

ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City is the owner of the real property located at 422-426 E. 47th Street, Chicago, Illinois, 60653, consisting of approximately 26,250 sq. ft. (0.60 acres), as legally described - on Exhibit A attached hereto (the "Property"); and

WHEREAS, the Property is vacant and unimproved; and

WHEREAS, Revere Properties, Inc., an Illinois corporation ("Grantee"), is a Chicago-based, Black-owned real estate development company; and

WHEREAS, Lee Reid, Jr. is the President and owner of 100% of the shares of the Grantee; and

WHEREAS, on February 24, 2022, Grantee submitted a proposal to the City's Department of Planning and Development ("DPD") to purchase the Property to develop it into mixed-use retail/commercial/office/live-work condominium residences (the "Project"); and

WHEREAS, a narrative of the Project is attached hereto as Exhibit B; and

WHEREAS, Grantee proposes to purchase the Property for the fair market value to be ascertained by an appraisal to be procured by DPD ("Purchase Price"), assuming the Property has no adverse environmental conditions; and

WHEREAS, Grantee shall have the option of providing DPD with a Phase I Environmental Site Assessment of the Property; and

WHEREAS, as a condition of the sale, prior to commencing construction on the Project, the City will require Grantee to remediate the Property in accordance with the applicable environmental standards commensurate with the intended use of the Project; and

WHEREAS, the cost of remediating the Property will increase Grantee's cost of constructing the Project; and

WHEREAS, the City agrees to deposit the Purchase Price into an environmental escrow at closing for Grantee to utilize for the environmental remediation of the Property; and

WHEREAS, the closing on the sale of the Property shall be contingent on the following: (a) adoption of a resolution by the Chicago Plan Commission approving the disposition of the Property to Grantee; (b) public notices advertising DPD's intent to enter into a negotiated sale of the Property with Grantee and requesting alternative proposals and (c) no other responsive proposals being received by DPD by the deadline set forth in the aforesaid notices; *now, therefore,*

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The foregoing recitals, findings and statements of fact are hereby adopted as the findings of the City Council.

SECTION 2. The sale of the Property to Grantee for the Purchase Price is hereby approved, subject to Grantee's satisfaction of each of the following conditions precedent to closing (unless waived by DPD in its sole discretion):

(a) Grantee must submit to DPD, and DPD must approve, the final construction plans and specifications for the Project; and

(b) Grantee must obtain all building permits and other required permits and approvals necessary to construct the Project and submit evidence thereof to DPD.

If Grantee fails to close on the acquisition of the Property within three (3) years of the date of passage and approval of this ordinance, then this ordinance will be rendered null and void and of no further effect as to such Property, unless the Commissioner, in the Commissioner's sole discretion, extends the closing date. Grantee shall pay all escrow fees and other title insurance fees and closing costs.

SECTION 3. The Purchase Price shall be deposited into an escrow account to be held by a third-party title insurance company for purposes of funding certain environmental costs (the "Escrow Account"), pursuant to a written joint order environmental escrow agreement in substantially the form attached hereto as Exhibit C (the "Escrow Agreement"). The commissioner of the Department of Assets, Information and Services (the "Commissioner"), or a designee of the Commissioner, is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver the Escrow Agreement, and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the Escrow Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Escrow Agreement and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of this ordinance, with such changes, deletions and insertions as shall be approved by the Commissioner or the Commissioner's designee. Such documents may contain terms and provisions that the Commissioner or the Commissioner's designee deems appropriate, including indemnification, releases, affidavits, and other documents as may be reasonably necessary to remove exceptions from title to the Property or that otherwise may be reasonably necessary or appropriate to consummate the transaction contemplated hereby. Grantee shall pay all escrow fees and other title insurance fees and closing costs.

SECTION 4. The Mayor or the Mayor's proxy is authorized to execute, and the City Clerk or the Deputy City Clerk is authorized to attest, a quitclaim deed ("Deed") conveying the Property to Grantee, or to a land trust of which Grantee is the sole beneficiary, or to a business entity of which Grantee is the sole controlling party. Without limiting the quitclaim nature of the Deed, the conveyance of the Property shall be subject to the following: (a) the standard exceptions in an ALTA title insurance policy; (b) general real estate taxes and any special assessments or other taxes; (c) all easements, encroachments, covenants, restrictions and liens of record and not shown of

record; (d) such other title defects that may exist; and (e) any and all exceptions caused by the acts of Grantee or its agents. In addition, the Deed shall include the following terms, covenants and conditions, in substantially the form set forth below, which are a part of the consideration for the Property and which shall run with the land and be binding upon and enforceable against Grantee and Grantee's heirs, successors and assigns, in perpetuity (unless a shorter period is expressly stated below):

