BOARD OF ETHICS REGULAR MEETING
Tuesday, December 19, 2017
7:00 p.m.
Lorraine H. Morton Civic Center, 2100 Ridge Avenue, Room 2402

AGENDA

1. CALL TO ORDER / DECLARATION OF QUORUM

2. APPROVAL OF MEETING MINUTES of: November 21, 2017

3. PUBLIC COMMENT

4. NEW BUSINESS

   A. Discussion of request for an advisory opinion on applications for funding to the Economic Development Committee as Applied to the City Code of Ethics Requirements Applicable to Committee Members.

5. ADJOURNMENT

Next Meeting: January 23, 2018 at 7:00 p.m. in Room 2403
11/21/17

MINUTES
MEETING MINUTES
BOARD OF ETHICS
Tuesday, November 21, 2017
7:00 p.m.
Lorraine H. Morton Civic Center
2100 Ridge Ave, Room 2402

Members Present: Kelda Harris-Harty, Karena Bierman, Elizabeth Gustafson and Jennifer Billingsley

Members Absent: Vincent Thomas.

Staff Present: Michelle Masoncup, Staff Attorney

Presiding Member: Kelda Harris-Harty, Committee Chair

1. Quorum: Chairwoman, Harris-Harty declared that the Board had a quorum, with 4 of 5 members present and called the meeting to order at 7:11 p.m.

2. Minutes: The board approved the minutes of October 17, 2017.

3. Public Comment: Four individuals (Priscilla Giles, Madelyn Ducre, Carolyn Murray, and Tina Foster) spoke during Public Comment about a City Council approval of a special use application for a restaurant in the 5th Ward. Each individual discussed their frustrations with the Council decision to disagree with the Plan Commission and Zoning Board of Appeals recommendation.

4. New Business: The Board received a complaint filed by Madelyn Ducre, 17 BOE 004 and against all nine aldermen. Pursuant to the Illinois Open Meetings Act (5 ILCS 120/2(c)(15) and (21), the Board convened in executive session to review if the Board had jurisdiction to hear the complaint and to approve previous closed session minutes. K. Bierman reported in open session that the Board of Ethics did not find that it had jurisdiction in the complaint as alleged by M. Ducre and said complaint is dismissed.

5. Old Business: Revisions to Section 1-10-8 “Administration of the Code” continue to be discussed. The Board seeks to expand the review to include the entire Code of Ethics and thus postponed discussing further revisions until January 23rd meeting.

6. Adjournment: Upon motion and second, the meeting was adjourned at 8:45 p.m.
Memorandum
Application for Funding and Board Service - Conflict
To: Board of Ethics Members

From: Michelle Masoncup, Staff Attorney

Subject: Request for an Advisory Opinion on Economic Development Funding Applications from Committee Members

Date: December 12, 2017

Introduction

Alderman Rainey requested that the Rules Committee discuss recusal for members of boards and commissions in scenarios that present a financial conflict of interest. The referral was related to the more specific situation in which a member of the Economic Development Committee is also a small business owner, Hecky Powell, and his interest in applying for funding from the committee that he serves.

Alderman Rainey and the Rules Committee ask for guidance from the Board of Ethics on two related questions:
(1) Does recusal from a committee review and approval of a specific item cure any possible direct conflict of interest?
(2) If the review of the funding application is mostly objective in nature (meets program guidelines), does this still bar Mr. Powell from submitting an application?

Summary of the Issue Presented

The Economic Development Committee’s purpose is to act in an advisory capacity to the City Council on matters of business district redevelopment, including but not limited to the following: (1) to review and make recommendations concerning all redevelopment proposals, provided that nothing herein shall be construed to prevent the sponsor of a rejected proposal from petitioning City Council directly; (2) to use resource persons for assistance and advice on specific proposals for consideration by the Committee; and (3) to gather and disseminate appropriate information regarding the economic vitality of the City. (2-R-81); (4-R-83).

The Committee consists of 9 members, with a rotating chair system. The current chair is Alderman Rainey. The Committee is made up of: 5 aldermanic members; 1 Plan Commissions member; 1 Zoning Board of Appeals member; and 2 members who are
citizens at large. Hecky Powell serves in the capacity as a member at large and his first three year term expires in August 2018.

The Economic Development Committee members review the applications for funding and make a recommendation to the City Council for approval. My understanding is that the review of an application is objective, including ensuring that the application has met the program guidelines and is not ineligible for some reason. The members also review the application and make subjective determinations if the business plan is sound, the applicant is financially viable, whether the applicant has the capacity to stay in business, and if the City seeks to support this business.

Hecky Powell owns a business known as "Hecky's Barbeque" at 1902 Green Bay Road, Evanston, Illinois. The Economic Development Committee reviews various requests for funding including: storefront modernization program, entrepreneurship support, business district grants, general economic development assistance, community business academy, and small business workforce development program. The types of funding that a business similar to Hecky’s Barbeque would apply to receive are: storefront modernization grants, small business workforce development program funding or general economic development assistance grants. Attached to this memorandum are program overviews and general guidelines for each of the Economic Development programs referenced to provide clarity for your review.

Analysis

Section 1-10-4(B) of the Code of Ethics sets the parameters for individuals that are subject to the Code of Ethics, this includes “members of boards and commissions appointed by the City mayor or City Council”. All appointed members of boards and commissions must review the Code of Ethics in relation to their service on respective board or commission.

The relevant provisions of the Code of Ethics ordinance are contained in Section 1-10-4(C), “Standards of Conduct,” quoted below:

(C) Standards Of Conduct. Every officer or employee of the City shall be subject to and abide by the following standards of conduct:

1. Impartiality. Every officer and employee shall perform his/her duties with impartiality and without prejudice or bias for the benefit of all citizens of the City. No officer or employee shall grant or make available to any citizen any consideration, treatment, advantage or favor beyond that which is available to every other citizen.

3. Conflict Of Interest.

b. Prohibited. The use of public office for private gain is strictly prohibited. Given the importance of independent judgment and impartiality to the proper functioning of City government, these rules are to be construed liberally to ensure that public officials and employees act with the utmost care and take all necessary steps to avoid actual conflicts of interest that would interfere with
their ability to perform their official duties independently and impartially, as well as conduct that would to a reasonable person appear to create such conflicts of interest. Although not exhaustive, the following is a list of prohibited conflicts:

(2) Abuse Of Power Of Office. No officer or employee shall, use the prestige, power or influence of his/her office or employment to engage in any transaction which is, or would to a reasonable person appear to be, in conflict or incompatible with the proper discharge of his/her official duties, or which impairs, or would to a reasonable person appear to impair, the officer's or employee's independence of judgment or action in the performance of official duties. This prohibition shall extend to any use of official position or employment for a purpose that is or would appear to a reasonable person to be for the private benefit of the officer, employee or any member of their family, rather than primarily for the benefit of the City.

(3) Representing Private Interests Before City Bodies Or Courts. No officer or employee shall appear on behalf of a private interest in any proceeding before any body or board of the City or in any regulatory, administrative, adjudicatory or other proceeding to which the City or a City official is a party. This prohibition shall extend to formal appearances at hearings and meetings, as well as informal lobbying on behalf of any private person or interests. Notwithstanding the foregoing, a council member may appear, without receiving additional compensation therefor, on behalf of himself/herself or on behalf of his/her constituents in the regular course of his/her duties as a representative of the electorate.

Recommendation

The facts summarized above may be incomplete; the Board should seek additional information relative to the questions presented. The circumstances implicate a direct financial conflict of interest with a member representing the interests of his business before a Board of which he is a member. 1-10-4(C)(3)(b)(3). The Board must consider if recusal from consideration of the item would cure the conflict of interest. Meaning, please deliberate if the remaining Board members can act with impartiality, as required under Section 1-10-4(C)(1), in review of the application given his position on the Committee and influence the decision. The advisory opinion issued by the Board following your review could serve as a guide to current/prospective inquiries and Board/Commission/Committee members.
ED Committee
2017 Storefront Improvement
City of Evanston Storefront Modernization Program

Program Guidelines
Last Update: 4/2016
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Program Purpose and Overview

The purpose of the Storefront Modernization Program ("the Program") is to improve the appearance and functionality of street-level commercial buildings located throughout the City of Evanston and to support the development of retail uses within the City. The Program works to address especially deteriorating and obsolete property conditions and encourage storefront, interior build-out, accessibility and/or sustainability improvements to the property as a means to generate additional business for Evanston’s commercial areas.

Program participants are eligible to receive a rebate upon the completion of their approved storefront or interior build-out, project ("the Project"). The rebate is in the form of a loan, forgivable over a five (5) year period. Applicants seeking funding for exterior improvements to the property are eligible for a rebate of up to 50% of the total project cost (maximum amount $25,000); Applicants seeking funding for interior improvements are eligible for a maximum rebate of $50,000 (this maximum rebate is inclusive of both interior and exterior work).

The Program is managed and administered by the Economic Development Division of the City Manager’s Office.

Eligibility Criteria

Eligible participants of the Program include property owners and tenants of street-level commercial spaces within Evanston. A business owner who is leasing space must:

- Be current on all fees and taxes owed to the City of Evanston;
- Have a current executed lease with a minimum of five (5) years remaining from the date of Application or provide evidence that the business has operated in Evanston for over five (5) years; and
- Provide written approval from the property owner to participate in the Program and consent to recordation against the subject property of a Declaration of Covenants Affecting the Property (for projects receiving a forgivable loan of $5,000 or more). Preference will be given to projects in which property owners also contribute investment in tenant improvements.

Street-level commercial spaces are eligible to seek funding for exterior (façade) improvements such as signage, tuckpointing, awnings, doors, and windows regardless of their location within Evanston. Eligibility for the interior build-out portion of the Program is limited to property owners and/or tenants of ground floor commercial buildings whose business qualifies as a retail goods establishment for zoning purposes. To encourage additional commercial development in the western and southern business districts of Evanston, the interior build-out program is also available to any business with frontage along one of the following streets regardless of use:

- Howard Street
- Dodge Avenue
- Florence Avenue (Crain St to Greenleaf St)
- Greenleaf Street (Florence Ave to Wesley Ave)
- Simpson Street (alley west of Ashland Ave to Darrow Ave)
- Main Street*
- Dempster Street*
- Church Street*
- Emerson Street*
Note: Properties will not be considered eligible in any part of Evanston that are being renovated without a tenant or a signed lease with at least 5 years on the lease.

**Storefront Improvements:** Storefronts are defined as the portion of a building that faces the public right-of-way and is fronted by a sidewalk or similar pedestrian-oriented pathway. Eligible improvements include ramps, door openers, signage, painting, lighting, windows, doors, fascia, tile, canopies, awnings, trim, metal work and other decorative elements, restoration of historic properties and other improvements contributing to the visual enhancement or accessibility of a property as it relates to the public right-of-way. Any projects requesting reimbursement for more than $3,000 must have a storefront that complies with the Illinois Accessibility Code. For the purposes of considering projects, a storefront is considered the entire length of the building that faces the street, regardless of how many individual storefronts comprise the building. For example, a property with three tenants will not be considered three individual projects with the ability to apply for the maximum storefront improvement amounts for each storefront.

Ineligible improvements include roofs that are not “part of the façade” (i.e. do not face the public way; the portion of mansard roofs, for example, facing street frontage are eligible), non-permanent fixtures, security systems, personal property, interior window coverings, equipment, any improvements not visible from the public right-of-way, improvements above the ground floor of the property, and any improvements deemed to be inconsistent with redevelopment purposes and objectives.

