

**DEVELOPMENT AGREEMENT
FOR DEVELOPMENT OF BUSINESS INCUBATION AND ACCELERATION SPACE
AT 56-58-60 S LASALLE STREET**

THIS DEVELOPMENT AGREEMENT FOR BUSINESS INCUBATION AND ACCELERATION SPACE AT 56-58-60 S. LASALLE STREET ("Agreement") is made and entered into as of the ____ day of _____, 2016 ("**Agreement Date**") by and between the CITY OF AURORA, ILLINOIS, an Illinois municipal home rule corporation, ("**CITY**"), and JIMI ALLEN PHOTOGRAPHY INC., an Illinois corporation ("**DEVELOPER**"). The CITY and the DEVELOPER are sometimes referred to individually as "**Party**" and collectively as "**Parties**".

WITNESSETH:

WHEREAS, the CITY has a population of more than 25,000 persons and is, therefore, a home rule unit as defined in Article VII, section 6(a) of the Illinois Constitution of 1970; and

WHEREAS, the CITY has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety and welfare of the CITY and its inhabitants, to prevent the presence of blight, to encourage private redevelopment in order to enhance the local tax base, to increase additional tax revenues realized by the CITY, foster increased economic activity within the CITY, to increase employment opportunities within the CITY, and to enter into contractual agreements with third parties for the purpose of achieving the aforesaid purposes, and otherwise take action in the best interests of the CITY; and

WHEREAS, the DEVELOPER is the fee simple owner of, and has been working to rehabilitate and redevelop, the property legally described in **Exhibit "A"** attached to this Agreement ("**Property**"), as a technology incubator and business acceleration space, as further described herein below ("**Project**"); and

WHEREAS, the DEVELOPER has requested the CITY enter into this Agreement to provide funding in the amount of Eighty-Two Thousand and No/100 Dollars (\$82,000.00) (the "Incentive") to help pay for development of space to be used for business incubation and acceleration (the "Improvements") at the Property in furtherance of the Project; and

WHEREAS, the CITY desires to partner with the DEVELOPER to assist the Project, and to help the Project attract and retain high quality clients to further the economic development of the CITY; and

WHEREAS, the CITY, in order to stimulate and induce further redevelopment of the Property with the Project, has agreed to provide the Incentive to the DEVELOPER in order to finance the Improvements, all in accordance with the terms and provisions of the this Agreement; and

WHEREAS, this Agreement has been submitted to the Corporate Authorities of the CITY ("**Corporate Authorities**") for consideration and review, the Corporate Authorities have taken all actions required to be taken prior to the execution of this Agreement in order to make the same binding upon the CITY according to the terms hereof, and any and all actions of the Corporate Authorities of the CITY precedent to the execution of this Agreement have been undertaken and performed in the manner required by law; and

WHEREAS, the Corporate Authorities of the City of Aurora, Kane, Kendall, Will and DuPage Counties, Illinois have determined that it is in the best interests of the residents of the CITY that this Agreement be entered into, and that but for the Incentive provision(s) herein, the Property would not otherwise be fully developed with the Project and as otherwise described herein; and

WHEREAS, the CITY has adopted Resolution Number _____ authorizing the execution of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

ARTICLE ONE

INCORPORATION OF RECITALS

1.1 Incorporation of Recitals. The findings, representations and agreements set forth in the above Recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though fully set forth herein.

ARTICLE TWO

PROJECT & INCENTIVES

2.1 Description of the Project. The Project consists of transforming, rehabilitating, outfitting, developing and operating a vacant 16,900 square foot 3-story building built in 1907, which once housed automobile dealerships and manufacturing, into a holistic marketing, branding, and communication facility owned and operated by DEVELOPER doing business as Bureau Gravity providing updated business accelerator services. A portion of the building will have space for small businesses enrolled in Bureau Gravity's subscription services to access resources, advisors, opportunities and to each other. Additionally, the third floor will be Bureau Gravity's event and production space that can be used for those incubation opportunities mentioned above, plus concerts, talks and other events with community value.

2.2 Description of the Improvements. The build-out of the space as described in Section 2.1 (above) includes extra networking and technology improvements as described in **Exhibit D** "Estimated Project Costs," which are incorporated for the

purpose of housing additional businesses participating in the incubation or "business accelerator" services and programs. The Improvements shall not preclude the building from qualifying in the future for any Historic Tax Credit Program.

2.3 Estimated Project Costs. The Estimated Project Costs of the Project are set forth in **Exhibit "D"** attached hereto and made a part hereof.

2.4 Incentive Amount and Preconditions. The DEVELOPER shall be entitled to the Incentive in the amount of Eighty Two Thousand and No/100 Dollars (\$82,000.00) from the CITY ("Incentive") for reimbursement of expenses incurred in the development of space to be used for business incubation and acceleration (the "Improvements") at the Property, if the following conditions are met:

(a) The DEVELOPER obtains certificates of occupancy, or final approvals, from all units of government having jurisdiction over the design and construction of the Project, including from the CITY, on or before _____, 201__.

(b) The DEVELOPER has actually expended an amount equal to, or in excess of, the Incentive in furtherance of the Improvements.

(c) The DEVELOPER completes a valid request for reimbursement of the Incentive pursuant to Sections 2.6 and **Exhibit "C"** of this Agreement.

(d) The DEVELOPER has met all conditions in this Agreement, and is in full compliance with the Agreement.

2.5 Source of Incentive. The Incentive shall be in the form of a reimbursement to DEVELOPER from gaming funds of the CITY.

2.6 Incentive Limitations. In addition to the limitations elsewhere in this Agreement, the Incentive is limited as follows:

(a) The CITY is not required to issue any bonds, CITY or DEVELOPER investment notes, or any other financing device of any kind to pay the Incentive.

(b) If the total cost for all of the development of space to be used for business incubation and acceleration (the "Improvements") at the Property (taken as a whole) is less than the Incentive amount, the lesser amount is the maximum amount DEVELOPER shall be entitled to be reimbursed hereunder.

(c) The Incentive shall only be spent on to help pay for development of space to be used for business incubation and acceleration (the "Improvements") at the Property.

2.6 Reimbursement Procedures. The CITY shall authorize the distribution of the Incentive from gaming funds to the DEVELOPER pursuant to this Agreement, upon satisfaction of the conditions stated herein and in accordance with the reimbursement procedures set forth in **Exhibit "C"** attached hereto and made a part hereof.

ARTICLE THREE
OTHER TERMS AND CONDITIONS

3.1. Partnership. The DEVELOPER shall use its reasonable best efforts to coordinate with the CITY and the Seize the Future Development Foundation (“STFDF”) to relocate businesses utilizing the incubator and/or business accelerator spaces on the Property into permanent locations within the CITY. Upon the request of the CITY, the DEVELOPER shall demonstrate to the CITY’s sole satisfaction that DEVELOPER has met the requirements of this Section.