1. **Covenant to-complete Project.** Grantee shall develop the Project and satisfy the remediation requirements set forth in Section 3(b) below in accordance with plans previously approved by the Department of Planning and Development ("Department") within eighteen (18) months of the date of the Deed. No material deviation from the previously approved plans is permitted without written approval from the Department. If this condition is not met, the City may record a notice of default against the Property and shall have the right to exercise any and all remedies available to it at law or in equity, including the right to re-enter and re-vest title to the Property in the City. Grantee, at the request of the City, covenants to execute and deliver to the City a reconveyance deed to the Property to further evidence such re-vesting of title. Upon completion of the Project, Grantee shall submit a written request to the Department for a certificate of completion. If the Department determines that Grantee has completed the renovation in accordance with this covenant, the Department shall provide Grantee with the certificate of completion. The certificate shall be in recordable form and shall, upon recording, constitute a conclusive determination of satisfaction and termination of the covenant in this section.

2. **"As Is," "Where Is" and "With All Faults" Conveyance.** Grantee acknowledges that Grantee has had an opportunity to inspect the Property and is relying solely upon Grantee's own inspection and other due diligence activities in determining whether to acquire the Property, and not upon any information provided by or on behalf of the City with respect thereto. Grantee accepts the risk that any inspection may not disclose all material matters affecting the Property (and any improvements thereon). Grantee acknowledges and agrees that the Property is being conveyed, and Grantee accepts the Property, in its "AS IS," "WHERE IS" and "WITH ALL FAULTS" condition, without any covenant, representation or warranty, express or implied, of any kind, regarding the physical or environmental condition of the Property (or any improvements thereon), its compliance with any Laws, or the suitability or merchantability of the Property for any purpose whatsoever. Grantee acknowledges and agrees that Grantee is solely responsible for any investigation and remediation work necessary to put the Property in a condition which is suitable for its intended use.

3. **Environmental Requirements.** Grantee shall satisfy the following environmental requirements:

(a) As used herein, the following terms shall have the following meanings:

"Contaminant" means any of those materials set forth in 415 ILCS 5/3.165 and 35 Ill. Adm. Code Part 742.305, as amended from time to time, that are subject to regulation under any Environmental Law.

"Environmental Laws" means all Laws pertaining to health, safety, Hazardous Substances or Other Regulated Material, or the environment (including, but not limited to, ground, air, water or noise pollution or contamination, and underground or above-ground tanks), now or hereafter in effect, as amended or supplemented from

time to time, including, without limitation, the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 *et seq.*; the Toxic Substances Control Act, 15 U.S.C. § 2601 *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 *et seq.*; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 *et seq.*, as amended by the Hazardous and Solid Waste Amendments of 1984; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 *et seq.* ("CERCLA"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"); the Occupational Safety and Health Act, 29 U.S.C. § 651 *et seq.*; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 *et seq.*; the Clean Air Act, 42 U.S.C. § 7401 *et seq.*; the Illinois Environmental Protection Act, 415 ILCS 5/1 *et seq.*; the Gasoline Storage Act, 430 ILCS 15/0.01 *et seq.*; the Sewage and Waste Control Ordinance of the Metropolitan Water Reclamation District of Greater Chicago; the Municipal Code of the City of Chicago; and all rules, regulations, orders, and decrees now or hereafter promulgated under any of the foregoing Laws, as any of the foregoing Laws now exist or may be changed or amended or come into effect in the future.

"Hazardous Substance(s)" has the meaning set forth in 415 ILCS 5/3.215, as amended from time to time.

"IEPA" means the Illinois Environmental Protection Agency, or any successor agency.

"Laws" means any and all applicable federal, state, county, municipal or other laws (including common law), statutes, codes, ordinances, rules, regulations, permits, executive orders or other requirements, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders, consent decrees or judgments.

"Losses" means any and all debts, liens (including, without limitation, lien removal and bonding costs), claims, actions, suits, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees and expenses, consultants' fees and expenses, costs of investigation, and court costs).

"Other Regulated Material" means any Waste, Contaminant, or any other material, not otherwise specifically listed or designated as a Hazardous Substance, that (a) is or contains: petroleum, including crude oil or any fraction thereof, motor fuel, jet fuel, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixtures of natural gas and such synthetic gas, asbestos, radon, any polychlorinated biphenyl, urea, formaldehyde foam insulation, explosive or radioactive material, materials known to contain per- and polyfluoroalkyl substances, i.e. PFAS, or (b) is a hazard to the environment or to the health or safety of persons.

"Waste" means those materials defined in the Illinois Environmental Protection Act, 415 ILCS 5/1 *et seq.* as waste and identified subcategories thereof, including but not limited to, construction or demolition debris, garbage, household waste, industrial process waste, landfill waste, landscape waste, municipal waste, pollution control waste, potentially infectious medical waste, refuse, or special waste.

