be by:

(i) Developer and DED shall each obtain appraisals from independent MAI appraisers. If the two appraisals are within 10% of each other, the fair market value shall be the figure midpoint between said appraisals.

(ii) If the variance between the two appraisals is greater than 10% the two appraisers shall select a third MAI appraiser whose findings shall be conclusive and binding on Developer and City.

C. Notwithstanding anything contained herein, a "rollover" of the Construction Loan into a Permanent Loan, or a takeout of the aforesaid Construction Loan by a new permanent lender approved by DED and HUD, and which takeout does not exceed $13,500,000.00 shall not be deemed a Refinancing under this Agreement.

Section 7. Security. Security for the Loan shall consist of:

A. A mortgage in favor of DED, upon the Premises, including but not limited to all buildings, fixtures and equipment; assignments of Leases and Rents; and all other assests of Borrower comprising the Project. The mortgage and assignments may be subordinated to a maximum aggregate amount of $13,500,000.00, and the mortgage shall include a clause providing that a default under any other agreement of Borrower or Developer pertaining to the Project shall constitute a default of DED's loan.

B. The unconditional guarantees of Francis S. Wilson III, John G. Wilson and Richard C. Gsell of repayment of the Loan. It is expressly agreed that any of the aforenamed persons may substitute another person as a guarantor of the Loan subject to the prior written consent of DED, which will not be withheld so long as the proposed substitute guarantor demonstrates to DED's sole satisfaction equal or better liquid financial strength as the guarantor being replaced.

Section 8. Disbursement. Disbursement of Loan Proceeds shall be as follows:

A. Prior to the initial disbursement under this Agreement each of the following conditions precedent shall have been fully satisfied:

(i) All governmental approvals and permits necessary for the Project shall have been obtained;

(ii) Developer has certified to DED that it has not less than $1,960,325.00 in private funds irrevocably committed to the Project;

(iii) Borrower has furnished DED with an ALTA policy for mortgage title insurance in the amount of $1,050,000.00 insuring that DED will be the holder of a second lien on the Premises, free of encumbrances and other exceptions to title other than those approved in advance by DED and not subordinated to any interest except the interest of the construction lender and succeeding permanent lender in an amount not to exceed $13,500,000.00;

(iv) Borrower *shall* furnish DED with a promissory note in form acceptable to DED's counsel in the full amount of the Loan;

(v) DED shall have been furnished insurance policies in companies, forms and amounts and with coverages satisfactory to DED, insuring the Premises and Project against loss or damage by fire or other casualty under the "all risk" form of coverage with extended coverage and for such other hazards as City may require. Said policies shall contain mortgage clauses, satisfactory to DED, naming DED as mortgagee, and which policies shall not be cancellable, terminable or subject to amendment without at least 30 days prior written notice to DED.

(vi) DED shall have been furnished the guarantees set forth in Section 7B hereunder;

(vii) All documents to be recorded have been recorded and the title commitment for the Premises shall have been brought down to date;

(viii) Evidence, satisfactory to DED of a firm, irrevocable loan commitment in the amount of no less than $13,500,000.00 from a commercial lender;

B. Upon completion of the foregoing conditions precedent, loan funds may be drawn on the following basis;

(i) Draw requests for loan proceeds shall be made on a monthly draw basis on A.I.A. forms: certified to and approved by the development architect and/or engineer, the City's representative and/or such other certifying official as may be approved by Developer and DED.

(ii) Disbursements shall be paid out of Grant funds by DED in an amount proportionate to the total costs of the Project, including debt and equity financing of Developer, but in no event greater than a ratio of $1.00 Grant funds for every $10.43 Developer funds excluding Premises acquisition costs.

(iii) Monthly draw requests shall be made on the basis of 90% of work completed and in place with a 10% holdback. One-half of the 10% holdback shall be released when 50% of the Project is completed and in place and certified and approved pursuant to (i) above. Thereafter monthly draw requests shall be based on 95% of work completed and in place with the 5% holdback released upon final inspection by the requisite approving official of DED that Project is substantially complete and Borrower or Developer has supplied Approving official with full release of liens for work and services performed on behalf of the Project.