3.2. Advertising, Promotions, Identification, and Information Sharing.

(a) Advertising and Promotion. The DEVELOPER and/or the Property’s tenants shall, in all advertisements and promotions relative to, and in all identifications of, the Property, the Project, or the uses on the Property, or relating to the Project, regardless of the form thereof, clearly and prominently indicate that the Property or the uses on the Property is located in “Aurora,” by use of the words “Aurora” or “City of Aurora” in said advertisement, promotion or identification, however, the use of the words “Aurora” or “City of Aurora” in the Project’s and/or the Property’s mailing address shall not satisfy the DEVELOPER’s obligations herein. In this regard, where the advertising, promotion or identification indicates the Project or the Property or the uses of the Project or the uses on the Property as being associated with more than one municipality, the reference to “Aurora” or “City of Aurora” shall appear first.

(b) Naming. The DEVELOPER shall retain naming rights to the Project and Property, however to the extent that the words “Aurora,” “City of Aurora,” or “City of Lights” should be included in the name of the Project or Property, the DEVELOPER shall first submit to the CITY, and the CITY shall have the authority to prior approval of, the name of the Property and Project for compliance with the requirements of this Section. Each time the DEVELOPER shall desire to change the name of the Property and/or Project, the DEVELOPER shall again submit to the CITY, and the CITY shall have the authority to prior approval of, the name of the Property and Project for compliance with the requirements of this Section. The DEVELOPER shall consult with the CITY with respect to any proposed Project or Property name change and shall only use the name of the Property and/or Project approved by the CITY. The CITY shall not unreasonably withhold such approval. In the event of a termination of the Agreement, the DEVELOPER shall cease using the words “Aurora” or “City of Aurora” in relation to the Project and/or the Property upon notice from the CITY, in the CITY’s sole discretion, if the Project and/or the Property are named with the words “Aurora” or “City of Aurora,” however, the DEVELOPER shall be permitted to use the word “Aurora” or “City of Aurora” in the mailing address of the Project and/or the Property.

(c) Information Submittal. On January 1, April 1, July 1, and October 1 of each year this Agreement is in effect, the DEVELOPER shall send to the CITY the following information regarding each business that is utilizing the incubator and/or business accelerator spaces on the Property:

1. Name of the business;
2. A description of the business' operations, including services and/or products offered, markets served, and number of employees; and
3. Contact information for the business owner(s), including name(s), mailing address(es), email address(es), and telephone number(s).

(d) Timing of this Obligation. Upon the request of the CITY, the DEVELOPER shall demonstrate to the CITY's sole satisfaction that DEVELOPER has met the requirements of this Section.

(e) Confidential Information. As part of the partnership, the CITY acknowledges that some of the information shared with the CITY may be proprietary in nature and as such agrees to keep such information confidential. Furthermore the CITY agrees to exclude such information from any Freedom of Information Act (FOIA) requests, to the extent permissible by law. The CITY, as a partner in this project, agrees not to use any of said information in any way that could put the DEVELOPER at a market disadvantage with any of its potential incubator, business accelerator or digital media competitors.

3.3 Financing.

(a) DEVELOPER Funding. The DEVELOPER shall develop the Project with a minimum of One Million Seven Hundred Seventy Thousand Five Hundred and No/100 Dollars (\$1,770,500.00) of funding provided to DEVELOPER by a lending institution ("**Developer Funding**"). This Developer Funding is further delineated in the Developer Funding Source attached hereto and made a part hereof in Exhibit "E." The DEVELOPER shall provide in writing to the CITY, for the required minimum amount of the Developer Funding, evidence of either a loan commitment, expressly limited to expenditures on the Project; or a segregated account at a financial institution, expressly limited to withdrawals to, and expenditures for, the Project. The DEVELOPER covenants and agrees to meet the requirements of this Section within thirty (30) days after the Agreement Date of this Agreement.

(b) Compliance with Lender's Terms. DEVELOPER must satisfy all terms and conditions imposed by its lender(s) in relation to Developer Funding.

(c) Timing of Obligation. Upon the request of the CITY, the DEVELOPER shall demonstrate to the CITY's sole satisfaction that DEVELOPER has met the requirements of this Section.

3.4 Progress Meetings. DEVELOPER shall participate in quarterly meetings with the Corporate Authorities and CITY staff, OnLight Aurora ("**OnLight**") staff and/or STFDF staff, and the DEVELOPER shall additionally make presentations to the Corporate Authorities and CITY staff, OnLight staff and/or STFDF staff as reasonably

requested by the CITY Mayor in order to keep the CITY, OnLight and/or the STDFD apprised of the progress of the Project. Meetings may take place on a more or less regular basis as mutually determined by the parties, but the parties shall meet no fewer than three (3) per year. The DEVELOPER shall document each of said meetings with the CITY, OnLight and/or STDFD. The DEVELOPER shall be bound by this progress meetings clause so long as this Agreement is in effect.

3.5 Mutual Agreement and Cooperation. Both parties agree to the similar goal of economic innovation and collaboration, being participatory and responsive. This agreement is established for the common purpose and benefit of the Project. If either party perceives that the spirit of this section has failed to be met then both parties shall meet privately to resolve those differences. Both parties agree not to disparage one another. Nothing in this agreement shall prevent both parties from participating in constructive dialogue and/or offering suggestions that can reasonably be construed as being aimed at making improvements to the Partnership or to the CITY, STDFD, their partners and Gravity Building. The parties shall be bound by this mutual cooperation clause so long as this Agreement is in effect.

3.6 Security for Additional Incentive. Prior to the disbursement of any portion of the Incentive, the DEVELOPER shall execute a "Developer Note" and "New Forgivable Mortgage" (together the "**New Forgivable Mortgage**") guaranteeing repayment of the sum of Eighty-Two Thousand and No/100 Dollars (\$82,000.00) being the mutually agreed to security amount for the Incentive, together. The form of the Developer Note and New Forgivable Mortgage shall be mutually agreeable to the CITY and the DEVELOPER and shall include the following provisions:

(a) DEVELOPER's payment and performance of the Developer Note and Mortgage and this Agreement shall be secured by a New Forgivable Mortgage, "Assignment of Leases and Rents, and Security Agreement" from DEVELOPER to the CITY, constituting a third lien on the Property. The CITY shall simultaneously release.

(b) This Agreement and the CITY's rights granted or referenced herein (including its rights to receive funds from the DEVELOPER), are subject to and subordinate to the rights and remedies of _____ ("**New First Lien Lender**") set forth in that certain Note, ("**New First Note**"), made by the DEVELOPER in favor of the New First Lien Lender in the amount of _____ (\$_____.00), that certain Mortgage ("**New First Lien**"), by the DEVELOPER in favor of the New First Lien Lender, and recorded with the Kane County Recorder of Deeds and any other documents which evidence and/or secure the New First Note and the New First Lien.