**Interior Improvements:** Interior improvements are considered to be any construction or work done which results in fixed capital improvements to the interior of the property. Funding for interior build-out projects is limited to properties that qualify as a retail goods establishment for zoning purposes, or to any street-level property with frontage along Dodge Avenue, Howard Street, or the portions of Main, Dempster, Church, or Emerson Streets west of Ridge Avenue. Eligible improvements include plumbing and electrical upgrades, upgrading or retrofitting of mechanical systems, life safety/sprinkler systems, alterations needed for compliance with the Americans with Disabilities Act (ADA) or Illinois Accessibility Code and general reconfiguration of the interior space.

Ineligible improvements include equipment such as refrigerators, ovens, computers, cash registers, tables and chairs, desks, decorative window or wall coverings and other items which are neither permanent leasehold improvements nor result in fixed capital improvements.

Any significant alterations or additions to the storefront, interior, and/or requests for approval of new or altered signage should be reviewed with the Community Development Department’s or Planning and Zoning staff to assure compliance with State and Local Building codes and/or zoning ordinances. Any project receiving City funding is required to obtain Design and Project Review approval before a building permit can be issued. Further, any alteration or construction on properties which have been designated as a local landmark or are located in historic districts must be approved by the Historic Preservation Commission prior to consideration for funding in the Program.

Ineligible Participants of the program include:
- National franchises/for profit corporations with more than ten locations outside of Evanston, unless the organization is headquartered in Evanston;
• Occupants or owners of buildings that are not current with property taxes, water bills, or properties possessing any sort of non-mortgage liens (i.e. mechanics lien, etc.);
• Persons who have one or more outstanding City of Evanston parking tickets;
• Buildings in excess of an 80,000 square foot footprint;
• Churches or other religious organizations;
• Government offices and agencies (non-governmental tenants are eligible);
• New construction, less than five (5) years old; and
• Property that has received storefront improvement funds (formerly known as the City of Evanston’s Façade Improvement Program) within the past ten years (unless change of use is significant enough to warrant change in storefront).

**Storefront Modernization Program Administration**

The Program provides participants the opportunity to receive a rebate upon the completion of their approved Project, up to an approved amount, based on the maximum amounts set forth in the sections below.

**Funding Source(s):** Projects will be funded through: tax increment financing (TIF) within applicable TIF Districts, Community Development Block Grants, and/or Economic Development Funds.

**Rebate/Forgivable Loan:** The rebate is in the form of a loan, forgivable over a five (5) year (60 month) period as illustrated in the box to the right. Participants can receive a rebate for up to half of the total project cost, based on the “total eligible cost” for their specific Project.

Note: if the agreement is terminated prior to the completion of the five-year (60-month) forgivable loan period, the Participant will be responsible for repayment of the balance of rebate (“loan”) on a prorated basis. The prorated amount due will be determined by multiplying the original rebate amount times the percentage obtained by dividing the number of months remaining in the five (5) year period by 60 (the total number of months in the loan period). The commencement date of the 60 month forgivable period starts on the month that the program agreement is signed and ends on the 5th anniversary date.

**Total Eligible Project Cost:**

**Storefront Improvements** - To determine “total eligible cost” for storefront projects, rebates are based on a formula whereby the first thirty-five (35) linear feet of public right-of-way facing frontage (or less) is eligible for up to $10,000 on a 50/50 cost-sharing basis. Each linear foot of...
frontage greater than thirty-five (35) is eligible for an additional $100 per foot toward the “total eligible cost”. In order to calculate the “total eligible cost,” measurements of the façade should be taken from one end of a structure to another end of the structure that includes only the portion(s) of the storefront for which funds are being requested for assistance.

For example, if the public right-of-way facing portion of a storefront is seventy (70) linear feet, the first thirty-five (35) linear feet of the façade would be eligible for up to $10,000 in funding, based on the 50/50 cost sharing provision. The remaining thirty-five linear feet qualify the applicant for an additional $3,500 in assistance. In total, this storefront would qualify for up to $13,500 in assistance. Note, a storefront is considered the entire length of the building that faces the street, regardless of how many individual storefronts comprise the building. If a structure contains three individual commercial spaces with three tenants, this property will not be considered as three individual projects with the ability to apply for the maximum storefront improvement amounts for each individual commercial tenant’s storefront; the maximum eligibility amount will be determined based on the length of frontage.

**Interior Build-out Projects** - Interior build out projects are eligible for up to $50,000 on a 50/50 cost sharing basis. The same $50,000 maximum applies to projects that involve a combination of interior and storefront (exterior) improvements. The final approved amount will depend on the scope of work to be completed. Inclusion and reimbursement of building systems such as plumbing or HVAC would require utilization of equipment and materials that comply with the appropriate sustainable building measures set forth in the City’s Green Building Ordinance ([Title 4, Chapter 21 of the City Code](http://www.evanstonedge.com/files/2012/08/Facade-Sign-Design-Guidelines.pdf)). For example, reimbursement for renovating a bathroom would require the use of WaterSense certified fixtures.

For approved projects for which a rebate of $10,000 or more is awarded (i.e. projects with eligible total improvement costs of $20,000 or more), an applicant may request up to two payments for the project. In such cases, a schedule for the partial payment and a timeline with benchmarks for completion for each project phase must be submitted and approved by Economic Development Staff. In each case, the reimbursement shall only be made after the defined work has been completed and passed any necessary inspections, and payment has been made by the business/property owner.

**Estimates for the Project:** As storefront improvement grants are public funds, Participants will be expected to get three estimates for each aspect of their project, of which one should be from an Evanston-based business. This allows for some assurance that the project pricing is competitive and that there is an opportunity to utilize local businesses.

**Design Guidelines**


While it is not possible for many small businesses to make their storefronts fully accessible for persons with disabilities, the ADA requires that accessibility be improved whenever possible through the removal of physical barriers. For examples of barrier removal, please see “The Americans with Disabilities Act Checklist for Readily Achievable Barrier Removals” at

Program Steps

Step 1: Arrange to Meet with an Economic Development Specialist. Applicants should schedule a meeting with an Economic Development Coordinator to discuss the program, ask questions, and obtain application materials.

Cindy Plante
Economic Development Specialist
(847) 448-8132
cplante@cityofevanston.org

Step 2: Application Submission. Applications are accepted on a rolling basis throughout the year as long as funding remains available. Complete submissions must include the following:

- Completed application form (link);
- Copies of three estimate sheets for each aspect of proposed work. At least one of the three estimates must come from an Evanston based business.
- Two (2) Color photographs of the property “as is”.
- Illustration/Design of proposed work to be completed.
- Proof of commercial general liability and auto insurance
- If tenant is the applicant, letter of support from property owner indicating he/she is supportive of the project and has reviewed the terms and conditions of the Program.

Note: All applications, project photos, and supporting documents shall be submitted online.

Step 3: Staff Application Review Process. After Applications are submitted, Staff will:

- Evaluate each project submitted to determine if Application is complete.
- Confirm eligibility of proposed project and location and determine total eligible project cost;
- Identify appropriate funding sources for each proposed project;
- Prepare recommendations of approval of funds to the appropriate Committee.

Staff will evaluate Applications on the following criteria:

- Total project budget;
- Location within an established business district, along a major street or near a transit station;
- Use of energy efficiency measures (installation of energy saving windows, doors, etc.);
- Steps taken to improve access for persons with disabilities;
- Returning unproductive uses to productive uses and/or creation of new rentable space in a building;
- Investment or tenant improvements being provided by the property owner; and
- Total linear feet and/or square footage of commercial space to be improved.
Step 4: Public Review and Approval Process. Staff will submit recommendations to the Economic Development Committee for review and recommendation to City Council. All projects are then forwarded to City Council for final approval.

Participants whose total project costs exceed $3,000 are required to be present at all public meetings at which proposed Project will be discussed. Participants will be notified of time, date, and place of the public meeting at which the Application will be considered. Staff will outline meeting schedules for applicants at their consultation meetings. Participants whose total project costs are less than $3,000 are not required to attend public meetings.

Step 5: Execution of Program Agreement. Following approval by City Council, Participants will be required to enter into and execute a written agreement with the City of Evanston which will establish the terms, conditions, and requirements for participation in the Program. Once the Program Agreement has been executed to the satisfaction of the City Manager, a Notice to Proceed will be issued to the Participant. Note: Projects must be completed within 180 business days of the applicant being provided the Notice to Proceed in order to obtain funding. A sample copy of the terms and agreements of the agreement are provided in Attachment A of this document.

Step 6 (if applicable): Project Phasing Plan. Applicants that have been approved for projects with a rebate of $10,000 or more may submit to Economic Development Staff a written request to divide projects into two phases for the purposes of partial reimbursement of project costs. For example, if a project includes multiple components such as plumbing, HVAC, tuck-pointing, window and door replacement and signage, applicant may propose to staff to divide work into two phases in order to seek repayment after certain aspects of the project have been completed. Applicants shall submit to Economic Development staff a project phasing plan, which clearly defines the work to be completed in each phase along with expected completion dates. Such phasing plan must be approved by Staff in order to establish partial payment plan.

Note: Commencement of work without an executed Program Agreement will automatically disqualify a Participant from being eligible to participate in the Program, and negates the City’s obligation to rebate any portion of the work.
Terms & Conditions

In accordance with the Program Guidelines, the City of Evanston will provide financial assistance up to the approved amount of a project at no more than half of the total project cost. The rebate will come in the form of a loan forgivable over a five (5) year (or 60 month) period, upon completion of the Project.

Any rebates paid by the City of Evanston pursuant to this program shall not be made until all work has been completed; all improvement work has been inspected and approved by the City of Evanston. If a partial rebate payment schedule with project completion benchmarks has been established with and approved by Economic Development Staff (for projects eligible for $10,000 or more), work must still be inspected and approved by the City prior to partial payment being issued. Additionally, all payments for said work must be made to contractors, material suppliers, and vendors. Participants of the Program must submit to the City of Evanston itemized invoices detailing work completed and materials purchased. Such invoices shall include proof of payment to all contractors, suppliers, and vendors. Documentation must be submitted within 45 days of project completion. The participant shall also submit unconditional lien releases and other documentation as required by this Program. The participant is responsible for all payments to all contractors, material suppliers, and vendors.

Any rebates paid by the City of Evanston pursuant to this Program constitute loans made to the Participants. Said loans will be forgiven, as described in the Program Agreement, however, if the property owner or successor-in-interest assumes the Participant's obligations of the Program Agreement pursuant to a City-approved assignment and assumption agreement, and continues to own and/or occupy the rehabilitated property and maintain the improvements for a period ending five (5) years from the date the program agreement is signed without removing or significantly altering the Improvements, as determined by the City of Evanston in its sole discretion.

If the property owner sells the property or the business owner fails to occupy the property prior to the end of the fifth (5th) year, the remaining share of the loan (prorated on a monthly basis) shall become due, plus three percent (3%) interest per annum payable to the City of Evanston is due within thirty (30) calendar days, unless the succeeding property owner or business owner (i) assumes the obligations of the Program Agreement pursuant to a City of Evanston approved assignment and assumption agreement, and (ii) does not make any changes to the property resulting in the removal of significant alteration to the Improvements, and maintains the Improvements for a period of five (5) years from the date of receipt of the rebate. The prorated amount due will be obtained by multiplying the original rebate amount times the percentage obtained by dividing the number of months remaining in the five (5) year period that commences on the month that the program agreement is signed and ends on the 5th anniversary date by 60, which is the total number of months in the loan period.

Prevailing Wages: Projects utilizing CDBG must comply with Davis-Bacon Prevailing Wages. Participants will be informed if they will have to comply with Davis-Bacon Prevailing Wages.