Section 9. Defaults and Remedies. DED may in its sole discretion declare the entire principal balance of the Loan outstanding, together with interest thereon immediately due and payable upon the occurrence of any one of the following:

A. A voluntary or involuntary declaration of bankruptcy, reorganization, dissolution or liquidation of Developer or assignment of substantially all of Developer's assets for the benefit of creditors;

B. Failure to pay, when due, any sums owing DED hereunder from Borrower or Developer;

C. Failure to perform any other undertaking under this Agreement, the mortgage, the note or any other agreement document or writing pertaining to the Loan.

Section 10. Prepayment. Prepayment of the principal loan balance from time to time outstanding together with interest accrued thereon, may occur at any time during the Loan term with penalty.

Section 11. Additional Jobs. Developer will use its best efforts to create or cause to be created in connection with the renovation of the Premises and utilization thereof, within 48 months of the date of preliminary approval of the Grant, 297 permanent job opportunities of which at least 104 positions shall be for persons who, at the time of their employment, are persons of low or moderate incomes, 27 positions shall be for CETA eligible persons, and 59 positions shall be for minority persons.

Section 12. Books and Records. Developer will keep and maintain books, records, and other documents relating directly to the receipt and disbursement of the Loan, and Developer agrees that any duly authorized representative of the Secretary of HUD, of the Comptroller General of the United States, or DED shall, at all reasonable times, be permitted access to and the right to inspect, copy, audit, and examine all such books, records and other documents of the Developer until the completion of all close-out procedures required to be observed by DED with respect to the Grant and until the final settlement and conclusion of all issues which may arise with respect to the Grant to DED.

Section 13. Access. For the period set forth in Section 3 of this Agreement, any duly authorized representative of DED or HUD shall, at all reasonable times, have access to any portion of the Premises.

Section 14. No Assignment or Succession. No transfer of loan funds by DED to Borrower shall be deemed an assignment of Grant funds, and Borrower shall neither succeed to any rights, benefits, or advantages of DED under the Grant nor attain any rights, privileges, authorities or interests in or under the Grant.

Section 15. Amendment. During the term of this Agreement, it shall not be amended in any material respect without the prior written approval of HUD. An amendment shall be deemed "material" within the meaning of said provision, if it cancels or reduces any developmental, construction, job creating, or financial obligation of Borrower by more than 10%; provided, that an increase in any time for performance which does not exceed 30 days shall not be deemed "material."

Section 16. Signage. Developer shall erect and maintain at the Project, a project sign, which shall be designated and contain such information as shall be consistent with the policy established by HUD.

Section 17. No Agency/Partnership/Joint Venture. DED and Developer agree that nothing in this Agreement shall be deemed or construed by any of the parties hereto or by any third persons to create any relationship of principal and agent, or of limited or general partnership, or of joint venture,or any association or relationship involving HUD.

Section 18. No Interest of DED; Representatives Not Individually Liable. No member, officer or employee of DED, or its designees, or agents, no consultant, no member of the governing body of the City of Chicago , or the locality in which the City is situated, and no other public official of the City or such locality or localities, who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project or in any activity, or benefit therefrom, which is part of this Project.

Section 19. Equal Employment Opportunity. Borrower and its successors and assigns, agree that during the term of the Loan provided for in Section 4 of this agreement:

(a) It will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin. Borrower shall take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include but not be limited to the following:

employment upgrading, demotion, transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation, and selection for training, including apprenticeship. Borrower agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

(b) Borrower will in all solicitations of advertisements for employees placed by or on their behalf, state that all qualified applicants will receive considerations for employment without regard to race, religion, color, sex, or national origin.

(c) Borrower will include the provisions of Paragraphs (a) and (b) in every contract, and will require the inclusion of those provisions in every subcontract entered into by any of their contractors so that such provisions will be binding upon each such contractor or subcontractor, as the case may be.

(d) Discrimination as used herein shall be interpreted in accordance with federal law as construed by court decisions. This covenant may be enforced solely by DED and solely against the party which breaches this convenant.

