

5/2/2008
4/18/2008

60-O-08

AN ORDINANCE

**Amending the Redevelopment Agreement
with Evanston Plaza, LLC,
Regarding the Shopping Center Located at
Dempster Street and Dodge Avenue ("Evanston Plaza")**

WHEREAS, the City of Evanston, Cook County, Illinois, (the "City") is a home rule unit of government under the Illinois Constitution of 1970; and

WHEREAS, on January 4, 2000, pursuant to Ordinance 132-O-99, the City and Evanston Plaza, LLC (the "Developer"), owner of the shopping center located at the intersection of Dempster Street and Dodge Avenue, Evanston, Cook County, Illinois (the "Plaza"), entered into a Redevelopment Agreement regarding the Plaza; and

WHEREAS, despite the Redevelopment Agreement, the Plaza has suffered from long-term vacancies; and

WHEREAS, the Developer has endeavored to acquire a new tenant, Steve & Barry's, a retail clothier, to anchor the Plaza and occupy approximately thirty-eight thousand square feet (38,000 sq. ft.) of commercial space therein; and

WHEREAS, the City and Developer agree that the Developer shall, in order to acquire said tenant, incur extraordinary costs related to the renovation of said commercial space; and

WHEREAS, the City and Developer agree that the Developer requires certain incentives from the City, in the form of rebates from the City's portion of local sales taxes generated by the Plaza in addition to such rebates already included in the Redevelopment Agreement, to offset said costs; and

WHEREAS, the City has determined that providing financial incentives such as said rebates is a proper exercise of its home rule powers; and

WHEREAS, the Economic Development Committee has recommended that the City Council approve certain amendments, attached hereto and made a part hereof as Exhibit A (the "Amendment"), to the Redevelopment Agreement, attached hereto and made a part hereof as Exhibit B, and authorize the City Manager to execute the Amendment on behalf of the City,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS:

SECTION 1: That the foregoing recitals are found as fact and made a part hereof.

SECTION 2: That the City Manager is hereby authorized and directed to sign, and the City Clerk is hereby authorized and directed to attest, on behalf of the City of Evanston, the Amendment.

SECTION 3: That the City Manager is hereby authorized and directed to negotiate any additional conditions or terms of the Amendment as may be determined to be in the best interest of the City.

SECTION 4: That if any provision of this ordinance or application thereof to any person or circumstance is ruled unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this ordinance that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this ordinance is severable.

SECTION 5: That all ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 6: That this ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

Introduced: April 28, 2008 Approved: _____
Adopted: May 12, 2008 May 13, 2008

Lorraine H. Morton
Lorraine H. Morton, Mayor

Attest:
Mary P. Morris
Mary P. Morris, City Clerk

Approved as to form:
Ellen Rose
Corporation Counsel, Interim
First Assistant Corporation Counsel

EXHIBIT A

First Amendment to the Redevelopment Agreement

FIRST AMENDMENT TO THE REDEVELOPMENT AGREEMENT

This First Amendment to the Redevelopment Agreement (this "Amendment") is made and entered into as of this ____ day of _____, 2008, by and between the City of Evanston, Illinois, a home rule unit of local government located in Cook County, Illinois (the "City") and Evanston Plaza, LLC (the "Developer").

RECITALS

A. The City and Developer have entered into that certain Redevelopment Agreement, dated January 4, 2000, which provides for the redevelopment of the shopping center located at the intersection of Dempster Street and Dodge Avenue, Evanston, Cook County, Illinois (the "Subject Property").

B. The City and Developer desire to amend the terms and provisions of the Redevelopment Agreement in accordance with the terms and provisions of this Amendment.

AGREEMENTS

NOW, THEREFORE, in consideration of the premises set forth above, and the mutual agreements hereinafter set forth below, it is hereby agreed by and between the parties hereto as follows:

1. This Amendment is entirely dependent upon the retailer Steve & Barry's occupying not less than 38,000 square feet of retail space within the Subject Property, opening to the public and operating a retail clothing store. Should either of the following occur, this Amendment shall automatically become null and void without any further action by the City or the Developer: Steve & Barry's fails to open to the public; or Steve & Barry's ceases operations during the term of the Redevelopment Agreement, as amended, and not be replaced by a retailer or retailers that is/are, in the City's estimation, comparable to Steve & Barry's, within 270 days of said cessation. The Developer shall have no claim to any remaining part of the additional Eligible Project Costs, authorized by Section 4 of this Amendment, caused by the preparation of the commercial space for Steve & Barry's, that the Developer has not already received or earned in revenue years or partial revenue years prior to the closing of Steve & Barry's, absent a comparable replacement retailer. In the event this

amendment to the Redevelopment Agreement becomes null and void, then the original Redevelopment Agreement, dated January 4, 2000, shall remain in effect pursuant to its terms and provisions.

2. Section 2, "**Developer Responsibilities**", is hereby amended to include the following:

"Developer agrees that the renovation of the existing retail space to be occupied by the new Steve & Barry's store, containing not less than 38,000 square feet, shall commence on or before July 1, 2008, and shall be thereafter diligently processed in accordance with a site plan dated April 14, 2008, attached heretofore as Exhibit 1."

"Developer agrees that the certificates of occupancy for the new Steve & Barry's store shall be obtained on or before July 1, 2009."

"Developer shall be eligible to receive reimbursement per the revised sales tax reimbursement formula contained herein the first revenue year when the Steve & Barry's store is open to the general public."

3. Section 3A of the Redevelopment Agreement is deleted in its entirety and the following is substituted therefore:

"In consideration of Developer's ongoing redevelopment of the Project, including the renovation of the existing retail space to be occupied by the new Steve & Barry's store, the City agrees to remit to Developer certain monies as follows per the revised sales tax sharing formula stated below."

"For each Revenue Year (as hereinafter defined) during the term hereof, the City shall, provided Developer has complied with the Redevelopment Agreement, disclose the City's Tax Revenue Share for each such year in the following order of priority:"

"(1) First to the City all sales taxes equal to the base year sales tax revenue generated by the Shopping Center. The base year shall be defined as beginning on July 1, 1998, and ending on June 30, 1999."

"(2) Second, to the City, an amount up to (but not exceeding) \$175,000 in incremental sales tax revenue as adjusted. Incremental sales tax revenue is defined as that portion of the sales tax revenue generated by

the Shopping Center which is in excess of said sales tax revenue generated thereby in the base year. After the first revenue year, the amount paid to the City pursuant to this paragraph 3A(2) shall be adjusted annually pursuant to the consumer price index for the Chicago metropolitan area on an annual basis."

"(3) Third, an amount up to (but not exceeding) \$20,000 (the "Neighborhood Improvement Contribution") but only until such time as the aggregate Neighborhood Improvement Contributions disbursed hereunder since January 4, 2000 shall equal \$200,000; such Neighborhood Improvement Contributions shall be deposited by the City into a fund (the "Neighborhood Improvement Fund") to be applied as set forth in Section 3 hereof:"

"(4) Fourth, the balance to Developer on the ratable basis of 100% to Developer (in reimbursement for Eligible Project Costs as defined in Section 4 (A) hereof)."

"The disbursements hereinabove set forth shall be prorated on a daily basis for partial Revenue Years. For purposes hereof, the "City's Tax Revenue Share" shall mean any and all Retailers Occupation Taxes, Retailers Service Occupation Taxes, Retailers Use Tax, Retailers Service Use Tax, or any other "sales tax" or successor tax that may be enacted by the State of Illinois or any governmental agency or body created under the laws of the State of Illinois and located within the State of Illinois which City is able to verify by reference to the documents described in Section 10 hereinafter as being assessed, accruing or arising as a result of retail operations on or about the Property during the term hereof and received by the City from the State of Illinois or such other governmental agency or body created as aforesaid. Also for purposes hereof, "Revenue Year" shall mean each twelve-month period during the term hereof, commencing on July 1st of the given year and ending on June 30th of the following year."

4. Section 4A, "**Developer's Use of City Sales Tax Reimbursement, Eligible Project Costs**", is hereby amended to include the following:

"The foregoing notwithstanding, the Developer is eligible to receive an additional \$760,560 in extraordinary costs caused by the rehabilitation of the space for the Steve & Barry's store. The Developer is obligated to submit, before reimbursement occurs, the following: certified documentation of having

expended these costs in rehabilitation of the space for the Steve & Barry's store. In addition, a copy of the executed lease for Steve & Barry's shall be provided to the City before reimbursement occurs."

"The foregoing notwithstanding, the total eligible costs for the Project, including the Steve & Barry's store rehabilitation of \$760,560, and the original eligible costs of \$1,305,516, shall not exceed \$2,066,076."

5. Section 20, "**Term of Agreement and Redevelopment Plan**," is hereby deleted in its entirety and the following is substituted therefore:

"The term of the Amended Agreement shall expire on the earlier of the following (the "Expiration Date"): (i) January 4, 2030; or (ii) the date on which the aggregate amount of all payments received by Developer from the City pursuant to this Agreement equals the lesser of (x) \$2,066,076 or (y) the actual amount of the Eligible Project Costs."