Project Completion: Projects must be completed within 180 business days of receiving the Notice to Proceed by the City as specified in Section VI of the Program Agreement (extensions will be considered on a case-by-case basis);
**Property Taxes and Liens:** Property taxes must be current, and participants may have no debts in arrears to the City when the Commitment Letter is issued. The property must also be clear of all other non-debt related liens.
Storefront Modernization Program Agreement

THIS PROGRAM AGREEMENT ("Agreement") is entered into on this ____ day of _________________ 20____ ("Effective Date"), by and between the City of Evanston (the "City"), and _______________________________ ("Participant"), owner or tenant of property located at _______________________________ (the "Property"), with regard to Participant’s participation in the “City of Evanston – Storefront Modernization Program” (the "Program").

RECITALS

WHEREAS, the City desires to enhance the visual appearance, functionality, accessibility, and environmental sustainability of buildings and structures, stimulate private investment, and complement other community revitalization efforts throughout Evanston as identified in the Program Guidelines; and

WHEREAS, investment in commercial storefronts, interior, and sustainability improvements will beautify subject properties and surrounding areas, create positive impacts, increase business volume by making subject properties more attractive, stimulate private investment, and complement other City revitalization and sustainability efforts; and

WHEREAS, the City has authorized Economic Development Division Staff to manage and administer the Program on behalf of the City including, without limitation, authorizing the City Manager to execute this Agreement with the Participant thereby establishing the terms, conditions, and requirements for participation in the Program in accordance with the Guidelines for the Program approved by the City Council (the "Program Guidelines"); and

WHEREAS, the City Council has approved the Participant and the proposed project for participation in the Program, subject to the terms and conditions of the Program Guidelines and this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, and the mutual obligations of the parties as herein expressed, the City and Participant agree as follows:

AGREEMENT

I. DEFINITIONS

The following terms shall have the following meanings whenever used in this Agreement, except where the context clearly indicates otherwise. Any ambiguity as to the intended meaning or scope of the terms set forth below will be resolved solely by the City through its designated representative.

a. "Declaration" means the Declaration of Covenants Affecting Real Property Participant is required to execute and record against the Property in order to obtain the Rebate in the
form attached hereto and incorporated herein as Exhibit “A”. Projects approved for $10,000 or less are not subject to recorded an executed Declaration of Covenants document.

b. “Storefront” means the entire length of a building that faces the public right-of-way and is fronted by a sidewalk or similar pedestrian-oriented pathway, regardless of how many individual commercial spaces are included within the building.

c. “Improvements” means any agreed storefront, interior, and/or sustainability improvements made to the Property as part of the Program.

d. “Participant” means the person or entity applying for a rebate for Improvements on the Property and determined eligible by the City Council or City Manager or his/her designee to participate in the Program. Participant may be the owner of the Property or a business owner who has obtained written consent of the Property owner to participate in the Program and to proceed with the improvements identified within this Agreement.

e. “Program Guidelines” means the “City of Evanston -- Storefront Modernization Program Guidelines” approved by the City Council that govern the Program and this Agreement. The Program Guidelines are attached hereto and incorporated herein. All terms not defined herein shall have the meanings ascribed thereto in the Program Guidelines.

f. “Total Allowable Expenses” means the actual costs incurred, paid for, and documented by the Participant and approved by the City Manager or his/her designee for the proper performance of the improvement work required by the plans and specifications and/or architectural/design renderings for the Project.

II. CERTIFICATION OF OWNERSHIP

If Participant is not the fee owner of the Property, Participant shall, prior to the City’s execution hereof, obtain and provide to the City from the fee owner of the Property their approval in writing for Participant to participate in the Program and proceed with the Project, and, if applicable, for the recordation against the Property of a Declaration in the Official Records of the Cook County Recorder, by and through the Owner’s execution of a Certification of Ownership and Consent substantially in the form attached hereto as Exhibit “B” and incorporated herein by this reference (the “Owner Consent”).

III. TERMS OF REBATE - FORGIVABLE LOAN OVER FIVE (5) YEARS

a. The Participant hereby agrees to comply with all terms and conditions of the Program as set forth in the Program Guidelines.

b. The Rebate paid by the City pursuant to this Program shall not be made until all of the improvement work comprising the Project has been completed, all of the improvement work comprising the Project has passed all required inspections, and all payments for said work have been made to contractors, materials suppliers, and vendors. Thus, the Participant shall finance the Project, with tenant/owner funds (cash) and/or private
funding (bank loan), during construction the Participant shall submit to the City Manager or his/her designee itemized invoices detailing the work completed and materials purchased. Such invoices shall include proof of payment to all contractors, suppliers, and vendors. The Participant is responsible for all payments to the contractors, materials suppliers, and vendors, and for providing true and correct copies of unconditional lien releases to the City.

c. The Rebate paid by the City pursuant to the Program constitutes a loan to Participant. Said loan will be forgiven, provided that the Participant or a successor-in-interest that has assumed the obligations of Participant hereunder pursuant to an City-approved assignment and assumption agreement, either continues to own or occupy, as the case may be, the rehabilitated Property for a period of five (5) years from the date of receipt of the Rebate without removing or significantly altering the Improvements, as determined by the City in its sole discretion, and agrees to maintain the improvements for said five (5) year period. The total amount of the loan will be forgiven in twenty percent (20%) increments, on an annual basis, such that at the end of five (5) years, the entire loan amount will be deemed forgiven and the loan balance will be zero. If the Participant sells the Property or fails to occupy the Property prior to the end of the fifth (5th) year, the remaining pro rata share of the loan, with interest at the rate of three percent (3%) per annum, is due and payable to the City within thirty (30) calendar days, unless the succeeding property owner or business owner: (i) assumes the obligations of Participant pursuant to an City-approved assignment and assumption agreement, AND (ii) does not make any changes to the Property resulting in the removal or a significant alteration to the Improvements, and maintains the improvements, for a period of five (5) years from the date of receipt of the Rebate.

IV. PARTICIPANT’S RESPONSIBILITIES

a. In preparation for submission of an Application, the Participant shall obtain a minimum of three (3) written bids from qualified, licensed contractors to perform the Project. Once the Participant awards a bid to a qualified, licensed contractor, the Participant shall provide to the City Manager or his/her designee information on the awarded bid and rejected bid. At least one (1) bid must be from an Evanston-based contractor. If an Evanston-based contractor is not sought, written evidence must be provided that documents why an Evanston-based contractor was not considered and provided in the original submission.

b. The Participant shall obtain and submit all required certificates of insurance, as set forth in the Program Guidelines, to the City Manager or his/her designee upon execution of this Agreement and prior to City’s execution.

c. The Participant shall be responsible for hiring a licensed contractor to complete the Project. The City Manager or his/her designee may require submission of proof of the State License issued to the selected contractor.

d. The Participant shall be responsible for obtaining all City and other approvals and/or permits required for construction and completion of the Project.
e. The Participant shall be fully responsible for managing, monitoring, and scheduling the construction of the Project, for ensuring compliance with the payment of prevailing wages (if applicable), and for ensuring that all improvements are completed properly and in conformance with the approved project.

f. The Participant shall be fully responsible for making all payments to contractors, suppliers, vendors and/or other third parties and for ensuring that all contractors, subcontractors, suppliers, vendors and/or other third parties are paid in full.

g. The Participant acknowledges and agrees that the improvements to be constructed in anticipation of a Rebate constitutes the construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds. The Participant must comply with all applicable federal, state, and local requirements.

h. The Participant is responsible for ensuring the approved project is completed by project completion date agreed upon by the Participant and the City detailed in Section VI of this agreement.

i. The Participant shall submit to the City Manager or his/her designee a written request for a Rebate within forty-five (45) calendar days of the Completion Date, and shall include the following:

   i. Cover letter indicating the Project is completed and the Total Cost Expenditures for the Project and requesting the Rebate;
   ii. All contractor invoices detailing the specific tasks completed in accordance with approved Project;
   iii. Proof of payment of all invoices for all expenditures associated with the Project;
   iv. Unconditional lien releases;
   v. Any additional back up material requested by the City Manager or his/her designee;
   vi. Two color photos taken of the Project after completion;
   vii. A notarized Declaration (for projects approved for a forgivable loan of $10,000 or more only); and
   viii. For the five (5) year term of the Declaration, the Participant shall maintain the improvements in good condition and shall not make any changes to the Property resulting in an alteration to the Improvements.

V. THE CITY’S RESPONSIBILITIES

a. City Manager or his/her designee shall review the bids for construction submitted by Participant and prepare a submission to the appropriate City Committee that approves the Project based on the particular funding source for the project.

b. City Manager or his/her designee shall issue the Notice to Proceed to the Participant upon his/her receipt of this Agreement and any other required or requested documentation.
c. The City Manager or his/her designee shall review Participant’s request and accompanying documents for a Rebate. If all the terms, conditions, and obligations of Participant under this Agreement and the Program Guidelines have been met, the City Manager or his/her designee shall issue the Rebate in an amount not to exceed fifty percent (50%) of the Total Allowable Expenses, within the maximum allowable limits set forth in the Program Guidelines.

VI. TIME OF PERFORMANCE

The Participant shall complete the Project within 180 days of execution of this agreement, or ___ day of __________, 20___ (“Completion Date”) to remain eligible for receipt of the Rebate. Failure to complete the Project by the Project Completion Date below will result in termination of this Agreement. Requests for additional time and extensions in project completion time will be granted, but only if submitted in writing prior to the expiration of the agreement.

VII. AMOUNT OF REBATE – FORGIVABLE LOAN

The total amount of the Rebate to be made by the City pursuant to the terms and conditions of this Agreement, shall not exceed the amount equal to fifty percent (50%) of the Total Allowable Expenses approved by City Council for the Project up to the maximum allowable rebate amount stated above, whichever is less. The Approved Rebate Amount is $___________. The Total Allowable Expenses will be determined at completion of the Project at which time the total amount of the Rebate to be made by the City shall be calculated based on actual expenditures, and not to exceed program maximums, and such amount will be stated in the Declaration.

VIII. INSURANCE

a. During the entire period in which work on the Project is performed until termination of the Declaration, the Participant shall obtain and maintain in full force and effect during said period the following insurance policies: (i) Comprehensive General Liability Insurance in a general aggregate amount of not less than one million dollars ($1,000,000), $1,000,000 Products and Completed Operations Aggregate, and $1,000,000 each occurrence and including; (ii) Automobile Insurance, maintained in full force and effect in an amount of not less than one million dollars ($1,000,000) per accident;

b. The Comprehensive General Liability Insurance and Automobile Insurance policies shall name the City of Evanston, and their respective elected officials, officers, employees, agents, and representatives as additional insured.

c. All deductibles on any policy shall be the responsibility of the primary holder of such policy and shall not be the responsibility of the City of Evanston.

d. Participant shall provide evidence of required insurance to the City Manager before execution of this Agreement.
IX. OBLIGATION TO REFRAIN FROM DISCRIMINATION

a. Participant covenants and agrees for itself, its successors and its assigns to the Property, or any part thereof, that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, national origin or ancestry, or age or physical or mental disabilities that do not impair ability to work, and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization.

b. That, if it hires additional employees in order to perform this contract, or any portion hereof, it will determine the availability of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.

c. That, in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all Participants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, or disability.

X. NO AGENCY CREATED

The Participant and any contractor, supplier, vendor or any third party hired by Participant to complete the Project are not agents of the City. Any provisions of this Agreement that may appear to give the City any right to direct the Participant concerning the details of the obligations under this Agreement, or to exercise any control over such obligations, shall mean only that the Participant shall follow the direction of the City concerning the end results of the obligations.