And the CITY's rights granted or referenced herein (including its rights to receive funds from the DEVELOPER), are further subject to and subordinate to the rights and remedies of _____ ("**New Second Lien Lender**") set forth in that certain Note, ("**New Second Note**"), made by the DEVELOPER in favor of the New Second Lien Lender in the amount of _____

(\$_____.00), that certain Mortgage ("**New Second Lien**"), by the DEVELOPER in favor of the New Second Lien Lender, and recorded with the Kane County Recorder of Deeds and any other documents which evidence and/or secure the New Second Note and the New Second Lien.

(c) DEVELOPER hereby represents and warrants to the CITY that DEVELOPER's execution of and performance under this Agreement and all other documents and instruments required to be executed by DEVELOPER, do not violate or create a default under that certain New First Lien or New Second Lien given by DEVELOPER, to secure an indebtedness pursuant to the New First Note or New Second Note, given to the New First Lien Lender or New Second Lien Lender, said New First Lien or New Second Lien being heretofore recorded in the Office of the Kane County Recorder of Deeds against the Property.

(d) As a condition precedent to the CITY's obligation to pay the Incentive to the DEVELOPER, DEVELOPER shall obtain the New First Lien Lender's and the New Second Lien Lender's consent and approval to the New Forgivable Mortgage.

(e) If at any time within the first three (3) years after the DEVELOPER obtains certificates of occupancy, or final approvals, from all units of government having jurisdiction over the design and construction of the Project on or before _____, 201_, the DEVELOPER either sells the Property to any party, without the CITY's consent, or abandons the Project or commits an event of default as set forth in Section 5.1, the Developer Note and New Forgivable Mortgage shall upon a failure to timely cure such default, become due and owing.

A sale shall be defined to include any transfer or assignment of any part of the Property, or any interest or part thereof in the DEVELOPER or any subsequent entity that operates or controls the Property, including but not limited to a sale or transfer of any interest or part thereof in the DEVELOPER between the owners of any interest in the DEVELOPER. Refinancing approved by the CITY will not trigger the due on sale clause. If the CITY consents to the sale, it may also consent to the transfer to the buyer of the obligations under the Developer Note and the New Forgivable Mortgage.

What constitutes abandonment is further described in Section 5.1(g).

As a condition precedent to the CITY's obligation to convey the Incentive, DEVELOPER and the CITY shall execute such documents as are necessary to memorialize these agreements and understandings. The Developer Note and New Forgivable Mortgage shall be recorded as of the date of initial Incentive being dispersed to the DEVELOPER.

(f) Provided the conditions of this Agreement are met, then three (3) years after the Agreement Date, DEVELOPER's obligations under the Developer Note and New Forgivable Mortgage shall terminate, be automatically null and void and

of no further force or effect, and the CITY shall release the Developer Note and New Forgivable Mortgage.

ARTICLE FOUR

UNDERTAKINGS, REPRESENTATIONS & WARRANTIES

4.1 Joint Undertakings On The Part Of The CITY And DEVELOPER. The CITY, at no cost to itself, will assist the DEVELOPER upon request to secure and obtain any licenses and permits as may be required from any and all public agencies other than the CITY for construction of the Project on the Property. The DEVELOPER, at its cost, shall be responsible for securing all of its necessary approvals, consents, permits, licenses and authorizations.

4.2 DEVELOPER'S Representations And Warranties.

(a) Organization and Authorization. DEVELOPER is an Illinois corporation, duly organized and existing under the laws of the State of Illinois, and is authorized to and has the power to enter into, and by proper action has been duly authorized to execute, deliver and perform, this Agreement. DEVELOPER is solvent, able to pay its debts as they mature and financially able to perform all the terms of this Agreement. To the best of the DEVELOPER's knowledge, there are no actions at law or similar proceedings which are pending or threatened against DEVELOPER which would result in any material and adverse change to DEVELOPER's financial condition, or which would materially and adversely affect the level of DEVELOPER's assets as of the date of this Agreement or that would materially and adversely affect the ability of DEVELOPER to proceed with the development of the Project.

(b) Non-Conflict or Breach. Neither the execution and delivery of this Agreement by DEVELOPER, the consummation of the transactions contemplated hereby by DEVELOPER, nor the fulfillment of, or compliance with, the terms and conditions of this Agreement by DEVELOPER conflicts with or will result in a breach of any of the terms, conditions or provisions of any offerings or disclosure statement made or to be made on behalf of DEVELOPER (with DEVELOPER's prior written approval), any organizational documents, any restriction, agreement or instrument to which DEVELOPER any related party or any of its partners or venturers is now a party or by which DEVELOPER or any of its related parties, partners or its venturers is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever upon any of the assets or rights of DEVELOPER, any related party, or any of its partners or any of its venturers under the terms of any instrument or agreement to which DEVELOPER, any related party or any of its partners or venturers is now a party or by which DEVELOPER, any related party, any of its partners or any of its venturers is bound.

(c) No Gifts. DEVELOPER covenants that no officer, member, manager, stockholder, employee or agent of DEVELOPER, or any other person connected with DEVELOPER, has made, offered or given, either directly or indirectly, to any member of the Corporate Authorities, or any officer, employee or agent of the CITY, or any other

Person connected with the CITY, any money or anything of value as a gift or bribe or other means of influencing his or her action in his or her capacity with the CITY.

(d) Disclosure. Concurrently with execution of this Agreement, DEVELOPER shall disclose to the CITY the names, addresses and ownership interests of all persons that comprise DEVELOPER.

(e) Financial Resources. DEVELOPER has sufficient financial and economic resources to implement and complete DEVELOPER's obligations contained in this Agreement. DEVELOPER shall use its best efforts to use such resources to complete the Project in a timely manner in accordance with the terms of this Agreement.

(f) DEVELOPER Existence. DEVELOPER shall do or cause to be done all things necessary to preserve and keep in full force and effect its existence and standing as an Illinois corporation, so long as DEVELOPER maintains an interest in the Property or has any other remaining obligation pursuant to the terms of this Agreement.

(g) Compliance with Laws. The DEVELOPER represents and warrants that the development and construction of the Project and any related Improvements made to the Property during the term of this Agreement shall be constructed, fully completed and maintained in a good and workmanlike manner in accordance with the Building, Plumbing, Mechanical, Electrical, Storm Water Management, Fire Prevention, Property Maintenance, FoxWalk Design Guidelines, Zoning and Subdivision Codes, life safety codes, property maintenance codes and environmental laws of the City of Aurora and all other germane codes and ordinances of said CITY in effect on the date that an application for a building permit and/or earth moving permit for the Project is filed, and during construction, except as otherwise provided herein and to the extent all such codes and ordinances are of general applicability to property within the CITY. DEVELOPER has examined and is familiar with all the current covenants, conditions, restrictions, building regulations, zoning ordinances, property maintenance regulations, environmental laws and land use regulations, codes, ordinances, federal, State laws and local ordinances, and the like, and represents and warrants that the Project shall be developed in accordance with same, or those that are in place at the time of building permit/earth moving permit. The DEVELOPER further certifies that:

- (i) It is not barred from contracting with any unit of State or local government as a result of violating Section 33E-3 or 33E-4 of the Illinois Criminal Code (720 ILCS 5/33E-3 and 33E-4).
- (ii) It shall comply with the Illinois Drug Free Work Place Act.
- (iii) It shall comply with the Equal Opportunity Clause of the Illinois Human Rights Act and the Rules and Regulations of the Illinois Department of Human Rights.