6. Except as specifically amended herein, all of the terms, covenants, conditions and stipulations contained in the Redevelopment Agreement are ratified and confirmed in all respects and shall continue to apply with full force and effect.

7. This Amendment shall be governed by and construed and interpreted in accordance with the laws of the state of Illinois.

8. This Amendment shall be binding upon and inure to the benefit of, the parties hereto and their respective successors and assigns.

9. This Amendment may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

10. Neither this Amendment nor any term or provision hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing, signed by each of the parties hereto.

11. This Amendment shall be signed last by the City and the City Manager shall affix the date on which she signs and approves this Agreement on the first page hereof, which date shall be the effective date of this Amendment.

IN WITNESS WHEREOF, this Amendment has been duly authorized and approved by the City Council of the City of Evanston, Cook County, Illinois, and duly authorized, approved and executed by _____ as of the date and year first above set forth.

EVANSTON PLAZA, L.L.C.

CITY OF EVANSTON

BY:

BY:

CITY MANAGER

ATTEST:





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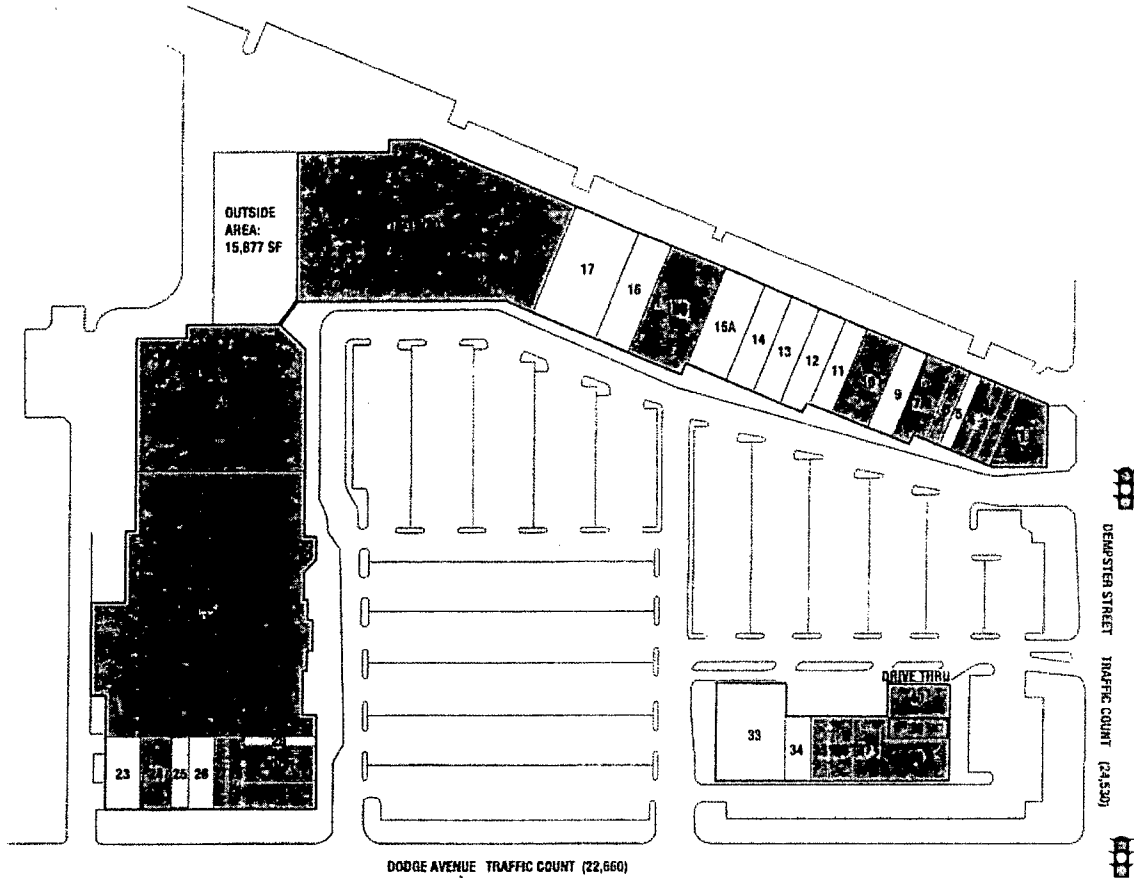
EXHIBIT 1

SITE PLAN

Evanston Plaza

Evanston, Illinois

Available  Leased  Leased Out  Future Space Available 



NO.	TENANT	SQ. FT.	DIMENSIONS
1	Panino's Italian Cafe	3,023	59X71 IR
2	We Are Beautiful	1,206	15X81
3	Dentist	1,214	15X81
4	Evanston Eyes	1,212	15X81
5	Available	1,212	15X81
6	Insure One	1,212	15X81
7/8	LifeOne Chiropractic	2,849	33X81 IR
9	Available	2,452	27X91
10	Conn O Matic	4,133	46X91
11	Available	1,605	18X91
12	Available	2,424	24X100
13	Available	3,008	29X100
14	Available	3,025	30X101
15A	Available	5,545	
15B	Dance Center Evanston	8,000	
16	Available	4,979	43X116
17	Available	8,105	70X115
18/19/20	Steve and Barry's	38575	230X150
21	A. J. Wright	27,175	134X200 I
22	Dominick's	57,971	265X215 I
23	Available	2,609	26X82 IR
24	Curves	2,052	
25	Available	1,000	
26	Available	1,889	24X82
27	Nail Salon	1,224	15X82
28	MWH Engineering	1,308	16X82
29	Available	1,205	16X75
30-31	Cleaners Depot	3,099	41X76
32	Radio Shack	2,416	32X75
33	Available	6,047	70X87
34	Available	1,802	36X53
35	Gamestop	1,328	30X53
36	Jazmy'n's Jerk Chicken	1,251	23X53
37	Domino's Pizza	1,463	30X49 IR
38	Washington Mutual	3,500	33X90
39	Fat Boys Subs and Bad Boys BBQ	1,634	23X70
40	Dunkin Donuts/Baskin Robbins	2,185	26X70

4-14-08

EXHIBIT B

Original Redevelopment Agreement

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (this "Agreement") is made and entered into this 4TH day of JANUARY, ~~1999~~²⁰⁰⁰, by and between the CITY OF EVANSTON, Illinois, an Illinois home rule municipal corporation (the "City"), and Evanston Plaza L.L.C. ("Developer").

RECITALS:

WHEREAS, Developer is the owner of certain real estate commonly known as Evanston Plaza Shopping Center located within the City, which real estate is legally described and depicted in **Exhibit A** attached hereto and made a part hereof (the "Property"); and

WHEREAS, the City has adopted Ordinance No. 132 -O -99, a copy of which is attached hereto and made a part hereof as **Exhibit B**, authorizing the City Manager to execute a redevelopment agreement for the redevelopment of the Evanston Plaza Shopping Center; and

WHEREAS, Developer desires to re-develop and relet the space in the Shopping Center consisting of 228,286 square feet located on the Property. Said redevelopment shall consist, in part, of the renovation of a new Dominicks Grocery Store containing not less than 55,000 square feet, a retail space containing approximately 18,000 square feet, the renovation of the existing Office Depot space containing approximately 27,000 square feet to be initially occupied by Office Depot and parking lot and landscaping improvements (the "Project"); and

WHEREAS, the parties agree that extraordinary costs associated with the redevelopment of the Property and the attraction of Dominicks require certain incentives from the City, and the incentives that will be offered to offset these extraordinary costs shall be in the form of rebates from the City of portions of local sales taxes generated on the Property; and

WHEREAS, the City has determined that providing financial assistance in the form of such rebates is a proper exercise of its home rule powers; and

WHEREAS, the City desires to increase sales tax revenues, property tax revenues, diversification of the tax base, the creation of new jobs, the funding of neighborhood improvement programs, and general enhancement of the tax base of City to the benefit of City and other governmental entities, and in conjunction therewith has received certain sales tax projections prepared by its financial consultant, Kane, McKenna and Associates, Inc., copies of which are attached hereto and made a part hereof as **Exhibit C**, setting forth certain potential real estate and sales tax revenues to the City and Certain other governmental bodies, and the power exercised under Ordinance No. 132 -

O-99 and under this Agreement are found to be in furtherance of the public use and essential to the public interest; and

WHEREAS, but for the undertakings of the City as set forth in this Agreement, Developer would not construct the Project on the Property and the City has agreed, pursuant to the terms of this Agreement, to provide certain sales tax sharing provisions in order to insure the economic feasibility of the Project which will have the benefits described above.

AGREEMENTS:

NOW, THEREFORE, in consideration of the Recitals, the covenants, terms and conditions hereinafter set forth and other valuable consideration, the receipt and sufficiency of which are acknowledged, it is mutually agreed by the parties hereto as follows:

1. **Recitals:** The parties hereby agree that the Recitals set forth hereinabove are incorporated herein by reference, as if fully set forth herein.

