

**EXHIBIT C TO THE ORDINANCE**

**Form of Sixty-Fourth Amending Agreement**

**to**

**ADMINISTRATIVE SERVICES AGREEMENT**

This Sixty-Fourth Amending Agreement to Administrative Services Agreement (the "Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by and between the City of Chicago, a municipal corporation and home rule unit of local government existing under the 1970 Constitution of the State of Illinois (the "City"), acting through its Department of Planning and Development ("DPD"), and SomerCor 504, Inc., an Illinois not-for-profit corporation ("SomerCor") whose office address is 601 South LaSalle Street, Suite 510, Chicago, Illinois 60605.

**WHEREAS**, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects; and

**WHEREAS**, by ordinances adopted by the City Council of the City on July 21, 1999 and on November 8, 2000, and published in the Journal of Proceedings of the City Council for said dates at pages 8307 to 8344, inclusive, and pages 43877-43930, inclusive, respectively (the "SBIF Ordinances"), the City implemented and amended a redevelopment program known as the Small Business Improvement Fund program (the "SBIF Program") to provide financing assistance pursuant to the Act for the improvement of commercial and industrial facilities of small businesses in certain redevelopment project areas ("TIF Areas") in the City; and

**WHEREAS**, the City Council, under the SBIF Ordinances, authorized DPD to enter into agreements with SomerCor, and DPD and SomerCor entered into one agreement on September 22, 1999 ("First SomerCor Agreement") and another agreement on March 12, 2001 ("Second SomerCor Agreement"), to administer the SBIF Programs on behalf of the City; and

**WHEREAS**, in multiple ordinances adopted by the City Council, the most recent of which was adopted on \_\_\_\_\_, 2024 and published in the Journal of Proceedings of the City Council for said date at pages \_\_\_\_\_ through \_\_\_\_\_, inclusive (the "Sixty-Fourth Amending Ordinance"), the City Council authorized DPD to enter into agreements amending the First SomerCor Agreement and the Second SomerCor Agreement with SomerCor to make various changes to the administration of the SBIF Program; and

**WHEREAS**, the Sixty-Fourth Amending Ordinance authorized DPD to enter into an agreement with SomerCor to allocate additional funding to nineteen existing areas, and amend some of the rules and requirements of the SBIF Program, and DPD and SomerCor now desire to enter into such an agreement, which will amend the Second SomerCor Agreement (the "Sixty-Fourth Amending Agreement");

**NOW, THEREFORE**, in consideration of the mutual promises and covenants set forth below, the parties hereto agree as follows:

## ARTICLE I

### **INCORPORATION AND RECITALS**

The recitals set forth above are incorporated by reference as if fully set forth herein.

## ARTICLE II

### **REAFFIRMATION OF REPRESENTATIONS, WARRANTIES AND COVENANTS**

SomerCor reaffirms each and every representation, warranty and covenant made in Article III of the Second SomerCor Agreement. SomerCor reaffirms that it has insurance in force that conforms to the requirements of Section 4.8 of the Second SomerCor Agreement.

## ARTICLE III

### **AMENDMENTS TO SECOND SOMERCOR AGREEMENT**

1. The Second SomerCor Agreement, as amended, is further amended, as follows:
  - (a) Substitute the entire text of Exhibit 1 regarding Program Rules with the text contained in Exhibit B attached to the Sixty-Fourth Amending Ordinance.
  - (b) Section 4.11 of the Agreement is amended by inserting the text underscored, and by deleting the text struck through, as follows:

“Section 4.11. Special Rules Applicable to the LaSalle/Central Area.

Notwithstanding anything to the contrary in this Agreement or the Program Rules, the parties agree that the following rules shall apply to the implementation of the Program in the LaSalle/Central Area (“Special LaSalle/Central Rules”):

- (a) in order to be eligible for Grant Funds, a Property must be located within the LaSalle Street – Court Place to Van Buren Target Corridor, as shown on Sub-Exhibit 8.13 to Exhibit 8 (Target Corridors) of this Agreement.
- (b) the Maximum Program Assistance shall be no greater than \$250,000 per Project and no greater than \$1,000,000 per Property.
- (c) the Maximum Program Assistance may be increased by \$50,000 for an Applicant that is expanding from a “Qualifying Low- or Moderate-Income Neighborhood” identified in Exhibit 9 of this Agreement.
- (d) an Applicant is eligible for reimbursement of up to 90% of Eligible Costs incurred for the Project, in an amount not to exceed the Maximum Program Assistance.
- (e) there shall be no limits on the Net Worth, Liquidity or Annual Sales for Applicants.

(f) only improvements (interior or exterior) on the ground floor or in the great hall (if applicable) of a building will be eligible for reimbursement.

(g) Projects that expand above or below from the ground floor or great hall may be considered for funding in DPD's sole discretion -- for example, a second level dining room or basement level restrooms of a restaurant on the ground floor may be considered for funding under these rules.