- (iv) It shall comply with the Americans with Disabilities Act (42 U.S.C. 12101, et seq.) and Article 2 of the Illinois Human Rights Act (775 ILCS 5/2-101 et seq.).
- (v) The DEVELOPER is neither delinquent in the payment of any tax administered by the Illinois Department of Revenue nor delinquent in the payment of any money owed to the CITY.
- (vi) It is in full compliance with the Federal Highway Administration Rules on Controlled Substances and Alcohol Use and Testing, 49 CFR Parts 40 and 382, but only to the extent applicable.

The DEVELOPER further represents and warrants that it shall comply with all applicable federal laws, State laws and regulations including without limitation, those regulations in regard to all applicable equal employment opportunity requirements, and such laws and regulations relating to minimum wages to be paid to employees, limitations upon the employment of minors, minimum fair wage standards for minors, payment of wages due employees, and health and safety of employees. The DEVELOPER agrees to maintain full compliance with changing government requirements that govern or apply to the construction of the Project and any additional improvements thereto, and its operation and maintenance of the Project on the Property. The DEVELOPER understands and agrees that the most recent of such federal, county, State, and local laws and regulations will govern the administration of this Agreement at any particular time. Likewise, the DEVELOPER understands and agrees that new federal, county, State and local laws, regulations, policies and administrative practices may be established after the date of the Agreement has been executed and may apply to this Agreement. Any lawsuit or complaint of violation of laws that is received by the DEVELOPER relative to this Agreement shall be immediately forwarded to the CITY Manager.

(h) Municipal Acknowledgment. The DEVELOPER further acknowledges that because the CITY is a municipal entity that this Agreement is subject to the approval of and is not enforceable until approved at an open meeting by the City Council of the CITY of Aurora. If such approval is not so received, this Agreement shall be null and void.

(i) Approval of Plans and Permits. DEVELOPER shall petition the CITY for all applicable approvals required for the construction of the Project, including but not limited to: Certificate(s) of Appropriateness; Zoning Permit(s); Building Permit(s), Sign Permit(s); Stormwater Permit(s); Demolition Permit(s); Driveway Permit(s); Curb Cut Permit(s) and any improvements in the public right of way. Said petitions by DEVELOPER shall include making all submittal requirements in conformance with CITY policies, codes and ordinances. The DEVELOPER recognizes and agrees that the CITY has sole discretion with regard to all approvals and permits relating to the Project, and failure on the part of the CITY to grant or issue any required permit shall not be deemed as the cause of delay by the DEVELOPER under this Agreement or give rise to any claim against or liability to the CITY pursuant to this Agreement. The CITY agrees,

however, that such reviews, approvals and permits shall not be unreasonably withheld, conditioned or delayed.

(j) Licensed Contractor. DEVELOPER shall use only contractor(s) which are licensed by the CITY to complete the Project.

4.3 CITY's Representations and Warranties.

(a) Organization and Authority. The CITY is a municipal corporation duly organized and validly existing under the law of the State of Illinois, is a home rule unit of government, and has all requisite corporate power and authority to enter into this Agreement.

(b) Authorization. The execution, delivery and the performance of this Agreement and the consummation by the CITY of the transactions provided for herein and the compliance with the provisions of this Agreement (i) have been duly authorized by all necessary corporate action on the part of the CITY, (ii) require no other consents, approvals or authorizations on the part of the CITY in connection with the CITY's execution and delivery of this Agreement, and (iii) shall not, by lapse of time, giving of notice or otherwise, result in any breach of any term, condition or provision of any indenture, agreement or other instrument to which the CITY is subject.

ARTICLE FIVE

EVENTS OF DEFAULT AND REMEDIES.

5.1 Developer Events of Default. The following shall be "Events of Default" with respect to this Agreement:

(a) If any representation made by DEVELOPER in this Agreement, or in any certificate, notice, demand or request made by the DEVELOPER, in writing and delivered to the CITY pursuant to or in connection with any of said documents, shall prove to be untrue or incorrect in any material respect as of the date made; provided, however, that such default shall constitute an Event of Default only if DEVELOPER does not remedy the default within thirty (30) days after written notice from the CITY.

(b) Default by DEVELOPER for a period of thirty (30) days after written notice thereof in the performance or breach of any material covenant contained in this Agreement concerning the existence, structure or financial condition of DEVELOPER; provided, however, that such default or breach shall not constitute an Event of Default if such default cannot be cured within said thirty (30) days, and DEVELOPER, within said thirty (30) days, initiates and diligently pursues appropriate measures to remedy the default and in any event cures such default within ninety (90) days after such notice.

(c) Default by DEVELOPER for a period of thirty (30) days after written notice thereof in the performance or breach of any material covenant, warranty or obligation contained in this Agreement, subject to Uncontrollable Circumstances (as defined in

Section 5.5 below); provided, however, that such default or breach shall not constitute an Event of Default if such default cannot be cured within said thirty (30) days, and DEVELOPER, within said thirty (30) days, initiates and diligently pursues appropriate measures to remedy the default and in any event cures such default within ninety (90) days after such notice.

(d) The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of DEVELOPER in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or State bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee (or similar official) of DEVELOPER for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order that is not and in effect for a period of sixty (60) consecutive days.

(e) The commencement by DEVELOPER of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or State bankruptcy, insolvency or other similar law, or the consent by DEVELOPER to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian (or similar official) of DEVELOPER or of any substantial part of the Property, or the making by any such entity of any assignment for the benefit of creditors or the failure of DEVELOPER generally to pay such entity's debts as such debts become due or the taking of action by DEVELOPER in furtherance of any of the foregoing, or a petition is filed in bankruptcy by others and not dismissed within sixty (60) consecutive days.

(f) Failure to have funds to meet DEVELOPER's obligations; provided, however, that such default shall constitute an Event of Default only if DEVELOPER does not remedy the default within thirty (30) days after written notice from the CITY.

(g) DEVELOPER abandons the Project on the Property; abandonment shall be deemed to have occurred when work stops on the Property for more than sixty (60) days for any reason other than: (i) Uncontrollable Circumstances or (ii) if DEVELOPER is ahead of its planned construction schedule.

(h) DEVELOPER materially fails to comply with applicable governmental codes and regulations in relation to the construction and maintenance of the buildings contemplated by this Agreement; provided, however, that such default shall constitute an Event of Default only if the DEVELOPER does not, within ninety (90) days after written notice from the CITY, remedy the default.

5.2 CITY Events of Default. The following shall be Events of Default with respect to this Agreement:

(a) If any representation made by the CITY in this Agreement, or in any certificate, notice, demand or request made by the CITY, in writing and delivered to

DEVELOPER pursuant to or in connection with any of said documents, shall prove to be untrue or incorrect in any material respect as of the date made; provided, however, that such default shall constitute an Event of Default only if the CITY does not remedy the default, within thirty (30) days after written notice from DEVELOPER.

