

**Request for Qualifications/
Request for Proposals**

Redevelopment and Reuse of 2222 Oakton St.

**Issued by:
the City of Evanston**

**Issuance Date:
Tuesday, July 17, 2018**

**Deadline for Responses:
Monday, August 13, 2018**

**Additional information will be
available on the City's website at:
cityofevanston.org/2222oakton**



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Introduction and City Objectives

The City of Evanston (“the City”) is seeking submissions from qualified developers for the reutilization of a City-owned property located at 2222 Oakton Street. The site is comprised of a 13,000 square foot building that previously housed Evanston’s Recycling Center and now currently serves as storage for City equipment. The property is slightly less than one acre (39,000 square feet).

Submitted proposals from individuals or teams will be reviewed and ranked by the City’s Community Development Department, Public Works Agency, City Manager’s Office, the Economic Development Committee, and the City Council. From that point, the City will initiate negotiations with the first ranked individual or team to draft a public/private partnership agreement. In the event that the first ranked individual/team is unable to complete a public/private partnership agreement, the City will move to the second ranked proposal.

During the review, the City is taking into consideration past development success, experience in working with municipalities of similar scale as Evanston, financial strength of development teams, quality of previous development projects, and demonstrated economic benefit to cities where projects were previously located.

Developers shall provide a proposal for how they would propose to redevelop the property, including site plans of the proposed redevelopment, renderings of the proposed concept, letters of commitment from proposed tenants or end-user of the property, and proposed structure for seeking to purchase or lease from the City, as well as any additional assistance required to complete the project.

The timeline on the following page summarizes the steps anticipated for this project. The timeline is subject to change based on the City calendar, obtaining quorum for meetings, and other factors not currently anticipated at the time of issuance of this document.

Request for Qualifications/Request for Proposals Timeline

Event/Activity	Date
Release of Solicitation Documents	Tuesday, July 17, 2018
Deadline to Submit Questions to the City	Friday, July 27, 2018
City's Response to Questions (posted at cityofevanston.org/2222Oakton)	Wednesday, August 1, 2018
Responses to Solicitation Due	Monday, August 13, 2018
Evaluation by City Staff	Wednesday, August 29, 2018
Economic Development Committee Review of RFP Responses/Public Presentation of Proposals by Short-Listed Developers	Wednesday, September 26, 2018
City Council Review of RFP Responses	Monday, November 5, 2018
Selection of Development Team	December 2018/January 2019

Overview of 2222 Oakton Street

The City is seeking qualified individual/operator or team to utilize the property at 2222 Oakton to bring an exciting and destination-oriented use to Evanston's Oakton corridor. Evanston has a wide range of dining, fitness and entertainment options, and is home to many unique destinations. The City's goal for this property is to be utilized for its highest and best uses that will offer amenity options for visitors and residents of Evanston that include families, baby boomers, and college-aged students alike.

The following sections outline important information for review and consideration of the site:

Site Location and Context

The site is located along the south side of Oakton Street, just east of McCormick Boulevard. It includes 265 linear feet of frontage along Oakton Street. Immediately to the south of the property are shared garden plots currently rented by Evanston residents and James Park (municipal park where soccer and baseball is played), to the west of the site is the City's Animal Shelter, to the east of the site is additional park space for James Park. A proposal has been/will be issued to reconstruct the James Park North Parking Lot. (Exhibit #2). The parking lot that will be constructed could potentially include 53 parking spaces, including 3 ADA parking spaces. Plan drawings and project updates will be available on the City website: cityofevanston.org/government/departments/public-works/james-park/james-park-north-lot. Across Oakton Street is a shopping center that includes a Home Depot, an Aldi, Steak & Shake, and a PetSmart. Quad Indoor Sports dome is to the west of the site at 2454 Oakton Street.

On a daily basis, visits to James Park from April to November range between 1,000 and 1,500 individuals. This number grows to over 2,000 individuals on the weekend. Outside of the peak season, there are approximately 100 to 200 individuals who visit the park on a daily basis. During the summer, the City also convenes concerts in James Park that draw several hundred people.

A map of the property's context within a two-block radius and the region is provided as an attachment in the appendix.

Building Details

The structure on the site was constructed in 1991 and is approximately 13,500 square feet in size. The property was originally designed for purposes of collecting and processing municipal recycling from 1991 to 2010. The building is constructed of steel and brick. The building is divided into two areas: a small office area and a larger open area that was used for processing and collection of recycling.

Demographic Profile of Site

The site is located at the southwestern end of Evanston in a densely populated part of the municipality. The Demographic section of this document provides additional information on households and daytime population within a mile radius of the site. Several major employers are within a short distance of this property. These include multiple schools associated with Evanston's School District 65, including Dawes Elementary School located at 440 Dodge Avenue, Chute Middle School located at 1400 Oakton Street, and Oakton Elementary School located at 436 Ridge Avenue. Additionally, Presence Health's Saint Francis Hospital is approximately one mile from the property.

Zoning and Building Code

The zoning for the property is currently I2 (Industrial). The attached table indicates allowable uses for this proposed zoning. Following the selection of the appropriate operator or development team, the City will work with the selected operator/team to determine if I2 is still an appropriate zoning category or if changes need to be made. The appendix includes additional information on the current future zoning classification of the property as well as commercial zoning classifications.

The City has adopted the 2012 International Building Code with additions, deletions, and exceptions, and other amendments as set forth in Title 4 of the City Code. More information on the adopted building codes can be found by visiting cityofevanston.org/business/building-inspection-services.

Transportation

According to the Illinois Department of Transportation, on a daily basis 18,100 cars pass the site. McCormick Boulevard is approximately 0.3 miles from the site and is the next major intersection near the site. This corridor is served by 26,700 vehicles on a daily basis.

Additionally, street parking is plentiful along this corridor. Oakton Street currently offers unrestricted parking on both sides of the street from Dodge Avenue to Pitner Avenue. The property also is served by two driveways. One driveway is adjacent to a traffic signal. Parking is available on the site and can accommodate 40–50 vehicles.

The site is served by the Chicago Transit Authority's Route 97 (Skokie) along Oakton Street. This bus route connects the route along Howard Street and Oakton Street between the Howard Purple/Red/Yellow line station and the Dempster Yellow Line station in Skokie. Along Dodge Avenue is Route 93 (California/Dodge). This route runs between Downtown Evanston's Davis Purple Line stop and the Brown Line's Kimball Stop in Chicago. The primary corridor of access for this bus is Dodge Avenue in Evanston, which turns into California Avenue in Chicago (south of Howard Street). The closest Pace route is 206, which serves Oakton east of Dodge Avenue and travels north along Dodge Avenue. That stop is 0.3 miles from the site.

Municipal Services

The property is served by ComEd, Nicor, and City sewer and water service. The property is served by a six-inch D.I.P. water service pipe. A copy of a map of the sewer and water service to the property is included in the appendices of this document. The City requires certain new developments and redevelopments to retain stormwater on the property, either through storage or through green infrastructure and then infiltrate it back into the ground or limit the rate of release into the sewer system. A copy of the City's Storm Water Control Ordinance is attached to this document in the appendices.

Taxes

The property is currently under the ownership of the City and is exempt from paying taxes. After the property is redeveloped and occupied by the new user, that entity will assume responsibility for the payment of taxes on the property. Details on the transition from the currently exempt status to taxable status will be further articulated in an agreement between the City and the selected user.

Environmental Testing

The City has not completed any environmental or soil testing for the site.

Demographic Profile of Evanston and Surrounding Area

Located in the southwestern end of Evanston, 2222 Oakton Street is in a densely populated area of Evanston. In 2018, the Census reported a population of 293,139 within a 3-mile radius of the site. The average household income is approximately \$85,356. The median home value for this area is approximately \$317,812. Over one third (36.92%) of the households within a 5-mile radius are between the ages of 25–49. The median age is 38.30.

Selection Criteria for Qualifications Stage

The initial review of submissions will be reviewed and scored by the City. Copies of the submissions will also be sent to all members of the Economic Development Committee (members are City Council members, one is a liaison from the Plan Commission, one is a liaison from the Zoning Board of Appeals, and two members are appointed by the Mayor to serve on the Committee). Members of the Economic Development Committee will also be asked to score all the submissions and provide scores prior to the Economic Development Committee meeting that the RFQ will be discussed.

At that meeting, all scores (staff scores and Committee member scores) will be shared and discussed. From that discussion and meeting, the Committee will determine which will be recommended to City Council for approval of sale or lease.

The following format is required for all submissions

I. Qualifications Summary

Statement summarizing the operator or development team's qualifications for completing a project as outlined in this document and interest.

II. Operator/Development Team Overview

This section should include all parties that will participate on this project (owner/operator, architect, engineers, construction management team, any other design/construction professionals). Information for each party involved should include:

- a. Resumes of all principals involved from each firm or organization for all components of the project
- b. Background on each firm involved in the project
- c. Name of operator/development team entity that is interested in undertaking this project (include all names of principals, managing partners, etc.).

III. Representative Projects and/or Experience

This section should include all projects that principals of the development team or operator have completed within the past 10 years. Projects should include information on location, physical characteristics of the project, and the current condition of the project (open, closed, under new management, etc.). Any other pertinent information on this project should be included to illustrate the operator or development team's ability to undertake large scale projects that operate successfully after opening.

IV. Current Projects

This section should include all projects the operator or development team contemplates participating in between 2019 and 2023. Information on the size and scope of these projects should be included. It should also include all projects the operator or development team is currently responsible for managing and operating on a day-today basis.

V. Financial Information

Information documenting the operator or development team's ability to participate financially in this project is a key component of the evaluation. At this stage, the following information is requested:

- a. Sources of financing and preliminary evidence of interest from financial institutions or partners. Evidence can include letters to the operator or development team indicating interest in financial participation on future projects.
- b. Information about pending litigation or other disputes associated with the operator and development team.

VI. References

A minimum of four references for similar projects is required. References should include contacts for current City staff that are familiar with work completed

VII. Point of Contact for Project

Clearly identify the person who should receive correspondence from the City regarding this project.

Project Proposal

Proposals are being requested at this time that, at a minimum, includes:

Project Description

- Intended use(s) of the property and compatibility with uses adjacent to the property.
- Rough site plans and renderings of proposed development.
- Proposed number of parking spaces.
- Anticipated development schedule with key milestone dates and projected occupancy date.
- Developer experience with development projects in municipalities of similar scale to Evanston.
- Ability to hold property for extended period of time; ability to purchase property.

Finances

- Indication to lease or purchase the property from the City of Evanston
- Estimated total investment to be made for the development of the property.
- Estimated property and sales taxes projected to be generated by the development.
- Financial assistance being sought from the City of Evanston, Cook County, the State of Illinois, or any other entity.
- The financial strategy of the project, and its ability to secure necessary private funds and be started and completed in a timely manner.
- Evidence of financial capacity of the developer to complete the development of the property.
- Demonstrated economic benefit to cities where projects were previously located.

Operations

- Management Plan
- Anticipated hours and days of operations.
- Anticipated number of employees.

Additional information may be required at the City's discretion. An additional Proposal Scorecard will be released for the second stage of the solicitation following the successful completion of the first stage of this solicitation.

Additional Documents for Review

- Pictures of Property at 2222 Oakton Street
- Map of Proposed James Park North Parking Lot
- Map of Property and Surrounding Area
- Plat of Survey and First Floor Plan of Property
- Zoning Classifications
- Existing Water Infrastructure
- Stormwater Control Ordinance
- Smylie Lease Agreement

Request for Qualification/Proposal Scorecard

Category	Description	Points Awarded (100 total)
Complete Submission	Submission was complete and included all information requested and shows understanding of the City's desired goals for the property.	15
Experience in Similar Communities	Operator or development team has good references from similar municipalities in which it has completed work.	10
Capacity of operator or team to complete the project	Operator or proposed development team has completed similar projects on size and scope of that contemplated at this location. The resumes of principals involved demonstrate experience working on similar projects. Current work load will not interfere with ability to complete this project.	15
Demonstrated financial capacity to complete the project	Operator or development team demonstrated that they have the financial capacity to develop and operate a development on the scale of the one contemplated for this project.	20
Portfolio of Work	Operator or development team completed projects that have similar uses and tenants that represent high-quality uses and projects.	20
Environmental practices and demonstration of sustainability commitment	Operator or development team is able to highlight components of projects or experience that demonstrate a commitment to environmental sustainability.	10
Resumes and Experience of Firm Principals	Operator or team has a reputable team of professionals under leadership.	10
Total Points		100

Highlights criteria and potential total points awarded for submissions.

Submission and Additional Procedures

In order for all respondents to have the opportunity to understand and visit the site, the City will offer tours to parties interested in visiting the site and also offer a period for questions, comments, and answers.

Site Visits

One site visit will be offered on Tuesday, July 24, 2018 from 10:00 a.m. to 11:00 a.m. Representatives from interested operators and development teams are encouraged to attend. Participation in a site visit is not a requirement to respond to this solicitation.

Questions/Comments & Answers

All questions regarding the property and this solicitation must be submitted to the City no later than Friday, July 27, 2018 at 5:00 p.m. All questions received and answers will be published on the City's website at: cityofevanston.org/2222oakton. Responses to questions will be published on this page no later than Wednesday, August 1, 2018.

All updates regarding this project will be communicated through this website as well. The page should be regularly checked to ensure that information is not missed.

Submission Procedure

Submissions (both hard copy and electronic) must be received no later than 5:00 p.m. on Monday, August 13, 2018 in the following manner:

- Submit two copies of the response to the Request for Qualifications/Proposals for 2222 Oakton Street to the City of Evanston's Community Development Department at the following address:
Community Development Department
ATTN: 2222 Oakton Street Responses
2100 Ridge Avenue
Evanston, IL 60201

In-person submission, mail, courier, and all other delivery services are acceptable.

- Email one PDF copy to Jim Hurley, Community Development Management Analyst, at jhurley@cityofevanston.org.

A confirmation email will be provided indicating your submission was received and within the deadline.

The City of Evanston reserves its right to reject any or all submittals when, in its opinion, it is determined that it is in the City's best interest; to waive minor irregularities and informalities of the submittal; or to cancel, revise, or extend this solicitation. This Request for Qualifications/Proposals does not obligate the City of Evanston to pay any costs incurred by any respondent in the submission of a proposal or in making necessary studies or designs for the preparation of that proposal, or for procuring or contracting for the services to be provided under this Request for Qualifications/Proposals.

Streetview: 2222 Oakton Street



Exterior View: Looking East 1



Exterior View: Looking East 2



Interior View: Looking East



Interior View: Looking West

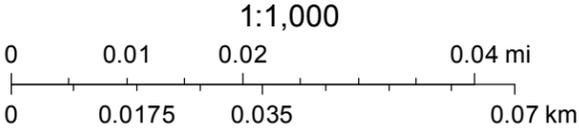


Oakton Street

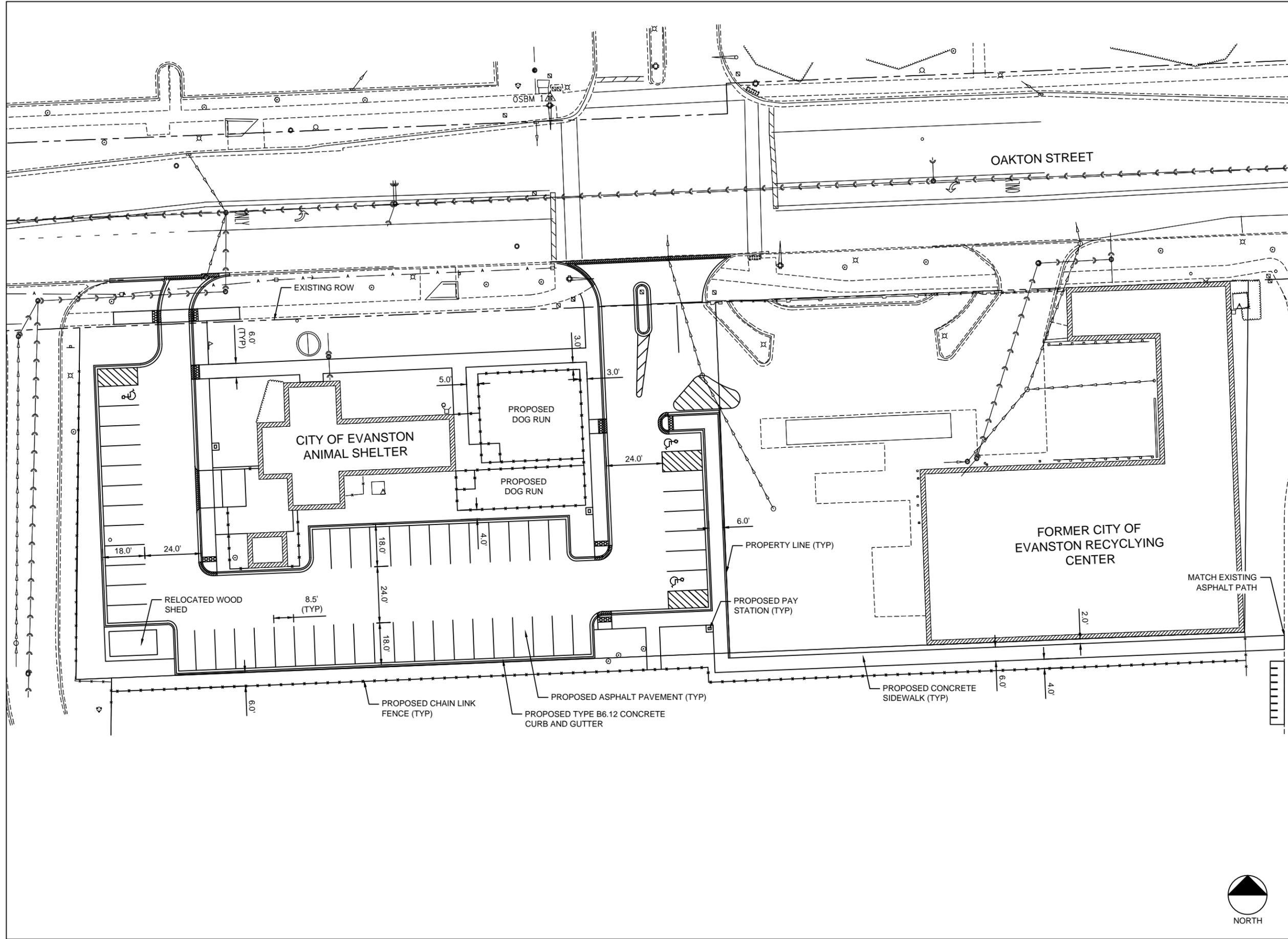


April 29, 2016

 Tax Parcels



City of Evanston



PROJECT NAME:
**JAMES PARK
NORTH PARKING
LOT #66**

NOTES:
1" x 1"
DO NOT SCALE DRAWINGS.
WHEN PRINTED TO THE
CORRECT SCALE, THE BOX
ABOVE MEASURES 1" x 1".