XI. OWNERSHIP OF DOCUMENTS

All documents, including, without limitation, designs, plans, bids, bills and receipts, prepared and submitted to the City pursuant to this Agreement (including any duplicate copies) shall be the property of the City. The City's ownership of these documents includes use of, reproduction or reuse of and all incidental rights thereto.

XII. INDEMNIFICATION AND HOLD HARMLESS

To the maximum extent permitted by law, the Participant agrees to and shall defend, indemnify and hold harmless the City, and their respective officers, officials, employees, contractors and agents from and against all claims, liability, loss, damage, costs or expenses (including expert witness fees, reasonable attorneys' fees, and court costs) arising from or as a result of the death of any person or any accident, injury, loss or damage whatsoever caused to any person or the property of any person resulting or arising from or in any way connected with the following, provided Participant shall not be responsible for (and such indemnity shall not apply to) any negligence or willful misconduct of the City, or their respective officers, officials, active employees, contractors or agents:
a. The development, construction, marketing, use or operation of the Property by the Participant, its officers, contractors, subcontractors, agents, employees or other persons acting on Participant’s behalf [Indemnifying Parties];

b. The displacement or relocation of any person from the Property as the result of the development of the Project on the Property by the Indemnifying Parties;

c. Any plans or designs for the Project prepared by or on behalf of Participant including, without limitation, any errors or omissions with respect to such plans or designs;

d. Any loss or damage to the City resulting from any inaccuracy in or breach of any representation or warranty of Participant, or resulting from any breach or default by Participant, under this Agreement; and

e. Any and all actions, claims, damages, injuries, challenges and/or costs or liabilities arising from the approval of any and all entitlements or permits for the improvements by the City, and their respective officers, officials, employees, contractors or agents.

The foregoing indemnity shall continue to remain in effect after the Completion Date or after the earlier termination of this Agreement, as the case may be.

XIII. DUTY TO DEFEND

The Participant further agrees that the hold harmless agreement in Article XII, and the duty to defend the City, and their respective officers, officials, employees, contractors and agents, require the Participant to pay any costs that the City may incur which are associated with enforcing the hold harmless provisions, and defending any claims arising from obligations or services under this Agreement. If the City chooses at its own election to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to obligations or services under this Agreement, the Participant agrees to pay the City’s attorney’s fees, expert witness fees, and all costs.

XIV. COMPLIANCE WITH LAW

The Participant agrees to comply with all the requirements now in force, or which may hereafter be in force, of all municipal, county, state and federal authorities, pertaining to the development and use of the Property and construction of the Project, as well as operations conducted on the Property. The City Manager or his/her designee will not issue any Rebate to the Participant if there is in violation of any law, ordinance, code, regulation, permit or Program Guideline.

XV. TERMINATION

If Participant shall fail to cure any Event of Default upon notice and within the time for cure provided for in XVII below, the City may, by written notice to the Participant, terminate this Agreement. Such termination shall trigger the “Repayment of Pro Rata Share of Rebate defined in XVII.
Participant may not terminate this Agreement without the express written consent of City.

XVI. NOTICES

All notices permitted or required hereunder must be in writing and shall be effected by (i) personal delivery, (ii) first class mail, registered or certified, postage fully prepaid, or (iii) reputable same-day or overnight delivery service that provides a receipt showing date and time of delivery, addressed to the following parties, or to such other address as any party may, from time to time, designate in writing in the manner as provided herein:

To City: City of Evanston
Economic Development Division
2100 Ridge Avenue
Evanston, IL 60201

To Participant: Attn: ______________________
_____________________________
_____________________________
_____________________________

Any written notice, demand or communication shall be deemed received immediately if personally delivered or delivered by delivery service to the addresses above, and shall be deemed received on the third day from the date it is postmarked if delivered by registered or certified mail.

XVII. DEFAULT; REMEDIES; DISPUTE RESOLUTION


In the event of failure by either party hereto substantially to perform any material term or provision of this Agreement, the non-defaulting party shall have those rights and remedies provided herein, provided that such non-defaulting party has first provided to the defaulting party a written notice of default in the manner required by Article XVI hereof identifying with specificity the nature of the alleged default and the manner in which said default may be satisfactorily be cured.

b. Cure of Default

Upon the receipt of the notice of default, the alleged defaulting party shall promptly commence to cure, correct, or remedy such default within such thirty (30) day period, and shall continuously and diligently prosecute such cure, correction or remedy to completion. For purposes of this Agreement, “business days” shall refer to Monday through Friday, inclusive, other than State, Federal, or other locally declared holidays.

c. City Remedies; Repayment of Pro Rata Share of Rebate

In the event of a default by Participant of the terms of this Agreement that has not been cured within the timeframe set forth in Paragraph B above, the City, at its option, may
terminate this Agreement or may institute legal action in law or in equity to cure, correct, or remedy such default, enjoin any threatened or attempted violation, or enforce the terms of this Agreement. In the event of a default by Participant that occurs after the City has disbursed the Rebate, the “Pro Rata Repayment Amount” and interest, at the rate of three percent (3%) per annum, commencing on the date City disbursed the Rebate to Participant, shall become immediately due and payable. The rate of interest applicable to periods of default for the defaults set forth in this paragraph shall be calculated at the lesser of three percent (%) per annum or the maximum legal rate, and shall accrue as of the date such payment was originally due.

The “Pro Rata Repayment Amount” shall be the amount obtained by multiplying the original Rebate amount times the percentage obtained by dividing the number of months remaining in the five (5) year covenant period that commences on the month the Declaration is recorded, and ends on the 5th anniversary (the “Covenant Period”) by 60, which is the total number of months in the Covenant Period (12 months x 5 years). For example, if the amount of the Rebate is $15,000, and the breach occurs after 3 years and two months (38 months), Participant shall repay $5,500 plus any interest that has accrued during this time.

All payments shall be first credited to accrued interest, next to costs, charges, and fees which may be owing from time to time, and then to principal. All payment shall be made in lawful money of the United States. Payments shall be made to City at the address set forth in Article XVI herein or at such other address as City may direct pursuant to notice delivered to Participant in accordance with Article XVI.

d. Participant’s Exclusive Remedies.

The parties acknowledge that the City would not have entered into this Agreement if it were to be liable in damages under, or with respect to, this Agreement or any of the matters referred to herein, including the Project, except as provided in this Article. Accordingly, Participant shall not be entitled to damages or monetary relief for any breach of this Agreement by the City or arising out of or connected with any dispute, controversy, or issue between Participant and the City regarding this Agreement or any of the matters referred to herein, the parties agreeing that declaratory and injunctive relief, mandate, and specific performance shall be Participant’s sole and exclusive judicial remedies.

XVIII. APPLICABLE LAW

The internal laws of the State of Illinois without regard to principles of conflicts of law shall govern the interpretation and enforcement of this Agreement.

XIX. CONFLICT OF INTEREST

a. No member, official, or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects his/her personal interests or the
interests of any corporation, partnership, or association in which he/she is, directly or indirectly, interested.

b. The Participant warrants that it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement.

XX. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES

No member, official, agent, legal counsel or employee of the City shall be personally liable to the Participant, or any successor in interest in the event of any default or breach by the City or for any amount which may become due to Participant or successor or on any obligation under the terms of this Agreement.

XXI. BINDING EFFECT

This Agreement, and the terms, provisions, promises, covenants and conditions hereof, shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

XXII. AUTHORITY TO SIGN

The Participant hereby represents that the persons executing this Agreement on behalf of Participant have full authority to do so and to bind Participant to perform pursuant to the terms and conditions of this Agreement.

XXIII. COUNTERPARTS

This Agreement may be executed by each party on a separate signature page, and when the executed signature pages are combined, shall constitute one single instrument.

XXIV. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

a. This Agreement and the Exhibits and references incorporated into this Agreement express all understandings of the parties concerning the matters covered in this Agreement. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

b. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or the Participant, and all amendments hereto must be in writing and signed by the appropriate authorities of the City and the Participant.

XXV. NON-ASSIGNMENT

The Participant shall not assign the obligations under this Agreement, nor any monies due or to become due, without the City Manager’s prior written approval, and Participant and Participant’s proposed assignee’s execution of an assignment and assumption agreement in a form approved by the City. Any assignment in violation of this paragraph is grounds for
immediate termination of this Agreement, at the sole discretion of the City Manager. In no event shall any putative assignment create a contractual relationship between the City, and any putative assignee.

XXVI. NO WAIVER

No failure of either the City or the Participant to insist upon the strict performance by the other of any covenant, term or condition of this Agreement, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this Agreement, shall constitute a waiver of any such breach or of such covenant, term or condition. No waiver of any breach shall affect or alter this Agreement, and each and every covenant, condition, and term hereof shall continue in full force and effect.

IN WITNESS WHEREOF, the City, and the Participant have signed this Agreement as of the dates set opposite their signatures.

"CITY"

Dated: __________________________

By: __________________________ (signature)

Name: __________________________

Title: __________________________

“PARTICIPANT”

Dated: __________________________

By: __________________________ (signature)

Name: __________________________

Title: __________________________
Exhibit A

DECLARATION OF COVENANTS AFFECTING REAL PROPERTY
DECLARATION OF COVENANTS AFFECTING REAL PROPERTY

THIS DECLARATION OF COVENANTS AFFECTING REAL PROPERTY ("Declaration") is entered into this _____ day of ____________________, _____ ("Effective Date"), by and between the CITY OF EVANSTON, a public body corporate and politic ("City"), and ________________________ ("Participant").

A. Participant owns fee title to, or holds a valid leasehold interest in, that certain improved real property located at __________________. in the City of Evanston, County of Cook, State of Illinois (hereinafter referred to as the "Property"). The property is improved with a commercial building currently used as _________________. A legal description of the Property is attached hereto and incorporated herein as Exhibit "1".

B. The Site is within the City of Evanston ("City").

C. Participant has entered into a Storefront Modernization Program Agreement (the "Program Agreement") with the City, dated as of __________________, 20__, concerning the "Project" (as defined in the Program Agreement), City's provision to provide the Participant a rebate in the amount of half of the total project cost not to exceed ________________ ($_____), in the form of a loan, to assist Participant in developing the Project (the "Rebate"), and related matters, which Program Agreement is on file with the City as a public record and is incorporated herein by reference. All defined terms used herein shall have the same meaning as in the Program Agreement unless otherwise stated.