(b) Default by the CITY in the performance or breach of any material covenant contained in this Agreement concerning the existence, structure or financial condition of the CITY; provided, however, that such default or breach shall constitute an Event of Default only if the CITY does not, within thirty (30) days after written notice from DEVELOPER, initiate and diligently pursue appropriate measures to remedy the default.

(c) Default by the CITY in the performance or breach of any material covenant, warranty or obligation contained in this Agreement, subject to Uncontrollable Circumstances; provided, however, that such default shall not constitute an Event of Default if the CITY commences cure within thirty (30) days after written notice from DEVELOPER and in any event cures such default within ninety (90) days after such notice.

5.3 Remedies for Default. In the case of an Event of Default hereunder:

(a) The defaulting Party shall, upon written notice as provided in Sections 5.1 and 5.2 above from the non-defaulting Party, take immediate action to cure or remedy such Event of Default. If in such case, any monetary Event of Default is not cured within the time period herein provided after receipt of the above written notice, or if in the case of a non-monetary Event of Default, action is not taken or not diligently pursued, or if action is taken and diligently pursued but such Event of Default or breach shall not be cured or remedied within a reasonable time, but in no event more than ninety (90) days from the receipt of notice as provided above in Sections 5.1 and 5.2 unless extended by mutual agreement, the non-defaulting Party may institute such proceedings as may be necessary or desirable in its opinion to cure or remedy such default or breach, including, but not limited to, proceedings to compel specific performance of the defaulting Party's obligations under this Agreement.

(b) In case the CITY shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned for any reason, then, and in every such case, DEVELOPER and the CITY shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of DEVELOPER and the CITY shall continue as though no such proceedings had been taken.

(c) In the case of an Event of Default by DEVELOPER and its failure to cure such default after due notice and within the time periods provided in Sections 5.1, 5.2 and this Section 5.3, in addition to any other remedies at law or in equity the CITY shall be relieved of its obligations under this Agreement, and the Developer Note and New Forgivable Mortgage shall become due and owing.

(d) In the case of an Event of Default by the CITY and its failure to cure such default after due notice and within the time periods provided in Sections 5.1, 5.2 and this Section 5.3, in addition to any other remedies at law or inequity, the DEVELOPER shall be relieved of its obligations under this Agreement if it so elects, and the DEVELOPER shall have the right, if it so elects, to terminate this Agreement.

5.4 Reimbursement of Legal and Other Fees and Expenses.

In addition to the DEVELOPER's indemnification obligations in Section 7.3, in the event that any third party or parties institute any legal proceedings against the DEVELOPER and/or the CITY, which relate to the terms of this Agreement, as a result of DEVELOPER's negligence or intentional acts, then, in that event, the DEVELOPER, on written notice from CITY shall assume, fully and vigorously, the entire defense of such lawsuit and all expenses of whatever nature relating thereto; provided, however:

(a) Neither Party shall make any settlement or compromise of the lawsuit, or fail to pursue any available avenue of appeal of any adverse judgment, which would impose any liability on the other Party, without the prior approval of the other Party.

(b) If the CITY and the DEVELOPER determine there is, or reasonably may be, an actual conflict of interest between CITY and the DEVELOPER, then the CITY shall have the option of being represented by its own legal counsel. In the event the CITY exercises such option, the DEVELOPER shall reimburse the CITY, from time to time, on written demand from the Mayor of the CITY and written notice of the amount due for any reasonable and necessary expenses, including but not limited to court costs, reasonable and necessary attorneys' fees and reasonable and necessary witnesses' fees, and other reasonable and necessary expenses of litigation incurred by the CITY in connection therewith.

5.5 "Uncontrollable Circumstance." For purposes of this Article, Uncontrollable Circumstance means any event which:

(a) is beyond the reasonable control of and without the fault of the Party relying thereon; and

(b) is one or more of the following events:

(i) a Change in Law;

(ii) insurrection, riot, civil disturbance, sabotage, act of the public enemy, explosion, nuclear incident, war or naval blockade;

- (iii) epidemic, hurricane, tornado, landslide, earthquake, lightning, fire, windstorm, other extraordinary or ordinary weather conditions or other similar act of God;
- (iv) governmental condemnation or taking other than by the CITY;
- (v) strikes or labor disputes;
- (vi) unreasonable delay in the issuance of building or other permits or approvals by the CITY or other governmental authority having jurisdiction;
- (vii) shortage or unavailability of essential materials, which materially change the ability of the Party relying thereon to carry out its obligations under this Agreement; or
- (viii) unknown or unforeseeable geo-technical or environmental conditions;

Uncontrollable Circumstances shall not include: economic hardship; unavailability of materials (except as described in (b)(vii) above); or a failure of performance by a contractor (except as caused by events which are Uncontrollable Circumstances as to the contractor or except where DEVELOPER is exercising commercially reasonable efforts to cause the contractor to perform its obligations under any agreement between DEVELOPER and a contractor on the Project). For each day that the CITY or DEVELOPER is delayed by an Uncontrollable Circumstance, the dates set forth in this Agreement shall be extended by one (1) day.

ARTICLE SIX

EQUAL EMPLOYMENT OPPORTUNITY

6.1 No Discrimination. DEVELOPER will comply with all applicable Federal, State and local laws, ordinances, resolutions, and regulations relating to equal employment opportunity.

6.2 Advertisements. DEVELOPER will, in all solicitations or advertisements for employees placed by or on behalf of DEVELOPER, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

6.3 Contractors. Any contracts made by DEVELOPER with any general contractor, agent, employee, independent contractor or any other Person in connection with the Project shall contain language similar to that recited in Section 6.1 and 6.2 above.

ARTICLE SEVEN
MISCELLANEOUS TERMS

7.1 Cancellation. The provisions of this Section 7.1 apply notwithstanding any other provision of this Agreement to the contrary. In the event DEVELOPER or the CITY shall be prohibited, in any material respect, from performing covenants and agreements or enjoying the rights and privileges herein contained, including DEVELOPER's duty to develop the Project, or by the order of any court of competent jurisdiction, or in the event that all or any part of the Act or any ordinance adopted by the CITY in connection with the Project shall be declared invalid or unconstitutional, in whole or in part, by a final decision of a court of competent jurisdiction and such declaration shall materially affect this Agreement or the covenants and agreements or rights and privileges of DEVELOPER or the CITY, then and in any such event, either Party so materially affected may, at its election, cancel or terminate this Agreement in whole (or in part with respect to that portion of the Project materially affected) by giving written notice thereof to the other within sixty (60) days after such final decision or amendment. In the event DEVELOPER fails to comply with each and every one of DEVELOPER's commitments as set forth herein, the CITY may, at its election, cancel or terminate this Agreement in whole (or in part with respect to that portion of the Project materially affected) after giving sixty (60) days written notice to the DEVELOPER, and after giving the DEVELOPER an opportunity to cure within the sixty (60) days or such other time period as agreed to in writing by the Parties. If the CITY terminates this Agreement pursuant to this Section 7.1, to the extent it is then appropriate, the CITY, at its option, may also terminate its duties, obligation and liability under all or any related documents and agreements provided, and require DEVELOPER to return all funds owed to the CITY.