DRAWING SCALE: 1" = 40'-0"

REVISIONS:

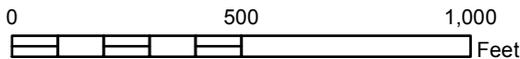
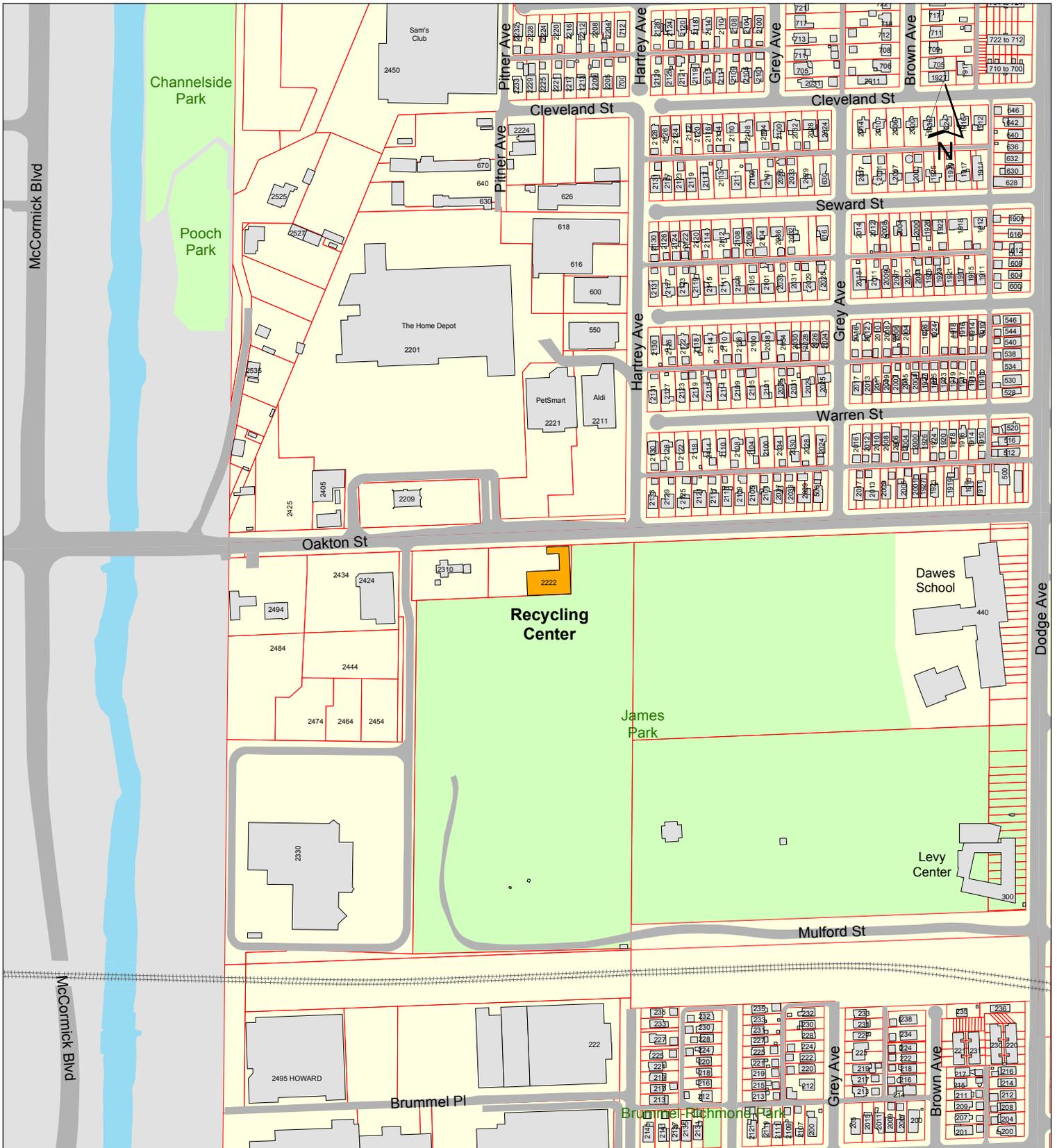
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SHEET TITLE
SITE PLAN

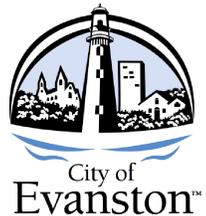
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6



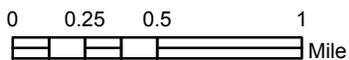
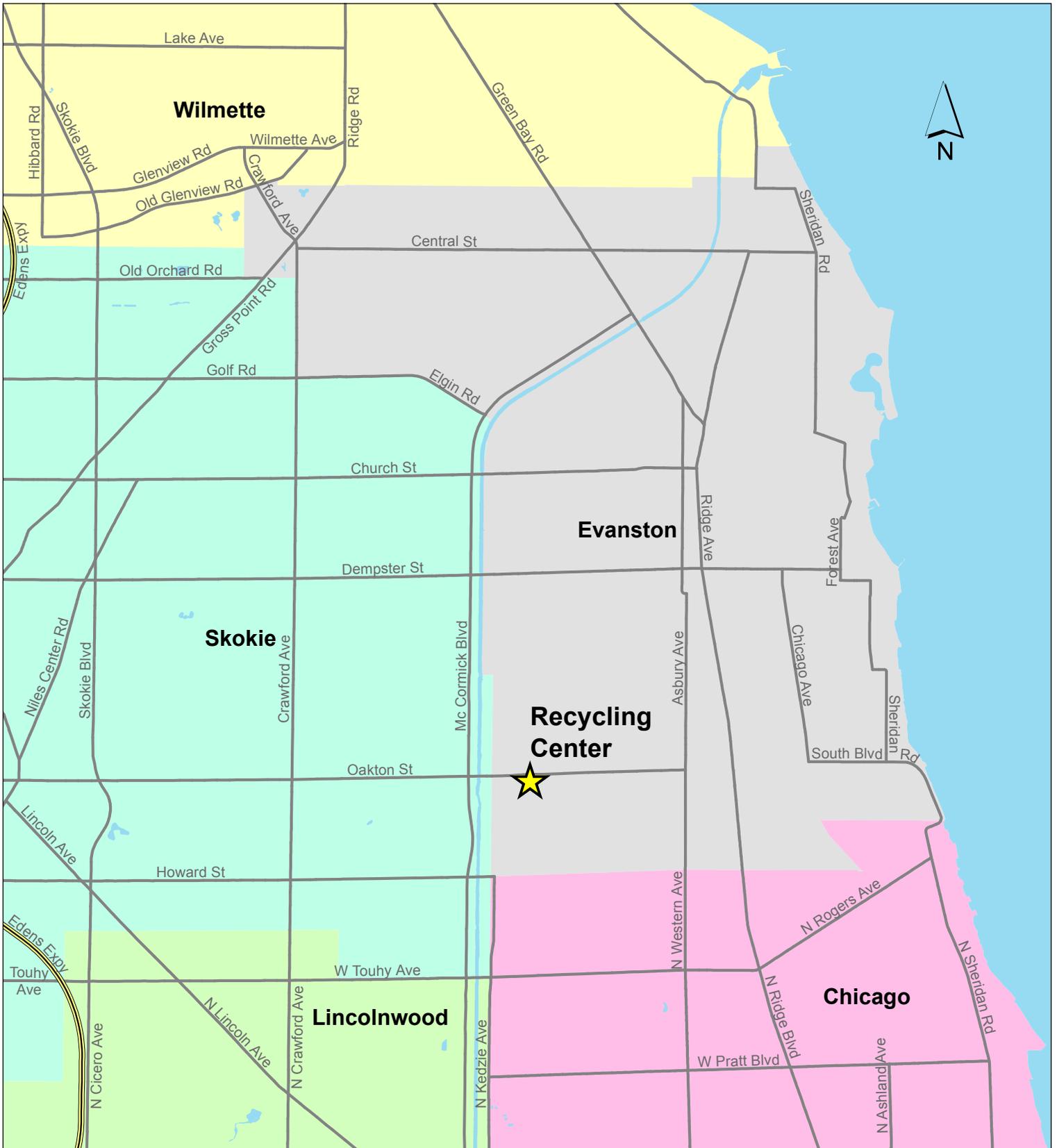
Recycling Center and environs



- Recycling Center
- Building
- Tax Parcel
- Street / Alley
- Park
- Water
- Evanston
- Skokie



Area Context



Recycling Center

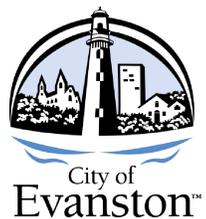
- Evanston
- Skokie
- Chicago
- Lincolnwood
- Wilmette
- Water

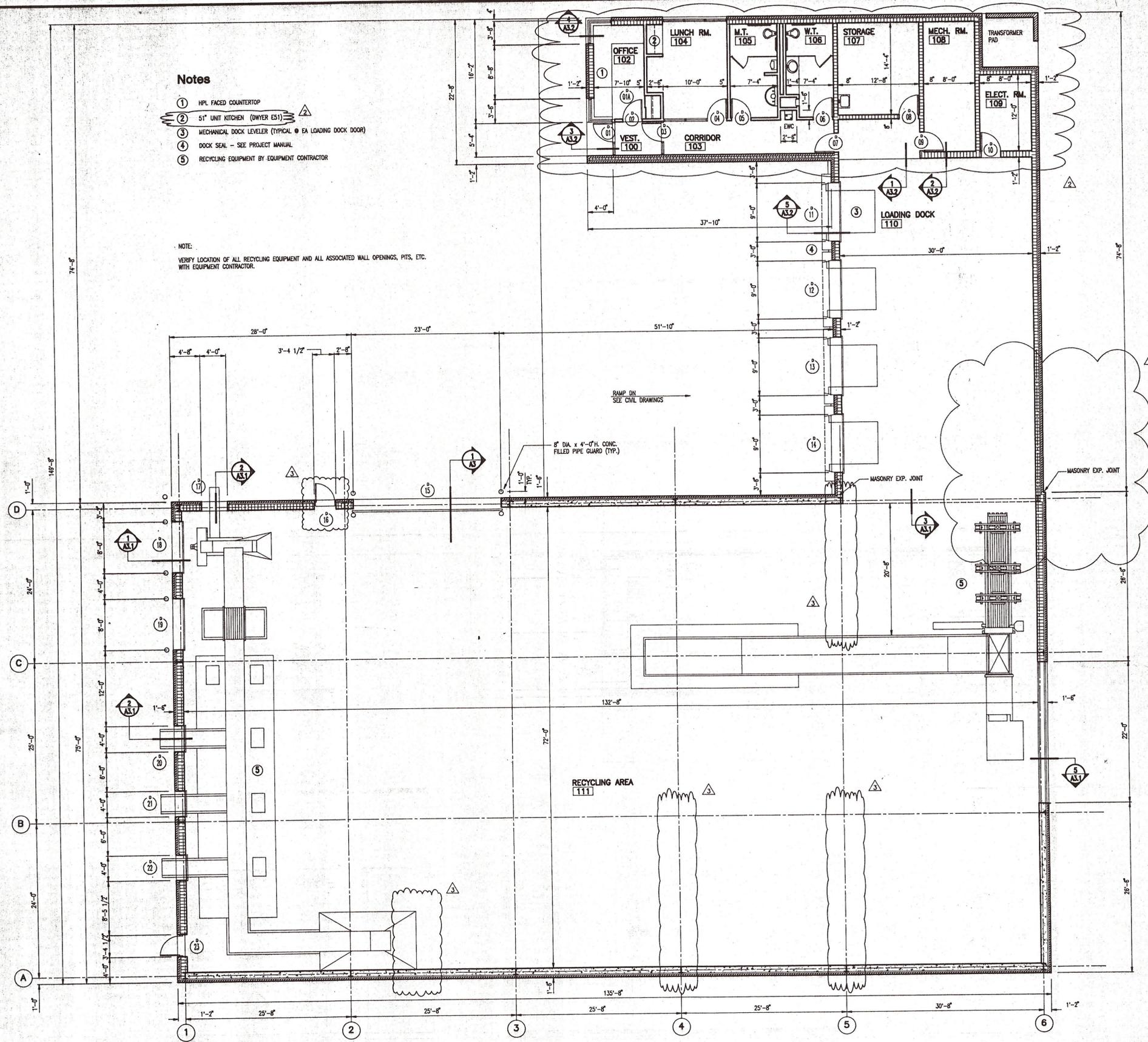
- Major Road
- Expressway

RecyclingCenterAreaMap.mxd 4/2/2015

This map is provided "as is" without warranties of any kind.

See www.cityofevanston.org/mapdisclaimers.html for more information.





- Notes**
- ① HPL FACED COUNTERTOP
 - ② 51" UNIT KITCHEN (DWYER ES1)
 - ③ MECHANICAL DOCK LEVELER (TYPICAL @ EA LOADING DOCK DOOR)
 - ④ DOCK SEAL - SEE PROJECT MANUAL
 - ⑤ RECYCLING EQUIPMENT BY EQUIPMENT CONTRACTOR

NOTE:
VERIFY LOCATION OF ALL RECYCLING EQUIPMENT AND ALL ASSOCIATED WALL OPENINGS, PITS, ETC. WITH EQUIPMENT CONTRACTOR.

1 FIRST FLOOR PLAN
A1 SCALE 1/8"=1'-0"

**R.I. Christensen
S. Inucci
Architects Inc.**
300 West Washington Street
Chicago, Illinois 60606

NO.	DESCRIPTION	DATE
1	ISSUED FOR BIDDING	6-10-91
2	DOCK/OFFICE AREA REVISED	7-2-91

FIRST & SECOND FLOOR PLAN
City of Evanston
Material Recovery Center
Evanston, Illinois

DRAWN	
CHECKED	
APPROVED	
DATE	6-10-91
PROJECT NO.	8008
SHEET NO.	A1

I1-I3*



Industrial Districts

(Zoning Ordinance §6-14-1; 6-14-2; 6-14-3; 6-14-4) updated January 19, 2017

*See Title 6, Chapter 14 of the Evanston Code of Ordinances for more information, definitions, additional requirements and exceptions to these regulations. A Zoning Analysis is strongly recommended for major projects prior to submitting an application for building permits.

PURPOSE STATEMENTS

I1 Industrial District

To provide an environment for business, office, and general light industrial uses, while minimizing the impact of such activities on adjacent residential neighborhoods through good site planning and design, including landscaped buffer yards.

To accommodate warehousing, office, light fabrication, assembly, storage activities, and combinations thereof, as well as commercial uses related to industrial and office uses.

A primary goal of the I1 district is to provide for expansion of incubator businesses originating in the research park district.

I2 Industrial District

To provide sites for light manufacturing and light industrial uses under controls that minimize any adverse effects on property in nearby residential, business, and commercial districts.

I3 Industrial District

To provide sites for manufacturing and industrial uses under controls that minimize adverse effects on property in nearby residential, business, and commercial districts.

MINIMUM LOT SIZES

	I1	I2	I3
Square Feet	20,000	No requirement	

MINIMUM LOT WIDTHS

	I1	I2	I3
Feet	100	No requirement	

MAXIMUM BUILDING HEIGHTS

Maximum building height is the lesser of feet or stories indicated in the table below:

	I1	I2	I3
Feet	45		60
Stories	3		4

PERMITTED AND SPECIAL USES

	I1	I2	I3
Aquaponics	S	S	S
Automobile and recreational vehicle sales		P	
Automobile body repair establishment		P	P
Automobile repair service establishment	P	P	P
Automobile service station	P	P	
Automobile storage lot		S	P
Business or vocational school	S	S	S
Car wash	S	S	S
Commercial indoor recreation		S	
Commercial parking garage	P	P	
Commercial parking lot		P	P
Craft brewery	P	P	P
Daycare center-domestic animal	S	S	S
Firearm range ⁵	S	S	S
Funeral services w/o cremation	P	P	P
Government institutions	P	P	
Heavy cargo and freight terminal	S	S	S
Heavy manufacturing	S	S	P
Industrial service establishment	P	P	P
Kennel	S	S	S
Light manufacturing	P	P	P
Media broadcasting towers	S	S	S
Neighborhood garden	P	P	P
Office	P	P	P
Open sales lot	S	S	S
Outdoor storage	S ⁴	S ⁴	P
Pharmaceutical manufacturing	S	S	P
Planned development ⁶	S	S	S
Public transportation center	P	P	P
Public utility	P	P	P
Ready mix/concrete			P

	I1	I2	I3
Recycling center		S	P
Restaurant- Type I	P	S	S
Restaurant- Type II		S	S
Retail goods or services establishment	S	S	
Trade contractor	P	P	P
Truck sales/rental		P	
Urban farm	S	S	S
Urban farm, rooftop	S	S	S
Vehicle salvage			P
Vehicle towing establishment	P		
Warehouse establishment	P	P	P
Wholesale goods establishment	P	P	P
Yard waste transfer facility			S

P=Permitted Use; S=Special Use; = Not Permitted

YARD REQUIREMENTS

Principle Structures		I1	I2	I3
Front	All	15 ft	No requirement	
Street Side	All	15 ft		
Interior Side, abutting	Residential	10% transition yard ¹	10% transition yard ²	
	Nonresidential	5 ft	8 ft	
Rear, abutting	Residential	10% transition yard ¹	10% transition yard ²	
	Nonresidential	20 ft		

Parking Setbacks		I1	I2	I3
Front	All	Prohibited	Permitted ³	
Street Side	All	Prohibited	Permitted ³	
Interior Side, abutting	Residential	20 ft		
	Nonresidential	5 ft		
Rear, abutting	Residential	20 ft		
	Nonresidential	5 ft		

FLOOR AREA RATIO

	I1	I2	I3
Maximum FAR	0.75	1.0	

OUTDOOR STORAGE

Outdoor storage shall be permitted as an accessory use in all the industrial districts subject to the following condition:

I1: In the rear yard without limitation and in the interior side yard provided the area devoted to the storage shall not exceed 30%.