(b) Remediation Requirements. Grantee shall, in accordance with the applicable environmental standards commensurate with the intended use of the Project, obtain a no further remediation letter (the "NFR Letter") from the Illinois Environmental Protection Agency prior to commencing construction of the Project; *provided*, however, prior to commencing remediation, the City shall have reviewed and approved the remediation plan.

(c) Release. Grantee, on behalf of itself and its officers, directors, employees, successors, assigns and anyone claiming by, through or under any of them, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the Property under or through Grantee following the date of the Deed (collectively, the "Grantee Parties"), hereby releases, relinquishes and forever discharges the City, its officers, agents and employees (collectively, the "City Parties"), from and against any and all Losses which Grantee Parties ever had, now have, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, foreseen or unforeseen, now existing or occurring after the date of the Deed, based upon, arising out of or in any way connected with, directly or indirectly: (i) any environmental contamination, pollution or hazards associated with the Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Substances, or threatened release, emission or discharge of Hazardous Substances; (ii) the structural, physical or environmental condition of the Property, including, without limitation, the presence or suspected presence of Hazardous Substances in, on, under or about the Property or the migration of Hazardous Substances from or to other property; (iii) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any governmental or regulatory body response costs, natural resource damages or Losses arising under CERCLA; and (iv) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the Property or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Grantee Parties waive their rights of contribution and subrogation against the City Parties.

Grantee acknowledges and agrees that the foregoing covenant of release constitutes a material inducement to the City to convey the Property, and that, but for such release, the City would not have agreed to convey the Property to Grantee. It is expressly agreed and understood by and between Grantee and the City that, should any future obligation of Grantee or Grantee Parties arise or be alleged to arise in connection with any environmental, soil or other condition of the Property, neither Grantee nor any other Grantee Parties shall assert that those obligations must be satisfied in whole or in part by the City, because this covenant contains a full, complete and final release of all such claims.

3. Affordable Housing. Grantee acknowledges that the sale of City-owned land may trigger Section 2-44-085 of the Municipal Code of Chicago (as hereafter amended, supplemented or replaced, the "Affordable Requirements Ordinance"), and therefore, that a future residential project on the Property may be subject to the requirements of the Affordable Requirements Ordinance.

SECTION 5. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 6. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 7. This ordinance shall be in full force and effect immediately upon its passage and approval.

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

_____.

Address: 422-426 E. 47th Street

Property Index Number: 20-03-422-016-0000
20-03-422-017-0000
20-03-422-018-0000

EXHIBIT B
PROJECT NARRATIVE

The proposed building will be a 4-story mixed-use, 40,000 square-foot structure. The first floor is intended for retail/commercial use. It is anticipated that RootWork Art Gallery (Tracie Hall), Paulett's Public Market and Kartemquin Educational Films will occupy the ground floor retail leased space. RootWork will showcase emerging and lesser-known artists of color to the awareness of leading curators and museums. In 2020, the gallery was among those recognized by the Hyde Park Art Center as one of the most influential artist-run galleries of the last 10 years.

The second, third and fourth and fifth floors of the building will be designed as live/work condominium residences ranging from 1-3 bedrooms, with a dedicated entrance for the residences and garage parking. It is anticipated that there will be a total of 10 residential units. The site will have approximately 10 private parking spaces on-site in addition to the garage spaces.

Pursuant to the letter of interest which the Developer submitted to the City on February 24, 2022, the Project and Developer are aligned with the following priorities: (1) will positively impact neighborhood and community development plans; (2) preserves existing stable and viable neighborhoods; (3) halts slowly occurring decline or deterioration in the community and (3) confronts rapid or recent decline or deterioration within the community.

EXHIBIT C
FORM OF JOINT ORDER ESCROW AGREEMENT

Escrow No. _____ Date: _____ ,
2023

To: _____ [name of title company] ("Escrowee")

Parties: (a) Revere Properties, Inc., an Illinois corporation ("Grantee");
(b) City of Chicago, an Illinois municipal corporation ("City"); and
(c) _____ ("Lender").

1. The accompanying \$ _____ is deposited by the City and Grantee with the Escrowee and shall be used solely to reimburse Grantee for the costs shown on Schedule 4 attached hereto, otherwise known as the "Approved Project Costs," relating to Grantee's performance of the "Remediation Work," as such terms are defined in and determined and otherwise governed by the Quitclaim Deed to Grantee from the City dated _____ ("Deed"). The Remediation Work will be performed on the Property legally described in Schedule 1 attached hereto.