7.2 Notices. All notices, certificates, approvals, consents or other communications desired or required to be given hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service, (b) facsimile, (c) overnight courier, or (d) registered or certified first class mail, postage prepaid, return receipt requested.

If to CITY:	CITY of Aurora 44 E. Downer Place Aurora, Illinois 60507-2067 Attention: City Mayor
With a copy to:	City of Aurora 44 E. Downer Place Aurora, Illinois 60507-2067 Attention: City Clerk
And:	City of Aurora, Law Department 5 E. Downer Place, Suite F Aurora, Illinois, 60507 Attention: Alayne Weingartz, City Attorney

And: Klein, Thorpe & Jenkins, Ltd.
20 N. Wacker Drive, Suite 1660
Chicago, Illinois 60606
Attention: Thomas P. Bayer/Gregory T. Smith

If to DEVELOPER: JIMI ALLEN PHOTOGRAPHY INC.
76 S. LaSalle Street
Aurora, IL 60505

With copy to: _____

The Parties, by notice hereunder, may designate any further or different addresses to which subsequent notices, certificates, approvals, consents or other communications shall be sent. Any notice, demand or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch, and proof or receipt, by facsimile. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier, and any notices, demands or requests sent pursuant to clause (d) shall be deemed received upon deposit with the United States Postal Service.

7.3 Indemnification.

(a) The DEVELOPER releases from, and covenants and agrees, that the CITY, its Mayor, City Council, aldermen, governing body members, officers, agents, including independent contractors, consultants, legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "Indemnified Parties") shall not be liable for, and agrees to indemnify and hold harmless the Indemnified Parties against, any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Project or the Property or arising under this Agreement or actions in furtherance thereof to the extent not attributable to the gross negligence or willful misconduct of the Indemnified Parties.

(b) Except for gross negligence or willful misconduct of the Indemnified Parties, DEVELOPER agrees to indemnify the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claims, demands, suits, costs, expenses (including reasonable attorney's fees), actions or other proceedings whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of DEVELOPER (or if other Persons acting on their behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project;

provided, that this indemnification shall not apply to the warranties made or obligations undertaken by the CITY in this Agreement.

(c) The CITY makes no warranties or representations regarding, nor does it indemnify the DEVELOPER with respect to, the existence or nonexistence on or in the vicinity of the Property, of any toxic or hazardous substances or wastes, pollutants or contaminants (including, without limitation, asbestos, urea formaldehyde, the group of organic compounds known as polychlorinated biphenyls, petroleum products including gasoline, fuel oil, crude oil and various constituents of such products, or any hazardous substance as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. §§ 9601-9657, as amended) (collectively, the "Hazardous Substances"). The foregoing disclaimer relates to any Hazardous Substance allegedly generated, treated, stored, released or disposed of, or otherwise placed, deposited in or located on or in the vicinity of the Property, as well as any activity claimed to have been undertaken on or in the vicinity of the Property, that would cause or contribute to causing (1) the Property to become a treatment, storage or disposal facility within the meaning of, or otherwise bring the Property within the ambit of, the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. §6901 et seq., or any similar State law or local ordinance, (2) a release or threatened release of toxic or hazardous wastes or substances, pollutants or contaminants, from the Property, within the meaning of, or otherwise bring the Property within the ambit of, CERCLA, or any similar State law or local ordinance, or (3) the discharge of pollutants or effluents into any water source or system, the dredging or filling of any waters or the discharge into the air of any emissions, that would require a permit under the Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq., or any similar State law or local ordinance. Further, the CITY makes no warranties or representations regarding, nor does the CITY indemnify the DEVELOPER with respect to, the existence or nonexistence on or in the vicinity of the Project, or anywhere within the Property, of any substances or conditions in or on the Property, that may support a claim or cause of action under RCRA, CERCLA, or any other federal, State or local environmental statutes, regulations, ordinances or other environmental regulatory requirements. The CITY makes no representations or warranties regarding the existence of any above ground or underground tanks in or about the Property, or whether any above or underground tanks have been located under, in or about the Property have subsequently been removed or filled.

(d) The DEVELOPER waives any claims against the Indemnified Parties, and its members and boards, for indemnification, contribution, reimbursement or other payments arising under federal, State and common law or relating to the environmental condition of the land comprising the Property.

(e) No liability, right or claim at law or inequity shall attach to or shall be incurred by the Indemnified Parties, and any such rights or claims of the DEVELOPER against the Indemnified Parties are hereby expressly waived and released as a condition of and as consideration for the execution of the Agreement by the CITY.

7.4 Time of the Essence. Time is of the essence of this Agreement.

7.5 Integration. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the Parties.

7.6 Severability. If any provision of this Agreement, or any Section, sentence, clause, phrase or word, or the application thereof in any circumstance, is held to be invalid, the remainder of this Agreement shall be construed as if such invalid part were never included herein, and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

7.7 Choice of Law / Venue. This Agreement shall be governed by and construed accordance with the laws of the State of Illinois. Any court proceedings between the Parties hereto shall be brought in the Circuit Court of Kane County, Illinois, or the United States District Court for the Northern District of Illinois, Eastern Division, as the case may be.

7.8 Entire Contract and Amendments. This Agreement (together with the exhibits attached hereto) is the entire contract between the CITY and DEVELOPER relating to the subject matter hereof supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the CITY and DEVELOPER, and may not be modified or amended except by a written instrument executed by the Parties hereto.

7.9 Third Parties. Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other person other than the CITY and DEVELOPER, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to either the CITY or DEVELOPER, nor shall any provision give any third parties any rights of subrogation or action over or against either the CITY or DEVELOPER. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.

7.10 Waiver. Any Party to this Agreement may elect to waive any right or remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless such waiver is in writing. No such waiver shall obligate the waiver of any other right or remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided pursuant to this Agreement.

7.11 Cooperation and Further Assurances. The CITY and the DEVELOPER agree to cooperate in implementing the Project in accordance with the Parties' respective obligations set forth in this Agreement and specific approvals by the CITY in the future of the zoning, planned unit development and site plans for the Property and Project. Whenever any Party is required to take any action pursuant to the terms of this Agreement, including but not limited to giving any consent, such action shall not be unreasonably withheld or delayed.

The CITY and DEVELOPER each covenant and agree that each will do, execute, acknowledge and deliver or cause to be done, executed and delivered, such agreements, instruments and documents supplemental hereto and such further acts, instruments, pledges and transfers as may be reasonably required for the better clarifying, assuring and confirming unto the CITY or DEVELOPER or other appropriate persons all and singular the rights, property and revenues covenanted, agreed, conveyed, assigned, transferred and pledged under or in respect of this Agreement.