I2: In the rear yard without limitation and in the interior side yard provided the area devoted to the storage shall not exceed 30%.

I3: In any yard without limitation.

All outdoor storage areas whether accessory or principle shall be enclosed on all sides by an 8-foot tall solid fence and shall be subject to design and project review.

¹ Nonresidential land uses abutting or across a street or alley from residential districts shall provide a minimum transitional yard equal to 10% of the average width of the lot (up to max. of 50 feet) or 20 feet, whichever is greater. Such transitional buffer yards shall extend the entire length of the abutting residential zoning district.

² Nonresidential land uses abutting or across a street or alley from residential districts shall provide a minimum transitional yard equal to 10% of the average width of the lot (up to max. of 30 feet) or 20 feet, whichever is greater. Such transitional buffer yards shall extend the entire length of the abutting residential zoning district.

³ Permitted with appropriate landscaping, as determined by the Design and Project Review Committee.

⁴ When covering more than 30% of an interior side yard or as a principle use.

⁵ Located more than 350 feet from any R1, R2, R3 district, or more than 350 feet from any school, child daycare facility, or public park in any zoning district measured from lot line to lot line.

⁶ Subject to the requirements of sections 6-14-1-10 and 6-3-6 of the ordinance.

C1-C2*

Commercial Districts

(Zoning Ordinance §6-10-2; 6-10-3; 6-10-4) updated January 27, 2017



***See Title 6, Chapter 10 of the Evanston Code of Ordinances for more information, definitions, additional requirements and exceptions to these regulations. A Zoning Analysis is strongly recommended for major projects prior to submitting an application for building permits.**

PURPOSE STATEMENTS

C1 Commercial District

Provide appropriate locations for contemporary shopping developments. Uses such as commercial strips and shopping centers, characterized by large parking areas and multiple tenants are encouraged. The C1 district will allow front yard parking, but only with appropriate boundary landscaping.

C1a Commercial Mixed Use District

Provide locations for the development of mixed use buildings consisting of retail oriented and offices uses on the ground level and office uses and/or residential buildings located above, as well as multi-family residential. Higher floor area ratios and building heights are permitted in the C1a district to encourage this type of development.

C2 Commercial District

Provide suitable locations for general business and commercial activities including automobile/recreational vehicle sales and services and other similar establishments that, due to their inherent nature, may create substantial negative impacts when located close to residential areas.

PERMITTED AND SPECIAL USES

	C1	C1a	C2
Animal Hospital	S	S	S
Aquaponics	S	S	S
Assisted living facility		S	
Automobile body repair establishment			S
Automobile and recreational vehicle sales			P
Automobile repair service establishment	S		P
Automobile service station	S		P
Banquet hall	S	S	S
Business or vacation school	P	P	P
Car wash	S		S
Caterer	P	P	P
Commercial indoor recreation	P	P	P
Commercial outdoor recreation	S	S	P
Commercial parking garage			S
Commercial parking lot			S

	C1	C1a	C2
Commercial shopping center	P	P	P
Convenience store	S	S	S
Craft brewery	S	S	S
Cultural facility	P	P	P
Daycare center- adult or child	S	S	S
Daycare center- domestic animal	S		S
Drive-thru facility ³	S		S
Drive-thru facility ⁸		S	
Dwelling-Multiple-family		S	
Dwellings ⁴		P	
Education inst.- private or public	P	P	P
Financial institution	P	P	P
Food store establishment ⁵		P	
Food store establishment	P	S	P
Funeral services w/o cremation	S	S	P
Government institutions	P	P	P
Hotel	S	P	S
Independent living facility		S	
Kennel	S		S
Long term care facility		S	
Media broadcasting station	S	S	S
Membership organizations	S	S	S
Micro-Distillery	S	S	S
Neighborhood garden	P	P	P
Office	P	P	P
Open sales lot	S	S	S
Pawnbroker			
Payday loan or consumer loan establishment			S
Planned development	S	S	S
Public utility	P	P	P
Recording studio	P	S	P
Religious institution	P	P	P
Resale establishment	S	S	S
Residential care home-Category I ⁶ and Category II		S	
Restaurant- Type I	P	P	P
Restaurant- Type II	S	S	S
Retail goods establishment	P	P	P
Retail services establishment	P	P	P
Retirement hotel		S	
Sheltered care home		S	S

	C1	C1a	C2
Trade contractor ⁷	S		P
Transitional shelter		S	
Urban farm, rooftop	S	S	S
Wholesale goods establishment	S	S	P

P=Permitted Use; S=Special Use; = Not Permitted

MINIMUM LOT SIZES

	C1	C1a	C2
Residential (Square feet/DU)	No requirement	350	No requirement
Nonresidential	No requirement		

DU = dwelling unit

MINIMUM LOT WIDTHS

	C1	C1a	C2
Uses within shopping center	100 ft	150 ft	No requirement
Uses not incorporated within shopping center	No requirement		

MAXIMUM BUILDING HEIGHTS

	C1	C1a	C2
Feet	45	67	45

FLOOR AREA RATIOS

	C1	C1a	C2
Maximum FAR	1.0	4.0	1.0

YARD SETBACK REQUIREMENTS

Principle Structures		C1	C1a	C2
Front	All	None		5 ft
Street Side	All	5 ft	N/R	5 ft
Interior Side, Abutting	Residential district	15 feet		
	Nonresidential district	5 ft	See end Note ¹	5 ft
Rear, abutting	Residential district	15 ft	10 ft	15 ft
	Nonresidential district	None		

Parking Setbacks		C1	C1a	C2
Front	All	See end note ²		5 ft
Street Side	All	5 feet		
Interior Side, abutting	Residential	10 feet		
	Nonresidential	5 feet		
Rear, abutting	Residential district	10 feet		
	Nonresidential district	Zero feet (no requirement) ⁰		

SPECIAL PARKING REGULATIONS

Enclosed parking and appurtenant areas must be set 20 feet back from any front or street side lot line, except for driveways. Enclosed parking may not be visible from any abutting streets. No devices or openings for vehicle ventilation may be visible from abutting streets.

¹ No setback requirement for buildings less than 25 feet in height above grade; 5-foot setback required for building taller than 25 feet above grade.

² Parking and landscape setbacks subject to site plan review.

³ Accessory or principle.

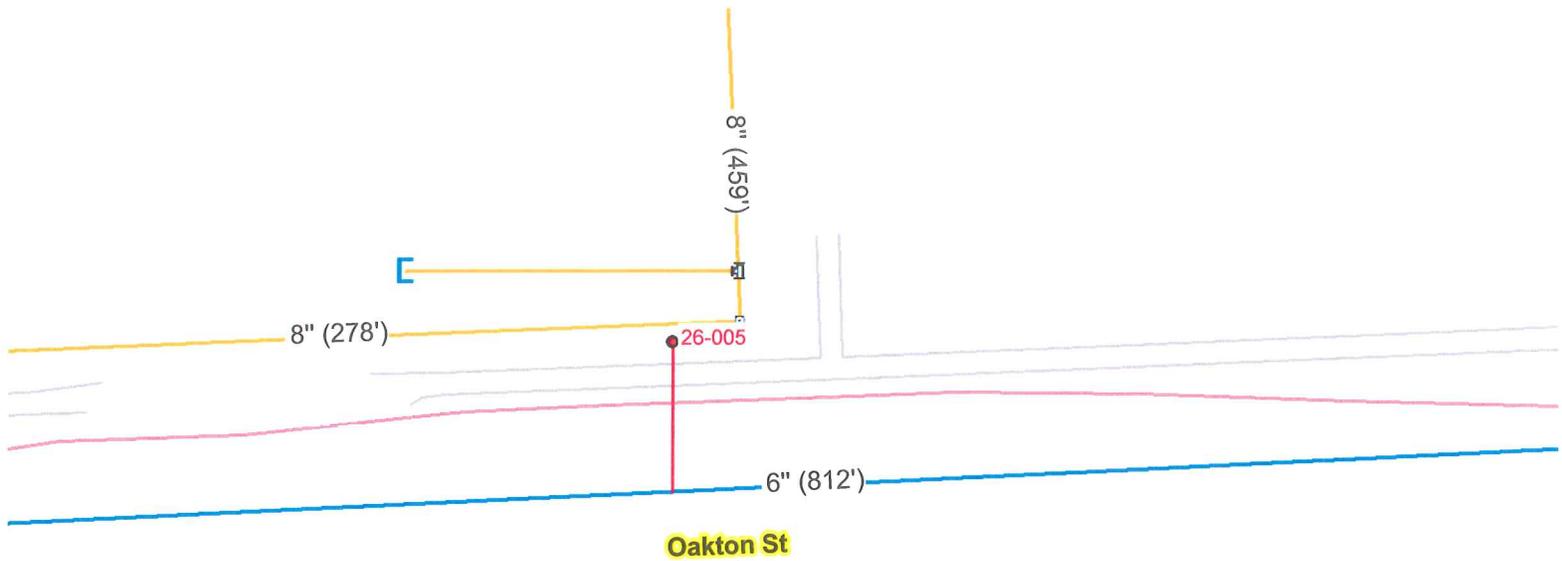
⁴ Except that between Lee Street and Kedzie Street, dwellings are permitted above the ground floor only.

⁵ With hours of operation between 6:00 am and 12 midnight

⁶ When located above the ground floor.

⁷ Provided there is no outdoor storage.

⁸ Accessory only.



2222

8" (322')

James

CHAPTER 24

STORM WATER CONTROL

4-24-1: DEFINITIONS:

The following terms are defined for the use of this chapter as follows:

ALLOWABLE RELEASE RATE: The rate of storm water runoff that is allowed to be discharged from a development site into the city sewer system by means of the control system.

APPLICANT: Person(s) or agent(s) representing a property owner who desires to develop property in the city.

BULLETIN 70: A publication entitled "Frequency Distributions And Hydroclimatic Characteristics Of Heavy Rainstorms In Illinois", by Floyd A. Huff and James R. Angel, as published by the Illinois State Water Survey, Champaign, Illinois, 1989. The magnitudes of rainfall events having storm durations of twenty four (24) hours and frequencies from two (2) to one hundred (100) years are found in table 13 of said publication and are adopted by the city to be used by applicants for calculations necessary for compliance with this chapter.

CITY SEWER SYSTEM: The networks of closed pipes, conduits, and drainage structures within the city which consists of three (3) operational parts: the storm sewer system, which conveys storm water only; the combined sewer system, which conveys a combination of storm water and wastewater; and the relief combined sewer system, which conveys storm water during most ordinary rainfall events, until the combined sewer system capacity is reached, at which point the combined sewer system discharges into the relief combined sewer system.

CONTROL SYSTEM: Structures that contain restriction, backflow prevention, storage and conveyance features that are necessary for the safe, efficient control and discharge of detained storm water runoff from the development into the city sewer system at a rate no greater than the allowable release rate, up to the occurrence of the 100-year frequency rainfall (24 hour duration) event. This system should be located on the development property, must meet the city's current construction standards, and must be fully accessible to the city for inspection purposes and to the applicant for maintenance purposes.

DETAINED STORM WATER VOLUME: The volume of storm water that is tributary to the development site that exceeds the volume that is allowed to be discharged into the city sewer system at the allowable release rate. This volume is calculated by the applicant and submitted to the director for his review and approval. This volume accounts for rainfall that is infiltrated into the soil by virtue of the permeability of the surface and subsurface materials. Also called the "storm water detention volume".

DETENTION: The temporary storage of storm water runoff, typically in a closed or open detention basin or retention basin, or in oversized storm sewer pipes, followed by releasing the runoff gradually into an outlet waterway or the city sewer system. The discharge flow rate of storm water exiting the detention area is typically controlled by a control structure. Also called "storm water detention". For purposes of this chapter, the terminology "detention" shall mean either detention or retention, as appropriate.

DETENTION BASIN: A facility located within the development site that is designed to store storm

water runoff temporarily on, below, or above the ground surface, accompanied by the controlled release of the stored storm water runoff. The limits of the detention basin are to be depicted on the final development plans and designated thereon as the "detention basin" (or "retention basin", whichever is appropriate). Detention basins may be closed type (concrete vaults or oversized storm sewer pipes) or open type (having grassed, landscaped, bioengineered, or, when necessary to drain, paved bottoms). All detained storm water must be drained from the detention basin by gravity, by pumping, or by infiltration into the ground water, effectively draining the storage facility completely between rainfall events. For purposes of this chapter, the terminology "detention basin" shall mean either detention basin or retention basin or a combination of these, as appropriate.

DEVELOPMENT: Any activity, excavation or fill, alteration, subdivision or resubdivision, change in land use, or practice including, without limitation, redevelopment or rehabilitation. Development may be undertaken by private or public entities or a combination thereof. Development does not include maintenance of storm water control facilities; the maintenance of existing buildings; gardening or plowing that does not involve filling, grading, or the construction of levees; or the resurfacing of existing paved roads, drives, or parking lots.

DIRECTOR: Refers to the director of the public works department or his or her designee.

DISCHARGE: The rate at which storm water moves through an open channel or closed pipe, usually measured in cubic feet per second.

DRAINAGE AREA: The surface area from which storm water runoff originates at a given point or location on a stream, waterway, or within pipes or channels, usually measured in acres. Also called, "tributary drainage area" or "tributary area".

FLOOD FRINGE: That portion of the regulatory floodplain that is outside of the regulatory floodway.

IMPERVIOUS SURFACE: Natural or manmade materials through which water, roots, or air cannot penetrate. This type of material prevents the movement of surface water down to the water table.

INFILTRATION: The movement or passage of water into the soil from a surface that is permeable. Infiltration may be used as an alternative to the detention or retention of storm water runoff as a means to provide all or part of the required detained storm water volume. This is possible under natural or manmade conditions in which deep, permeable layers of sandy soils or other materials with voids are present.

100-YEAR FREQUENCY RAINFALL: A rainfall event that has a one percent (1%) probability of being equaled or exceeded in any given year. On average, an event of this size or larger will occur once every one hundred (100) years. It is also called the "design storm". The magnitude of this rainfall amount for a variety of frequencies and storm durations is found in table 13 of bulletin 70.

OUTFALL/OUTLET: The point, location, or structure where storm water runoff discharges from a storm water facility to a receiving body of water or into the city sewer system.

PERMEABLE: Having voids, pores, or openings through which liquids may pass.

PUBLIC WORKS STORM WATER CONTROL REGULATIONS: A document published by the Evanston public works department which outlines the methodology for calculating the detained storm water volume.

RECHARGE: Replenishment of ground water reservoirs by infiltration through permeable soils or other granular materials.

REGULATORY FLOODPLAIN: Lands that are adjacent to bodies of water (Lake Michigan or the North Shore Channel in the city) and that may be inundated by water up to the base flood elevation, as regulated by the federal emergency management agency ("FEMA"). The floodplain is mapped by FEMA as part of the national flood insurance program. The floodplains within the city are identified as special flood hazard areas ("SFHAs") on map numbers 17031C0253F, 17031C0255F, 17031C0260F, 17031C0265F, and 17031C0270, which are part of the series of flood insurance rate maps ("FIRMs") for Cook County, Illinois, having an effective date of November 6, 2000. Floodplains consist of two (2) parts: the floodway and the flood fringe.

REGULATORY FLOODWAY: That portion of the regulatory floodplain that is necessary for the conveyance of the base flood. The regulatory floodway is depicted on the FEMA FIRM maps (see definition of Regulatory Floodplain herein).

RELEASE RATE: A rate of storm water runoff that is being discharged from a development site into the city sewer system by means of the control structure, measured in cubic feet per second.

RUNOFF/STORM WATER RUNOFF: Water which moves through the landscape either as surface or subsurface flows. It originates from atmospheric precipitation in the form of rain or snow and does not recharge the ground water reservoirs.

WETLAND: An area that is inundated or saturated by surface water or ground water at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. The determination that an area is a wetland follows a procedure that is outlined by the U.S. army corps of engineers ("USACE"). No activity or development that will adversely impact a wetland is allowed by the USACE unless a permit from that agency is granted. (Ord. 65-0-07)

4-24-2: PURPOSES:

The purposes for this chapter are to: a) reduce the damaging effects caused by the uncontrolled release of storm water runoff from developments that include impervious areas, b) preserve the capacity and useful life of the city sewer system, c) enhance the separation of storm water runoff from wastewater, d) reduce the frequency and severity of the discharge of pollutant laden combined storm water runoff and wastewater into waterways, e) recharge ground water, f) enhance and help protect the public health and safety, and g) be consistent with the Cook County storm water management plan, as approved and the latest revision thereof. (Ord. 65-0-07)

4-24-3: OTHER AGENCY REQUIREMENTS:

All work related to this chapter shall be done in accordance with all other federal, state, county, or regional agencies having jurisdiction, including, but not limited to, the U.S. army corps of engineers ("USACE"), U.S. environmental protection agency ("USEPA"), Illinois department of natural resources ("IDNR"), Illinois environmental protection agency ("IEPA"), and metropolitan water reclamation district of greater Chicago ("MWRD"). (Ord. 65-0-07)

4-24-4: STORM WATER CONTROL REQUIREMENTS:

4-24-4-1: DEVELOPMENTS REQUIRING STORM WATER CONTROL:

All new developments shall provide storm water control for the entire property. Additionally, any development: a) where the final building footprint is greater than five thousand (5,000) square feet, and b) having construction costs greater than one hundred percent (100%) of the latest property value as published by the Cook County assessor's office for the existing tax parcel(s) affected by the development as of the effective date hereof shall provide storm water control for the entire property. This provision shall also apply to staged developments or multiple independent developments for which the aggregate construction costs exceed one hundred percent (100%) of the property value for the tax parcel(s) existing at the time of the initial development after the effective date hereof. Storm water control includes both: a) the need to detain a certain storm water volume, and b) the need to control the release rate of storm water as it is discharged from the development site and enters the city sewer system. (Ord. 65-0-07)

4-24-4-2: EXEMPT DEVELOPMENTS:

The following developments are exempt from the provisions of this chapter:

- (A) Developments Prior To Ordinance: All developments that have been submitted to the city's plan commission or planning & development committee, approved and permitted for construction, or are under construction as of the effective date hereof. Such exempt developments must be in compliance with the city's department of public works "Administrative Policy 201, January 2000, Private And Public Development, Detention Requirements".
- (B) Residential Structures: Development of one-, two-, or three-family residential structures on one or two (2) adjacent parcels, provided that neither parcel is larger than one acre in area.
- (C) Paved Parking Lots: Existing paved parking lots that are resurfaced, or milled and resurfaced, where there is no change to existing drainage that increases runoff to the city sewer system. A paved parking lot is not exempt whenever parts or all of the lot is redeveloped for a different use or a parking structure is constructed, at which point storm water control is required for the entire development, including the parking lot.
- (D) New Development: Any new development for which the storm water control requirements under this chapter have been fully satisfied for the existing and proposed development conditions based on installation of all required storm water control during a prior development, and the storm water control facilities have been maintained and are fully functional and operating. The applicant shall demonstrate compliance with this chapter by submitting to the city's department of public works all calculations and documents in support of a finding that no additional storm water control facilities are required. (Ord. 65-0-07)

4-24-5: STORM WATER CONTROL FACILITIES:

4-24-5-1: GENERAL:

Control of the detained storm water volume must be provided by facilities that are entirely within the development property and are fully accessible for inspection by the city. These facilities shall be designed to store the required detained storm water volume temporarily on, below, or above the ground surface in a detention or retention basin, and to subsequently release the stored detained storm water volume at a rate no greater than the allowable release rate by means of a restrictor within the control structure for final discharge into the city sewer system. The storm

water control system shall be located such that: a) adjacent properties are not impacted by storm water from the development and b) facilities are accessible to the city for inspection and accessible to the applicant for maintenance.