2. **Developer Responsibilities:** Developer agrees that the renovation of the existing retail space to be occupied by the new Dominicks Grocery Store containing not less than 55,000 square feet, the new retail space containing approximately 18,000 square feet and the renovation of the existing Office Depot store will commence on or before January 1, 2000, and shall be thereafter diligently pursued in accordance with a site plan dated May 20, 1999, and approved on June 2, 1999, attached hereto as Exhibit "D". Developer agrees that certificates of occupancy for the shell and core of the Dominicks Store, the new retail space and the existing Office Depot store will be obtained on or before July 1, 2000. Developer further agrees to renovate the remainder of the 228,286 square foot shopping center as described in Exhibit E, and to use all commercially reasonable efforts to lease or relet the vacant spaces located therein.

Before commencement of construction of the Project as described herein, Developer or their tenants shall, at their expense, secure or cause to be secured any and all permits, documents or plats which may be required for the initial construction by City Ordinances existing as of the date of this Agreement, and any other governmental agencies having jurisdiction over such construction, development or work, or such portion of the work being performed, including, without limitation, any applications and permits, documents or plats which may be required to be obtained from any local, federal or state environmental protection agency, the Metropolitan Water Reclamation District of Greater Chicago, or from any other agency which may have or exercise any Jurisdiction of any type whatsoever which may affect the Property. The City shall not oppose any such application pending before another governmental body or agency, provided such application is consistent with all lawful requirements. The City shall provide all proper assistance to Developer in securing such permits and shall promptly issue all permits required to be issued by the City, and agrees to sign other permits, documents or plats which require execution by the City, provided such permits, documents or plats comply with all lawful requirements. Except as provided in this Agreement, the costs of the Project and all improvements on the Property shall be borne and paid for by the Developer or their tenants. Developer further covenants and agrees that Dominicks and other retail stores, when completed, shall have on site water, gas and electrical supply, and on site storm and sanitary sewerage facilities and any other required utilities as required by permit.

Developer further agrees to satisfy all applicable City of Evanston ordinances and requirements, including but not limited to subdividing or resubdividing the Property, in the event of sale of any portion of the Property.

3. City Responsibilities:

A. In consideration of Developer's redevelopment of the Project including the renovation of the existing retail space to be occupied by the new Dominicks, 18,000 square feet of additional renovated retail space, and the renovated Office Depot space, the City agrees to remit to Developer certain monies as follows. For each Revenue Year (as hereinafter defined), or portion thereof, during the term hereof and at the times set forth in Section 4(B) hereof, the City shall, provided Developer has complied with the provisions of Section 6 hereafter, disburse the City's Tax Revenue Share (as hereinafter defined) for each such year in the following order of priority:

- (1) First to the City all sales taxes equal to the base year sales tax revenue generated by the Shopping Center. The base year shall be defined as beginning on July 1, 1998, and ending on June 30, 1999.
- (2) Second, to the City, an amount up to (but not exceeding) \$175,000 in incremental sales tax revenue as adjusted. Incremental sales tax revenue is defined as that portion of the sales tax revenue generated by the Shopping Center which is in excess of said sales tax revenue generated thereby in the base year. After the first revenue year, the amount paid to the City pursuant to this paragraph 3A(2) shall be adjusted annually pursuant to the consumer price index for the Chicago metropolitan area on an annual basis.
- (3) Third, an amount up to (but not exceeding) \$20,000 (the "Neighborhood Improvement Contribution") but only until such time as the aggregate Neighborhood Improvement Contributions disbursed hereunder shall equal \$200,000; such Neighborhood Improvement Contributions shall be deposited by the City into a fund (the "Neighborhood Improvement Fund") to be applied as set forth in Section 3 (C) hereof;
- (4) Fourth, the balance to Developer and to the City on the ratable basis of 75% to Developer (in reimbursement for Eligible Project Costs as defined in Section 4 (A) hereof) and 25% to the City.

The disbursements hereinabove set forth shall be prorated on a daily basis for partial Revenue Years. For purposes hereof, the "City's Tax Revenue Share" shall mean any and all Retailers Occupation Taxes, Retailers Service Occupation Taxes, Retailers Use Tax, Retailers Service Use Tax, or any other "sales tax" or successor tax that may be enacted by the State of Illinois or any governmental agency or body created under the laws of the State of Illinois and located within the State of Illinois which City is able to verify by reference to the documents described in Section 10 hereinafter as being

assessed, accruing or arising as a result of retail operations on or about the Property during the term hereof and received by the City from the State of Illinois or such other governmental agency or body created as aforesaid. Also for purposes hereof, "Revenue Year" shall mean each twelve-month period during the term hereof, commencing on the first day of the calendar month immediately following the opening of business of Dominick's.

B. Notwithstanding anything to the contrary herein contained, the City shall have no obligation to disburse to Developer any portion of the City's Tax Revenue Share accruing or arising after the Expiration Date (as defined in **Section 20** hereof).

C. The City covenants and agrees that all funds held in the Neighborhood Improvement Fund shall be used in conjunction with input from the community and as determined by the Evanston City Council.

4. **Developer's Use of City Sales Tax Reimbursement**

A. **Eligible Project Costs.** All monies paid to Developer by the City pursuant to this Agreement shall be utilized by Developer for the payment of or reimbursement for the actual aggregate identified extraordinary costs (the "Eligible Project Costs") listed below which total \$1,305,516:

- (1) Building shell demolition/preparation costs: \$127,766
- (2) Parking Lot improvement costs: \$355,000
- (3) Anchor Tenant Allowance Costs: \$822,750

The amounts paid for building shell demolition/preparation costs and anchor tenant allowance costs may vary up to five percent (5%) of the aggregate. Notwithstanding the foregoing, in no event shall Eligible Project Costs exceed the sum of \$1,305,516. The Developer's Project Budget identifying these costs is attached hereto as **Exhibit F**.

It is further agreed between the parties that upon submittal of Developer's Eligible Project Costs and prior to the receipt of any City sales tax reimbursement, Developer will provide the City with the following:

- (1) executed copies of all Project leases;
- (2) a certification of Developer's project costs and supporting documentation including but not limited to disbursement statements from the lender or title company;
- (3) any and all construction loan agreements and notes.

The City shall have sixty (60) days after receipt of these documents within which to verify the sufficiency of the information contained therein as to Eligible Project Costs.

If it is determined that an audit of said costs is necessary, an independent auditor, agreeable to both parties, shall conduct said audit within ninety (90) days of said determination. The expense of said audit shall be borne by Developer, who will cooperate in all reasonable ways with the conduct of the audit.

Within thirty (30) days after delivery of the aforesaid certificate and documentation, Developer agrees to deliver to City reasonably satisfactory evidence of payment of such Eligible Project Costs and waivers of lien claims from all contractors and suppliers who provided either labor or materials for the completion of such work.

B. Manner of Funding Eligible Project Costs. City's payment or reimbursement of Eligible Project Costs shall be made on a semi-annual basis, within thirty (30) days after the last day of the first six (6) months and then the last six (6) months of each Revenue Year. The City shall make all reasonable efforts to ascertain the sales tax increment from the Illinois Department of Revenue for each Revenue Year. Developer agrees to obtain and provide the City with the ST-1 forms for the new Dominicks Store and for all new tenants in the Shopping Center after the date of this Agreement. Developer further agrees to use all reasonable efforts to obtain and provide the City with the ST-1 forms for all other tenants. Provided the City obtains the tax increment information from the Department of Revenue or, failing that, provided the Developer has caused the ST-1 forms or other similar information to be delivered, the City shall provide Developer with a report of all of the City's Tax Revenue Share for the Property received during the prior six (6) month period, together with a payment in the amount of Developer's pro rata share of any and all of the City's Tax Revenue Share received by the City and then due and owing Developer, pursuant to Section 3 (a) hereof. Within sixty (60) days after each Revenue Year, the City shall notify Developer of the actual amount of the City's Tax Revenue Share received for such Revenue Year. If the total portion of the City's Tax Revenue Share paid to Developer for such Revenue Year is less than the actual amount to which Developer is entitled hereunder for such Revenue Year, then the City shall pay to Developer concurrent with its delivery of the foregoing notice to Developer the amount of such deficiency. If the total portion of the City's Tax Revenue Share paid to Developer for such Revenue Year exceeds the actual amount to which Developer should have received for such Revenue Year, then the City shall be entitled to credit the excess amount received by Developer for such Revenue Year against future installments of the City's Tax Revenue Share to be paid to Developer hereunder until such excess has been recovered in full.

5. Permit Processing. The City shall diligently process all applications by Developer for all approvals, permits and inspections relating to the redevelopment of the Property in accordance with the provisions of this Agreement, including, but not limited to, grading permits, building permits, occupancy permits, site work improvements and all required engineering plans and specifications. A reasonable failure on the part of the City to grant any required approval or issue any required permit shall not be deemed a default, or the cause of a default, by the City under this Agreement provided the City is acting in accordance with its ordinances and codes.