7.12 Successors in Interest. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective authorized successors.

7.13 No Joint Venture, Agency or Partnership Created. Other than for the limited purposes specified herein, nothing in this Agreement, or any actions of the Parties to this Agreement, shall be construed by the Parties or any third person to create the relationship of a partnership, agency or joint venture between or among the Parties.

7.14 No Personal Liability of Officials of CITY or DEVELOPER. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of the Corporate Authorities, the CITY, Mayor, or any official, officer, partner, member, director, agent, employee or attorney of the CITY or DEVELOPER, in his or her individual capacity, and no official, officer, partner, member, director, agent, employee or attorney of the CITY or DEVELOPER shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of or in connection with or arising out of the execution, delivery and performance of this Agreement, or any failure in that connection.

7.15 No Assignment. The DEVELOPER may not assign this Agreement without the express written consent of the Corporate Authorities of the CITY, which consent may be withheld in the sole discretion of the CITY. Notwithstanding any provision of this Agreement to the contrary, the Parties shall at all times during the term of this Agreement remain liable to each other for the faithful performance of all obligations imposed upon the Parties by this Agreement until such obligations have been fully performed or until otherwise released from any or all of such obligations.

7.16 Repealer. To the extent that any ordinance, resolution, rule, order or provision of the CITY's code of ordinances, or any part thereof is in conflict with the provisions of this Agreement, the provisions of this Agreement shall be controlling, to the extent lawful.

7.17 Term. This Agreement shall remain in full force and effect until all actions of the Parties contemplated hereby have taken place, early termination pursuant to the terms contained herein, or the Parties mutually agree to terminate the Agreement, whichever occurs first.

7.18 Estoppel Certificates. Each of the Parties hereto agrees to provide the other, upon not less than fifteen (15) business days prior written request, a certificate (the "Estoppel Certificate") certifying that this Agreement is in full force and effect (unless such is not the case, in which such Parties shall specify the basis for such claim), that the requesting Party is not in default of any term, provision or condition of this Agreement beyond any applicable notice and cure provision (or specifying each such claimed default) and certifying such other matters reasonably requested by the requesting Party. If either party fails to comply with this provision within the time limit specified, it shall be deemed to have appointed the other as its attorney in fact for execution of the same on its behalf as to that specific request only.

7.19 Section Headings. The section headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several sections hereof.

7.20 Counterparts. This Agreement shall be executed simultaneously in two (2) counterparts, each of which shall be deemed an original, but both of which shall constitute one and the same Agreement.

7.21 Recording. The Parties agree to record this Agreement with the Kane County Recorder of Deeds Office, with the DEVELOPER paying the recording charges.

7.22 Schedule of Exhibits. The following are attached hereto and made a part hereof.

EXHIBIT "A"	Legal Description of the Property
EXHIBIT "B"	Project Description
EXHIBIT "C"	Reimbursement Procedures
EXHIBIT "D"	Estimated Project Costs
EXHIBIT "E"	DEVELOPER Funding Source

7.23 Agreement Date. This Agreement shall be deemed dated and become effective on the day on which this Agreement is signed by the CITY, with said date appearing on page 1 hereof.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on or as of the day and year first above written.

CITY OF AURORA:

an Illinois municipal corporation,

Mayor

ATTEST:

City Clerk

DEVELOPER:

Jimi Allen Photography Inc.,
an Illinois Corporation

By: _____

Print Name/Title: _____

ATTEST:

By: _____

Print Name/Title: _____

Exhibit "A"

LEGAL DESCRIPTION OF PROPERTY

The northerly 18 feet of the westerly 132 feet of lot 10 and the southerly 30 feet of the westerly 132 feet of lot 11 in block 15 of the original Town of Aurora, on the east side of the Fox River, in the City of Aurora, Kane County, Illinois.

Commonly Known As: 56-58-60 S. LaSalle Street, Aurora, Illinois
PIN: 15-22-383-003

Exhibit "B"

PROJECT DESCRIPTION

The Project consists of transforming, rehabilitating, outfitting, developing and operating a vacant 16,900 square foot building built in 1907, which once housed automobile dealerships and manufacturing, into a holistic marketing, branding, and communication facility owned and operated by DEVELOPER doing business as Bureau Gravity providing updated business accelerator services. The building will be occupied and operated by DEVELOPER doing business as Bureau Gravity (BG) as a for-profit company providing services as an integrated marketing business accelerator. The building will be renovated to contain an audio recording booth, meeting spaces, photo & video production space, and office spaces for design, photography, and other creative services. The third floor will be used as an open production space, and it will be the location of BG's main video and photography shooting bays. BG will produce events here that require audio, video, catering, and other support services.

Exhibit "C"

REIMBURSEMENT PROCEDURES

Prior to the distribution of the CITY Incentive the DEVELOPER shall satisfy the following standard conditions and procedures:

- (a) **Certification:** As a prerequisite to the disbursement of any Incentive payment to DEVELOPER, DEVELOPER must certify to the CITY the following if applicable:
 - (i) DEVELOPER (or its successor or assignee under sections of this Agreement) is duly organized and validly existing.
 - (ii) DEVELOPER has the right, power and authority to submit the request for payment and to perform its obligations under the Agreement.
 - (iii) No Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default under the Agreement or under any financing agreement related to the Project or under any reconstruction or construction contract for the Project exists and has not been remedied.
 - (iv) The requested disbursement is for expenses incurred in the development of space to be used for business incubation and acceleration (the "Improvements") at the Property which are qualified for payment under this Agreement and applicable law.
 - (v) None of the items for which payment is requested has been the basis for a previous payment.
 - (vi) The payment is due and owing (or has already been paid) from DEVELOPER to its construction manager, contractor, subcontractor or material supplier or others.
 - (vii) DEVELOPER has obtained all government permits, certificates and consents necessary to conduct its business and as applicable to reconstruct, complete and operate the Improvements, including but not limited to a certificate of occupancy as required by Section 2.4.
 - (viii) DEVELOPER is in substantial compliance with its material covenants under this Agreement and has satisfied any other

preconditions to disbursement, including but not limit to those set forth in Section 2.4.

- (ix) That no uncontested lien, other than the mortgage or mortgages set forth in this Agreement, exists against the Property.
- (x) That DEVELOPER has certified the work for which payment is sought has been completed.