The storm water control system must meet the city's current construction standards for storm water control structures having restriction, overflow, backflow prevention, and inspection/maintenance capabilities. (Ord. 65-0-07)

4-24-5-2: CALCULATIONS:

The storm water detention volume and the allowable release rate shall be calculated using the methodology described in the public works storm water control regulations available from the public works department. (Ord. 65-0-07)

4-24-5-3: MEANS FOR STORING RUNOFF:

The storage of detained storm water volume must be accomplished by any of the following means:

- (A) Open detention basin. The basin may be of any shape. The active storage depth of the detention basin is a maximum of two feet (2'), with an additional one foot (1') freeboard. The basin must be landscaped, or have a bioengineered surface. Side slopes must be no steeper than a four to one ratio (4:1) (4 horizontal to 1 vertical), and the bottom slope must be one percent (1%) to two percent (2%) to facilitate the complete drainage of all storm water runoff into the control structure by gravity, or by the use of pumps if a retention basin is proposed. Inflow pipes to the open detention basin must carry only storm water runoff, and a backflow preventing device, such as a flap gate, must be installed within a structure and must be provided on each inflow pipe to prevent basin storm water from flooding any development structures.
- (B) Reinforced concrete pipe or ductile iron pipe storage, constructed to the city's current construction standards.
- (C) Reinforced concrete vaults, constructed in accordance with the design by an Illinois licensed structural engineer.
- (D) Parking lot surface storage, with the depth of storm water storage limited to six inches (6") or less.
- (E) Rooftop storage, with the depth of storm water limited to six inches (6") or less, based on a determination by an Illinois licensed structural engineer that the roof is structurally adequate to resist all loading, including the additional water load (considered to be live load).
- (F) Infiltration of the detained storm water volume, provided that the applicant submits an engineered infiltration field design by an Illinois licensed professional engineer. The design must include the calculations and supporting documents necessary to demonstrate that the proposed infiltrated detained storm water volume meets the storage requirement.
- (G) Other means or combination of means which the applicant may use, subject to the approval by the director prior to the issuance of all necessary construction permits. (Ord. 65-0-07)

4-24-5-4: CONTROL SYSTEM:

(A)The control system must contain those restriction, backflow prevention, storage and conveyance features that are necessary for the safe, efficient control and discharge of detained storm water volume from the development into the city sewer system at a rate no greater than the allowable release rate, up to the occurrence of the 100-year frequency rainfall (24 hour) event. This system must be located on the development property unless waived by the director, must meet the city's current construction standards, and must be fully accessible to the city for inspection purposes and to the applicant for maintenance purposes. The system shall contain adequate provisions for the emergency release of storm water in excess of the required storage volume or runoff rate that may be associated with more extreme rainfall events or unforeseen debris or ice buildup within the structure. The emergency release shall commence only after the required detained storm water volume has been stored on the development site. The emergency release must discharge onto the development property. A backflow preventing feature, such as a flap gate, shall also be provided such that no storm water or wastewater from the city sewer system can flow back onto the development site. The backflow preventing device shall be installed in a structure located immediately outside of the structure containing the restrictor.

(B)Storm water control systems shall not be located within any part of a regulated floodplain, either the floodway or flood fringe, within the city, as depicted on the FEMA FIRM map panels for Cook County, Illinois. Any work in the floodplain or in wetlands requires the applicant to obtain all permits that may be required from the USACE, USEPA, IDNR, IEPA, MWRD, and any other federal, state, or regional agency as may be required. The applicant shall not begin construction until the applicant has applied for and obtained these permits. In the event that any of these permits include conditions that are more or less stringent than the provisions of this chapter, the more stringent of the permit conditions or ordinance provisions shall apply. (Ord. 65-0-07)

4-24-5-5: CONNECTION TO CITY SEWER SYSTEM:

The applicant is responsible for all construction and restoration work that is needed within the public right of way to achieve the connection to the city sewer system. This work shall be performed in accordance with the city's current construction standards.

Whenever more than one of the city's sewer system components is adjacent to, or in close proximity to the development, the applicant's storm water control system shall discharge detained storm water into that component which is both feasible and most advantageous to the city. Generally, but not always, the storm sewer system is the most advantageous outlet, followed by the relief combined sewer system, followed by the least advantageous combined sewer system. The use of a particular outlet city sewer system component may not be possible due to circumstances such as the presence of other conflicting utilities or if the component is buried deep below the surface. Applicants shall work with the city's department of public works to ascertain which one of the city sewer system components shall be used as the outlet from the development. (Ord. 65-0-07)

4-24-6: FEE IN LIEU OF STORM WATER CONTROL:

In the event that an applicant cannot physically provide all the necessary control of the required detained storm water volume on the development property, the applicant shall:

- (A) Provide proof that is satisfactory to the director that the development site conditions limit his capacity to fully meet the detained storm water volume, and
- (B) Provide storm water control for that volume of detained storm water which the applicant is able to provide in accordance with the requirements of this chapter, and
- (C) Pay a fee in lieu of providing the balance of the excess storm water control volume that the applicant cannot provide on site. The fee in lieu of providing storm water volume shall be initially set at twelve dollars (\$12.00) per cubic foot of required detained storm water volume; however the total fee shall not exceed five percent (5%) of the construction costs of the development. The fee in lieu shall increase each January thereafter by the percent increase indicated for the year ending in January by the United States department of labor bureau of labor statistics consumer price index ("CPI") for the Chicago metropolitan area (Chicago-Gary-Kenosha). The city will use this fee for any of the purposes served by this chapter that the director deems suitable in furthering the city's interest in providing for storm water control. (Ord. 65-0-07)

4-24-7: CITY REVIEW AND INSPECTION:

4-24-7-1: REVIEWS:

The director shall review all elements of the storm water control facilities, drawing plans, sketches, details, calculations and any other evidence and supporting documents that are submitted by the applicant for the proposed development. The director must review all developments, regardless of whether physical storm water control facilities or fees in lieu of storm water control facilities are being requested by the applicant. The director may meet with the applicant to discuss the proposed storm water facilities and/or prepare written review comments regarding the applicant's submittal when the submittal has not satisfied all appropriate provisions of this chapter. The applicant shall respond to the director's review comments and perform the necessary design changes, then submit the revised submittal documents for further review by the director. This process of submittals, review, and revisions shall continue until all provisions of this chapter are met to the satisfaction of the director. The applicant shall not receive a building permit for the proposed development until all provisions of this chapter are met. (Ord. 65-0-07)

4-24-7-2: INSPECTION DURING CONSTRUCTION:

The director may inspect the applicant's storm water control system during the construction to ascertain whether the applicant is constructing or has constructed the system in accordance with the approved plan. Any deficiencies in the construction shall be corrected by the applicant at his expense, regardless of when the director determines that such deficiencies exist. (Ord. 65-0-07)

4-24-7-3: CERTIFICATE OF OCCUPANCY:

The storm water control system must be installed and functioning before the certificate of occupancy for the development will be issued. (Ord. 65-0-07)

4-24-7-4: MAINTENANCE:

The storm water control system shall be maintained by the applicant or current owner in a fully functioning and operating condition. (Ord. 65-0-07)

4-24-8: INSPECTION FEE:

All developments that are required to provide storm water control shall pay to the city an initial inspection fee of one hundred fifty dollars (\$150.00) and thereafter, an annual inspection fee of one hundred fifty dollars (\$150.00). (Ord. 65-0-07)

4-24-9: PENALTY:

If the director determines that any storm water control system required by this chapter does not comply with the provisions of this chapter, the director shall notify the applicant or current owner in writing of such noncompliance. The applicant or current owner shall have thirty (30) calendar days from the date of receipt of such notice to comply with the provisions of this chapter. If at the end of the thirty (30) calendar days the applicant or current owner is not in compliance with the provisions of this chapter, a two hundred fifty dollar (\$250.00) fine shall be imposed and the applicant or current owner shall have an additional thirty (30) calendar days to comply. If at the end of the thirty (30) additional days for compliance, the applicant or current owner is not in compliance with the provisions of this chapter, a fine of not less than two hundred fifty dollars (\$250.00) shall be imposed for each day thereafter in which the applicant or current owner is not in compliance. (Ord. 65-0-07)

LEASE

between

Smylie Brothers Draft & Package LLC

an Illinois limited liability company

as Tenant

and

CITY OF EVANSTON

An Illinois municipal corporation,

as Landlord

2222 Oakton Street

EVANSTON, ILLINOIS 60202

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LEASE

THIS LEASE AGREEMENT is made by and between **CITY OF EVANSTON** (“**Landlord**”), an Illinois municipal corporation and **SMYLIE BROTHERS DRAFT & PACKAGE, LLC**, an Illinois limited liability company d/b/a Smylie Bros. (“**Tenant**”).

WITNESSETH:

1. PROPERTY

(a) Property. Landlord is the fee simple owner of certain real property at 2222 Oakton Street, Evanston, Illinois 60202, which is the former recycling processing center facility, legally described in **Exhibit “A”** attached hereto and incorporated herein (the “**Property**”). The Property has a total of approximately 33,580 square feet of land, improved with a 13,100 square foot one-story building (“**Building**”). Landlord does hereby lease the Premises to Tenant, for Tenant’s exclusive use and control, together with all appurtenances thereto, pursuant to the terms and conditions of this Lease. During this Lease Term, the Property and Building will be collectively referred to as “**Premises**”.

(b) Parking. This Lease does include the use of seven (7) parking spaces for employees and one (1) ADA compliant parking space, all located on the northern side of the Premises which is part of the Rental Rate (“**Premises Employee Parking**”). Tenant and tenant’s employees may not utilize any on street parking spaces on Oakton Street. Landlord will install parking meters for the non-employee parking space, which are outlined on the Site Plan. The parking lot portion of the Premises will be included in the separate parcel from the building with the subsequent PIN Division, as more fully described in Section 8(e).

2. TERM

(a) Primary Term. Subject to the provisions of this Lease, the “**Primary Term**” must be for 10 years (120 months) and must commence on the 1st day of January 2017 (“**Commencement Date**”) and must end at 11:59 p.m. on the 31st day of December 2027, except as otherwise terminated as provided herein.

(b) Inspection Period. The period beginning with the Commencement Date and ending at the later of (a) four (4) months after the Commencement Date or (b) the date on which Landlord delivers to Tenant the drawings of the Parking Lot described in Section 1(b) above and written notice of the boundaries of the PIN Division of the two parcels as described in Section 8(e) below plus sixty (60) days, must be considered a due diligence period for Tenant to inspect the Premises. During this period (the “**Inspection Period**”), Tenant, at its sole expense, may obtain an inspection of all buildings and related improvements located on the Property. In addition to Landlord’s Representations and Warranties set forth in Section 20 below, Landlord hereby gives Tenant the right to conduct any sampling or other invasive testing of the Building, foundation, concrete, water, soil, air or building improvements on or beneath the Property. Tenant must receive Landlord’s written consent prior to any soil testing, which consent shall not be unreasonably denied or delayed. The Parties recognize that, prior to the execution of this Lease, Tenant was given the opportunity to conduct inspection and testing of the concrete and foundation of the Building to preliminarily determine whether they were suitable for Tenant’s intended purpose, but that opportunity does not preclude Tenant from conducting additional testing during the Inspection Period. Tenant must

repair any damage done to the Property by any inspection during the Inspection Period. Tenant must insure that any party entering onto the Realty for purposes of inspection maintains commercially reasonable liability insurance naming Landlord as an additional insured. Tenant must indemnify, defend and hold Landlord harmless from and against any loss, cost, liability or expense Landlord may incur resulting from any such inspection. Tenant must have until the end of the Inspection Period to terminate this Lease by written notice to Landlord. If Tenant does not deliver a written notice to Landlord before the end of the Inspection Period terminating this Lease, then Tenant is deemed to have waived this inspection contingency and any right to object to the condition of the Premises. In no event must Landlord be required to cure any matter to which the Tenant objects relating to the condition of the Premises.

(c) Extended Lease Terms. Provided Tenant is not otherwise in default beyond any applicable cure period, replaced or otherwise amended such that Tenant is still permitted to conduct the Permitted Use from the Premises, Tenant must have two (2) options (individually, a “**Lease Extension Option**”), for two (2) immediately successive periods of five (5) years each (each an “**Extension Term**”) upon the same terms, covenants and conditions as herein provided. Each Lease Extension Option must be exercised by Tenant delivering to Landlord written notice of such election, not less than one hundred twenty (120) days prior to the expiration of the then current term. The exercise by Tenant of any one Lease Extension Option must not be deemed to impose upon Tenant any duty or obligation to renew for any further period of time, and that the exercise of any Lease Extension Option must be effective only upon the giving of notice of extension in accordance with the foregoing provisions. The Primary Term together with any Extension Term(s) is referred to herein collectively as the “**Term**”.

(d) Option to Purchase.

(i) Option to Purchase. Tenant initially is a Tenant of the Property which is owned by Landlord. As such, Tenant's monthly payments are rental payments and will not be applied to the Purchase Price if Tenant exercises the option to purchase described herein. Tenant has an option to purchase the Building and the Property, so long as the Tenant is in compliance with the terms of this Agreement at the end of the Primary Term and at any time during any Extension Terms (the “**Option to Purchase**”). Tenant must submit written notification to Landlord that it intends to exercise the Option to Purchase within one hundred and twenty (120) days of expiration of the Primary Term. The provisions of this Lease relating to taking the Property “As Is” (§ 20(xiii)) and waiver of claims arising under Environmental Laws (§27(d)) shall be a condition of purchase and shall survive closing.

(ii) Purchase Price. The purchase price of the Building will be a negotiated price between the Parties, with each Party relying on its own research and valuations, including appraisal(s) of the Building and Property. If the Parties cannot agree upon a purchase price, then: (a) each Party shall select its own appraiser; (b) the Parties’ appraisers shall select a third appraiser; (c) each of the three appraisers shall render an appraisal of the fair market value of the combined Building and Property; and (d) the purchase price will be the middle appraised fair market value. A closing will occur upon the Parties executing a purchase and sale contract (“Building and Property Purchase Agreement”) and the subsequent payment of the Purchase Price at a Closing. Tenant will not be given credit towards the purchase price for the rental payments made to Landlord.

(iii) Delinquencies. Should the Tenant have incurred delinquencies in paying rent with Landlord, the Tenant must payoff those delinquencies prior to any offer to exercise its Option to Purchase.

(iv) No Obligation to Purchase. Tenant is under no obligation to purchase the Building and has the right to continue under the terms of this Agreement as Tenant/renter for the balance of the Term. However, if the Tenant fails to exercise the option at the conclusion of the Primary Term or any Extension Term, the Option to Purchase must expire.

(v) Sale to Third Parties. If Landlord sells the Property to a third party which has no legal affiliation to the Tenant, as a condition of sale, the new purchaser agrees to be bound by the terms of this Agreement and must have no right to evict Tenant, to vary the terms of this Agreement or to terminate this Lease under any terms other than those contained herein. The third party must stand in the shoes of Landlord and must honor all obligations of Landlord and all rights of Tenant as provided for herein.

(e) Should Tenant not exercise its Option to Purchase, then Tenant may remove from the Property any non-fixed improvements materials, equipment, mechanics, appliances, and machinery related to the operation of brewery, but must not include the removal of a HVAC unit. Prior to the removal, the Landlord must review the list of items subject to the removal to ensure that the list does not include any items which are affixed to the Property.

3. RENT

(a) Fixed Minimum Rent. Commencing on the Commencement Date, and subject to the terms of this Lease, Tenant agrees to pay to Landlord for lease of the Premises: (i) Fixed Minimum Rent (herein so called) described below; and (ii) all other charges due from Tenant to Landlord hereunder as “**Additional Rent**” (herein so called).

(i) Initial Fixed Minimum Rent. Commencing on the Commencement Date and continuing through the Primary Term, Tenant must pay to Landlord the sum of One Hundred Sixty-Three Thousand Seven Hundred Fifty and no/100 Dollars per annum in monthly installments of Thirteen Thousand Six Hundred Forty-Five and 83/100 Dollars (\$13,645.83) (\$12.50 per square foot per annum/13,100 sq. feet). The rent specified in this paragraph 3(a) (i) as adjusted pursuant to paragraph 3(a) (ii) below must be deemed “**Fixed Minimum Rent**” for purposes of this Lease. The Parties agree that, during the first eighteen months (18 months) following the Commencement Date the Fixed Minimum Rent will not be assessed. The first Rent payment will be due on the 1st day of the 19th month from the Commencement Date.

(ii) Fixed Minimum Rent Adjustments. The Fixed Minimum Rent set forth in Section 3(a) (i) above must be adjusted at the beginning of each year during the Primary Term and during the Extension Term years, if applicable, in an amount equal to the Consumer Price Index for that year. In no event must adjustments be made based on Tenant’s improvement of the Property or expansion of the Building; to the extent Landlord relies on its own or third parties’ value assessments, the same must be based on the Building as it exists on the day before the Commencement Date. Expansion of the Building footprint, as outlined on the Site Plan (Exhibit D) will increase the Fixed Minimum Rent, which includes adding floor area within the Building or expanding the patio area on the exterior of the Property. If Tenant installs detached outdoor

storage on the Property, such as a digester, this will not increase the Fixed Minimum Rent.