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, and for other valuable consideration, the sufficiency of which is hereby acknowledged, City and Participant hereby agree as follows:

1. Participant hereby covenants as follows, which covenants shall run with land and shall be binding upon itself and its assigns, and each successor-in-interest to the Property or any portion thereof:

   a) To not transfer or encumber the Site or any portion thereof or assign any of its rights or obligations hereunder, under the Program Agreement, or under this Declaration without obtaining the prior written consent of the City.

   b) To maintain the insurance required pursuant to the provisions of Article VIII of the Program Agreement.
c) To indemnify, defend, and hold the City, and their respective officers, officials, members, employees, agents, and representatives (collectively, the “City and City Personnel”), harmless from and against all liabilities, losses, damages, costs and expenses, including reasonable attorney’s fees, expert witness fees, and court costs (hereinafter, collectively, “Claims”), arising from or as a result of the death or injury to any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person and which is caused by any acts or any errors or omissions of Participant or any of its employees, agents, servants, invitees, contractors, or subcontractors; provided, however, Participant shall not be required to indemnify, defend, and hold harmless the City if the Claim arises from or is caused in whole by active negligence or willful misconduct of the City, or any of its employees, agents, servants, invitees, contractors, or subcontractors.

d) To not devote the Property to uses inconsistent with applicable laws, rules, and regulations of any governmental agencies having jurisdiction.

e) To maintain the Property and all improvements including the Improvements constructed as the Project, in first class condition and repair and in accordance with all applicable laws, rules, ordinances, orders, and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having jurisdiction and all their respective departments, bureaus, and officials. Participant shall not permit any accumulation of weeds, rubbish, or debris on the Property, and shall promptly remove any graffiti or other defacement of the Property. Participant shall not permit any unlawful use or public or private nuisance to be maintained on the Site.

f) To repay the Rebate pursuant to the terms of Article XVII Paragraph C of the Program Agreement, when such repayment is required under the terms thereof.

g) That there shall be no discrimination against, or segregation of, any persons, or group of persons, on any basis of race, color, religion, sex, sexual orientation, marital status, national origin or ancestry, or age or physical or mental disabilities that do not impair ability to work, and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization.

h) That, if the Participant hires additional employees in order to perform this contract, or any portion hereof, it will determine the availability of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.

i) That, in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all Participants will be afforded equal opportunity
without discrimination because of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, or disability.

2. All of the covenants, easements, agreements, conditions and restrictions contained herein, whether affirmative or negative: (a) are made for the direct benefit of the Benefited Property; (b) are covenants running with the land; (c) are appurtenant to and shall not be conveyed or otherwise transferred separately from the Benefited Property, or the Site; and (d) bind and inure to the burden or benefit, as the case may be, of the respective heirs, personal representatives, successors and assigns of the parties hereto, including, without limitation, successive owners of all or any portion of, respectively, the Benefited Public Property and the Site.

3. The covenants and agreements established in this Declaration shall, without regard to technical classification and designation, be binding on Participant for the benefit of and in favor of the City, regardless of whether the City own or hold any interest in real property butting or adjacent to the Site or within the Project Area. Notwithstanding the foregoing or anything to the contrary herein, neither Participant nor any assign or successor-in-interest to the Site shall have any liability or responsibility for the breach of any covenant or agreement contained herein by any other assign or successor-in-interest to the Property that would constitute a breach or violation of the provisions hereof. At the termination of the Program Agreement, Participant may request that the City release the covenants set forth herein. The decision whether to release said covenants shall remain in the sole discretion of the City, which shall not be unreasonably withheld.

IN WITNESS WHEREOF, City and Participant have entered into this Declaration as of the Effective Date.

("City")

CITY OF EVANSTON, an Illinois Municipal Corporation

By: ________________________________
Its: City Manager

Dated: ______________________________

("Participant")

_______________________________ (signature)

By: ________________________________
Its: ________________________________

Dated: ______________________________
State of Illinois  
County of Cook  

On _________________________, before me, ______________________________________ (insert name and title of the officer) Notary Public, personally appeared __________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Illinois that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature______________________________________ (Seal)

State of Illinois  
County of Cook  

On _________________________, before me, ______________________________________ (insert name and title of the officer) Notary Public, personally appeared __________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Illinois that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature______________________________________ (Seal)
Exhibit B

OWNER CONSENT TO DECLARATION
CERTIFICATION OF OWNERSHIP AND CONSENT

This CERTIFICATION OF OWNERSHIP AND CONSENT (this “Consent”) is executed by the undersigned (“Owner”) at the request of ____________________________ (“Tenant”).

Owner is the owner in fee of that certain real property located at ____________, in the City of Evanston, County of Cook, State of Illinois (the “Property”).

The Property is improved with a building (the “Building”). The Property is currently leased to __________________, who operates a business thereon (the “Tenant”).

The Tenant has submitted an Application to the City of Evanston (the “City”) pursuant to the City’s Storefront Modernization Program (the “Program”) for a rebate in connection with certain improvements the Tenant contemplates making to the Building (the “Improvements”).

The Tenant has entered into a Program Agreement with the City that sets out the terms and conditions of the Program, and includes the Program Guidelines. Pursuant to the Program Agreement if the Tenant completes construction of the Improvements within ninety (90) year after the date of the Program Agreement, and satisfies certain other requirements set forth therein, the Tenant will be eligible for a rebate (the “Rebate”). The Rebate will be in the form of a loan, the repayment of which will be forgiven if the Tenant maintains and does not alter or remove the Improvements for a period of five (5) years from the Tenant’s receipt of the Rebate.

If the Tenant sells the business without obtaining the prior written consent of the City and/or fails to maintain or alters or removes the Improvements before the close of the five (5) year period referenced above, the Tenant will be required to repay a prorata share of the Rebate.

One of the City’s conditions to providing the Rebate to the Tenant is that a Declaration of Covenants Affecting Real Property is recorded against the Property which imposes certain maintenance and other requirements on the Property (the “Declaration”). This condition pertains to projects receiving a forgivable loan of $5,000 or more.

Owner now wishes to provide its written consent to all of the foregoing.

NOW THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Owner hereby declares as follows:

Owner hereby consents to all of the following:

a. Tenant’s execution of the Program Agreement and participation in the Program.
b. Tenant’s construction of the Improvements.
c. The recordation against the Property of the Declaration, which Owner hereby agrees to execute, with signature(s) acknowledged, and deliver to the City when requested by the Tenant. This condition pertains to projects receiving a forgivable loan of $10,000 or more.
d. The person or persons executing this Consent on behalf of Owner is fully empowered to do so and in so doing binds Owner according to the terms hereof.

e. Owner acknowledges that Tenant and City are relying upon the provisions of this Consent and that the City would not agree to provide the Rebate to Tenant without this Consent.

f. City is a third party beneficiary to this Consent.

IN WITNESS WHEREOF, Owner has executed this Consent as of________________________ (date).

“OWNER”

By: ______________________________
  (signature)

Its: ______________________________

By: ______________________________
  (signature)

Its: ______________________________
CONSENT TO RECORDATION

__________________________________________ (owner of the fee interest in the real property legally described in Exhibit “A” hereto, consents to the recordation of the foregoing Declaration of Covenants Affecting Real Property against said real property and agrees to be bound by the terms thereof applicable to the participant.

Dated:___________________________

__________________________________________ (signature)

By:________________________________________

State of Illinois )
County of Cook )

On___________________________, before me, __________________________ (insert name and title of the officer), Notary Public, personally appeared_______________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument of the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Illinois that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature______________________________________________ (Seal)
Exhibit C

LEGAL DESCRIPTION OF PROPERTY
ED Committee

Evanston Small Business
Workforce Development
Program Guidelines
Contents
Program Purpose and Overview .................................................................................. 3
Definitions .................................................................................................................. 3
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Program Purpose and Overview

A. Overview: The City of Evanston has made it a priority to retain and create opportunities for small businesses to thrive in Evanston. The Economic Development Division strives to meet this City of Evanston goal with the creation of the Evanston Small Business Workforce Development Program (the “Program”). The Program will utilize Economic Development funds to provide grants to new and existing small businesses within the Program guidelines provided herein. Administration of the Program will be coordinated by the Economic Development Division in consultation with the City Manager and other appropriate City departments.

B. Purpose: The purpose of the Evanston Small Business Workforce Development Program (“the Program”) is to educate and train individuals to meet the needs of current and future business and industry in order to maintain a sustainable competitive economic environment. The Program will support individuals in “earn and learn” workforce development models in eight target areas that are based upon the Chicago Cook Workforce Partnership (“Partnership”) – “Where are the jobs in Cook County?” 2015 Report. These areas would form the foundation of a City of Evanston supported workforce development program. They are: 1) IT, 2) Sales, 3) Business & Financial, 4) Healthcare, 5) Office & Administrative, 6) Transportation, 7) Food Service, and 8) Manufacturing.

Earn and learn strategies help employers to address skill shortages by training new workers in job specific skills and protocols while receiving partial reimbursement for employee wages. Employers are able to hire employees based upon fit and attitude, and employees are able to earn a wage as they train. This model benefits the public by investing tax dollars into local businesses and citizens. Program participants are eligible to receive a rebate upon the completion of their approved workforce development program followed by job placement of the trainee. The rebate is in the form of a grant.

Definitions

a. “Participant” means the business entity applying for a rebate for providing on the job training in conformance with Program guidelines and determined eligible by the City Council or City Manager or his/her designee to participate in the Program.

b. “Program Guidelines” means the “City of Evanston Small Business Workforce Development Program Guidelines” approved by the City Council that govern the funding and administration of the program. All terms not defined herein shall have the meanings ascribed thereto in the Program Guidelines.

c. “Rebate” means $3,000 (Three Thousand and no/100 Dollars) per trainee and each participant business can have 5 trainees per year for total Rebate per participant/per year at $15,000 (Fifteen Thousand and no/100 Dollars).

d. “Trainee” means an Evanston resident seeking on-the-job training by a business entity participating in the Small Business Workforce Development Program in one of eight industries (1) IT, 2) Sales, 3) Business & Financial, 4) Healthcare, 5) Office & Administrative, 6) Transportation, 7) Food Service, or 8) Manufacturing).
Eligibility Criteria

A. Eligible Business Participants: Evanston-based businesses in the Program’s eight targeted industry areas are eligible to apply for funding.

- The applicant would be eligible for one round of funding annually and capped at $15,000.
- This funding level would support up to five Evanston-resident trainees per business at $3,000 maximum per trainee.
- Business owners agree to pay trainee during the Program for the hours of on-the-job training.
- Business owners with multiple businesses or businesses with multiple locations in Evanston would be eligible for the maximum of $15,000 to be allocated amongst the multiple locations.
- The business is reimbursed once the training participant is placed in a job for at least 90 days. Applicants would propose their own “earn and learn” job training model which provides opportunities for grassroots creative approaches to training.

B. Ineligible Participants: Any of the following will make a business ineligible for Program participation:

- Business is not an Evanston-based business;
- Workforce trainees who have previously received workforce development funding from the City of Evanston;
- Participant has outstanding water bills with the City of Evanston;
- Government offices and agencies (non-governmental tenants are eligible);
- Owner of business has received grant or loan funds from the City of Evanston and in default of its obligation under the loan agreement or grant agreement.

C. Eligible Trainees: The workforce development program trainee must be an Evanston resident verified by state issued identification, utility bills, bank statements and/or copy of lease/mortgage statements.

D. Eligible Project:
The workforce development program applicant must be an Evanston-based business of 20 or fewer employees in one of the following industries: 1) Information Technology 2) Sales, 3) Business & Financial, 4) Healthcare, 5) Office & Administrative, 6) Transportation, 7) Food Service, or 8) Manufacturing.
Program Steps

Step 1: Arrange to Meet with Staff. Applicants should schedule a meeting with Economic Development Division and Youth and Young Adult Division staff to discuss the program, ask questions, and obtain application materials.

Paul Zalmezak
Senior Economic Development Coordinator
(847) 448-8013
pzalmezak@cityofevanston.org

Kevin Brown
Community Services Manager
(847) 448-8042
kebrown@cityofevanston.org

Step 2: Application Submission. Applications for the City of Evanston Small Business Workforce Development Program may be submitted at any time. The application can be completed online at www.evanstonedge.com/programs

Step 3: Staff Application Review Process. Applications will be accepted throughout the year until funds are committed. Economic Development Division and Youth and Young Adult Division staff will review applications and in partnership submit for Economic Development Committee and City Council Review. The review will include a vetting of participants to verify residency and to verify participant is not already receiving job training support through other agencies to avoid duplication of services and to maximize population impacted by programs. Strong consideration will be given to applicants who have a demonstrated capacity to achieve the Program’s goal of job readiness and job placement. Applications are online at https://arts.formstack.com/forms/small_business_workforce_development

After Applications are submitted, Staff will:

- Evaluate each project submitted to determine if Application is complete.
- Confirm eligibility of proposed workforce development program;
- Identify appropriate funding sources for the proposed project;
- Confirm business is located in Evanston and follows the eligibility requirements stated above.
- Prepare recommendations of approval of funds to the appropriate Committee.