6. **Signage.** The signage for the Project shall be substantially as depicted and set forth on **Exhibit G** which has been approved.

7. **Access to Utilities.** The City shall permit Developer to make the usual and normal connections to water and storm sewer facilities to serve the Project in accordance with approved engineering plans and all applicable City ordinances and requirements.

8. **Certificate of Completion.** Upon application of Developer, the City will make a determination as to Developer's satisfaction of its obligations under this Agreement pertaining to the completion of the Project in accordance with the Site Plan and upon such reasonable determination shall certify as to such satisfaction. The certification by the City shall be conclusive determination of the satisfaction and termination of such obligations of Developer under this Agreement, including the obligations set forth in this **Section 4** with regard to the verification of Eligible Project Costs. Their certification shall be in such form as will enable it to be recorded. Upon written request by the Developer for any such certificate of completion, the City shall within sixty (60) days after receipt of the same provide the Developer, as the case may be, either with a certificate of completion or a written statement indicating in adequate detail how Developer has failed to satisfy said obligations in accordance with this Agreement, or is otherwise in default, and what measures or acts will be necessary, in the opinion of the City, for Developer to obtain the certification. If the City requires additional measures or acts of Developer to assure compliance, Developer shall resubmit a written request for a certificate of completion upon compliance with the City's response, and such certificate shall be issued by the City in accordance with the provisions hereof.

9. **Ownership of the Property; Restrictions on Transfer.**

A. During the initial five (5) revenue years of the term of this Agreement, Developer agrees that it will not sell, convey, or transfer ownership of any portion of the property without written consent of the City, which will not be unreasonably denied or delayed.

As a minimum, the City shall be entitled to reasonably require the following regarding any transfer:

1. Any proposed transferee shall have the experience and financial responsibility to fulfill the obligations undertaken by the Developer in this Agreement;
2. Any such proposed transferee shall have expressly assumed the obligations of the Developer under this Agreement.

B. Developer further agrees to maintain the Property on the public tax rolls during Developer's ownership thereof for the period during which Developer is receiving a percentage of the City's tax revenue share.

C. Developer further agrees that should it convey the Property or any part thereof, said conveyance shall be subject to the following restrictive covenants or deed restrictions which shall run with the land and shall terminate on the expiration date as defined in Paragraph 20 of this Agreement:

1. Neither the property nor any portion thereof shall be sold to any entity which may cause the property conveyed to be removed from the public tax rolls or change the use thereof so as to eliminate the sales tax revenue generated therefrom without the prior express written approval of the City for the period of time within which Developer is receiving any portion of the incremental sales tax revenue.
2. No portion of the Property shall be, or become, exempt from the public tax rolls for the period of time within which Developer is receiving any portion of the incremental sales tax revenue.

10. **Sales Tax Reports:** Concurrent with the filing of any and all reports with the Illinois Department of Revenue or any successor agency, Developer shall furnish or cause to be furnished and shall use its reasonable efforts to cause the occupants of the Shopping Center to furnish to the City (to the attention of the City's Finance Director) copies of any and all sales tax returns, sales tax reports, amendments, proof of payment or any other sales tax information filed with the State of Illinois or other applicable governmental entity. In the event the State of Illinois is unable or unwilling to provide such information to the City, Developer shall, upon at least thirty (30) days prior written request therefor, provide the City with all documentation available to Developer that the City reasonably deems necessary to accurately determine the amount of the City's Tax Revenue Share. To the extent permitted by law, City shall maintain the confidentiality of the information contained in such reports. Developer acknowledges and agrees that the provisions of this Agreement shall be a matter of public record, as shall any and all payments made by the City to Developer pursuant to this Agreement. Developer further covenants and agrees, that upon the request of City, Developer shall furnish such consents or waivers as may be required by the Illinois Department of Revenue, including but not limited to, a Consent to Disclosure Statement in form and content satisfactory to Developer, in order to release the above-described sales tax information to the City. Developer and City agree and acknowledge that any disbursements of City's Tax Revenue Share due it for any Revenue Year can only be made from and to the extent of sales data submitted in accordance with this Section. Developer agrees to make the obligations contained in this Section a part of any contract to sell any portion of the Property.

11. **Reimbursement Mechanism:** The City shall remit in full to Developer the portion of the City's Tax Revenue Share to which Developer is entitled as determined in **Section 3, Section 4 (B) and Section 10** above. The City shall be liable to Developer for disbursement of monies hereunder only to the extent of the City's Tax Revenue Share actually received from the Illinois Department of Revenue or other applicable governmental agency or body, provided, however, that the City reserves the right to make such earlier and additional payments in such amounts and at such times as the City, in its sole discretion, deems appropriate. Any payments determined to be due to Developer from the City based upon sales tax returns of retailers conducting business on the Property shall be reduced by the amount of any and all collection fees imposed upon City by the State of Illinois or the Illinois Department of Revenue or other applicable governmental agency or body, for collection of the Sales Tax Revenue.

12. **Casualty / Extension of Term:** In the event of a casualty or destruction of substantially all improvements on the Project within the first five Revenue Years, and Dominicks fails to promptly commence, diligently pursue reconstruction of said improvements and recommence its retailing operations on the Property within twelve (12) months after the date of said casualty, Developer shall be obligated to refund to the City, in the same semi-annual amounts in the same order over the same period of time as said funds were received by Developer, any and all portions of the City's Tax Revenue Share theretofore received by Developer. If (i) upon the occurrence of destruction of any or all of improvements on the Property during the term hereof that results in a material reduction of the City's Tax Revenue Share, Dominicks elects to rebuild said improvements, and Dominicks promptly commences and diligently pursues said reconstruction, or (ii) if Dominicks retailing operations on the property cease due to force majeure, then, in each case, provided the conditions set forth in **Section 17(ii)** hereof have not been satisfied, the term of this Agreement shall be automatically extended for a period equal to the period commencing on the date of said casualty, or the date said force majeure commences (as applicable), through the date of final completion of the reconstruction of said improvements, or the date of cessation of said force majeure (if applicable), and the City's payment obligations hereunder shall, with respect to the City's Tax Revenue Share arising or accruing during said extended term, continue for said period.

Provided Developer is not in default hereunder, the City shall continue to make any and all disbursements during any period of reconstruction or force majeure referred to hereinabove to which Developer would be otherwise entitled hereunder for said period.

13. **Indemnification:** Developer agrees to indemnify and hold harmless the City, its officials, whether appointed or elected, and whether or not serving at the time of commencement of this Agreement, its officers, employees, volunteers and agents, from any and all claims, actions and suits (together with the City's reasonable attorneys' fees and costs) at law or in equity arising out of or alleged to have arisen solely out of acts of Developer, or related to this Agreement, provided, however, that said indemnification is

hereby expressly limited to the extent of reimbursement payments actually made or owed by the City to Developer hereunder.

14. **Mutual Assistance:** Developer and the City agree to do all things practicable and reasonable to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out the terms hereof.

15. **Additional Agreements and Covenants of Developer.** In accordance with the City's financial commitment to the redevelopment of the Project Area, Developer agrees and covenants with the City as follows:

A. That it will cause the improvements to the Property other than the renovation of the existing retail space to be occupied by the new Dominicks Store shown on the Site Plan to be constructed and completed in a good and workmanlike manner and in compliance with all applicable federal, state, county, and City laws, regulations, and ordinances covering same. Developer or its tenants shall be responsible for securing all required permits and approvals for such work and paying all applicable fees relating thereto;

B. That the sums to be paid or reimbursed to Developer hereunder for the Eligible Costs represent only a portion of the overall development costs to Developer; and

C. Developer will notify City of the intended opening dates of Dominicks and the retail space containing 18,000 square feet not less than four (4) weeks prior to said date. Developer further agrees to attend and participate in a meeting to be arranged by the City, with appropriate local agencies for the purpose of notifying those agencies of the employment opportunities. In addition, prior to the hire of employees for the Dominicks and the 18,000 square foot retailers within the Project, Developer shall place employment advertisements within newspapers or publications of local distribution at least three (3) weeks in advance of advertising such employment opportunities in newspapers or publication of general distribution. Developer shall coordinate this advertisement and initial employment interview process with City staff in order to make jobs available for City residents. Developer further covenants and agrees that the general contractor hired by Developer to complete the Project shall hire, train and retain, or cause to be hired, trained or retained, during such construction contract at least three (3) laborers who reside in the City.

16. **Anti-Discrimination. Minority Business Enterprises, Etc.**

A. Developer agrees that in the construction of the improvements on the Property provided for in this Agreement:

1. Developer shall not, with respect to the Project, discriminate against any employee or applicant for employment because of race, color, religion, sex, national original origin or sexual orientation. Developer shall, with respect to the

Project, take affirmative action that will require that applicants are employed and that employees are treated fairly during employment, without regard to race, creed, color, religion, sex national origin, disability or sexual orientation. Such action shall include, but not be limited to, the following: employment upgrading, demotion, or transfer, recruitment or recruitment advertising, solicitations or advertisement of employees, layoff or terminations; rates of pay or other forms of compensation, and selection for training, including apprenticeships. Developer agrees to post in conspicuous places, in and on the Project available to employees and applicants for employment, notices which may be provided by the City setting forth the provisions of this nondiscrimination clause.