(iii) Late Fee and Interest. In the event any sums required hereunder to be paid are not received by Landlord on or before the date the same are due, then, Tenant must on demand pay, as additional rent, a service charge of Two Hundred Dollars (\$200). In addition, interest must accrue on all past due sums at an annual rate equal to the lesser of six percent (6.0%) per month and the maximum legal rate. Such interest must also be deemed Additional Rent.

(b) Time and Place of Payment. Tenant must pay to Landlord Fixed Minimum Rent in advance, in equal monthly installments, and without prior notice, setoff (unless otherwise expressly permitted herein) or demand, except as otherwise specifically provided herein, on or before the first (1st) day of each calendar month during the Term hereof to:

City of Evanston
Attn: Administrative Services Dept., Finance Division
2100 Ridge Avenue, Room 4500
Evanston, IL 60201

4. CONSTRUCTION

(a) Tenant Improvements. Tenant represents, covenants and agrees, at its sole cost and expense, that it must construct and develop, or cause to be constructed, in accordance with the provisions of this Lease and the City of Evanston Code of 2012, as amended, regulations, including but not limited to the Zoning and Building Code, the improvements to the Premises, in accordance with the Plans, hereinafter defined (herein "**Tenant's Work**"). Landlord, at the Commencement Date, must deliver the Property and Building to Tenant in an "AS IS" condition, except as otherwise represented and warranted in Sections 20 and 27, and vacant.

(b) Plans and Specifications. Landlord acknowledges and agrees that Tenant's plans for leasehold improvements to the Premises, as set forth on **Exhibit C and D**, must be attached hereto and made a part hereof by this reference not later than the conclusion of the Inspection Period ("**Plans**"). Tenant must take the Plans through the building permit process as required by Code and Landlord does not approve said Plans by this Lease Agreement. Landlord represents and warrants to Tenant that Landlord will not withhold or condition any licenses, permits (including business licenses, building permits or occupancy permits) or other permissions or authorizations required for Tenant to operate in the Premises for any reason so long as Tenant's Work is constructed in conformance with the Plans and City Code. Tenant must obtain, or cause to be obtained, in connection with, and prior to the commencement of, the construction of such improvements, builder's risk insurance for the full estimated value of the proposed improvements and workers' compensation insurance in amounts required by law as well as all applicable permits.

(c) Tenant Construction Indemnification. Subject to Section 11(a), Tenant indemnifies, defends and holds Landlord and Landlord's shareholders, officers, directors, employees and agents harmless from and against any costs, claims, expenses (including, without limitation, reasonable attorney's fees) or liabilities resulting from any injury or death of any person or persons or any damage to property that arises from or relates to Tenant's Work. This provision must expressly survive the termination or expiration of this Lease.

(d) Digester. This Lease does not permit Tenant to place a digester on adjacent City Property to the south of Subject Property. If Tenant seeks to locate a digester at a later date on any adjacent property, the parties will negotiate and if an agreement can be reached, the Lease will be modified in writing, subject to City Council approval.

5. FIXTURES AND EQUIPMENT

All trade fixtures and equipment installed by Tenant in or on the Premises (including brewing equipment, furniture, kitchen equipment, satellite communication dish and equipment, registers, other equipment, shelving and signs) must remain the property of Tenant and Tenant may remove the same or any part thereof at any time prior to or at the expiration or earlier termination of this Lease. Tenant must repair at its own expense any damage to the Premises caused by the removal of said fixtures or equipment by Tenant. This provision must expressly survive the termination or expiration of this Lease.

6. USE OF PREMISES

(a) Permitted Use. Tenant must have the right, subject to applicable Federal, State and local laws, including Environmental Laws (as hereafter defined) and the terms of this Lease, to use the Premises for the following purpose(s): to run a commercial brewery for production and distribution of beer, and selling beer and food in the Building and adjacent patio area, selling closed container beer in a retail setting, selling associated merchandise, and performance of business related functions to run the brewery (herein collectively "**Permitted Use**"). Tenant will be constructing a tap room, patio and full service kitchen. Tenant agrees that both spaces must include food service, which must include food that encompasses a meal (i.e. sandwiches, pizzas, etc.) that is available during all hours that the business is open to the public. Tenant warrants that it will ensure that customers do not exit the Building or patio area with open alcohol.

(b) Liquor License. Tenant will apply for and maintain a valid liquor license with the State and City of Evanston. This Lease does not in any way bind the Liquor Control Review Board and cannot be construed that Tenant's future application is granted. Tenant expects to apply for production volume at up to the maximum number of barrels per year for a business of the type Tenant intends to operate, to correspond with its State and Local Liquor License application. Nothing in this Lease must be intended to limit Tenant's production or to modify Tenant's rights under any Liquor License that Tenant obtains from the Liquor Control Review Board.

(c) Patio Area. The Tenant intends to install a patio with an outdoor bar within the Property (the "Patio"). The restrictions contained herein may be supplemented or expanded by the Liquor Control Review Board:

(i) The patio must be maintained by the installation of additional fencing or other structure(s) to demarcate the area utilized by the patio.

(ii) The patio must include a clear point of entrance and exit to allow for the checking of identification cards to ensure patrons are over 21 years of age.

(iii) Patrons under 21 years of age are permitted to be present on the patio, but only if they are accompanied by a parent or guardian over 21 years old.

(iv) Service to patrons of alcoholic beverages on the patio can only be from the outdoor bar. Patrons on the patio must be able to order from the full menu offered by tap room.

(v) The Patio must not be open any time after 10:00 p.m..

(vi) Tenant's Site Plan for the Patio will be attached as **Exhibit D** at the conclusion of the Inspection Period. The square footage area of the Patio must be no greater than the Site Plan as proposed in Exhibit D. The Patio Area will be subject to the PIN Division described in Section 8(e) and the City will amend the legal description provided in Exhibit A at a later date following the PIN Division.

(vii) All maintenance and repairs necessary for the Patio area must be at the sole cost and expense of Tenant.

(d) Tenant Exclusive Use of Premises. Landlord covenants and agrees that it has no rights to use, modify, alter or lease any portion of the Building or Property other than as expressly provided in this Lease.

(e) No Continuous Operation. Provided Tenant is open for business for at least one (1) day to the general public for the Permitted Use provided herein, anything contained in this Lease, express or implied, to the contrary notwithstanding, Tenant must be under no duty or obligation, either express or implied to thereafter continuously conduct its business in the Premises and any such failure must not, in any way, be deemed an event of default under this Lease, nor must such a failure otherwise entitle Landlord to commence or to maintain any action, suit, or proceeding, whether at law or in equity, relating in any way to Tenant's failure to continuously conduct its business in the Premises; provided, however that Tenant must otherwise perform and obey the other covenants and agreements contained in this Lease on the part of Tenant to be performed, including the payment of all Fixed Minimum Rent, Additional Rent and any other charges due hereunder. In the event Tenant has ceased operating its business for a continuous period of one hundred eighty (180) days, and the cessation is not the result conduct by Landlord, an act(s) of God, catastrophe, or damage to the Premises, Landlord must have the right, to be exercised by giving Tenant sixty (60) days written notice, to recapture the Premises. During the sixty (60) day period, Tenant may, at its option, resume business. If Tenant does not do so, Landlord may recapture the Premises, and, upon such recapture, this Lease must terminate and neither party must be further obligated hereunder, except to the extent any such obligation hereunder is expressly specified herein to survive the termination of this Lease.

(f) Trucks. The following is a list of expectations and covenants that Tenant makes to Landlord regarding commercial trucks at the Property:

(i) Tenant's delivery and production trucks must use the eastern exit of the Premises as the truck entrance and exit point to the extent logistically feasible. If not feasible, Tenant and Landlord agree that Tenant can develop an alternative entrance and exit plan and provide Landlord with written notice of the same. In no event must the Parking Lot contemplated in Section 1(b), Exhibit B and

Section 8(e) interfere with Tenant's enjoyment of the Premises during the Lease Term, including by way of example and not limitation ingress and egress of pedestrians, customer vehicles, and delivery and commercial vehicles associated with Tenant's use of the Premises.

(ii) Tenant agrees to instruct all trucks to exit and enter the Premises from the west, using Oakton Street to McCormick Boulevard to the extent logistically feasible.

(iii) The daily delivery times must be between 9:00 a.m. and 6:00 p.m.

7. MAINTENANCE

(a) Tenant accepts the Premises in as-is condition and acknowledges that the Landlord has made no representations to the condition or has made any repairs to same except as provided in this Lease except as otherwise represented and warranted by Landlord in Sections 20 and 27 below. The Landlord or Landlord's staff or other representatives have made no representations or assurances that it will alter or remodel the Premises, other than as provided herein, and all renovations will be at Tenant's sole cost and expense.

(b) Maintenance, Repair and Replacement Responsibilities of Tenant:

(i) Tenant is responsible for all aspects of the Premises, including exterior and interior portions of the Premises, including but not limited to all structural and load bearing columns, roof, the HVAC system for the Building, interior sprinkler and fire safety system within the Building, the roof, windows and all soffits, and all structural and non-structural elements of the Building. Any major repairs or replacement work must be in consultation with the Landlord to ensure that the Building and Property are maintained in a sustainable and responsible manner.

(ii) All refuse associated with Tenant's use must be placed in appropriate containers for disposal. Tenant cannot dispose of construction building materials in the standard refuse containers and must arrange for special pick-ups and containers for said materials. A refuse container for regular refuse will be located at the Property in reasonable proximity to the Building. Tenant will contract to have trash hauled from such container with reasonable frequency.

(iii) Tenant is responsible for snow, ice removal and leaf removal and general upkeep of the exterior of the Building along the sidewalk and other carriage walks to and from the Building. The snow must be moved to a suitable area on the Premises and not into the Parking Lot described in Sections 1(b) and 8(e) or elsewhere to block the free flow of traffic. In no event must Tenant be responsible for any maintenance whatsoever beyond the Property, including by way of example and not limitation, the Parking Lot described in Sections 1(b) and 8(e) or any other parcels adjacent the Property.

(iv) The Tenant will at all times maintain all of the Property in a clean, neat and orderly condition. The Tenant will not use the Property in a manner that will violate or make void or inoperative any policy of insurance held by the Landlord.

(v) Tenant will maintain the eastern access entrance to the Property for solely truck traffic associated with the business operations. The eastern entrance cannot be accessed and is closed other than for pickup and deliveries. Tenant will ensure that its customers and employees

utilize the western entrance to the Property with appropriate signage or markings.

(vi) Construct, maintain and repair the fence that will provide separation from the City of Evanston James Park facilities and patrons from this Property.

(vii) Tenant must yield the Premises back to Landlord, upon the termination of this Lease, whether such termination must occur by expiration of the Term, or in any other manner whatsoever, in the same condition of cleanliness and repair as at the date of the execution hereof, loss by casualty and reasonable wear and tear accepted. Tenant must make all necessary repairs and replace broken fixtures with material of the same size and quality as that broken. If, however, the Premises must not thus be kept in good repair and in a clean condition by Tenant, as aforesaid, Landlord may enter the same, or by Landlord's agents, servants or employees, without such entering causing or constituting a termination of this Lease or an interference with the possession of the Premises by Tenant, and Landlord may replace the same in the same condition of repair and cleanliness as existed at the date of execution hereof, and Tenant agrees to pay Landlord, in addition to the rent hereby reserved, the expenses of Landlord in thus replacing the Premises in that condition. Tenant must not cause or permit any waste, misuse or neglect of the water, or of the water, gas or electric fixtures.

(viii) Tenant will keep all leasehold improvements in compliance with all laws and regulations during the entire Term of this Lease, except for repairs required of the Landlord to be made and damage occasioned by fire, wind or other causes as provided for in this Lease.

(c) Construction, Maintenance and Repair responsibilities of Landlord:

(i) Parking Lot. Landlord, at its sole cost and expense, must construct, maintain and make repairs to the parking lot (except for damage caused by Tenant). Landlord intends to install meters for parking spaces in the parking lot for community garden members, patrons and volunteers of the Animal Shelter, users of James Park facilities and athletic fields, and customers of Tenant's business. Except as provided in Section 1(b) above, Landlord is not providing any parking spaces in the Parking Lot area to Tenant. Tenant is entitled to park vehicles next to the building for employees.

(ii) Landlord is responsible for snow, ice, and leaf removal from the Parking Lot, but not responsible for the Patio area or surrounding the Building as provided in this Lease. In no event must Landlord's maintenance of the Parking Lot or any adjacent Property in any way interfere with Tenant's enjoyment of the Premises or the flow of automobile or pedestrian traffic on the Premises.

(ii) Landlord, at its sole cost and expense, must be responsible for upgrading the current traffic signal that permits vehicles to exit from the western entrance of the Property.

(iii) The Landlord's Facilities Division will inspect the Premises in the first quarter of each calendar year to ensure that the Premises is maintained to Landlord standards and the Tenant is maintaining the Premises in accordance with the terms of this Lease Agreement.

8. PAYMENT OF TAXES

(a) Definition. For purposes hereof, “**Taxes**” must mean real property taxes and “**Assessments**” must mean assessments, general and special, foreseen and unforeseen, for public improvements levied or assessed against the Premises and the improvements thereon for that portion of the Term.

(b) Payment. Landlord represents and warrants to Tenant that the Premises is currently exempt from Taxes and Assessments. Upon the conclusion of the Inspection Period, Landlord will endeavor to put the Premises back on the tax rolls with the Cook County Assessor (“**Assessor**”). Landlord will also list the Tenant as the taxpayer with the Cook County Assessor and Tenant will receive and pay all installment invoices directly. Tenant must thereafter pay all Taxes assessed against the Premises, for the period beginning with the conclusion of the Inspection Period, before any fine, penalty, interest or cost may be added thereto, become due or be imposed by operation of law for the nonpayment of late payment thereof.

(c) Prorations. At the end of the Term, Taxes and Assessments to be paid by Tenant must be prorated based on the portion of the fiscal tax year in which this Lease is in effect.

(d) Personal Property Taxes. Tenant must pay before delinquency any and all taxes and assessments levied or assessed and becoming payable during the Term, against Tenant’s personal property located upon the Premises.

(e) PIN Division. The Landlord will be filing a Resubdivision Application with the Cook County Assessor to divide the Property into two parcels with two separate PINs. The Building will be on one parcel and the parking will be on the other parcel. Tenant’s parcel with the Building will continue to be a taxable parcel, but likely reassessed, and the City will continue to operate and maintain the other parcel with the parking lot. The boundaries for the resubdivided lots are outlined on Exhibit B, the Plat of Resubdivision. The agreement will be amended at a later date with a revised Exhibit A for the new legal description for the Premises and the two lots, and said description will not encroach upon the Interior Site Plan (Exhibit C) or the Site Plan (Exhibit D) or the Tenant’s possession and enjoyment of the Building and Property.

9. DAMAGE AND DESTRUCTION

(a) Casualty. If the Premises must be damaged by fire or other casualty by an Act of God (“**Casualty**”), Landlord must, within one hundred eighty (180) days after such damage occurs (subject to being able to obtain all necessary permits and approvals, including, without limitation, permits and approvals required from any agency or body administering environmental laws, rules or regulations, and taking into account the time necessary to effectuate a satisfactory settlement with any insurance company) repair such damage at Landlord’s expense and this Lease must not terminate. If the foregoing damage is due to the negligence or willful misconduct of Tenant, then Landlord must look first to the insurance carried by Tenant to pay for such damage. Notwithstanding (i) any other provisions of the Lease to the contrary, and (ii) any legal interpretation that all improvements become part of the realty upon being attached to the Premises, following a Casualty, the Landlord must be responsible only for restoring the Premises to building standard levels of improvement at the time of execution of this Lease and must not include the tenant improvements completed and installed following execution of this Lease, and the tenant must be responsible for insuring and replacing the above building standard tenant improvements or

betterments that made the Premises “customized” for Tenant’s use. Customized improvements include, but not limited to: any and all brewing equipment and fixtures, alarm censored doors, wood flooring, and custom cabinetry. Except as otherwise provided herein, if the entire Premises are rendered untenable by reason of any such damage, or if Tenant cannot utilize Property and Building for its intended use by reason of any damage of any size or scope whatsoever, then all Fixed Minimum Rent and Additional Rent must abate for the period from the date of the damage to the date the damage is repaired, and if only a part of the Premises are so rendered untenable but the damage does not prevent Tenant from utilizing the Property for its Permitted Use, the Fixed Minimum Rent and Additional Rent must abate for the same period in the proportion that the area of the untenable part bears to the total area of the Premises; provided, however, that if, prior to the date when all of the damage has been repaired, any part of the Premises so damaged are rendered tenable and must be used or occupied by or through Tenant, then the amount by which the Fixed Minimum Rent and Additional Rent abates must be apportioned for the period from the date of such use or occupancy to the date when all the damage has been repaired.

(b) Repair to Leasehold Improvements. Landlord must have no obligation to repair damage to or to replace any leasehold improvements, Tenant’s personal property or any other property located in the Premises, and Tenant must within thirty (30) days after the Premises is sufficiently repaired so as to permit the commencement of work by Tenant, commence to repair, reconstruct and restore or replace the Premises (including fixtures, furnishings and equipment) and prosecute the same diligently to completion. Notwithstanding the foregoing, Tenant’s Fixed Minimum Rent and Additional Rent must continue to be abated as provided in Section 9(a) above, until the Property is once again suitable for its Permitted Use.

(c) Termination Right. Notwithstanding any provision contained herein to the contrary, Tenant must have the option and right to terminate this Lease if, (a) the Premises must be so damaged by Casualty that it cannot be fully repaired within one hundred eighty (180) days after the date of damage; (b) during the last eighteen (18) months of the Term of this Lease, the Premises is damaged by a Casualty in amount exceeding thirty-three and one-third percent (33.33%) of the square footage of the Premises or a lesser amount (no matter how small) that leaves Tenant unable to utilize the Premises for their Permitted Use, provided that, in such event, such termination of this Lease must be effected by written notice within ninety (90) days of the happening of the Casualty causing such damage. This provision must expressly survive the termination or expiration of this Lease.