Staff will evaluate Applications on the following criteria:

- Business owner demonstrated capacity to provide job training;
- Clearly defined job placement plan;
- Business has a clear action plan for the training with respect to clear and definite goals, expectations for trainee, as well as professional job fairs, seminars, workshops and other outreach opportunities that the trainee could utilize to seek full-time employment
- Industry specific certifications such as CDL, food safety, pharmacy tech, etc.
- Training in one of the following 1) Information Technology, 2) Sales, 3) Business & Financial, 4) Healthcare, 5) Office & Administrative, 6) Transportation, 7) Food Service, or 8) Manufacturing.

Step 4: Public Review and Approval Process. Staff will submit recommendations to the Economic Development Committee for funding of the Program annually. Economic
Development Division staff in consultation with the City Manager will review and make the final decisions on funding of each applicant within the established funding limits and the guidelines contained herein.

**Step 5: Program Participation Approval and Acknowledgment Forms.** Following approval by City staff, Participants will be required to execute a form entitled *Acknowledgement of Program Terms* (Form A), to ensure that the Program participants agree to all terms and requirements contained within this Small Business Workforce Development Guidelines and agrees to follow the requirements for continued Program compliance. Once the Acknowledgement has been executed to the satisfaction of the City Manager, a *Notice to Proceed* will be issued to the Participant (Form B).

**Step 6: Program Trainee Approval for Participant Business.** The applicant must submit the name and proof of residence of individuals participating in the training program. Staff will also verify if participant is receiving workforce development support from partner agencies.

**Step 7: Training Program Completed by Trainee at Participant Business.** Participant shall finance the Project and pay the Trainee wages during participation in the Program. The Participant will document the training that took place, the work completed and materials purchased for the training. Such invoices shall include proof of payment to all contractors, suppliers, and trainees. The minimum training under the Program shall be 200 hours per trainee and documented with a trainee log that will be submitted with the request for a rebate. Participant is required to maintain accurate and sufficiently detailed records.

The Participant shall manage, implement, perform, provide, and carry out in a timely manner all of the tasks, activities, and services set forth in the Small Business Workforce Development Program Guidelines in order to receive funding.

**Step 8: Participant Business submits documentation for Rebate.** See Paragraph C below under *Program Administration* details regarding documentation that is needed for rebate issuance.

**Small Business Workforce Development Program Administration**

The Program provides participants the opportunity to receive a rebate upon completion of the workforce development program and job placement for a minimum of 90 days.

**A. Funding Source(s):** Projects will be funded through: tax increment financing (TIF) within applicable TIF Districts and/or the Economic Development Fund.

**B. Rebate:** Funding would occur on a reimbursement basis after the trainee is placed in employment for a period of no less than 90 days in employment field and verification is provided by Program participant business. The training Program for each trainee must be completed within nine months of the Notice to Proceed issuance. The applicant is eligible for one round of funding per year and capped at $15,000 ($3,000 per trainee and maximum number of trainees is 5 individuals). Business owners with multiple businesses or businesses with multiple locations are eligible for the maximum of $15,000 to be allocated amongst multiple locations. Request for reimbursement form is online at: https://arts.formstack.com/forms/small_business_workforce_development_reimbursement
C. Program Documentation Prior to Rebate Issuance: The following are required to be submitted to the City of Evanston (mail or e-mail is acceptable):

- Attach a photocopy of all Certificates of Employee (Form C), along with a copy of the payroll records for each employee in the Program and proof of City of Evanston residency for each employee in the Program. Payroll records must be redacted prior to sending to the City, removing social security numbers and date of birth prior to transmittal.
- Description of trade/work performed by employee(s), start and end dates, total hours worked.
- Trainee log(s) with outlined tasks and must total not less than 200 hours per trainee.

Obligation to Refrain from Discrimination

A. Participant covenants and agrees for itself, its successors and its assigns to the Property, or any part thereof, that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, national origin or ancestry, or age or physical or mental disabilities that do not impair ability to work, and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization.

B. That, if it hires additional employees in order to perform this contract, or any portion hereof, it will determine the availability of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.

C. That, in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all Participants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, or disability.

No Agency Created

The Participant and any contractor, supplier, vendor or any third party hired by Participant to complete the Project are not agents of the City. Any provisions of this Agreement that may appear to give the City any right to direct the Participant concerning the details of the obligations under this Agreement, or to exercise any control over such obligations, shall mean only that the Participant shall follow the direction of the City concerning the end results of the obligations.
FORM A

ACKNOWLEDGEMENT OF PROGRAM TERMS

I, ______________________, ______________________(title), acknowledge that I have read and understand the contents of the Small Business Workforce Development Program Guidelines provided to me as a participant in the Program. I certify that I have the authority to execute this acknowledgment on behalf of the participant business. By signing below, I understand and will ensure that the Participant business will follow the Guidelines and it is the responsibility of the Participant to do so and not the responsibility of the City of Evanston.

__________________________
Name (Print)  __________________________
Date

__________________________
Name (Signature)
FORM B
NOTICE TO PROCEED

DATE

Successful Applicant
[Street address]
Evanston, IL 6020X

Dear Applicant:

Thank you for your interest in the City of Evanston Small Business Workforce Development Program. This letter is to inform you that your application has been granted approval and inform you of the next steps in the process.

Your application has been approved for up to $_________ in reimbursement for a total of _____ trainees at the business. The next step is to read program guidelines enclosed and sign the Acknowledgment of Program Terms, to document that the terms and conditions of participation in the Program are clear and you agree to follow the guidelines. Once this acknowledgment is submitted, you will have nine (9) months to complete the training of the employees and submit the necessary paperwork to the City for review. Upon completion of the training, you will need to submit the paperwork outlined in the guidelines to us in order to receive reimbursement.

Please let me know if you require additional information or have any questions. We’re glad your business is in Evanston and look forward to assisting you.

Sincerely,

Johanna Nyden,
Economic Development Division Manager
FORM C
CERTIFICATE OF EMPLOYEE

The Participant business is required to complete and sign this certificate with its submission of the request for a Rebate. Participant must fill in the name of each trainee, the total number of hours training was provided, and the industry category that the training was provided in to correspond to the eight categories outlined in the Program guidelines.

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Total Number of Training Provided</th>
<th>Industry Training Provided</th>
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I, ______________________, ____________________ (title), affirm under penalties of perjury and upon personal knowledge that the contents of the foregoing certificate are true and accurate. By signing below, I acknowledge that I am issuing this certification to request a rebate from the City of Evanston. I acknowledge that any omission or inaccurate information could jeopardize the approval of the rebate.

__________________________  __________________________
Name (Print)                    Date

__________________________
Name (Signature)
Economic Development Funding Application

City of Evanston
Economic Development Division
City Manager’s Office
2100 Ridge Avenue
Evanston, IL 60201
847/448.8100
economicdevelopment@cityofevanston.org

Last Update: 2/17/2015
City Council Adopted: 3/23/2015
Dear Applicant,

The support and retention of existing businesses as well as the attraction of new businesses to Evanston is a critical component to ensuring the promotion and advancement of Evanston as the most livable city. The support and ongoing efforts around economic development are a City-wide goal as identified by Evanston’s City Council. Supporting economic development activities through direct financial assistance for projects seeks to:

- Promote the effort to create the most livable city;
- Support business retention and expansion in Evanston;
- Increase City Revenues (sales tax, property tax, and other municipal revenue);
- Create and retain jobs for Evanston residents;
- Provide access to goods and services to Evanston residents not currently available; and
- Attract new businesses to Evanston.

The City of Evanston’s Economic Development Division reviews all applications for tax increment financing (TIF), Economic Development Fund assistance, and Community Development Block Grant Funds (Economic Development-based activities). The process (from beginning of proposal review to approval and funding implementation) usually takes between four to six months, with more complex projects typically requiring additional time to review and approve. The request for financial assistance is a multi-step process:

- **Introductory meeting with City Officials**
  At the introductory meeting staff will review the application with the applicant, discuss the appropriateness of the financial request. Additional meetings may be necessary with staff and elected officials (if not present at introductory meeting).

- **Completion of Acknowledge of Economic Development Funding Process & Agreements**
  The execution of the Acknowledgement form can be completed at the introductory meeting or immediately following. This document should be submitted within 7 business days of the introductory meeting with City Officials.

- **Memorandum of Understanding Summary of Required Supplemental Information**
  Following the Introductory meeting, staff will draft a letter summarizing the understanding of the project scope and funding request, potential project milestones, and supplemental project information required for the application.

- **Review of Application**
  Staff will review submitted applications and respond to applicant within 5 business days of receipt to determine additional information required or necessary clarification.
• **Present Proposed Request to Economic Development Committee**

Presentation to Economic Development Committee may include two meetings, one for discussion and one for consideration. The Economic Development Committee meets the fourth Wednesday of every month at 7:30p at the Lorraine Morton Civic Center (2100 Ridge). If positive recommendation from Economic Development Committee is obtained:

  o **Create Draft agreement for consideration at City Council**
    In coordination with the City’s Law Department and the applicant’s legal counsel, an agreement will be drafted for consideration by City Council. City Council is only body to authorize City Manager to execute Economic Development Funding Agreements. This meeting will likely occur within one month of an Economic Development Committee meeting.
  
  o **Execute Agreement between City and Approved Applicant**
  
  o **Implement Project/Payout funds based on terms**

We look forward to working with you on your application. The growth of existing and new businesses is critical to our local economy and the ongoing support of creating the most livable City.

Sincerely,

Economic Development Division Staff
City of Evanston
Economic Development Funding Application Checklist & Guidelines

This checklist should be used to ensure that all materials are compiled for a complete Economic Development Funding Application. Partially submitted applications may not be reviewed until all required components are requested.

- Signed Copy of Understanding of Economic Development Funding
- Completed General Funding Application
- Project Summary (as outlined in attached General Funding Application)
- Copy of Business Plan (organized as presented in this application)
- Copy of Project Budget (organized as presented in this application)
- Demonstration of Need (Narrative and financial analysis provided by applicant that outlines why City funding is needed)
- TIF Applicants only: Budget of TIF Eligible Expenses
- Documentation outlining Ownership Structure
- Principal Profile Information (include acknowledgement of any felony conviction)
- Additional Supplemental Information as Identified in writing by Economic Development Staff to Applicant

Application Requirements and Formatting Guidelines:

- All submissions must be typed (no handwritten applications will be accepted);
- All attachments should be typed in font no less than 12pt. Pages should be numbered and include headings/sections that correlate to the Economic Development Funding Application Checklist;
- Applications must be submitted electronically to City staff via email or other electronic means (i.e. Google docs, DropBox, etc.)
- Submissions will not be considered complete unless all elements outlined above are included;
- The application for funding includes a public process; this includes two to three public meetings. All funding must be approved by the City Council;
- It is advisable to work with City staff on your application prior to starting to understand availability of funds and appropriateness of your project; and
- All information provided to City Staff is considered public information and is subject to the public process.
Acknowledgement of Economic Development Funding Process & Agreements

In order to be eligible for economic development funding from the City of Evanston, an existing business must comply with certain eligibility requirements. New businesses must agree to the following general requirements if funded by the City of Evanston. The managing partner or owner of the firm must execute the agreement prior to initiating application for assistance with the City of Evanston.