(b) **Reimbursement Request for Improvements:** As a prerequisite to the disbursement of any and each payment to DEVELOPER, DEVELOPER shall submit to the City's Chief Financial Officer/City Treasurer and Director of Building and Permits a disbursement request on a form reasonably acceptable to DEVELOPER and the CITY with respect to such reimbursement. Requests shall minimally be accompanied by the following:

- (i) Notarized sworn contractor statements indicating payments made, change orders to date and any modifications to the project schedule of values.
- (ii) Notarized certification of the sworn contractor statements from the design professional of responsible charge.
- (iii) Current waivers of lien for all contractors and suppliers.
- (iv) Good and sufficient (partial or full) waivers of liens with respect to the payment requested.
- (v) Proof in a form reasonably acceptable to the CITY, such as a contractor's sworn statement and architect's certification, that DEVELOPER is or was obligated to make the payments for which reimbursement is sought.
- (vi) Such information as is reasonably necessary for the CITY to determine that reimbursement is being sought for expenses incurred in the development of space to be used for business incubation and acceleration (the "Improvements") at the Property and is otherwise due and payable hereunder, specifically including, but not limited to, such documents and/or information the CITY requests concerning the eligibility criteria set forth above in connection with payments due.
- (vii) A request for disbursement on a form acceptable to the CITY.

(viii) All certificates required above.

- (c) **Timelines and Inspections:** Prior to the disbursement of any payment by the CITY, DEVELOPER must provide to the CITY documentation of the satisfaction of the following conditions:
- (i) DEVELOPER is not in default under this Agreement after expiration of all applicable cure periods.
 - (ii) The CITY has previously inspected and approved the expenses incurred in the development of space to be used for business incubation and acceleration (the "Improvements") at the Property.

Exhibit "D"

ESTIMATED PROJECT COSTS

Items	Cost	
Land Acquisition		
56-58-60 S LaSalle Street, Aurora IL 60505	\$256,000.00	Subtotal
		\$256,000.00
Completed Construction Cost*		
Facade		
General Contractor & Masonry	\$157,394	
Windows	\$94,413	
Structural Engineer	\$6,000	
Archectural Fees	\$44,071.00	
Legal fees and improvements	\$8,583	
Owners Cost	\$21,830	
		Subtotal
		\$332,291.00
Existing Building Renovations / Build Out		
Soft Costs		
Architectural Fees phase 2		
Permit Fees (Allowance)		
Impact Fees /Other Fees		
Legal fees and improvements		
Roof Deck		
Cafe'		
Server Room/IT infrastructure		
Plumbing Upgrades (Private)		
Sewer Hook-Up		
Plumbing / Grease Trap		
Plumbing Fixture (Allowance)		
Electrical Upgrades		
Lighting		
Electrical Panel Upgrade		
Alarm System		
Building Upgrades		
Awning/Signage		
Flooring		
Masonry		
Roofing		
Windows		
Doors		
HVAC		
Painting		
Ceilings		
Sprinkler System (Allowance)		
Structural Steel		
Dumpster and cleanup		
Life Safety (Allowance)		
Deck wood		
Stairs and railings		
Contractors Contingencies		
Supervision and overhead		

	Builders Profit		
			<u>Subtotal</u>
			\$1,194,100.00
<u>Owners Contingences</u>			
	Construction Contingency	\$120,000.00	
	Construction Monitoring	\$8,500.00	<u>Subtotal</u>
			\$128,500.00
<u>Public Improvements</u>			
	Public Utilities Extensions / Upgrades		
	Roadway Improvements		
	Stormwater Improvements		<u>Subtotal</u>
			\$ -
<u>Furniture Fixtures and Equipment (FF&E)*</u>			
	Point of Sale (POS) System		
	TV/Stereo/Phone/Computer System		
	Front of House Furniture		
	Kitchen Equipment (allowance)		
	General Décor Allowance		
	Furniture		<u>Subtotal</u>
			\$214,900.00
<u>Working Capital</u>			
	Hiring		
	Marketing and Advertising		
	Relocation Cost		<u>Subtotal</u>
			\$189,000.00
	Total	\$2,314,791	

TECHNOLOGY EXPENSE BREAKOUT:

[illegible]

Third Floor

Item	Quantity	Cost	total
Audio System for presentations			
Shure ULXP124/Beta 58 - G3 Band, 470 - 505 MHz	2	\$1,699.00	\$3,398.00
JBL PRX718XLF - 18" Subwoofer	1	\$1,399.00	\$1,399.00
JBL PRX715 - 15" 2-Way	2	\$949.00	\$1,898.00
Apple iMac - 21.5-inch 2.7GHz Quad-Core i5	1	\$1,299.00	\$1,299.00
Behringer X32 Producer	1	\$1,499.00	\$1,499.00
dbx DriveRack PA+	1	\$399.00	\$399.00
AV Cables	20	\$25.00	\$500.00
Room Cameras			
	1	\$2598.00	\$2598.00
Total			\$12,990.00

Second Floor

Item	Quantity	Cost	total
TV's 75inches	3	\$2,500.00	\$7,500.00
Apple TV's	3	\$99.00	\$297.00
iMac	2	\$2,584.00	\$5,168.00
Mac Pro	1	\$3,900.00	\$3,900.00
TV's 60inches (editing suite)	1	\$1,099.00	\$1,099.00
Editing screens (Mac Pro)	1	\$999.00	\$999.00
Editing Screens (iMacs and second monitor for Mac Pro)	3	\$299.00	\$897.00
Computer Speaker (iMacs)	3	\$99.00	\$297.00
Printer	1	\$1,799.00	\$1,799.00
office chairs	15	\$150.00	\$2,250.00
Stationary Desks	15	\$500.00	\$7,500.00
Total			\$31,706.00

First Floor

Item	Quantity	Cost	total
TV's 75inches	3	\$2,500.00	\$7,500.00
Apple TV's	3	\$99.00	\$297.00
Printer	1	\$1,799.00	\$1,799.00
Meeting room chairs	15	\$150.00	\$2,250.00
Total			\$11,846.00

Technology (throughout building)

Item	Quantity	Cost	total
Generator	1	\$5,000.00	\$5,000.00
UPS	1	\$4,000.00	\$4,000.00
AC Units	2	\$1,100.00	\$2,200.00
Rack	1	\$1,000.00	\$1,000.00
Switch 1Gb 52 port	2	\$1,500.00	\$3,000.00
Switch 10Gb 4 port	1	\$4,246.00	\$4,246.00
cisco access points	6	\$256.00	\$1,536.00
PDU	3	\$400.00	\$1,200.00
Environmental monitoring	1	\$2,000.00	\$2,000.00
Environmental probes	3	\$200.00	\$600.00
Lobby Digital Signage	1	\$7,000.00	\$7,000.00
VOIP Phones	10	\$130.00	\$1,300.00
Projector	1	\$7,500.00	\$7,500.00
			\$40,582.00

	Quantity	Cost	Total
Mics	5	\$200.00	\$1000.00
Cables	20	\$25.00	\$500.00
Cameras	1	\$2598.00	\$2598.00
Livestream HD31	1	\$3999.00	\$3999.00
Lighting - Budget	1	\$2000.00	\$2000.00
			\$0.00
			\$0.00
			\$0.00
			\$10097.00

Exhibit "E"

DEVELOPER FUNDING

Project Funding Sources	
Bank Loan	\$1,770,500.00
TIF Agreement (2014)	\$300,000.00
Finish Line Grant (2016)	\$75,000.00
Development Agreement (2016)	\$82,000.00
Cash	\$87,291.00
TOTAL:	\$2,314,791.00