10. INSURANCE

(a) Tenant agrees to maintain a policy or policies of commercial general liability insurance written by an insurance carrier rated at least Class A or better in Bests Key Rating Guide of Property-Casualty Insurance Companies and licensed to do business in the state in which the Premises is located which must insure against liability for injury to and/or death of and/or damage to personal property and the Premises of any person or persons, with policy limits of not less than \$3,000,000.00 combined single limit for injury to or death of any number of persons or for damage to property of others not arising out of any one occurrence. Said policy or policies must provide, among other things, blanket contractual liability insurance. Tenant’s policy must cover the Premises and the business operated by Tenant and must name Landlord as an additional insured. Landlord is self-insured up to \$1.25 Million and agrees to maintain an excess policy or policies of commercial general liability insurance over the self-insured limit written by an insurance carrier with a rating at least Class A or better in the Bests Key Rating Guide and licensed to do

business in the state in which the Premises is located which must insure against liability for injury to and/or death of and/or damage to personal property of any person or persons, with policy limits of not less than \$2,000,000.00 combined single limit for injury to or death of any number of persons or for damage to property of others not arising out of any one occurrence. Landlord's policy must name Tenant as an additional insured. Subject to the terms of Paragraph 9(a), Landlord must maintain casualty insurance covering the entire Premises and any alterations, improvements, additions or changes made by Landlord thereto in an amount not less than their full replacement cost from time to time during the Term, providing protection against any peril included within the classification of "all risks".

(b) Each of the parties hereto agrees to maintain and keep in force, during the Term hereof, all Workers' Compensation and Employers' Liability Insurance required under applicable Workers' Compensation Acts.

(c) Within thirty (30) days after written request, each of the parties agrees to deliver to the other a certificate of insurance as evidence that the policies of insurance required by this Section 10 have been issued and are in effect.

(d) Waiver of Subrogation. Neither Landlord nor Tenant must be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or other tangible property, or any resulting loss of income for property or general liability losses, even though such loss or damage might have been occasioned by the acts or omissions of such party, its agents, contractors or employees. Landlord or Tenant must look exclusively to the proceeds of insurance carried by it or for its benefit in the event of any damage or destruction to its property located on the Premises. Notwithstanding anything to the contrary contained herein, Landlord and Tenant hereby release and waive any and all rights of recovery, claim, action or cause of action, against the other, or its respective directors, shareholders, officers, agents, invitees and employees, for any loss or damage that may occur to the property or the equipment, fixtures and improvements comprising any part of the Premises, by reason of fire, the elements, or any other cause which could be insured against under the terms of an "all risk" fire insurance policy, in the state where the Premises is located, regardless of cause or origin, including negligence of the parties hereto, their agents, officers, invitees and employees. Subject to the provisions of the Lease, no insurer of a party hereunder must ever hold or be entitled to any claim, demand or cause of action against Tenant by virtue of a claim of loss paid under any such insurance policies, whether such insurer's claim be in the nature of subrogation or otherwise. The waivers provided pursuant to this paragraph must not operate to the extent that they would void coverage under the provisions of any policy of insurance.

11. INDEMNIFICATION

(a) Indemnification of Landlord. Except as otherwise provided in this Lease, and except to the extent caused by the willful misconduct of Landlord, or its agents, employees or contractors, or by the breach of this Lease by Landlord, Tenant must protect, defend, indemnify and save Landlord and its officers, directors, agents, attorneys, and employees harmless from and against any and all obligations, liabilities, costs, damages, claims and expenses of whatever nature arising from (i) any matter, condition or thing that occurs in the Premises, which is not the result of Landlord's negligence or willful misconduct or an Act of God or an act of a third party, (ii) any negligence or willful misconduct of Tenant, or its agents, employees or contractors; or (iii) Landlord's breach

occasioned wholly or in part by any act, omission of Tenant, its agents, employees, contractors or servants. The provisions of this Section must survive the expiration or earlier termination of this Lease only with respect to any damage, injury or death occurring before such expiration or earlier termination.

(b) Indemnification of Tenant. Except as otherwise provided in this Lease, and except to the extent caused by the negligence or willful misconduct of Tenant, or its agents, employees or contractors, or by the breach of this Lease by Tenant, Landlord must protect, defend, indemnify and save Tenant and its officers, directors, agents, attorneys, and employees harmless from and against any and all obligations, liabilities, costs, damages, claims and expenses of whatever nature arising from any act, omission or negligence of Landlord, its agents, employees, contractors or servants; The provisions of this Section must survive the expiration or earlier termination of this Lease only with respect to any damage, injury or death occurring before such expiration or earlier termination.

12. EXERCISE OF EMINENT DOMAIN

(a) Taking. An appropriation or taking under the power of eminent domain of all, or a portion, of the Property, are sometimes hereinafter called a “taking.”

(b) Total Taking of the Property. If all of the Property must be taken by the State or Federal government, or subdivision thereof, this Lease must terminate and expire as of the date of vesting of title in, or taking of actual physical possession of the Property by, the condemnor, and Landlord and Tenant must thereupon be released from any and all further liability hereunder except to the extent any such liability hereunder expressly states that it must survive the termination of this Lease. In such event, Tenant must be entitled to participate in any condemnation award so as to be compensated for the cost of relocation, removal and decrease in value, as a result of such taking of Tenant's fixtures, equipment and stock-in-trade located in the Premises, goodwill and any other items to which Tenant is entitled under applicable law, and, the value of the leasehold of which Tenant is being deprived for the remainder of the Term hereof so long as any such award made to Tenant must not reduce any award which may be obtained by Landlord. Nothing in this Section must be construed as a waiver by Landlord of any rights vested in it by law to recover damages from a condemnor for the taking of its right, title, or interest in the Property.

(c) Partial Taking.

In the event of the taking of:

(i) any portion of the Property, so that the remainder thereof is not reasonably adapted to the continued leasing of the Premises by Tenant; or

(ii) access, whether by a taking or otherwise, of the Property or a portion thereof to adjoining thoroughfares, so that all accessibility is substantially or materially restricted and as a result the continued leasing of the Property by Tenant will become impracticable or unprofitable in Tenant's sole discretion; then Tenant must have the right to cancel and terminate this Lease as hereinafter provided. Within ninety (90) days after receipt by Tenant from Landlord of written notice that a condemnation action has been commenced, Tenant may, by written notice to Landlord, notify Landlord of its election to terminate this Lease, whereupon the parties must be released from any and all further obligations under this Lease except to the extent any such obligation hereunder is

expressly provided hereunder that the same must survive the termination of this Lease and Tenant must share any award or sale price as provided in Section 12(b) hereof.

(d) Notice of Proceedings. Upon service on either party hereto of any legal process in connection with any condemnation proceedings, the party so served must give immediate notice thereof to the other party hereto.

(e) Temporary Taking. In the event of a taking of the Property, or any portion thereof, for temporary use (specifically one not exceeding one hundred twenty (120) days in duration), without the taking of the fee simple title thereto, this Lease must remain in full force and effect, except for Tenant's payment of Fixed Minimum Rent which must be proportionally abated for any period during which Tenant cannot operate its business from the Premises in the same manner as prior to such temporary taking. All awards, damages, compensation and proceeds payable by the condemnor by reason of such taking relating to the Premises, for periods prior to the expiration of the Lease must be payable to Tenant. All such awards, damages, compensation and proceeds for periods after the expiration of the Lease must be payable to Landlord.

(f) Lease Prevails. In the event of any taking, the rights and obligations of the parties must be determined by this Lease and Landlord and Tenant waive any rights at law to the contrary.

13. UTILITIES

Tenant must pay during the Term hereof directly to the appropriate utility company or governmental agency all electric, water, gas, telephone and other public utility charges in connection with its occupancy and use of the Premises, including all costs of operating and maintaining all equipment therein, all business licenses and similar permit fees but excluding any installation costs, tap fees and/or connection fees or charges, with no right of reimbursement from the Landlord. All utilities must be paid pursuant to separate meters measuring Tenant's consumption of utilities from the Premises, which meter fee must be Landlord's obligation at its sole cost and expense. Landlord must not be liable to Tenant for damages or otherwise (i) if any utilities must become unavailable from any public utility company, public authority or any other person or entity supplying or distributing such utility, or (ii) for any interruption in any utility service (including, but without limitation, any heating, ventilation or air conditioning) caused by the making of any necessary repairs or improvements or by any cause beyond Landlord's reasonable control, and the same must not constitute a default, termination or an eviction. Tenant assures Landlord that it must arrange for an adequate supply of electricity to the Premises and it must pay for any increased voltage and any additional wiring required addressing the increased capacity.

14. COVENANTS AGAINST LIENS

Tenant covenants and agrees that it must not, during the Term hereof, suffer or permit any lien to be attached to or upon the Property or the Premises by reason of any act or omission on the part of Tenant or its agents, contractors or employees. In the event that any such lien does so attach, and (i) is not released within thirty (30) days after notice to Tenant thereof, or (ii) if Tenant has not bonded such lien within said thirty (30) day period, Landlord, in its sole discretion, may pay and discharge the same and relieve the Premises or the Property therefrom, and Tenant agrees to repay and reimburse Landlord upon demand for the amount so paid by Landlord and for other reasonable costs incurred by Landlord in discharging and relieving said lien. The Tenant will hold the Landlord

harmless from all claims, liens, claims of lien, demands, charges, encumbrances or litigation arising out of any work or activity of Tenant on the Premises. Tenant will, within sixty (60) days after filing of any lien, fully pay and satisfy the lien and reimburse Landlord for all resulting loss and expense, including a reasonable attorney's fees. Provided, however, in the event that Tenant contests any lien so filed in good faith and pursues an active defense of said lien, Tenant must not be in default of this paragraph. However, in the event of any final judgment against Tenant regarding such lien, Tenant agrees to pay such judgment and satisfy such lien within 60 days of the entry of any such judgment.

15. ASSIGNMENT AND SUBLETTING

Tenant must not have the right to assign this Lease, or to sublet the Premises, transfer and grant concessions or licenses (“**Transfer**”) in all or any part of the Premises without the Landlord's written consent and City Council approval by Ordinance, which consent must not be unreasonably withheld, conditioned or delayed. No Transfer must relieve Tenant from any of its obligations as Tenant hereunder. Every such assignment or sublease must recite that it is and must be subject and subordinate to the provisions of this Lease, and the termination or cancellation of this Lease must constitute a termination and cancellation of every such assignment or sublease. Notwithstanding the foregoing, Landlord agrees that no merger, consolidation, corporate reorganization, or sale or transfer of Tenant's assets or stock (specifically including any inter-family or inter-company transfers), redemption or issuance of additional stock of any class, or assignment or sublease to any person or entity which controls, is controlled by or is under common control with Tenant, must be deemed a Transfer hereunder.

16. NOTICES

Any notices required to be given hereunder, or which either party hereto may desire to give to the other, must be in writing. Such notice may be given by reputable overnight delivery service (with proof of receipt available), personal delivery or mailing the same by United States mail, registered or certified, return receipt requested, postage prepaid, at the following addresses identified for Landlord and Tenant, or to such other address as the respective parties may from time to time designate by notice given in the manner provided in this Section.

If to the Landlord:

City of Evanston
Attn: City Manager
2100 Ridge Avenue
Evanston, IL 60201

with a copy to:

City of Evanston
Attn: Corporation Counsel
2100 Ridge Avenue
Evanston, IL 60201

If to Tenant:

Smylie Brothers Draft & Package LLC
Attn: Michael Smylie
2222 Oakton Street
Evanston, IL 60201

For purposes of this Lease, a notice must be deemed given upon the date of actual receipt thereof or the date of proof of rejection thereof if delivered by hand or overnight courier service.

17. RIGHT TO GO UPON PREMISES

Landlord hereby reserves the right for itself or its duly authorized agents and representatives at all reasonable times during business hours of Tenant upon at least forty-eight (48) hours prior notice to Tenant and accompanied by a representative of Tenant (which may be the store manager or assistant manager) to enter upon the Premises for the purpose of inspecting the same and of showing the same to any prospective purchaser or encumbrance or tenant, and for the purpose of making any repairs which Landlord is required hereunder to make on the Property, but any such repairs must be made with all due dispatch during normal construction trade working hours, and in such manner as to minimize the inconvenience to Tenant in the conduct of its business, it being agreed that in the event of a necessity of emergency repairs to be made by Landlord, Landlord may enter upon the Premises forthwith to effect such repairs. Notwithstanding the foregoing, in the event that due to an entry by or on behalf of Landlord into the Premises, Tenant's use is materially interfered with and Tenant, from the standpoint of prudent business management, cannot open and operate the Premises for business for two (2) consecutive days, all Fixed Minimum Rent and other charges payable by Tenant hereunder must equitably abate commencing after such second (2nd) day, and continuing until such repairs are completed, unless such entry is required as a result of Tenant's negligence or intentional misconduct.

18. DEFAULT

(a) Tenant Default.

(i) Events of Default. Including, but not limited to, the following events must be deemed to be an "event of default" hereunder by Tenant subject to Tenant's right to cure:

a. Tenant must fail to pay any item of Fixed Minimum Rent per Section 3 at the time and place when and where due and does not cure such failure within five (5) business days after receipt of notice from Landlord of such failure;

b. Tenant must fail to comply with any other term, provision, covenant or warranty made under this Lease or if any of Tenant's representations and warranties made under this Lease are determined to be untrue, either when made or at any time during the Term, by Tenant, and Tenant must not cure such failure within thirty (30) days after Landlord's written notice thereof to Tenant. In the event Tenant cannot comply with such term, provision, or warranty, within said thirty (30) day period, Tenant must not be in default if Tenant is diligently and continuously making an effort to comply with such term, provision, covenant or warranty and Tenant completes the cure of the default; or

c. Tenant must make a general assignment the benefit of creditors, or must admit in writing its inability to pay its debts as they become due or must file a petition in bankruptcy.

(ii) Remedies. Upon the occurrence of an event of default, Landlord may, so long as such default continues, as permitted by law and subject to Landlord's obligation to use good faith efforts to mitigate damages, either:

a. terminate this Lease by written notice to Tenant, which written notice must specify a date for such termination at least fifteen (15) days after the date of such written termination notice and such termination must be effective as provided in such written notice unless Tenant must cure such default within such notice period, or not terminate this Lease as a result of the default of Tenant. If Tenant must fail to surrender the Premises upon such termination, Landlord may thereupon, reenter the Premises, or any part thereof, and expel or remove therefrom Tenant and any other persons occupying the same, using such means provided by law;

b. without terminating this Lease, Landlord may evict Tenant (by any means provided by law) and let or relet the Premises or any or all parts thereof for the whole or any part of the remainder of the Term hereof, or for a period of time in excess of the remainder of the Term hereof, and out of any rent so collected or received, Landlord must first pay to itself the expense of the cost of retaking and repossessing the Premises and the expense of removing all persons and property therefrom, and must, second, pay to itself any costs or expenses sustained in securing any new tenant or tenants (provided that such amount must not include any amounts incurred to restore the Premises to more than the condition originally delivered to Tenant), and must third, pay to itself any balance remaining, and apply the whole thereof or so much thereof as may be required toward payment of the liability of Tenant to Landlord then or thereafter unpaid by Tenant; or

c. pursue such other remedies as are available at law or in equity.

(b) Landlord Default. Should Landlord default in the performance of any covenant, provision, warranty, condition or agreement herein, or if any of Landlord's representations and warranties made under this Lease are determined to be untrue, either when made or at any time during the Term, and such default in the case of any failure by Landlord to pay any sum required to be paid to Tenant hereunder, continues for ten (10) business days after notice thereof from Tenant, or in case of any non-monetary default, continues for thirty (30) days after receipt by Landlord of written notice thereof from Tenant (except as otherwise provided herein), or if the default of Landlord is of a type which is not reasonably possible to cure within thirty (30) days, if Landlord has not commenced to cure said default within said thirty (30) day period and does not thereafter diligently prosecute the curing of said default to completion (except as otherwise provided herein), Tenant in addition to any and all other remedies which it may have at law and/or in equity including the right to seek injunctive relief without posting a bond or the obligation to prove irreparable harm, may pay or perform any obligations of Landlord hereunder and deduct the cost thereof from each installment of annual Fixed Minimum Rent payable pursuant to the terms of this Lease; provided, however, in no event must the amount of any such deduction exceed ten percent (10%) of the Fixed Minimum Rent payable on a monthly basis; provided, further, Tenant must not have the right to terminate this Lease except as expressly permitted herein.

19. SIGNS

Tenant may apply for signage (temporary and permanent signage) for the exterior and interior of the Premises, at its own expense, in order to conduct the business of Tenant. Tenant acknowledges that there are limitations from the City of Evanston Municipal Code of 2012, as amended, and the Code governs the application process and the details regarding size, type, and number of signs and Tenant agrees to be bound by such ordinances. Landlord cannot make representations in a lease

agreement that Tenant must be entitled additional signage, a certain number of signs and/or dimensions of proposed signage, because the Tenant must make an application to the Sign Review Board, as provided by Code, but Landlord will not withhold, condition or delay its consent to a sign over the new entrance to the Premises which complies with applicable laws.

20. REPRESENTATIONS AND WARRANTIES

- (a) Landlord represents, warrants and covenants to Tenant that, to Landlord's knowledge, the following is true as of the Effective Date:
- (i) all of the Premises is zoned and fit for commercial purposes, and the Permitted Use is permitted under the applicable zoning designation, and that the Premises and Property are presently properly subdivided in conformity with all applicable laws and suitable for the Permitted Use;
 - (ii) Landlord is the fee simple owner of the Premises;
 - (iii) the Premises is subject to no restrictions or continuing regulations of any kind or nature whatsoever incompatible with the Permitted Use and that there are no restrictions in any agreement by which Landlord is bound (including, but not limited to, Landlord's insurance policies) which would adversely affect Tenant's right to use the Premises for the Permitted Use during the Term;
 - (iv) the Premises are in good working order and condition, the roof is watertight and all utility systems are functional;
 - (v) there are no exceptions to title with respect to and/or encumbrances on the Premises which would interfere with Tenants proposed use of the Premises;
 - (vi) Landlord has no notice of any proposed Assessments other than as reflected on the current tax bill;
 - (vii) Landlord has no knowledge of any condition that would preclude Tenant from obtaining all Tenant's permits and licenses necessary for Tenant to open for business and operate for the Permitted Use;
 - (ix) if Landlord is a corporation, limited liability company, partnership or trust, Landlord covenants that it is duly constituted under the laws of the state of its organization, and that its officer, member, manager, partner or trustee who is acting as its signatory in this Lease is duly authorized and empowered to act for and on behalf of the entity or trust; and
 - (x) there are no judicial, quasi-judicial, administrative or other orders, injunctions, moratoria or pending proceedings against Landlord or the Property which preclude or interfere with, or would preclude or interfere with, the construction contemplated herein or the occupancy and use of the Premises by Tenant for the purposes herein contemplated.
 - (xi) no third party has the right to object to Tenant's tenancy hereunder, prohibit the selling of any products sold by Tenant or the uses allowed herein or the right to consent to any feature

of the Premises or Tenant's signage.