Submitting this application confirms the applicant agrees to comply with the following:

- Be a licensed business entity operating within the city limits of Evanston, Illinois (or in the instance of a new establishment entering Evanston, the corporate entity must be registered with the Illinois Secretary of State and in good standing at time of formal request for funds);

- Be current on all fees and taxes owed to the City of Evanston;

- Agree to provide all appropriate corporate documents to City of Evanston staff (as requested) to verify compliance with the funding request requirements;

- Maintain a business presence in Evanston for a minimum of five years from the receipt of funding (terms beyond five years will be negotiated and applicant acknowledges that it may be appropriate depending on level of funding provided by the City of Evanston). If the business moves out of Evanston within that restriction period, the applicant acknowledges that penalties will be assessed and a pro-rated share of the funding provided will be reimbursed to the City;

- If the funding is provided, in whole or in part, through tax increment financing (TIF), the City may require a condition of funding to be the inability to appeal Cook County property taxes once project is complete and funding is provided;

- If CDBG funding is made available for this project in whole or in part, applicant must meet a National Objective for low- and moderate-income persons through job creation, either providing a direct benefit to or creation and/or retention or access to needed goods and services; or eliminate blighting conditions (Refer to Attachment A for more information);

- Funding requirements may include, but are not limited to, ongoing proof of new jobs created, creation of a job training program, utilization of Evanston-owned, women-owned, minority-owned contractors, and other requirements established in the redevelopment agreement;

- Agrees to comply with the sustainability guidelines for a period no less than five years (or other term negotiated with the City of Evanston). Compliance may be demonstrated with an existing business policy or program. If the business fails to
meet the sustainability guidelines during this time period, the applicant agrees to reimburse the city for the total amount of the incentive received;

- Agrees to participate in the City’s Mayor’s Summer Youth Employment Program as determined to be mutually acceptable by the City and applicant (range of participation can include marketing and promotion of the program to offering and paying for summer youth employees); and

- Agree to cooperate with the City on certain completion of due diligence efforts that may include (but not limited to): background checks, credit reports relative to personal finances of all principals associated with the business; Dun & Bradstreet Comprehensive Insight Plus Reports relative to any corporate entity principals are associated with; identification of all Illinois Secretary of State Cyberdrive corporate filings for any and all LLCs and corporations principals are associated with, etc.

As the authorized representative of ______________________(insert name of the applicant/business entity), I certify that to the best of my knowledge and belief, data in this application is true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached certifications and assurances, if assistance is provided.

________________________________________
Signature

________________________________________
Name and Title

________________________________________
Date Signed
General Economic Development Assistance Funding Application

This application should be used when requesting funds from the Economic Development Fund, tax increment financing (TIF) districts, and Community Development Block Grants. Additional information may be required depending on the total amount and source of funding sought. Consult the overview document for more information.

General Business Information:

________________________________________________________________________________

Company Name

________________________________________________________________________________

Address                     City                     State                     Zip Code

________________________________________________________________________________

Contact Person                Title                    Phone Number

________________________________________________________________________________

Email Address                Website

EIN__________________________

DUNS #_______________________

Do you already have a business in Evanston?     Yes           No

If yes, City of Evanston Business License No (or other state ID #): __________

________________________________________________________________________________

Do you have locations outside of Evanston?        Yes           No

If yes, attach additional page with other location information

Parent Company Information (if different from General Business Information)

________________________________________________________________________________

Company Name
Company Information

Business Industry: ____________________________________________

Current number of employees: _______

Full time: _______        Part time: _______

Projected number of employees after funding: _______

Full time: _______        Part time: _______

Average Annual Compensation (Full-Time Employees)

2014: __________________________
2015 (projected): _______________________
2016 (projected): _______________________

Estimated taxes and fees paid to Evanston 2014-2016:

<table>
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<tr>
<th>Type of Tax or Fee: (e.g. building permit fee, construction use tax, etc.)</th>
<th>Estimated Amount</th>
<th>Date Paid or Expected</th>
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Have you previously requested funds from the City of Evanston?    Yes  No

If yes, how much: ____________

If yes, when: ____________
Portions below must be completed and provided as separate attachments to general application

1. Project Summary and Funding Request
To the best of your ability at this time, provide in an attachment (formatting guidelines outlined in the overview document) the following information:

- Project Narrative (250 words or less); Be sure to include:
  - Product or service offered by business;
  - Proposed Location;
  - Areas of Economic Development Plan addressed; and
  - The population or area to be served.

- Summary of Key Project Milestones including estimated dates of project completion and occupancy/business operations commencement.

- Total funding requested from the City. Statement should include:
  - An outline of all project funding sources (debt, equity, grants, etc.);
  - Describe why these funding source(s) were not appropriate or fell short of total project cost; (please include denial or loan approval letters from traditional lending sources, etc.); and
  - A description detailing how City funds would be used (e.g. rehab of building, purchase of property, etc.).

2. Project Budget
- An initial project budget must be provided when seeking funds. Budget should be submitted in pdf or hard copy form as well as provided in excel format. Project budgets must include the following information (as applicable):
  - Total Uses of Funds (Total Project Costs/Total Construction)
  - Total Sources of Funds (debt, equity, gap, other funding sources)
  - Operating Pro Forma demonstrating ability to repay loan funding (if provided)
  - Use of volunteer and donated goods and services
  - Explanation of any unusual budget expenditures in the line item budget form
  - Explanation of why project costs are reasonable
  - Cost estimates from at least three different contractors

Budget information should be broken out in categories as appropriate with enough detail to clearly understand how each line item would be spent. Budgets should represent the full project costs, not only the portion requested from the City.

3. Livability Public Benefits
In efforts to promote Evanston as the most livable City, applicants must achieve at least 5 of the total 12 possible points from this section. The City’s Office of Sustainability is available for consultation on meeting livability compliance. Satisfaction of these benefits
does not guarantee funding; applicants are also subject to all additional underwriting standards adopted by the City of Evanston.

1. **Average Wage Requirement (1 point):** The company will pay an average annual wage that is equal to or exceeds the Cook County per capita income. The most recent per capita income reported by the Cook County is $30,048. [INSERT REQUIREMENT OF LOW-MOD for CDBG]

2. **Health Insurance (1 point):** The company will offer and pay for at least 50 percent of the cost of health insurance premiums for all full-time employees. This coverage must, at a minimum, include major medical coverage for full-time employees and their dependents.

3. **Diversity Support (1 point):** The company will encourage diversity in the workforce through proactive hiring practices or through diversity training programs. These programs can include certified diversity programs, English as a Second Language (ESL) classes, and Spanish classes. (Note: Being an equal opportunity employer alone does not qualify a company for this guideline.)

4. **Non-profit Support (1 point):** The company will actively support the arts, cultural, or service non-profit sector in Evanston by:
   a. A commitment to donating $25 or more per year on average for each full-time employee. For example, a firm with 100 employees can document at least $2,500 donated (or to be donated) to an Evanston-based arts, cultural, or service non-profit entities over a 12-month period; and/or
   b. Encouraging volunteerism by granting the equivalent of at least one paid day off per year to each employee who utilizes the time to provide support to an Evanston based non-profit entity.

5. **Dependent Care (1 point):** The company will offer at least $50 per month in dependent care assistance to employees who utilize daycare or eldercare for a dependent child or other immediate family member. This may be offered as an option in a flexible benefit cafeteria plan. (Note: a pre-tax dependent care flexible spending program does not qualify.)

6. **Housing Assistance (3 points):** The company will offer assistance to employees on the purchase or rental of housing located within the City of Evanston. This assistance must have a minimum value of $1,000, per employee assisted. It may be a cash benefit for down payment towards purchase or rental housing assistance to recruit new employees or retain current employees.

7. **Wellness and Health (1 points):** The company or business will pay at least 50% of the cost towards a fitness membership or fitness classes offered through an Evanston-based business that will provide access to fitness and recreational opportunities.

8. **Energy Efficiency Assessment (1 point):** The company will conduct an energy efficiency assessment of the facility to better understand energy usage and identify ways to reduce energy usage. The assessment can be conducted by an energy efficiency company secured privately or through the participation in a Nicor or ComEd utility run energy assessment program.

9. **Energy Efficiency Improvements (1 point):** The company will implement energy efficiency projects to reduce the energy use of the work space. Projects
can be identified through a recent energy efficiency assessment or demonstrated to be energy saving projects through an in-house energy savings calculation.

10. **Multi-Modal Transportation (1 point):** The company or business will provide an incentive for employees to commute to work using public transit, walking or bicycle. Incentives can include contribution to employees for transit fare, indoor bike parking space for employees, or facilities with a shower and changing room.

11. **Recycling and Waste Reduction (1 points):** The company or business will increase waste reduction and recycling efforts for both operational waste and customer generated waste, as appropriate. This will include the evaluation of current internal and external waste and recycling containers and optimizing container size to maximize recycling opportunities.

12. **Water Efficiency (1 point):** Implementation of water efficiency measures to include more efficient appliances, water-using fixtures, landscaping that requires little water use or helps absorb water that would otherwise go to storm drains.

AUDIT DOCUMENTS for Livability Public Benefits; timeline for audit (i.e. non-profit support; religious affiliation, non-discriminatory practice to Non-profits

4. **Business Plan/Profile**

Provide a copy of your business plan. Include in the Business Plan the information summarized below in a similar format.

   I. Cover Sheet (Include business name, address, and all contact info)
   II. History and Description of Business
   III. Products Created/Services Provided
   IV. Marketing Information
   V. Major Customers
   VI. Competitive Position in the Industry
   VII. Size of the Market
   VIII. Primary Competitors
   IX. Seasonality of the Market
   X. Major Distribution Channels
   XI. Profiles of Management Team/Principals
   XII. Description of Jobs Created/Added
   XIII. Overall Schedule
   XIV. Community Benefits (link to City of Evanston ED Plan)
List of additional Supplemental Project Information

The following additional information may be requested for staff review of project and City due diligence.

I. STANDARD DOCUMENTATIONS
   a. Audited Financial Statement and/or Tax Returns (Past 3 years)
   b. Articles of Incorporation/Bylaws
   c. Non-Profit Determination (if applicable)
   d. List of the Board of Directors (If applicable)
   e. Authorization to Request Funds
   f. Designation of Authorized Official
   g. Organizational Chart
   h. List of Available Collateral (to secure potential debt with City of Evanston)
   i. Personal Financial Statement of the Owner or Stockholders owning more than 20% of the voting stock of the company
   j. Loan Application History (explain more what this is – past 4 years)
   k. Business Lease
   l. Copies of any pending litigation cases involving the corporation or its principals and a summary of the case(s).
   m. Copies of any judgments against the corporation or its principals Copies of any past or present bankruptcy filings for the corporation or its principals, within the past 5 years.
   n. Credit Report(s) issued within one month of application date for all Principals Associated with Application
   o. Copies of Purchase Orders or Invoice for business equipment to be purchased (include any serial numbers of new equipment or equipment that will be utilized as collateral)
   p. Real Estate Related Documents:
      i. Purchase Contract Agreement
      ii. Appraisal of real estate to be financed
      iii. Copy of Construction Contract (if new construction or significant rehabilitation)
ATTACHMENT A: CDBG/Section 108 Attachment

National Objectives

All applicants for CDBG or Section 108 funding must demonstrate how the project will meet CDBG national objectives as outlined in 24 CFR 570.208. A project must provide benefit to low- to moderate-income persons through job creation, housing rehabilitation, limited clientele assistance or general area benefit.