(2) In addition to the foregoing, as more fully provided in Paragraphs below, in the construction of all Project improvements for which Developer is responsible, on the Property provided for in this Agreement, Developer shall use its good faith efforts to secure participation by minority businesses enterprises ("MBEs"), as hereinafter defined, with a goal of 25% of the aggregate dollar volume of all such construction and all project improvements to be let to MBEs. Such good faith efforts should include, without limitation, utilizing its good faith efforts to secure participation by a joint venture consisting of an MBE and a non-MBE entity in a least one portion of the construction of the project improvements on the Property. This joint venture participation shall be included as MBE participation in determining whether the 25% participation goal has been satisfied. In the event that Developer fails to use good faith efforts and the goal of 25% MBE participation is not met, the City shall retain from the final disbursement to Developer of its portion of the City's Revenue share, a sum equal to \$50,000.00, to be utilized by the City to create a job training and MBE Technical Assistance Program.

B. Developer further agrees, with respect to the Project, to comply with all applicable laws prohibiting discrimination against, or segregation of, any person, or group of persons, on account of sex, race, color, creed, national origin, disability or sexual orientation in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of any portion of the Property. In addition, Developer, or any person claiming under or through it shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of any portion of the Property.

C. Developer, shall exercise its good faith efforts to secure MBEs in its achieving commercially reasonable participation in all service contracts on any portion of this Project. A minority business enterprise shall mean any entity which is owned and controlled by one or more Minorities (including, without limitation women), who, to the extent possible, reside in Evanston. Developer shall exercise its good faith efforts to identify appropriate MBEs.

D. Developer will make available to the City's designated Coordinator, during the construction period, a monthly report indicating the amount of MBE participation; which includes MBE name, address, contact person, phone number, total contract amount, amount paid to date and percent of contracts.

E. Notwithstanding the foregoing provisions, Developer and its contractors, tenants, subtenants, sublessees and vendees shall be entitled to employ union labor in the construction and development of the Project in accordance with the rules, regulations, and practices of any applicable unions.

F. Developer agrees to comply with the provisions of all applicable federal, state, and local laws pertaining to people with disabilities.

17. **Default Remedies.** Except as otherwise provided in this Agreement, in the event of any default or breach of this Agreement or any terms or conditions by any party hereto, such party shall, upon written notice from the non-defaulting party, proceed promptly to cure or remedy such default or breach within sixty (60) days after receipt of such notice. If any such default is incapable of being cured within said sixty (60) day period, and the defaulting party commences to cure the default within said sixty (60) day period and proceeds with due diligence, then such party shall not be deemed to be in default under this Agreement. Notwithstanding the foregoing, with respect to the City's obligations under Paragraph 3 hereof, the City shall have five (5) business days after receipt of notice to cure or remedy a default. In case any action hereunder is not taken or not diligently pursued or the default or breach shall not be cured or remedied within the above periods, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to, an action to restrain any such default or breach of its obligations, an action to compel specific performance by the party in default or breach of its obligations, an action to recover damages against any party liable pursuant to the provisions hereof, or any other action at law or in equity. However, notwithstanding the foregoing, the sole remedy of Developer in the event of a default by the City in any of the terms of this Agreement is to institute legal action for specific performance against the City. Under no circumstance will the City have any monetary liability or damages, compensatory or punitive, under the provisions, terms and conditions of this Agreement, except for payment of Developer's reasonable attorneys fees in the event it obtains final non-appealable judgment against the city for specific performance to cure a breach of this Agreement. Except as otherwise set forth in this Agreement, the rights and remedies of the parties to this Agreement, whether provided by law or this Agreement, shall be cumulative and the exercise by any party of any one or more of such remedies shall not preclude the exercise by it at the same time or different times of any other remedies for the same default or breach by any other party. Any delay by any party in instituting or prosecuting any actions or proceedings or asserting its rights under this Agreement shall not operate as a waiver of such rights in any way; it being the intent of this provision that such party should not be constrained so as to avoid the risk of being deprived of or limited in the exercise of the remedies provided in this Agreement because of the default

involved. No waiver made by any party with respect to any specific default by any other party under this Agreement shall be construed as a waiver of rights with respect to any other default by the defaulting party under this Agreement or with respect to the particular default except to the extent specifically waived in writing.

18. **Entire Agreement.** This Agreement sets forth all the promises, inducements, agreements, conditions and understandings between Developer and City relative to the subject matter hereof, and there are no promises, agreements, conditions or understandings, either oral or written, express or implied, between them, other than are herein set forth.

19. **Survival of Terms, Binding upon Successors.** The covenants, terms, conditions, representations, warranties, agreements and undertakings set forth in this Agreement (and specifically including, without limitation, those covenants, terms, conditions, representations, warranties, agreements and undertakings which survive the termination of this Agreement) shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives, and the covenants, provisions and agreements herein contained shall run with the Property.

20. **Term of Agreement and Redevelopment Plan.** The term of this Agreement shall commence as of the date of execution hereof and shall expire upon the earlier of the following (the "Expiration Date"): (i) twenty (20) years from the date hereof, subject to extension as provided in Section 8 hereof; or (ii) the date on which the aggregate amount of all payments received by Developer from the City pursuant to this Agreement, equals the lesser of (x) \$1,305,516 or (y) the actual amount of the Eligible Project Costs.

21. **Governing Law.** The validity, meaning and effect of this Agreement shall be determined in accordance with the laws of the State of Illinois (without giving effect to Illinois choice of law principles).

22. **Supplemental Agreements.** The parties agree to cooperate in order to execute such supplemental agreements, memoranda and similar documents as may be necessary to implement the terms of this Agreement.

23. **Force Majeure.** Performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, restrictive governmental laws and regulations, epidemics, quarantine restrictions, freight embargoes or lack of transportation. An extension of time for any such cause shall be for the period of the delay, which period shall commence to run from the time of the commencement of the cause, provided that written notice by the party claiming such extension is sent to the other party not more than twenty (20) days after the commencement of the cause or not more than twenty (20) days after the party claiming

such extension could have first reasonably recognized the commencement of the cause, whichever is later.

24. **Notices.** Any notice, request, demand or other communication made in connection with this Agreement shall be in writing and shall be deemed to have been duly given on the date of delivery, if delivered to the persons identified below in person, by courier service or by facsimile copy (with original copy mailed the same day in accordance with the provisions of this Paragraph), or five (5) business days after mailing if mailed by certified mail, postage prepaid, return receipt requested, addressed as follows:

If to the City:

City of Evanston
Civic Center
2100 Ridge Avenue
Evanston, IL 60201
Attention: City Manager
Facsimile: 847-448-8083

Copy to:

Ryan and Ryan
33 North Dearborn Street, Suite 402
Chicago, IL 60602
Attention: William E. Ryan and Arthur N. Christie
Facsimile: 312-236-1386

If to Developer:

Joseph Freed & Associates, Inc.
1400 S. Wolf Road
Bldg. 100
Wheeling, IL 60090
Attention: Dennis A. Harder and Thomas H. Fraerman
Facsimile: 847-215-5282

Copy to:

Krasnow Sanberg Cornblath & Hobbs
444 North Michigan Avenue
Suite 2050
Chicago, IL 60611
Attention: Glen R. Cornblath
Facsimile: 312-755-5720

25. **Severability.** If any provision, condition, covenant or other clause, sentence or phrase of this Agreement is held invalid by a court of competent jurisdiction, such provision shall be deemed to be excised and the invalidity thereof shall not affect any other provision, condition, covenant or other clause, sentence or phrase contained herein. Notwithstanding the foregoing, if any such invalid provision goes to the essence of this Agreement so that the purposes of the Agreement cannot be fulfilled, then this Agreement shall terminate as of the date of such judgment.

26. **City Approval.** A copy of the ordinance (or other City action) approving of the terms and conditions of this Agreement and authorizing and directing the City Manager to execute this Agreement on the City's behalf, certified by the City Clerk, shall be provided to Developer.

27. **Amendments; Recordation.** This Agreement may be amended from time to time with the written consent of the parties hereto. The parties shall cause a memorandum of this Agreement to be recorded in the Office of the Cook County Recorder of Deeds.


28. **Miscellaneous.** The parties hereto acknowledge and agree that the individuals who are members of the group constituting the corporate authorities of the City are entering into this Agreement in their corporate capacities as members of such group and shall have no personal liability in their individual capacities.

29. **Execution of this Agreement.** This Agreement shall be signed last by the City and the City Manager shall affix the date on which he signs and approves this Agreement on the first page hereof, which date shall be the effective date of this Agreement.