- (xii) there are no mortgages, prime leases, deeds to secure debt, deeds of trust, or other instruments in the nature thereof, affecting Landlord or its interest in the Premises.
 - (xiii) The Property is leased to Tenant "AS IS" and "WHERE IS" without representation or warranty by Landlord. Tenant further acknowledges that (i) Tenant has had an adequate opportunity to make such legal, factual and other inquiries and investigation as Tenant deemed necessary, desirable or appropriate with respect to the Property, including, but not limited to, compliance of the Property with Environmental Laws (as hereafter defined) and whether the Hazardous Substances (as hereafter defined) are migrating towards or from the Property or are on, in, under or above the Property, and (ii) neither Landlord, nor anyone acting for or on its behalf, has made any representation, warranty, promise or statement, express or implied, to Tenant, or to anyone acting for or on behalf of Tenant, concerning the Property or the condition, use or development thereof. Tenant represents that, in entering into this Lease, Tenant has not relied on any representation, warranty, promise or statement, express or implied, of Lessee Landlord, or anyone acting for or on its behalf, other than as expressly set forth in this Lease, and that Tenant enters into this Lease based upon Tenant's own prior investigation and examination of the Property. Further, to the extent that Landlord has provided (or may hereafter provide) to Tenant information from any inspection, engineering or environmental reports concerning any Hazardous Substances or the condition of the Property, Landlord makes no representations or warranties with respect to the accuracy or completeness, methodology of preparation or otherwise concerning the contents of such reports. Tenant acknowledges that Landlord has requested that Tenant inspect the Premises fully and carefully and investigate all matters relevant thereto and that Tenant relies solely upon the results of Tenant's own inspections or other information obtained or otherwise available to Tenant, rather than any information that may have been provided (or may hereafter be provided) by Landlord to Tenant. Tenant's election to enter into this Lease is be made at Tenant's sole and absolute discretion, in reliance solely upon the tests, analyses, inspections and investigations that Tenant makes, or had the right to make and opted not, or otherwise failed, to make, and not in reliance upon any alleged representation made by Landlord, or anyone acting for or on their behalf.
- (b) All representations and warranties, covenants and indemnities contained in this Lease must survive the expiration or earlier termination of this Lease.
 - (c) Landlord may perform water testing on the Property during the Term with reasonable notice and provided it does not interfere with Tenant's business operations.
 - (d) Deliveries. Subject to governmental regulations, Tenant must have the right to accept deliveries and unload merchandise in its designated loading area adjacent to the front of the Premises, during 9:00 a.m. to 6:00 p.m. seven (7) days a week. As previously stated, all deliveries and trucks exiting the property must use Oakton and McCormick.

21. HOLDING OVER; END OF TERM

- (a) If Tenant must hold possession of the Premises after the expiration or termination of this Lease, at Landlord's option (i) Tenant must be deemed to be occupying the Premises as a tenant from month-

to-month at one hundred fifty percent (150%) of the Fixed Minimum Rent in effect upon the expiration or termination of the immediately preceding term or (ii) Landlord may exercise any other remedies it has under this Lease or at law or in equity including an action for wrongfully holding over.

(b) Upon the expiration or sooner termination of this Lease, Tenant must surrender the Premises to Landlord in as good order, condition and repair as when received by Tenant; ordinary wear and tear, casualty and condemnation excepted. This provision must expressly survive the termination or expiration of this Lease.

(c) Any property, equipment, or product remaining in the Premises upon expiration of this Lease must be considered abandoned and property of the Landlord. Any abandoned medical cannabis or infused products must be turned over to the proper law enforcement authorities for destruction.

22. EXPENSES OF ENFORCEMENT

The Parties must bear its own costs, charges, expenses and attorney's fees, and any other fees incurred in the event of a dispute between the Parties.

23. SUCCESSORS IN INTEREST

All of the covenants, agreements, obligations, conditions and provisions of this Lease must inure to the benefit of and must bind the successors and permitted assigns of the respective parties hereto.

24. REMEDIES ARE CUMULATIVE

Remedies conferred by this Lease upon the respective parties are not intended to be exclusive, but are cumulative and in addition to remedies otherwise afforded by the law.

25. QUIET POSSESSION

Upon payment by the Tenant of the minimum, percentage and additional rent and all other sums due hereunder and upon the observance and performance of all covenants, terms and conditions on Tenant's part to be observed and performed, Tenant must peaceably and quietly hold and enjoy the Premises for the Term of this Lease without hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under the Landlord, subject nevertheless, to the terms and conditions of this Lease.

26. ALTERATION

(a) Changes Required by Law. Any structural changes, alterations or additions in or to the Premises which may be necessary or required by reason of any law, rule, regulation or order promulgated by competent governmental authority must be made at the sole cost and expense of Landlord, including but not limited to asbestos removal and disposal and interior and exterior compliance with the Americans with Disabilities Act (ADA) etc. Notwithstanding the foregoing, if any such changes, alterations or additions are required as a result of improvements made by Tenant during the Term hereof or due to Tenant's use of the Premises, such changes, alterations or additions must be made at the sole cost and expense of Tenant. Tenant may contest the validity of

any such law, rule, regulation or order, but must indemnify and save Landlord harmless against the consequences of continued violation thereof by Tenant pending such contest.

(b) Alterations During Term. Tenant must be permitted to perform interior, nonstructural alterations to the Premises and to revise the interior layout of the Premises; provided that the alterations are in conformance the security plans approved by the State of Illinois, any regulations under the Medical Cannabis Act, and any additional regulatory authority provisions governing the Permitted Use. Tenant must obtain Landlord's written consent to any other alterations or construction which affects the structural nature of the Premises, which consent must not be unreasonably withheld, conditioned or delayed.

27. HAZARDOUS SUBSTANCES

(a) Tenant agrees that, except as herein set forth, it must not generate, use, store, handle or dispose of on or transport over the Premises any Hazardous Substances (defined below) in violation of any Environmental Laws (defined below), except as such incidental amounts of Hazardous Substances as may be required for Tenant to conduct the Permitted Use, but in no instance shall Tenant dispose of Hazardous Substances on the Premises in violation of Environmental Laws.

(b) If any time during the Term, Hazardous Substances are found in the Premises or on adjacent property and such Hazardous Substances are not the result of Tenant's use of or work on the Premises, then, in such event, Tenant must have the immediate right to terminate this Lease upon written notice to Landlord. Under no circumstances must Tenant be responsible for remediation or cleanup of any Hazardous Substances on the Premises or adjacent property that were not caused by Tenant, or Tenant's subcontractors, agents or employees. Furthermore, with regard to any Hazardous Substances caused by Tenant or its agents, contractors or employees, Tenant must remove same, in compliance with applicable Environmental Laws, at Tenant's sole cost and expense. Tenant must defend, indemnify, and hold Landlord harmless from and against any and all costs, damages, expenses and/or liabilities (including reasonable attorneys' fees) which Landlord may suffer as a result of any written demand (whether or not a suit), claim, suit or action regarding any such Hazardous Substances (whether alleged or real) present due to Tenant and/or regarding the removal and clean-up of same or resulting from the presence of such Hazardous Substances. The representation, warranty and indemnity of Tenant described in this subsection shall survive the termination or expiration of this Lease or purchase of the Property as provided herein. Other than Hazardous Substances caused by Tenant or its agents, contractors or employees, Tenant shall have no duty whatsoever to remove any Hazardous Substances from the Property.

(c) In the event that during the Term of this Lease, Tenant is prevented from performing Tenant's Work and/or Tenant must be unable to operate for a period of thirty (30) days or more for the Permitted Use at the Premises and ceases operating at the Premises as a result of remediation of Hazardous Substances not caused by Tenant or its agents, contractors or employees, and Tenant does not terminate the Lease as provided for in Section 27(b) above, then Fixed Minimum Rent, Additional Rent and all other charges due hereunder must equitably abate until such time as Tenant is able to resume the performance of Tenant's Work and/or the operation of its business in the Premises.

(d) Tenant, for itself and its successors in interest, waives and releases Landlord from any and all past and present claims and causes of action arising from or relating to the presence or alleged presence of Hazardous Substances in, on, under, about or emanating from the Property, including

without limitation any claims for cost recovery, contribution, natural resources damages, property damage, consequential damages, personal or bodily injury (including death) or otherwise, under or on account of any violation, or arising under, Environmental Law.

(e) The term “**Hazardous Substance**” includes, without limitation, any material or substance (regardless of whether discarded, recyclable or recoverable) to which liability or standards of conduct are imposed pursuant to Environmental Laws, including, but not limited to (i) any defined, characteristic or listed “hazardous waste”, “extremely hazardous waste”, “restrictive hazardous waste”, “hazardous substance”, “hazardous material”, “regulated substance”, “pollutant”, “contaminant” or waste, (ii) petroleum (including crude oil or any fraction thereof, natural gas, liquefied natural gas, synthetic gas or mixtures of natural gas and synthetic gas), (iii) asbestos and any asbestos containing materials, (iv) substances known to cause cancer and/or reproductive toxicity, (v) polychlorinated biphenyls (PCBs) and (vi) radioactive material. The term “**Environmental Law**” means any federal, state or local law, statute, ordinance, rule, regulation, order, consent, decree, judgment or common-law doctrine, interpretation thereof, and provisions and conditions of permits, licenses, plans, approvals and other operating authorizations whether currently in force or hereafter enacted relating to health, industrial hygiene or the environmental conditions on, under or about the Premises or the Property, as such laws are amended and the regulations and administrative codes applicable thereto, including, by way of example and without limitation, the following: the Illinois Environmental Protection Act; Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”); the Resource Conservation and Recovery Act (“RCRA”); the Clean Air Act; the Clean Water Act; the Safe Water Drinking Act (“SDWA”); the Toxic Substances Control Act; and all state and local counterparts thereto; and any common or civil law obligations including, without limitation, nuisance or trespass. It is the intent of the parties hereto to construe the terms “Hazardous Substance” and “Environmental Law” in their broadest sense.

28. GENERAL CONDITIONS

(a) Time is of the essence of this Lease. Any deadlines in this Lease which cannot be met because of delays caused by governmental regulations, inability to procure labor or materials, strikes, acts of God, or other causes (other than financial), beyond the control of Landlord or Tenant (“**Force Majeure**”) must be extended by the amount of time caused by such delays; provided, however, the payment of rent must not be excused. Notwithstanding anything herein to the contrary, the failure by Landlord to construct the Premises according to building code and/or to receive timely inspections by the necessary authorities due solely to the negligence, misconduct or financial inability of Landlord or Landlord's contractors, employees or representatives must not constitute Force Majeure. In order for Landlord to claim the occurrence of Force Majeure, Landlord must have notified Tenant in writing of such occurrence within twenty (20) business days after the initial occurrence.

(b) No waiver of any breach of the covenants, agreements, obligations and conditions of this Lease to be kept or performed by either party hereto must be construed to be a waiver of any succeeding breach of the same or any other covenant, agreement, obligation, condition or provision hereof.

(c) Tenant must not be responsible for the payment of any commissions in relation to the leasing transaction represented by this Lease. Landlord and Tenant each covenant that they have not dealt with any real estate broker or finder with respect to this Lease (herein collectively “**Brokers**”). Each

party must hold the other party harmless from all damages, claims, liabilities or expenses, including reasonable and actual attorneys' fees (through all levels of proceedings), resulting from any claims that may be asserted against the other party by any real estate broker or finder with whom the indemnifying party either has or is purported to have dealt, except for the Brokers.

(d) The use herein of any gender or number must not be deemed to make inapplicable the provision should the gender or number be inappropriate to the party referenced. All section headings, titles or captions contained in this Lease are for convenience only and must not be deemed part of this Lease and must not in any way limit or amplify the terms and provisions of this Lease.

(e) Landlord and Tenant have negotiated this Lease, have had the opportunity to be advised respecting the provisions contained herein and have had the right to approve each and every provision hereof; therefore, this Lease must not be construed against either Landlord or Tenant as a result of the preparation of this Lease by or on behalf of either party.

(f) If any clause, sentence or other portion of this Lease must become invalid or unenforceable, the remaining portions thereof must remain in full force and effect.

(g) Wherever in this Lease Landlord or Tenant is required to give consent, such consent must not be unreasonably withheld, conditioned or delayed except to the extent otherwise expressly provided herein.

(h) If the time for performance of any obligation or taking any action under this Lease expires on a Saturday, Sunday or legal holiday, the time for such performance or taking such action must be extended to the next succeeding day which is not a Saturday, Sunday or legal holiday. If the day on which rent or any other payment due hereunder is payable falls on a Saturday, Sunday or on a legal holiday, it must be payable on the next succeeding day which is not a Saturday, Sunday or legal holiday.

(i) Landlord hereby agrees that it must maintain all confidentiality with regard to entering into this Lease, the opening for business by Tenant in the Premises and any financial information contained hereunder or obtained from Tenant during the Term of this Lease, other than disclosures to necessary third parties and Landlord must not release any material whatsoever to the press or any news media without the prior written approval of Tenant, which approval may be withheld in Tenant's sole discretion.

(j) Each covenant hereunder of Landlord, whether affirmative or negative in nature, is intended to and must bind the Landlord and each successive owner of the Premises and their respective heirs, successors and assigns.

(k) There must be no personal liability on Landlord, its elected officials, officers, employees, agents, or any successor in interest with respect to any provisions of this Lease, or amendments, modifications or renewals hereof. Tenant must look solely to the then owner's interest in the Premises (including but not limited to any insurance proceeds, rents, or judgments) for the satisfaction of any remedies of Tenant in the event of a breach by Landlord of any of its obligations hereunder.

(l) Landlord hereunder must have the right to assign, sell or transfer Landlord's interest in this Lease or the Premises with consent of Tenant, which must not be unreasonably withheld. In the

event of any such transfer, the transferor must be automatically relieved of any and all obligations on the part of Landlord accruing from and after the date of such transfer.

(m) Tenant acknowledges that it will seek to hire qualified Evanston residents for employment in the Tenant's business located at the Premises.

(n) The parties agree the this Lease must be governed by and interpreted in accordance with the laws of the State of Illinois and that venue for any disputes must be in the Circuit Court of Cook County, Illinois.

(o) This Lease must become effective on the day that this Lease must be executed by the last of the parties hereto to execute this Lease (herein "**Effective Date**").

(p) There are no oral agreements between the parties hereto affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, letters of intent, lease proposals, brochures, agreements, representations, promises, warranties and understandings between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof must be used to interpret or construe this Lease. This Lease cannot be changed or terminated except by a written instrument subsequently executed by the parties hereto.

[REMAINDER OF THE PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the respective parties hereto have executed this Lease by officers or agents thereunto duly authorized.

Landlord:

CITY OF EVANSTON,
an Illinois municipal corporation

Approved as to form:
W. Grant Farrar
Corporation Counsel
By: Michelle Masonup

By: Wally Bobkiewicz
Name: Wally Bobkiewicz
Title: City Manager

Tenant:

**SMYLIE BROTHERS DRAFT & PACKAGE
LLC**
an Illinois limited liability company

By: Michael Smylie
Name: Michael Smylie, Manager

EXHIBIT A

LEGAL DESCRIPTION

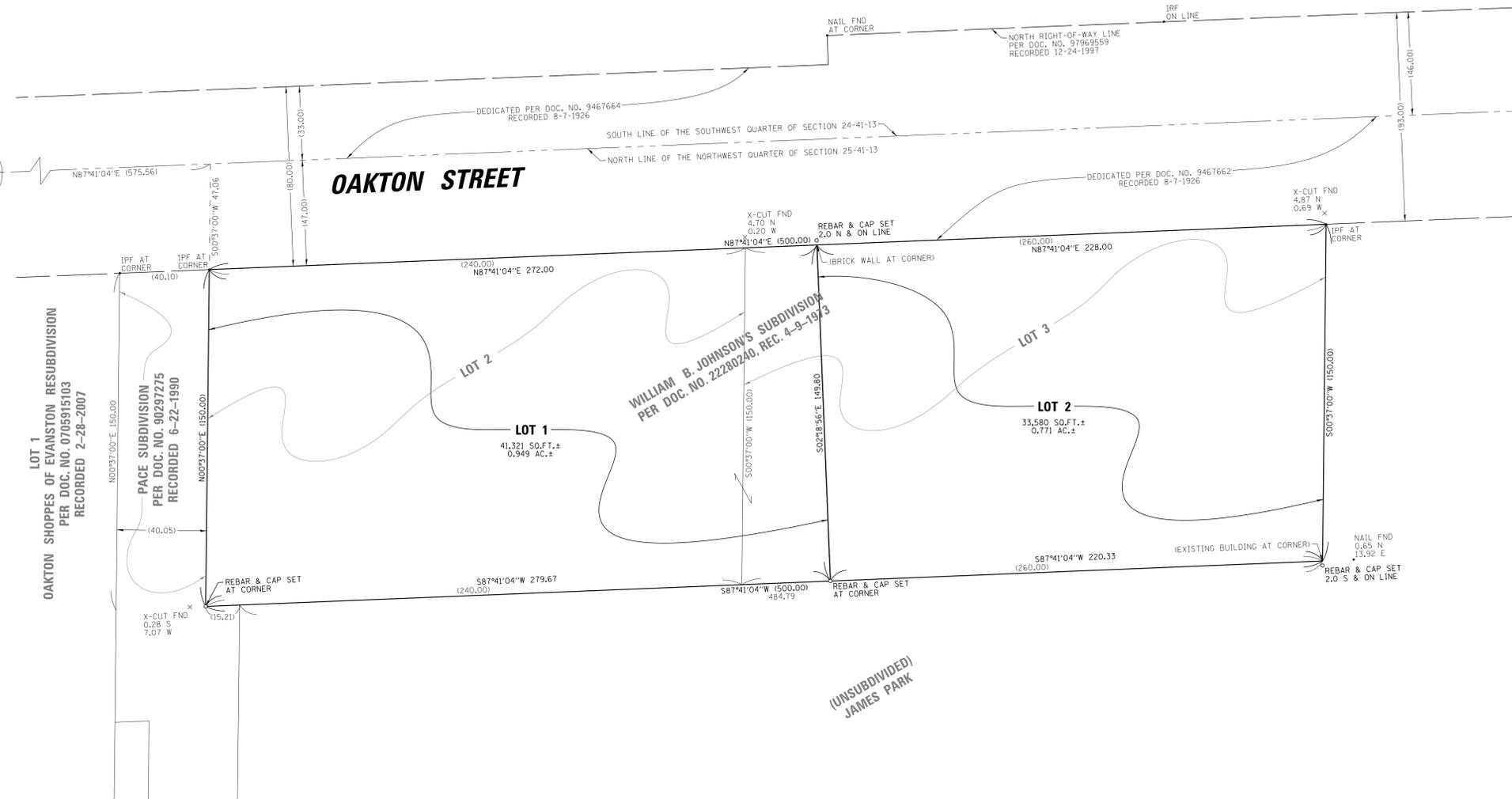
LOT 2 IN EVANSTON'S RESUBDIVISION OF LOTS 2 AND 3 IN WILLIAM B. JOHNSON'S SUBDIVISION OF THE EAST 650 FEET OF THE WEST 1075 FEET OF THE SOUTH 150 FEET OF THE NORTH 197 FEET OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 10-25-100-023-0000

EXHIBIT B
PLAT OF RESUBDIVISION

EVANSTON'S RESUBDIVISION OF LOTS 2 & 3 IN WILLIAM B. JOHNSON'S SUBDIVISION

- LEGEND**
- o REBAR & CAP SET
 - IRON PIPE FOUND (IPF)
 - IRON ROD FOUND (IRF)
 - x X-CUT FOUND
 - 00.00 MEASURED
 - (00.00) RECORD
 - PROPERTY LINE
 - - - R.O.W. LINE
 - - - SECTION LINE
 - - - PROPOSED PROPERTY LINE



OWNER'S CERTIFICATE

STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

THIS IS TO CERTIFY THAT I, _____, A MUNICIPAL CORPORATION IS ARE THE OWNER(S) OF THE PROPERTY SHOWN AND DESCRIBED ON PLAT OF RESUBDIVISION AND THAT THEY HAVE CAUSED THE SAME TO BE PLATTED AS INDICATED HEREON FOR THE USES AND PURPOSES HEREIN SET FORTH AND DO HEREBY ACKNOWLEDGE AND ADOPT THE SAME UNDER THE STYLE AND TITLE HEREON INDICATED.