Definition of Low and Moderate Income Persons (LMI):

- Moderate Income Person: A person with income at or below 80% of the median income.
- Low Income Person: A person with income at or below 50% of the median income.

CSBG Low/Moderate Income Benefit may be achieved by:

- Job Creation: Activities designed to create or retain full- or part-time permanent jobs, at least 51 percent of full-time equivalent (FTEs) must be made available to or held by LMI persons.
- Direct Assistance to Low/Mod Income Microenterprises: For businesses with 5 or fewer total employees, including the owners, (owners' income must not exceed 80% of the median income).
- Area Benefit: Activity funded provides needed goods or services to a residential service area, in which at least 51 percent of the residents are LMI persons.
- Housing Rehabilitation and Related Infrastructure/Acquisition Costs: Activities that are undertaken for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by LMI households.

Which CDBG National Objective will your project meet?

Eligible Activities:

In addition to meeting a national objective, CDBG/Section 108 funds must be used for eligible activities as established in 24 CFR 570.703(a-m):

- Economic development activities eligible under §570.203, Community development activities eligible under §570.204, and planning and environmental urban design activities eligible under §570.205 (See Attachment B for more information);
- Acquisition of improved or unimproved real property;
- Rehabilitation of property owned or acquired by the City of Evanston or its designated public entity;
- Relocation payments for individuals, families, businesses, and other organizations that must relocate temporarily or permanently as a result of activity financed by Section 108 funds;
• Clearance, demolition, and removal on real property acquired or rehabilitated with Section 108 funds;
• Site preparation, construction\(^1\), installation of public and other site improvements, utilities, or remediation of properties that are related to the economic development of property acquired or rehabilitated with Section 108 funds;
• Payment of private sector costs associated with debt financing; and
• Debt service reserve.

Please explain how your project qualifies as one of the above eligible activities:

____________________________________________________
____________________________________________________

Public Benefit Standards:
In addition to meeting a minimum of one national objective and being used for eligible activities already outlined in this proposal, any economic development projects receiving CDBG Section 108 funding must also meet the public benefit standards as outlined in 24 CFR 570.209(b). By signing and submitting this application, you agree to comply with these standards:

1. A minimum of one job (FTE) created per $50,000 of funding, with 51% of total jobs filled by low/moderate income persons OR;
2. One Low/Moderate Income individual benefitted per $1,000 of funding.

An individual project must satisfy one of the requirements in its entirety. For example, a Section 108 loan of $105,000 must either create three jobs, at least two of which are filled by LMI persons or serve a geographic area that is primarily LMI and includes at least 105 Low/Moderate Income people. Creating 2 jobs and benefiting 100 people will not satisfy the minimum standards for evaluating public benefit, as it is a combination of the two requirements.

All jobs retained by CDBG Section 108 funding will be considered “jobs created” (570.209(b)) and are subject to the same requirements listed above.

\(^1\) All wages of construction workers are subject to Davis-Bacon prevailing wages.
§570.203 Special economic development activities.

A recipient may use CDBG funds for special economic development activities in addition to other activities authorized in this subpart that may be carried out as part of an economic development project. Guidelines for selecting activities to assist under this paragraph are provided at §570.209. The recipient must ensure that the appropriate level of public benefit will be derived pursuant to those guidelines before obligating funds under this authority. Special activities authorized under this section do not include assistance for the construction of new housing. Activities eligible under this section may include costs associated with project-specific assessment or remediation of known or suspected environmental contamination. Special economic development activities include:

(a) The acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and other real property equipment and improvements, including railroad spurs or similar extensions. Such activities may be carried out by the recipient or public or private nonprofit subrecipients.

(b) The provision of assistance to a private for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any activity where the assistance is appropriate to carry out an economic development project, excluding those described as ineligible in §570.207(a). In selecting businesses to assist under this authority, the recipient shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods.

(c) Economic development services in connection with activities eligible under this section, including, but not limited to, outreach efforts to market available forms of assistance; screening of applicants; reviewing and underwriting applications for assistance; preparation of all necessary agreements; management of assisted activities; and the screening, referral, and placement of applicants for employment opportunities generated by CDBG-eligible economic development activities, including the costs of providing necessary training for persons filling those positions.

[53 FR 34439, Sept. 6, 1988, as amended at 60 FR 1944, Jan. 5, 1995; 71 FR 30035, May 24, 2006]

§570.204 Special activities by Community-Based Development Organizations (CBDOs).

(a) Eligible activities. The recipient may provide CDBG funds as grants or loans to any CBDO qualified under this section to carry out a neighborhood revitalization, community economic development, or energy conservation project. The funded project activities may include those listed as eligible under this subpart, and, except as described in paragraph (b) of this section, activities not otherwise listed as eligible under this subpart. For purposes of qualifying as a project under paragraphs (a)(1), (a)(2), and (a)(3) of this section, the funded activity or activities may be considered either alone or in concert with other project activities either being carried out or for which funding has been committed. For purposes of this section:
(1) Neighborhood revitalization project includes activities of sufficient size and scope to have an impact on the decline of a geographic location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation; or the entire jurisdiction of a unit of general local government which is under 25,000 population;

(2) Community economic development project includes activities that increase economic opportunity, principally for persons of low- and moderate-income, or that stimulate or retain businesses or permanent jobs, including projects that include one or more such activities that are clearly needed to address a lack of affordable housing accessible to existing or planned jobs and those activities specified at 24 CFR 91.1(a)(1)(iii); activities under this paragraph may include costs associated with project-specific assessment or remediation of known or suspected environmental contamination;

(3) Energy conservation project includes activities that address energy conservation, principally for the benefit of the residents of the recipient's jurisdiction; and

(4) To carry out a project means that the CBDO undertakes the funded activities directly or through contract with an entity other than the grantee, or through the provision of financial assistance for activities in which it retains a direct and controlling involvement and responsibilities.

(b) Ineligible activities. Notwithstanding that CBDOs may carry out activities that are not otherwise eligible under this subpart, this section does not authorize:

(1) Carrying out an activity described as ineligible in §570.207(a);

(2) Carrying out public services that do not meet the requirements of §570.201(e), except that:

(i) Services carried out under this section that are specifically designed to increase economic opportunities through job training and placement and other employment support services, including, but not limited to, peer support programs, counseling, child care, transportation, and other similar services; and

(ii) Services of any type carried out under this section pursuant to a strategy approved by HUD under the provisions of 24 CFR 91.215(e) shall not be subject to the limitations in §570.201(e)(1) or (2), as applicable;

(3) Providing assistance to activities that would otherwise be eligible under §570.203 that do not meet the requirements of §570.209; or

(4) Carrying out an activity that would otherwise be eligible under §570.205 or §570.206, but that would result in the recipient's exceeding the spending limitation in §570.200(g).

(c) Eligible CBDOs. (1) A CBDO qualifying under this section is an organization which has the following characteristics:

(i) Is an association or corporation organized under State or local law to engage in community development activities (which may include housing and economic development activities) primarily within an identified geographic area of operation within the jurisdiction of the recipient, or in the case of an urban county, the jurisdiction of the county; and

(ii) Has as its primary purpose the improvement of the physical, economic or social environment of its geographic area of operation by addressing one or more critical
problems of the area, with particular attention to the needs of persons of low and moderate income; and

(iii) May be either non-profit or for-profit, provided any monetary profits to its shareholders or members must be only incidental to its operations; and

(iv) Maintains at least 51 percent of its governing body’s membership for low- and moderate-income residents of its geographic area of operation, owners or senior officers of private establishments and other institutions located in and serving its geographic area of operation, or representatives of low- and moderate-income neighborhood organizations located in its geographic area of operation; and

(v) Is not an agency or instrumentality of the recipient and does not permit more than one-third of the membership of its governing body to be appointed by, or to consist of, elected or other public officials or employees or officials of an ineligible entity (even though such persons may be otherwise qualified under paragraph (c)(1)(iv) of this section); and

(vi) Except as otherwise authorized in paragraph (c)(1)(v) of this section, requires the members of its governing body to be nominated and approved by the general membership of the organization, or by its permanent governing body; and

(vii) Is not subject to requirements under which its assets revert to the recipient upon dissolution; and

(viii) Is free to contract for goods and services from vendors of its own choosing.

(2) A CBDO that does not meet the criteria in paragraph (c)(1) of this section may also qualify as an eligible entity under this section if it meets one of the following requirements:

(i) Is an entity organized pursuant to section 301(d) of the Small Business Investment Act of 1958 (15 U.S.C. 681(d)), including those which are profit making; or

(ii) Is an SBA approved Section 501 State Development Company or Section 502 Local Development Company, or an SBA Certified Section 503 Company under the Small Business Investment Act of 1958, as amended; or

(iii) Is a Community Housing Development Organization (CHDO) under 24 CFR 92.2, designated as a CHDO by the HOME Investment Partnerships program participating jurisdiction, with a geographic area of operation of no more than one neighborhood, and has received HOME funds under 24 CFR 92.300 or is expected to receive HOME funds as described in and documented in accordance with 24 CFR 92.300(e).

(3) A CBDO that does not qualify under paragraph (c)(1) or (2) of this section may also be determined to qualify as an eligible entity under this section if the recipient demonstrates to the satisfaction of HUD, through the provision of information regarding the organization’s charter and by-laws, that the organization is sufficiently similar in purpose, function, and scope to those entities qualifying under paragraph (c)(1) or (2) of this section.

[60 FR 1944, Jan. 5, 1995, as amended at 71 FR 30035, May 24, 2006]
(1) Comprehensive plans;
(2) Community development plans;
(3) Functional plans, in areas such as:
   (i) Housing, including the development of a consolidated plan;
   (ii) Land use and urban environmental design;
   (iii) Economic development;
   (iv) Open space and recreation;
   (v) Energy use and conservation;
   (vi) Floodplain and wetlands management in accordance with the requirements of Executive Orders 11988 and 11990;
   (vii) Transportation;
   (viii) Utilities; and
   (ix) Historic preservation.
(4) Other plans and studies such as:
   (i) Small area and neighborhood plans;
   (ii) Capital improvements programs;
   (iii) Individual project plans (but excluding engineering and design costs related to a specific activity which are eligible as part of the cost of such activity under §§570.201-570.204);
   (iv) The reasonable costs of general environmental, urban environmental design and historic preservation studies; and general environmental assessment- and remediation-oriented planning related to properties with known or suspected environmental contamination. However, costs necessary to comply with 24 CFR part 58, including project specific environmental assessments and clearances for activities eligible for assistance under this part, are eligible as part of the cost of such activities under §§570.201-570.204. Costs for such specific assessments and clearances may also be incurred under this paragraph but would then be considered planning costs for the purposes of §570.200(g);
   (v) Strategies and action programs to implement plans, including the development of codes, ordinances and regulations;
   (vi) Support of clearinghouse functions, such as those specified in Executive Order 12372; and
   (vii) Analysis of impediments to fair housing choice.
   (viii) Developing an inventory of properties with known or suspected environmental contamination.
(5) [Reserved]
(6) Policy—planning—management—capacity building activities which will enable the recipient to:
   (1) Determine its needs;
   (2) Set long-term goals and short-term objectives, including those related to urban environmental design;
   (3) Devise programs and activities to meet these goals and objectives;
   (4) Evaluate the progress of such programs and activities in accomplishing these goals and objectives; and
(5) Carry out management, coordination and monitoring of activities necessary for effective planning implementation, but excluding the costs necessary to implement such plans.