IN WITNESS WHEREOF this Agreement has been duly authorized and approved by the City Council of the City of Evanston, Cook County, Illinois, and duly authorized, approved and executed by ROGER CRUM as of the date and year first above set forth.

EVANSTON PLAZA L.L.C.

CITY OF EVANSTON


BY 

MANAGER
LAURANCE H. FREED

BY 

CITY MANAGER

ATTEST



CITY CLERK

EXHIBIT A

EXHIBIT A

LOT 1 IN BANBURY THIRD CONSOLIDATION, RECORDED MARCH 27, 1987 AS DOCUMENT 87162463 BEING A CONSOLIDATION OF PART OF LOT 1 IN BANBURY SECOND CONSOLIDATION AND PART OF LOT "A" IN CALHOON NORTON CONSOLIDATION, BOTH IN THE NORTH WEST 1/4 OF SECTION 24, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

EXCEPTING THEREFROM

THAT PART OF BANBURY THIRD CONSOLIDATION, BEING A CONSOLIDATION PLAT RECORDED AS DOCUMENT NUMBER 87162463, LEGALLY DESCRIBED AS FOLLOWS:

THAT PART OF LOTS 8, 9, 10, 11 AND 12 IN BLOCK 2 IN GROVER AND PITNER'S ADDITION TO EVANSTON, A SUBDIVISION OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 24, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

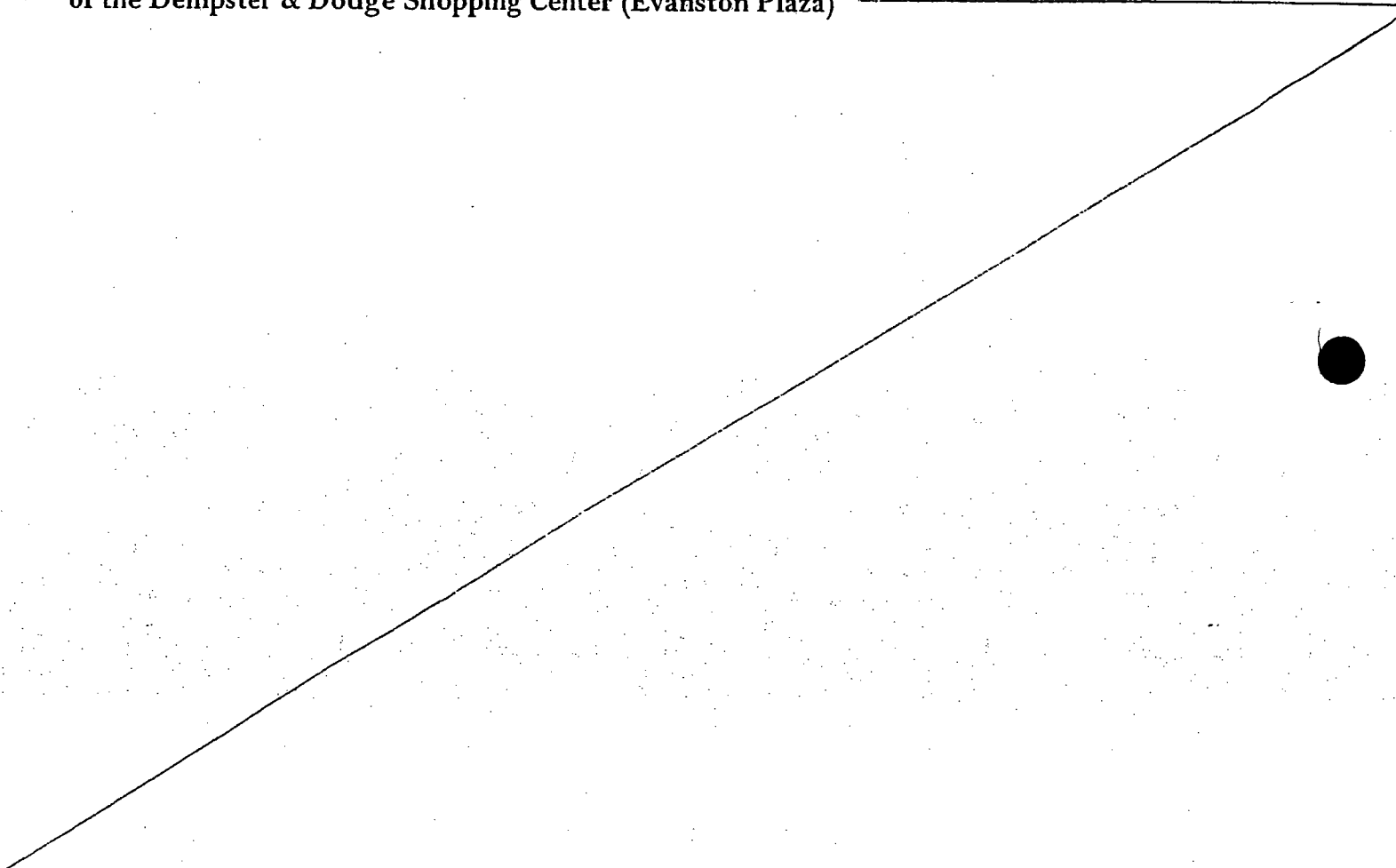
BEGINNING AT A POINT ON THE SOUTH LINE OF SAID LOT 12 AT ITS INTERSECTION WITH A LINE DRAWN 45.00 FEET NORTHWESTERLY OF AND PARALLEL WITH THE CENTER LINE BETWEEN THE TWO MAIN TRACKS (THE NORTHWESTERLY OF TWO MAIN TRACKS HAVING BEEN REMOVED) OF THE CHICAGO AND NORTHWESTERN TRANSPORTATION COMPANY, AS SAID CENTER LINE WAS ORIGINALLY LOCATED AND ESTABLISHED; THENCE NORTHEASTERLY PARALLEL WITH SAID ORIGINAL CENTER LINE A DISTANCE OF 241.64 FEET; THENCE SOUTHEASTERLY AT RIGHT ANGLES TO THE LAST DESCRIBED LINE; A DISTANCE OF 5.00 FEET; THENCE SOUTHWESTERLY ALONG A LINE DRAWN 40.00 FEET NORTHWESTERLY OF AND PARALLEL WITH THE AFORESAID ORIGINAL CENTER LINE; A DISTANCE OF 239.38 FEET TO THE POINT OF INTERSECTION WITH THE SOUTH LINE OF LOT 12 AFORESAID; THENCE WEST, ALONG SAID SOUTH LINE A DISTANCE OF 5.49 FEET TO THE HEREBEFORE DESCRIBED POINT OF BEGINNING IN COOK COUNTY, ILLINOIS

EXHIBIT B

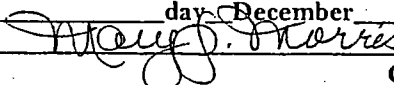
Certificate as Keeper of
Records, Files and Seals

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

I, MARY P. MORRIS, City Clerk of the City of Evanston in the County of Cook and State aforesaid, and Keeper of the Records, Files and Seal of said City, do hereby certify that attached hereto is a true and correct copy of Ordinance 192-O-99, which approves the Terms and Authorizes the City Manager to Execute a Redevelopment Agreement with Evanston Plaza L.L.C. for the redevelopment of the Dempster & Dodge Shopping Center (Evanston Plaza) _____



all of which appears from the records and files in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed the corporate seal of the City of Evanston
this 21st day December 1999


City Clerk

November 3, 1999

ORDINANCE NO. 132-0-99

AN ORDINANCE

**Approving the Terms and Authorizing
The City Manager to Execute
A Redevelopment Agreement With Evanston Plaza L.L.C.
For the Redevelopment of the Dempster & Dodge Shopping Center
(Evanston Plaza)**

Whereas, the Evanston Plaza L.L.C. (referred to herein as the "Developer") has proposed a plan for the redevelopment of Evanston Plaza also known as the Dempster & Dodge Shopping Center: and

Whereas Evanston Plaza has been a blighted shopping center with excessive long term vacancies that in some cases exceed four years: and

Whereas the Developer has created a Redevelopment Program anchored by a new Dominick's Grocery Store that will revitalize the shopping center and attract new tenants: and

Whereas the Developer will incur extraordinary costs stated in the Redevelopment Agreement herein: and

Whereas the Economic Development Committee, (7-0), unanimously recommended approval to the City Council of the Redevelopment Agreement (attached as Exhibit A) during it's meeting of October 27, 1999: and

Whereas, the City has determined that said proposed redevelopment plan is consistent with and complies with the City's policies for appropriate economic development: and

EXHIBIT C

**Freed Proposal - Present Value Comparison
Sales Tax Sharing Structure
Assumes Kane McKenna Sales Tax Projections**

Sales Taxes to Project (1)

Year	Level Payments	Cumulative Payments
1999	9,331	9,331
2000	108,908	118,237
2001	124,989	241,226
2002	128,489	369,716
2003	132,076	501,791
2004	135,753	637,543
2005	139,522	777,065
2006	143,385	920,450
2007	147,344	1,067,794
2008	151,403	1,219,197
2009	85,803	1,305,000

Present Value (PV) Analysis

PV at 12% 655,469

PV at 7.5% 831,508

Revised Return Analysis (2)

Return on 12.90%

Costs

Return on 13.05%

Costs

Notes:

- (1) Utilizes sales tax projections prepared by Kane McKenna.
- (2) Utilizes budget and income information provided by Developer.