Section 20. Notices. Any notice which any party hereto may desire or may be required to give to any other party shall be in writing, and the mailing thereof by certified or registered mail, postage, prepaid, return receipt requested, to the respective addresses of the parties set forth below, or to such other place as any party hereto may by notice in writing designate for itself, shall constitute service of notice hereunder two business days after the mailing thereof:

(a) If to DED:

City of Chicago, Illinois
Department of Economic Development
20 North Clark Steet - Room 2800
Chicago, Illinois 60602
Attn: Commissioner

(b) If to the Borrower:

American National Bank and Trust Company
33 North LaSalle Street
Chicago, Illinois 60690

(c) If to the Developer:

Trader's Building Venture
401 South LaSalle Street
Chicago, Ilinois 60605

with copies to:

Katten, Muchin, Zavis, Pearl & Galler
55 East Monroe Street
Chicago, Illinois 60603
Attn: Leslie Sanford

Any such notice may be served by personal delivery thereof to the other party, which delivery shall constitute service of notice hereunder on the date of such delivery.

Section 21. Governing Law. This agreement has been entered into and shall be construed in accordance with and governed by the laws of the State of Illinois.

Section 22. Binding Effect. This agreement shall be binding upon, and inure to the benefit of, the permitted successors and assigns of the parties hereto.

In Witness Whereof, the parties hereto have executed this agreement as of the date first above written.

[Signature forms omitted for printing purposes.]

Resolution Authorizing Funding of Specified Delegate Agencies Under CD Year IX Program and 1983 Emergency Jobs Bill.

The Committee on Finance submitted a report recommending that the City Council pass the following proposed resolution transmitted therewith:

WHEREAS, The Council of the City of Chicago passed an Ordinance on May 26, 1983 which required that the Office of Budget and Management develop and submit to the City Council criteria for the award of grants under thirteen programs funded under the 1983 Emergency Jobs Bill Program and the Year IX Community Development Block Grant Program, including five programs under which grants are awarded to not-for-profit organizations:

Housing

Neighborhood Rehabilitation Assistance

Economic Development

Technical Assistance to Business Groups

Public Services

Family and Youth Services

Educational and Vocational Training

Job Development and Conseling;

and

WHEREAS, Such criteria have been developed and submitted to the City Council; and

WHEREAS, The Departments of Human Services, Housing, and Economic Development have applied these criteria in their final selection of not-for-profit agencies to be awarded grants under the Year IX and 1983 Emergency Jobs Bill Community Development Block Grant Programs; and

WHEREAS, According to the provisions of the May 26, 1983 Ordinance, the City Council reserves the right to approve all grants and contracts in the amount of $50,000 or more; and

WHEREAS, Twenty-seven agencies are recommended for award of grants with Year IX or 1983 Emergency Jobs Bill Community Development Block Grant funds totalling $50,000 or more; now, therefore,

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

That the Mayor is authorized to execute CD Year IX contracts for the period extending September 16, 1983 through June 30, 1984 with the not-for-profit agencies listed on the attached addendum.

Funding for these contracts will be provided from the Year IX Community Development Block Grant and the 1983 Emergency Jobs Bill Community Development Block Grant.

The total Year IX funding to be awarded each agency as listed on the attached addendum includes any amounts awarded under previously approved Year VIII contract extensions which were funded with the Year IX or the 1983 Emergency Jobs Bill Community Development Block Grant.

[Addendum printed on pages 1925 thru 1926 of this Journal.]

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

Yeas--Aldermen Roti, Rush, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Stone--46.

Nays--None.

Alderman Stemberk moved to *Reconsider* the foregoing vote. The motion was *Lost*.

Referred--PROPOSED ORDINANCE TO AUTHORIZE FURLOUGH PLAN FOR CERTAIN CITY EMPLOYEES.

Aldermen Gabinski, Damato and Stone, introduced a proposed ordinance authorizing a furlough plan for certain City employees.