THIS _____ DAY OF _____, 20 ____ A.D.
 BY: _____
 TITLE: _____
 ATTEST: _____
 TITLE: _____

OWNER'S NOTARY

STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

THIS IS TO CERTIFY THAT I, _____, A NOTARY PUBLIC IN AND FOR SAID COUNTY, IN THE STATE AFORESAID, DO HEREBY CERTIFY THAT _____ PERSONALLY KNOWN TO ME TO BE THE SAME PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT AS SUCH OWNERS, APPEARED BEFORE ME THIS DAY IN PERSON AND ACKNOWLEDGED THAT THEY SIGNED AND DELIVERED SAID INSTRUMENT AS THEIR OWN FREE AND VOLUNTARY ACT FOR THE USES AND PURPOSES THEREIN SET FORTH. GIVEN UNDER MY HAND AND NOTARIAL SEAL.

THIS _____ DAY OF _____, 20 ____ A.D.
 NOTARY PUBLIC
 MY COMMISSION EXPIRES: _____

GENERAL NOTES:

- ALL DIMENSIONS ARE GIVEN IN FEET AND DECIMAL PARTS THEREOF.
- ONLY THOSE BUILDING LINE SETBACKS AND EASEMENTS WHICH ARE SHOWN ON THE RECORDED PLAT OF SUBDIVISIONS ARE SHOWN HEREON. REFER TO THE DEED, TITLE INSURANCE POLICY AND LOCAL ORDINANCES FOR OTHER RESTRICTIONS.
- COMPARE DEED DESCRIPTION AND SITE CONDITIONS WITH THE DATA GIVEN ON THIS PLAT AND REPORT ANY DISCREPANCIES TO THE SURVEYOR AT ONCE.
- NO DIMENSIONS SHALL BE DERIVED FROM SCALE MEASUREMENT.

SURVEYOR NOTES:

- BEARINGS ARE BASED ON THE ILLINOIS COORDINATE SYSTEM (EAST ZONE).
- THIS PLAT IS BASED IN PART ON THE FOLLOWING TITLE COMMITMENT REPORTS:
 -WHEATLAND TITLE GUARANTY COMPANY WITH AN EFFECTIVE DATE OF SEPTEMBER 14, 2016 AS ORDER NO. CBE-2016CO-14134.0
 -WHEATLAND TITLE GUARANTY COMPANY WITH AN EFFECTIVE DATE OF SEPTEMBER 14, 2016 AS ORDER NO. CBE-2016CO-14135.0
- PROPERTY IS SUBJECT TO: RIGHTS OF THE PUBLIC, THE STATE OF ILLINOIS, AND THE MUNICIPALITY IN AND TO THAT PART OF THE LAND, IF ANY, TAKEN OR USED FOR ROAD PURPOSES.
- THIS SURVEY IS BASED ON FIELD WORK PERFORMED ON 09-28-2016, 09-29-2016, 10-03-2016 & 10-04-2016.

CITY CLERK'S CERTIFICATE

STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

THIS IS TO CERTIFY THAT THERE ARE NO UNPAID SPECIAL ASSESSMENTS OR OTHER LIENS ON THE ABOVE DESCRIBED PROPERTY.

CITY CLERK _____ DATE _____

CITY COUNCIL CERTIFICATE

STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

APPROVED AND ACCEPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF EVANSTON, ILLINOIS, AT A MEETING HELD

THIS _____ DAY OF _____, 20 ____ A.D.
 BY: _____
 CITY MAYOR

ATTEST: _____
 CITY CLERK

PLAN COMMISSION CERTIFICATE

STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

APPROVED THIS _____ DAY OF _____, 20 ____ A.D.
 CITY OF EVANSTON ZONING BOARD OF APPEALS/PLAN COMMISSION.

CHAIRMAN: _____
 SECRETARY: _____

PUBLIC WORKS CERTIFICATE

STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

APPROVED THIS _____ DAY OF _____, 20 ____ A.D.
 BY: _____
 DIRECTOR OF PUBLIC WORKS, EVANSTON, ILLINOIS

SUBMITTED BY & RETURN TO:
 THE CITY OF EVANSTON
 2100 RIDGE AVENUE
 EVANSTON, IL 60201

PLAT AUTHORIZATION CERTIFICATE

STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

WE, CHRISTOPHER B. BURKE ENGINEERING, LTD., AN ILLINOIS PROFESSIONAL DESIGN FIRM, NUMBER 184-001175, HEREBY DESIGNATE THE CITY OF EVANSTON TO RECORD THIS PLAT OF SUBDIVISION WITH THE COOK COUNTY RECORDER OF DEEDS OR REGISTRAR OF TITLE. THIS DESIGNATION IS GRANTED UNDER THE RIGHT TO DESIGNATE SUCH RECORDING UNDER SECTION 2 OF THE ILLINOIS PLAT ACT, 765 ILLINOIS COMPILLED STATUTES 205/2.

GIVEN UNDER OUR HAND AND SEAL AT ROSEMONT, ILLINOIS.

THIS _____ DAY OF _____, 20 ____ A.D.

SURVEYOR'S CERTIFICATE

STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

WE, CHRISTOPHER B. BURKE ENGINEERING, LTD., AN ILLINOIS PROFESSIONAL DESIGN FIRM, NUMBER 184-001175, DO HEREBY STATE THAT WE HAVE SURVEYED AND RESUBDIVIDED THE PROPERTY AS FOLLOWS:

LOTS 2 & 3 IN WILLIAM B. JOHNSON'S SUBDIVISION, BEING A SUBDIVISION IN THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP #1 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED PER DOCUMENT NUMBER 22280240, RECORDED APRIL 9, 1973 IN COOK COUNTY, ILLINOIS.

WE FURTHER DECLARE THAT ALL THE LAND INCLUDED IN THE ANNEXED PLAT IS WITHIN THE CORPORATE LIMITS OF THE CITY OF EVANSTON, ILLINOIS, WHICH HAS ADOPTED A CITY PLAN AND IS EXERCISING THE SPECIAL POWERS AUTHORIZED BY DIVISION 12 ARTICLE 11 OF THE ILLINOIS MUNICIPAL CODE.

THIS IS TO FURTHER CERTIFY THAT THE PROPERTY DESCRIBED IS LOCATED WITHIN ZONE X - AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN AS SHOWN IN THE FLOOD INSURANCE RATE MAP COMMUNITY PANEL NUMBER 17031C0265J, DATED AUGUST 19, 2008 AS PUBLISHED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY FIRM.

THIS _____ DAY OF _____, 20 ____ A.D.

CHRISTOPHER B. BURKE ENGINEERING, LTD.
 9575 West Higgins Road, Suite 600
 Rosemont, Illinois 60018
 (847) 823-0500

EVANSTON'S RESUBDIVISION OF LOTS 2 & 3 IN WILLIAM B. JOHNSON'S SUBDIVISION

IN
 CITY OF EVANSTON, ILLINOIS
 PREPARED FOR
 CITY OF EVANSTON

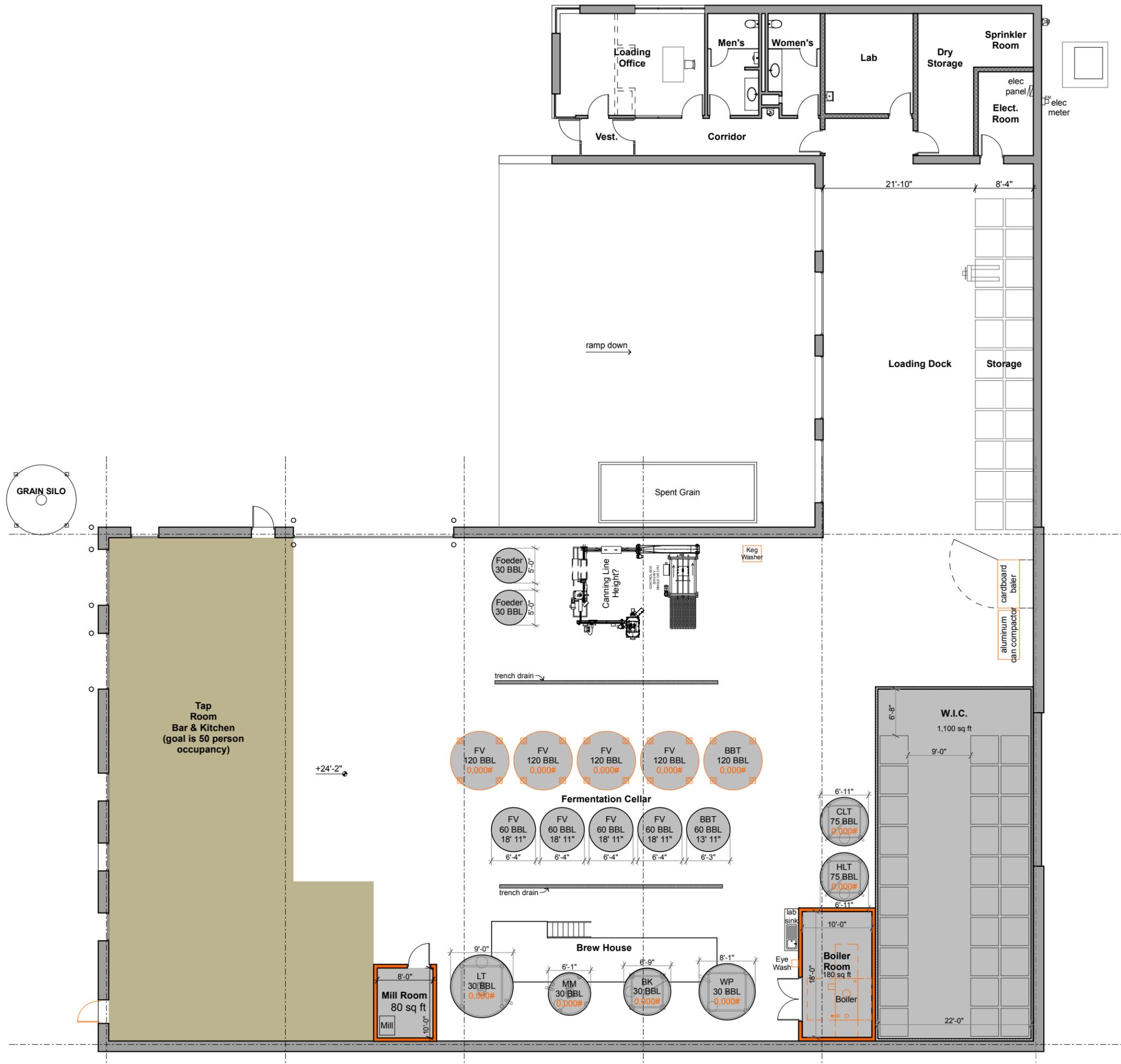
CALC.	KJR	PROJECT NO.
DWN.	AJK	160075.00002
CHKD.	JRM	SHEET 1 OF 1
SCALE:	1" = 30'	DRAWING NO.
DATE:	10-14-2016	SUB160075.02A

KENNETH J. RASMUSSEN, P.L.S.
 ILLINOIS PROFESSIONAL LAND SURVEYOR NO. 35-3240
 MY LICENSE EXPIRES 11/30/2018

"THIS PROFESSIONAL SERVICE CONFORMS TO THE CURRENT ILLINOIS MINIMUM TECHNICAL STANDARDS FOR A BOUNDARY SURVEY."

SA:EVANSTON\60015.00002 SURVEY SUB60075.02A.SUR

EXHIBIT C
INTERIOR SITE PLAN



Men's

Women's

Lab

Dry Storage

Sprinkler Room

elec panel
Elect. Room

elec meter

Vest.

Corridor

21'-10"

8'-4"

ramp down

Loading Dock

Storage

GRAIN SILO

Spent Grain

Foeder 30 BBL

Foeder 30 BBL

Keg Washer

cardboard baler
aluminum can compactor

trench drain

Tap Room Bar & Kitchen
(goal is 50 person occupancy)

+24'-2"

FV 120 BBL
0,000#

FV 120 BBL
0,000#

FV 120 BBL
0,000#

FV 120 BBL
0,000#

BBT 120 BBL
0,000#

FV 60 BBL
18' 11"

BBT 60 BBL
13' 11"

FV 60 BBL
18' 11"

BBT 60 BBL
13' 11"

LT 30 BBL
0,000#

MM 30 BBL
0,000#

BK 30 BBL
0,000#

WP 30 BBL
0,000#

CLT 75 BBL
0,000#

HLT 75 BBL
0,000#

Boiler Room
180 sq ft

Boiler

W.I.C.

1,100 sq ft

Mill Room
80 sq ft

Mill

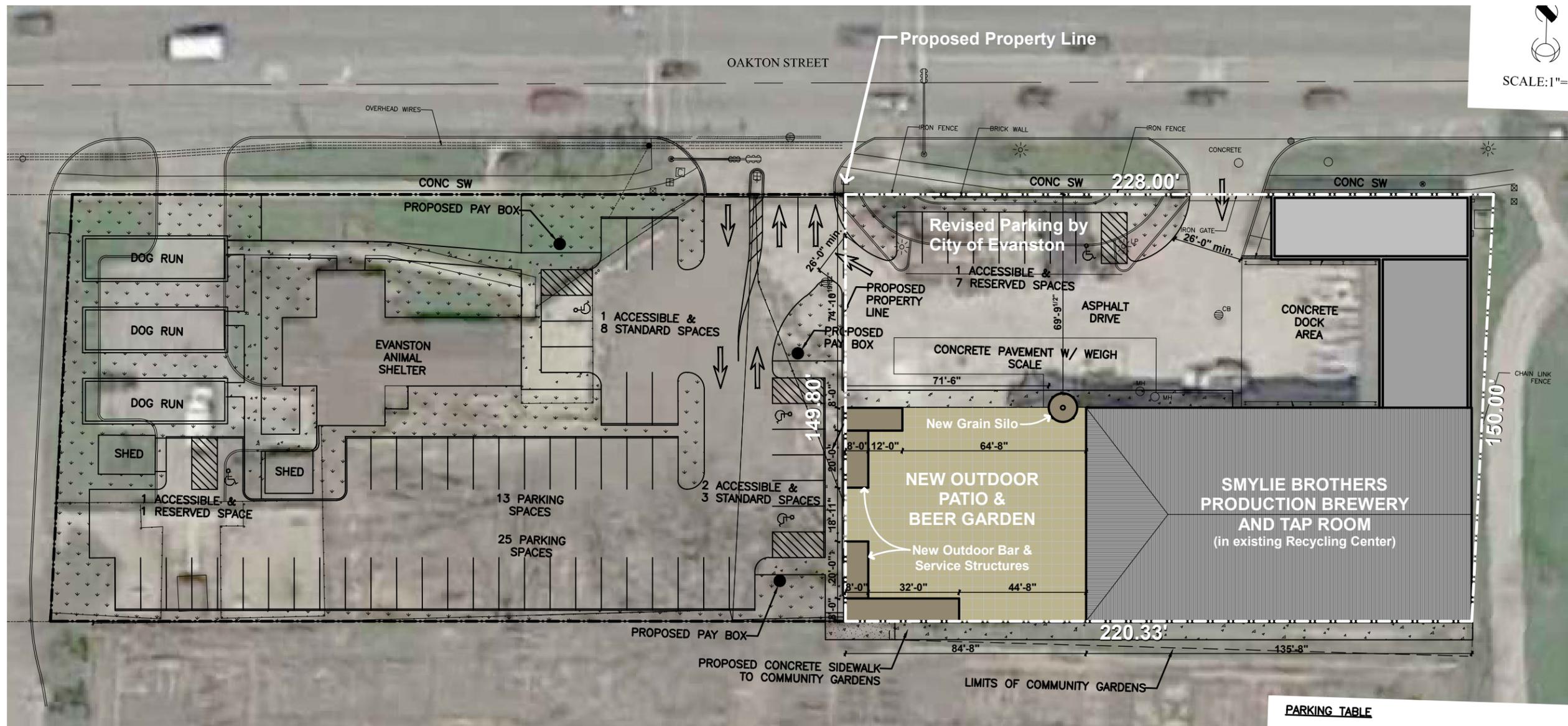
lab sink

Eye Wash

22'-0"

EXHIBIT D

SITE PLAN



Proposed Site Plan
 SCALE: 1" = 40'

SMYLIE BROTHERS BREWING PRODUCTION FACILITY