Sales and
Inflation Rate:

2.50%

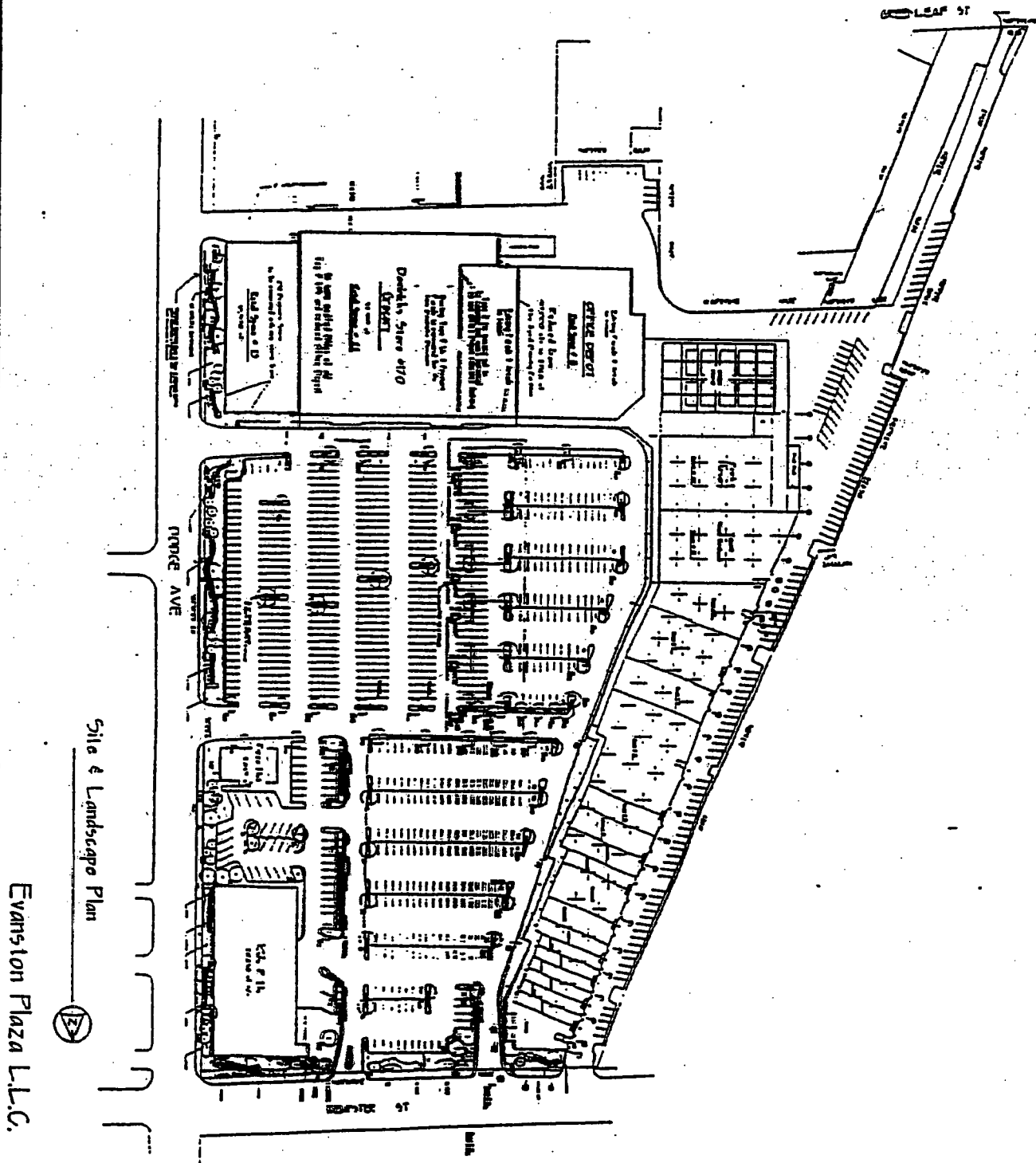
No Interest Accrual on Developer Request
Evanston Plaza: Dempster and Dodge

INCREMENTAL SALES TAX REVENUE PROJECTIONS

Calendar Year	(11) 2010	(12) 2011	(13) 2012	(14) 2013	(15) 2014	(16) 2015	(17) 2016	(18) 2017	(19) 2018	(20) 2019
I. RETAIL SALES ESTIMATES										
Does not include existing tenants										
a) Annual Sales Subject to 1% Sales Tax	34,466,641	35,328,307	36,211,515	37,116,803	38,044,723	38,995,841	39,970,737	40,970,005	41,994,255	43,044,112
b) Annual Sales Subject to Home Rule Sales Tax (.75%)	14,604,705	14,969,823	15,344,069	15,727,670	16,120,862	16,523,884	16,936,981	17,360,405	17,794,415	18,239,278
II. SALES TAX SUMMARY										
Assumes 3 month lag in City Receipts										
a) Local Sales Taxes: 1.00% Cumulative	342,565 3,230,337	351,129 3,581,466	359,907 3,941,374	368,905 4,310,278	378,127 4,688,406	387,581 5,075,986	397,270 5,473,256	407,202 5,880,458	417,382 6,297,840	427,816 6,725,657
b) Home Rule Sales Taxes: 0.75% Cumulative	108,867 1,007,283	111,589 1,118,872	114,379 1,233,251	117,238 1,350,489	120,169 1,470,658	123,173 1,593,832	126,253 1,720,084	129,409 1,849,493	132,644 1,982,138	135,960 2,118,098
c) Total City Sales Taxes: Cumulative	451,432 4,237,620	462,718 4,700,338	474,286 5,174,624	486,143 5,660,767	498,297 6,159,064	510,754 6,669,818	523,523 7,193,341	536,611 7,729,962	550,026 8,279,978	563,777 8,843,756
Note: Tax receipts include 3 month lag from State										
III. Sales Tax Sharing Allocation										
a) City Base Amount 175,000 Cumulative Adjusted annually for Inflation	224,018 2,184,607	229,615 2,414,222	235,356 2,649,577	241,239 2,890,817	247,270 3,138,087	253,462 3,391,539	259,788 3,651,328	266,283 3,917,611	272,940 4,190,551	279,764 4,470,315
b) Amount After City Base	227,417	233,103	238,930	244,904	251,026	257,302	263,734	270,328	277,086	284,013
c) City Neighborhood Fund Cumulative										
d) Amount After City Base and Neigh. Fund	227,417	233,103	238,930	244,904	251,026	257,302	263,734	270,328	277,086	284,013
e) City Share 25.00% Cumulative	56,854 463,253	58,276 521,529	59,733 581,262	61,228 642,488	62,757 705,244	64,325 769,570	65,934 835,503	67,582 903,086	69,271 972,357	71,003 1,043,360
f) Project Share 75.00% Cumulative Project Cap Amount: 1,305,000	85,803 1,305,000	0 1,305,000	0 1,305,000	0 1,305,000	0 1,305,000	0 1,305,000	0 1,305,000	0 1,305,000	0 1,305,000	0 1,305,000
g) Amount to City After Project Cap is Achieved Cumulative	84,760 84,760	174,827 269,587	179,198 438,786	183,678 622,463	188,270 810,733	192,976 1,003,709	197,801 1,201,510	202,746 1,404,256	207,814 1,612,070	213,010 1,828,080

EXHIBIT D

DATE 6/2/99



Site & Landscape Plan

Evanston Plaza L.L.C.



Evanston Plaza Shopping Center

Revised Site & Landscaping Plan

Date 5-1-99

REVISIONS
5-20-99

S-1

Sheet Number

EXHIBIT E

EXHIBIT E

GENERAL SHOPPING CENTER RENOVATION CONCEPT PROGRAM

Background

Evanston Plaza Shopping Center had been in decline for before it was purchased late in 1998 by Evanston Plaza L.L.C. after extended negotiation and due diligence. The Center declined because bankruptcies and consolidations in the retail industry affected a significant number of tenants, reducing rental income and payments to common area maintenance and taxes.

In addition to having a large number of vacant stores, the Center has a high level of deferred maintenance. The combination of reduced cash flow and major repair/replacement requirements make the rehabilitation program complex, economically marginal and therefore very risky.

The Applicant's principal objective is to revive the Center and give it an entirely new image and retail function. This will make it economically viable and better able to serve its neighborhood and community. The Applicant proposes to improve the Property through rehabilitation and retenanting of existing buildings and spaces, rehabilitation of and in-fill additions to site landscaping, rehabilitation of the parking lot and drives, and replacement of the pylon signs.