Alderman Burke moved to Suspend the Rules Temporarily for the immediate consideration of and action upon the said proposed ordinance. The motion was *Lost* by yeas and nays as follows:

Yeas--Aldermen Roti, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Kellam, Sheahan, Stemberk, Krystyniak, Nardulli, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, O'Connor, Pucinski, Hansen, McLaughlin, Orbach, Schulter, Stone--27.

Nays--Aldermen Rush, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Langford, Streeter, Kelley, Sherman, Henry, W. Davis, Smith, D. Davis, Frost, Natarus, Oberman, Volini--19.

Thereupon on motion of Alderman Burke the said proposed ordinance was *Referred to the Committee on Finance*.

(Continued on page 1927)

Community Development Block Grant Year IX
and Jobs Bill CDBG
Proposed Delegate Agency Contracts
50,000 and Over

	Address	Year VIII Allocation	Year IX Allocation *
Department of Human Services			
EDUCATIONAL AND VOCATIONAL TRAINING			
Austin Business Council	5352 W. Chicago Ave.	$ 324,256	$ 299,000
Spanish Coalition for Jobs	1737 West 18th Street	120,450	160,600
Chicago Boys Club	304 West Randolph	105,000	140,000
Learning Network Center	5911 W. Midway Park	102,750	137,000
The Neighborhood Institute	1950 East 71st Street	101,236	134,981
Chicago City Wide Colleges	30 East Lake Street	95,250	127,000
Alternative Schools Network	1105 W. Lawrence	76,643	102,190
Gads Hill Center	1737 West 18th Street	49,594	66,125
Instituto del Progresso Latino	1831 S. Racine	37,500	50,000
JOB DEVELOPMENT AND COUNSELING			
Safer Foundation	10 South Wabash	129,130	172,174
Association House	2150 West North Avenue	38,000	50,667
Operation Search	2161 North California	37,500	50,000
FAMILY AND YOUTH SERVICES			
Youth Guidance	53 West Jackson, Rm. 815	$ 112,500	$ 150,000
United Charities	14 East Jackson	86,250	115,000
Urban Gateways	205 West Wacker Dr. Rm. 1600	61,500	82,000
Albany Park Community Center	3401 West Ainslie	56,250	75,000
SUBTOTAL-Human Services-16 Delegates			$ 1,911,737
Department of Economic Development			
TECHNICAL ASSISTANCE TO BUSINESS AREA GROUPS			
Chicago Economic Development Corporation	180 N. Michigan	$ -0-	$ 70,500
SUBTOTAL-Economic Development-1 Delegate			$ 70,500

* Includes any previously approved Year VIII contract extensions.

Department of Housing	Address	Year VIII Allocation	Year IX Allocation *
SENIOR/HANDICAPPED HOME REPAIR			
Back of the Yards Neighborhood Council	1751 W. 47th Street	$ 52,982	$ 94,000
Bethel New Life, Inc	367 N. Karlov	172,800	144,000
Bickerdike Redevelopment Corporation	535 N. Ashland	72,572	67,000
Chicago Commons Association	915 N. Wolcott	132,000	147,000
Greater Southwest	6249 S. Western Ave.	74,854	115,000
Midwest Community Council	9 South Kedzie	142,000	144,000
Peoples Association Pro Community Action	3035 W. Fullerton	-0-	73,000
SUBTOTAL-HOUSING-7 Delegates			$ 784,000.00
Housing/Mayor's Office of Employment & Training			
SUBSTANTIAL TRAINING AND REHABILITATION			
18th Street Development Corporation	1900 S. Carpenter Street	$ 133,714	$ 162,450
The Neighborhood Institute	1950 E. 71st Street	80,000	97,280
Lawndale Peoples Planning & Action Conference	3324 W. Roosevelt Road	-0-	60,880
SUBTOTAL-HOUSING/MOET-3 Delegates			$ 320,610
TOTAL-3 Departments-27 Delegates			$3,086,237

* Includes any previously approved Year VIII contract extensions.

(Continued from page 1924)

ADJOURNMENT.

Alderman Burke moved that the City Council do *Adjourn.* The motion *Prevailed*, and the City Council *Stood Adjourned.*

Walter S Kozubowski

WALTER S. KOZUBOWSKI,
City Clerk.