~~(h) Taverns, bars and any other businesses holding a "Tavern License" as defined by Chapter 4-60 of the Municipal Code of Chicago shall not be eligible for Grant Funds.~~

~~(h)~~ (h) for an Applicant that is the Property owner to be eligible for reimbursement, 100% of the ground floor of the Project must be leased.

~~(i)~~ (i) no Property is eligible to receive Grant Funds under the Program if the Property has received (i) any Direct City Financial Assistance (as defined in the Program Rules) from the City for the Property within (3) years before the date of an application, (ii) any Direct City Financial Assistance currently being provided to such Property, or (iii) any Direct City Financial Assistance that the City has agreed to provide to such Property at any time in the future pursuant to a written contract.

~~(j)~~ (j) All other rules and requirements of the Program not in conflict with these Special LaSalle/Central Rules shall apply to all applications received for Grant Funds in the LaSalle/Central Area."

(c) amend the text in Exhibit 5 thereof increasing the maximum funds available for the TIF Areas included in Exhibit 1 attached hereto and incorporated herein, which maximum includes previously-allocated funds and additional funding authorized by the Sixty-Fourth Amending Ordinance.

(d) substitute the following for each occurrence of ""Two Hundred Eighty-Two Million Five Hundred and Thirty-Five Thousand Dollars (\$282,535,000)" in Section 4.2 thereof:

"Two Hundred Ninety-Nine Million and Thirty-Five Thousand Dollars (\$299,035,000)"

Except as set forth herein, the Agreement is not amended.

#### **ARTICLE IV**

##### **OBLIGATION TO PROVIDE DOCUMENTS**

SomerCor shall execute and deliver to DPD such documents as may be required by the Corporation Counsel of the City to evidence SomerCor's participation in the Program, including, but not limited to, an opinion of counsel in substantially the form of Exhibit 1 attached hereto and incorporated herein, and the City's current form of Economic Disclosure Statement.

**IN WITNESS WHEREOF**, the City and SomerCor have executed this Agreement as of the date first set forth above.

CITY OF CHICAGO

By: \_\_\_\_\_  
Commissioner,  
Department of Planning and Development

SOMERCOR 504, INC.

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

Its: \_\_\_\_\_

**EXHIBIT 1 to Sixty-Fourth Amending Agreement**

**Additional Funding**

<b>Redevelopment Project Areas</b>	<b>Funding Authorized by the 64<sup>th</sup> Amending Ordinance (\$)</b>	<b>Maximum Funds Available (\$)</b>
35th/Halsted	\$2,000,000	\$7,250,000
47th/Halsted	\$500,000	\$2,000,000
67th/Wentworth	\$750,000	\$2,625,000
79th Street/Southwest Highway	\$500,000	\$2,000,000
87th/Cottage Grove	\$750,000	\$4,575,000
Archer/Western	\$2,000,000	\$3,800,000
Armitage/Pulaski	\$1,000,000	\$2,500,000
Avalon Park/South Shore	\$500,000	\$2,700,000
Avondale	\$500,000	\$2,500,000
Bronzeville	\$500,000	\$1,850,000
Devon/Sheridan	\$500,000	\$2,275,000
Elston/Armstrong	\$500,000	\$2,450,000
Ewing Avenue	\$1,000,000	\$1,800,000
Goose Island	\$1,000,000	\$2,500,000
Hollywood/Sheridan	\$1,000,000	\$3,150,000
Humboldt Park Commercial	\$1,000,000	\$6,000,000
Little Village Industrial	\$1,000,000	\$2,000,000
Stockyards SEQ	\$500,000	\$1,000,000
West Woodlawn	\$1,000,000	\$2,000,000

**EXHIBIT 2 to Sixty-Fourth Amending Agreement**

**Form of Counsel's Opinion**

\_\_\_\_\_, 2024

City of Chicago  
Department of Planning and Development  
121 North LaSalle Street  
Suite 1000  
Chicago, Illinois 60602

RE: Amending Agreement to Administrative Services Agreement (the "Agreement")

Ladies and Gentlemen:

We have acted as counsel for SomerCor 504, Inc., an Illinois not-for-profit corporation ("SomerCor"), in connection with the execution and delivery of the Agreement by and between SomerCor and the City of Chicago, acting by and through its Department of Planning and Development (the "City"). SomerCor has requested that this opinion be furnished to the City.

In so acting as counsel for SomerCor we have examined:

- (i) an executed original of the Agreement;
- (ii) the Articles of Incorporation, including all amendments thereto, of SomerCor as furnished and certified by the Secretary of State of the State of Illinois (the "Articles");
- (iii) the By-Laws of SomerCor, as certified by the Secretary of SomerCor as of the date hereof (the "By-Laws"); and
- (iv) the Certificate of Good Standing dated \_\_\_\_\_, issued by the Office of the Secretary of State of the State of Illinois, as to the good standing of SomerCor (the "Certificate of Good Standing").