The Applicant has planned and organized the improvement program to attract quality tenants, including a new Dominick's Food Store. The Applicant has strong relationships with national and local retail tenants and will lease space to an appropriate mix of such tenants.

In order to accomplish the improvement program, the Applicant must organize a construction program that involves specific costs for goods and services, some of which are "ordinary" costs of shopping center rehabilitation, and some of which are "extraordinary" costs.

Ordinary costs are those which reasonably recur in project-after-project, while extraordinary costs are those which are unique to a project or the vicinity of a project.

The Applicant can finance the project through conventional sources to cover ordinary costs, but without additional resources the Applicant has no way to finance the extraordinary cost items. The Applicant has explored all means to cover the extraordinary costs, and, finding no other financing sources, is turning to the City of Evanston to explore the potential for establishing a Sales Tax Rebate Program to support the rehabilitation of this important community shopping center.

Physical Improvement Plan and Program (Refer to Site Plan Exhibit)

Areas Scheduled for Basic Cleaning, Repair and Interior Renovation

- The north-south leg of the Center will not be changed in either configuration or area. There will be interior changes to relocate demising walls and to renovate spaces for new tenants. Several of the existing tenants – including Franks Nursery and Crafts – will remain.
- The building at the corner of Dempster and Dodge and its current occupant – Kids 'R' Us -- will remain.
- The small building along Dodge formerly occupied by Pizza Hut will remain but will be re-tenanted.
- Most of the existing landscaping will be preserved and repaired, although the location of some parking lot landscaping will be changed.

Area Scheduled for Environmental Remediation

- An area in the southwest corner of the parking lot in front of the stores has significant lead contamination. The degree and general extent of the contamination has been assessed and a remediation program plan has been prepared. Work will be completed in accordance with the Revised Remediation Action Plan (RRAP) approved by the Illinois Environmental Protection Agency (IEPA). Remediation will be undertaken in phases to minimize disruption to existing business operations.

Areas in the Center Scheduled for Major Exterior and Interior Renovation

- **The three buildings running east-west at the south end of the Center will undergo extensive internal and external renovation:**
 - **A new Dominick's Store (57,950 SF) will be developed within the building formerly occupied by Toys 'R' Us and a portion of the space currently occupied by Office Depot. A new façade for the food store will be constructed across the front of these spaces.**
 - **Office Depot will remain but will shrink from 40,000 SF to 27,000 SF.**
 - **The 18,900 SF space formerly owned by Fretter/ Silo will be refurbished and retenanted.**
- **New landscaping materials will be added in appropriate locations.**
- **The entire parking lot will be resurfaced following completion of the environmental remediation program. This will include some revisions to parking lot landscaping and lighting.**
- **New pylon signs will be installed. The design of these signs and all new building signs will be consistent with an over-all signage plan for the Center.**

[NOTE: THOSE ACTIVITIES SHOWN IN BOLD ABOVE ARE THE CATEGORIES WITHIN WHICH THE "ELIGIBLE PROJECT COSTS" WILL BE INCURRED. SEE EXHIBIT "F".]

EXHIBIT F

EXHIBIT F

Developer's Project Budget

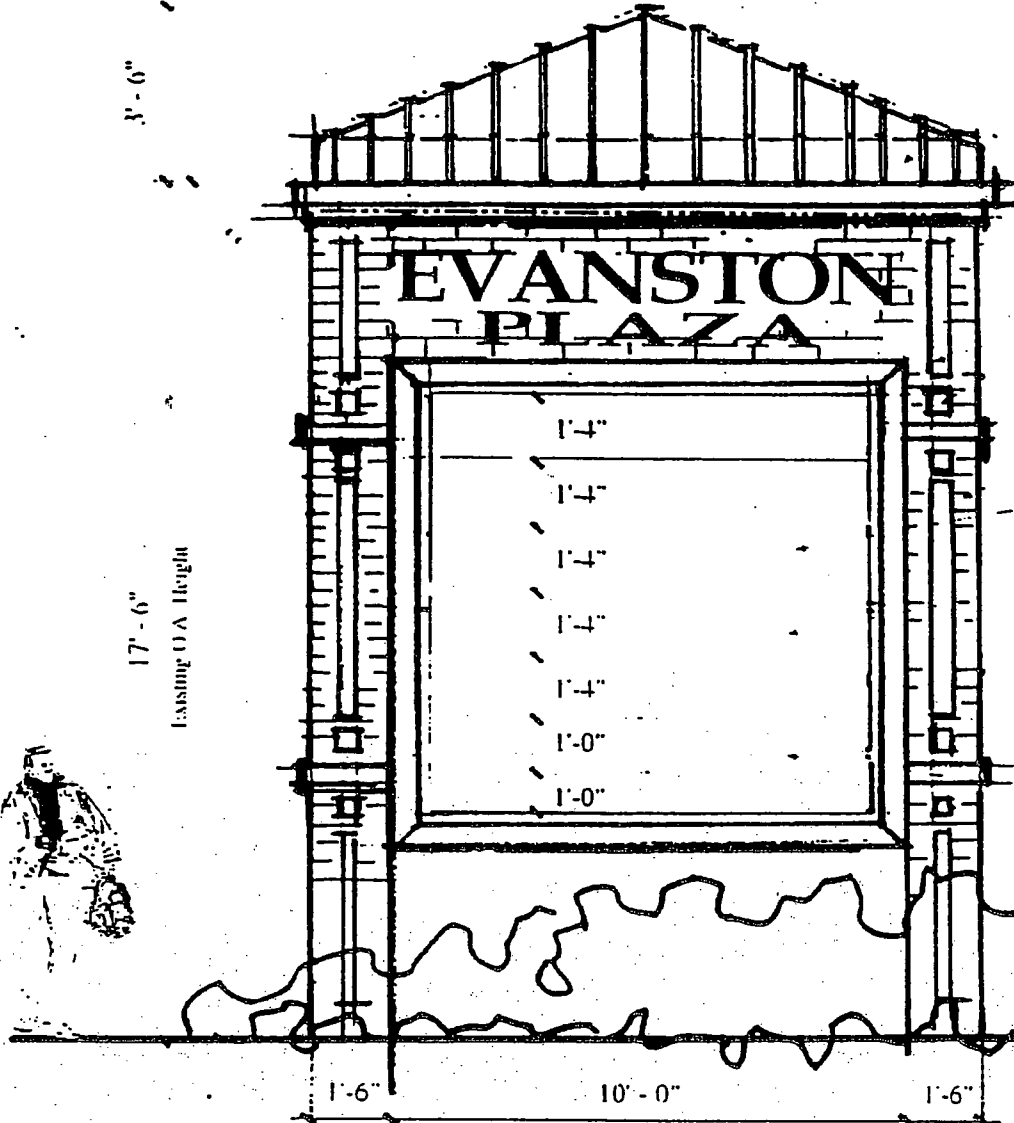
The following table contains information excerpted from the Developer's analyses of the economic feasibility of redevelopment of Evanston Plaza Shopping Center. The categories of costs shown below are consistent with those defined as Eligible Project Costs in this Redevelopment Agreement:

<u>Category</u>	<u>Total Project Cost*</u>	<u>Eligible Project Costs</u>
Building Shell/Demolition	\$ 510,600	\$ 127,766
Parking Lot Improvements	\$ 355,000	\$ 355,000
Anchor Tenant Allowance	\$ 1,106,250	\$ 822,750

* as contained in the Developer's project feasibility analysis.

EXHIBIT G

APPROVED



- New Standing Seam Roof to match building Roof
- Recessed Single neon tube.
- New Laser-cut metal letters
Color: White face
With Halo illuminations
- Applied trim composition/EIFS or equal
Color to match Dryvit #103
-snadblast finish
- Masonry to match Center
- New Metal sign name with multiple divisions for tenant names
- 12" Cap at for full panels
Tenant Sign Letters
Laser cut from opaque metal panel
Panel & Frame Color To match ICI #1281
Letter Face White Plexiglas
- 8" Cap at for half panels
Tenant Sign Letters
Laser cut from opaque metal panel
Panel & Frame Color To match ICI #1281-Gulf Blu
Letter Face White Plexiglas

A FRONT ELEVATION, DOUBLE SIDED
SCALE 1/4" = 1'-0"

Quantity: 1

Note: Original Art work to be supplied by Architect.

NOTE:
Sign Contractor to provide Architect with Shop Drawings for Approval.

Revision Issue Addendum

Project Name	Evanston Plaza
Design	Pylon Design

IDEALMA
ARCHITECTS • INTERIOR PLANNERS • DESIGNERS
THE DEPALMA GROUP INC
935 W CHESTNUT ST CHICAGO IL 60622
312-733-1460 FAX 733-0448

Phone No.	352-090
Fax No.	500
Date	3/22/99
Scale	1/4" = 1'0"
Drawn By	JLN

Drawing No.	
Sheet	A1
Sheet	of