The Articles, By-Laws and Certificate of Good Standing are referred to collectively as the "Organization Documents".

In our capacity as counsel, we have also examined such other documents or instruments as we have deemed relevant for the purposes of rendering the opinions hereinafter set forth.

We have assumed, but have no reason to question, the legal capacity, authority and the genuineness of the signatures of and due and proper execution and delivery by the respective parties other than SomerCor which has made, executed or delivered or will make, execute and deliver the agreements and documents examined by us. We have also assumed that all documents submitted to us as originals are authentic and that all documents submitted to us as photostatic or certified copies conform to the original documents.

We have further assumed (i) that factual matters set forth in SomerCor's representations and warranties in the Agreement are true and accurate in all respects; (ii) that the conduct of the parties to the Agreement complies with any requirement of good faith, fair dealing and conscionability; and (iii) that there has not been any mutual mistake of fact, fraud, duress or undue influence.

We express no opinion as to (i) the laws of any state or jurisdiction other than the State of Illinois (and any political subdivisions thereof) and the United States of America; (ii) any matters pertaining or relating to the securities laws of the United States of America, the State of Illinois or any other state; (iii) any matters pertaining or related to the Employee Retirement Income Security Act of 1974 and any rules and regulations thereunder; (iv) any matters pertaining or relating to the taxation laws of the United States of America, the State of Illinois or any other state; and (v) any matters pertaining or relating to the criminal, quasi-criminal or civil forfeiture laws of the United States of America, the State of Illinois or any other state. Additionally, this opinion is limited to the matters set forth herein. No opinion may be inferred or implied beyond the matters expressly contained herein. We shall have no continuing obligations to inform you of changes in law or fact subsequent to the date hereof or of facts of which we become aware after the date hereof.

Based upon and subject to the assumptions and qualifications herein stated, it is our opinion that:

1. Based solely on our review of the Organization Documents, SomerCor is a not-for-profit corporation, duly organized and validly existing under the laws of the State of Illinois, SomerCor has made all filings required by the laws of the State of Illinois in respect of its formation and continuing existence, and has all requisite authority to carry on its business and to execute and deliver, and to consummate the transactions contemplated by, the Agreement.
2. Based solely on our review of the Organization Documents, the Agreement has been duly executed and delivered on behalf of SomerCor and constitutes a legal, valid and binding obligation of SomerCor, enforceable against SomerCor in accordance with its terms, except to the extent that enforcement of any such terms may be limited by: (a) applicable bankruptcy, reorganization, debt arrangement, insolvency or other similar laws generally affecting creditors' rights; or (b) judicial and public policy limitations upon the enforcement of certain remedies including those which a court of equity may in its discretion decline to enforce.
3. To our knowledge, there is no action, suit or proceeding at law or in equity pending, nor to our knowledge threatened, against or affecting SomerCor, before any court or before any governmental or administrative agency, which if adversely determined could materially and adversely affect the ability of SomerCor to perform under the Agreement or any of its business or properties or financial or other conditions.
4. The transactions contemplated by the Agreement are governed by the laws of the State of Illinois.
5. The execution and delivery of the Agreement and the consummation of the transactions contemplated thereby will not constitute:

- A. a violation or breach of (i) the Articles of Incorporation of SomerCor, (ii) the By-Laws of SomerCor, (iii) to our knowledge, any provision of any contract or other instrument to which SomerCor is bound, or (iv) to our knowledge, any order, writ, injunction, decree, statute, rule or regulation binding on SomerCor, or
  - B. to our knowledge, a breach of any of the provisions of, or constitute a default under, or result in the creation or imposition of any lien or encumbrance upon any of the property of SomerCor pursuant to any agreement or other instrument to which SomerCor is a party or by which SomerCor is bound.
6. To our knowledge, no action of, or filing with, any governmental or public body is required to authorize, or is otherwise required for the validity of, the execution, delivery and performance of any of the Agreement.

In basing the opinions or other matters set forth in this letter, the words “our knowledge” signify that, in the course of representation of SomerCor, no facts have come to our attention that would give us actual (and not implied or constructive) knowledge or actual (and not implied or constructive) notice that any such opinions or other matters are not accurate. Except as otherwise expressly stated in this opinion, we have undertaken no investigation nor verification of such opinions and matters. Further, the words “our knowledge” and similar language used in this opinion are intended to be limited to only the actual knowledge of the attorneys within our firm who have been directly involved in representing SomerCor, namely \_\_\_\_\_.

The foregoing opinions are furnished exclusively for your benefit and may be relied upon by you in connection with the Agreement but may not be delivered to or relied upon by any other person or entity without express written consent from the undersigned, which may be granted or denied in the undersigned’s sole discretion.

Very truly yours,