2. The funds shall be disbursed by Escrowee only upon the written joint order of (1) _____, in her/his capacity as the ___ of Grantee, or her/his duly authorized designee, (2) the Commissioner or any Deputy Commissioner of the Department of Assets, Information and Services, and (3) any officer of Lender. That written order must be substantially in the form of Schedule 2 attached hereto. The joint order shall be accompanied by a written statement from _____, Grantee's general contractor or environmental remediation contractor, in substantially the form of Schedule 3 attached hereto, which statement shall be attached to the joint order. Draw requests can be submitted on a monthly basis (i.e., within 30 days of Grantee incurring the expense for Approved Project Costs.

3. Escrowee is hereby expressly authorized to disregard, in its sole discretion, any and all notices or warnings not given jointly by all of the parties to this Agreement, but Escrowee is hereby expressly authorized to regard and to comply with and obey any and all orders, judgments or decrees entered or issued by any court with or without jurisdiction, and in case Escrowee obeys or complies with any such order, judgment or decree of any court, it shall not be liable to any of the parties to this Agreement or any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree being entered without jurisdiction or being subsequently reversed, modified, annulled, set aside or vacated. In case of any suit or proceeding regarding this Agreement, to which Escrowee is or may at any time become a party, Escrowee shall have a lien on the escrow funds for any and all Costs and attorneys' fees, whether such attorney shall be regularly retained or specifically employed, and any other expenses that Escrowee may have incurred or become liable for on account thereof out of said escrow funds, and the parties to this Agreement jointly and severally agree to pay Escrowee upon demand all such costs, fees

and expenses so incurred.

4. Except as set forth in Paragraph 10 hereof, in no case shall escrow funds be surrendered except on a joint order signed by Grantee and the City or their respective legal representatives or successors or as directed pursuant to Paragraph 2 above or in obedience of the process or order of court as provided in this Agreement.

5. If conflicting demands are made upon Escrowee or legal action is brought in connection with this Agreement, Escrowee may withhold all performance without liability therefore, or Escrowee may file suit for interpleader or declaratory relief. If Escrowee is required to respond to any legal summons or proceedings, or if any action of interpleader or declaratory relief is brought by Escrowee, or if conflicting demands or notice by parties to this Agreement or by others are served upon Escrowee, the parties jointly and severally agree to pay escrow fees and all costs, expenses, and attorneys' fees expended or incurred by Escrowee as a result of any of the above described events. The undersigned parties further agree to save Escrowee harmless from all losses and expenses, including reasonable attorneys' fees and court costs incurred by reason of any claim, demand, or action filed with respect to this Agreement. The undersigned jointly and severally agree to pay the fees of Escrowee and reimburse Escrowee for all expenses incurred in connection with this Agreement and direct that all sums due to Escrowee pursuant to this Agreement be deducted from the escrow funds. The undersigned hereby grant Escrowee a lien against the escrow funds to secure all sums due Escrowee. The Escrowee shall not be liable for any act which it may do or omit to do hereunder in good faith and the reasonable exercise of its own best judgment. Any act done or omitted by the Escrowee pursuant to the advice of its legal counsel shall be deemed conclusively to have been performed in good faith by the Escrowee.

6. This Agreement is intended to implement the terms of the Deed. It is not intended to cancel, supersede or modify such terms. The duties and responsibilities of Escrowee are limited to this Agreement and the Escrowee shall not be subject to nor obligated to recognize any other agreement between the parties, provided, however, that these escrow instructions may be amended at any time by an instrument in writing signed by all of the undersigned.

7. Grantee and the City warrant to and agree with Escrowee that, unless otherwise expressly set forth in this Agreement: (a) there is no security interest in the escrow funds or any part thereof; (b) no financing statement under the Uniform Commercial Code is on file in any jurisdiction claiming a security interest in or describing (whether specifically or generally) the escrow funds or any part thereof; and (c) Escrowee shall have no responsibility at any time to ascertain whether or not any security interest exists in the escrow funds or any part thereof or to file any financing statement under the Uniform Commercial Code with respect to the escrow funds or any part thereof.

8. The fee for establishing the escrow is \$_____, payable by Grantee at the time the escrow funds are deposited. An annual fee of \$_____ will be payable by Grantee for each year (or part thereof) the escrow account remains open (with any part of the deposit not disbursed) after the anniversary of the date first set forth above. Wire transfer or overnight delivery fees will be assessed at the rate of \$_____ each. All fees relating to this escrow account shall be billable to and payable solely by Grantee. Funds from the

escrow account may not be used to pay any such fees, including fees for check payments after the first ten (10) such payments. The Escrowee shall disburse all funds in the escrow account to the City if Grantee fails to timely pay Escrowee such fees.

9. Escrowee may resign as escrow agent by giving ten (10) days prior written notice by certified mail, return receipt requested, sent to Grantee and the City care of their designated representatives and at the addresses set forth below, and thereafter Escrowee shall deliver all remaining escrow funds to a successor escrow agent named by Grantee and the City in a joint written and signed order. If Grantee and the City do not agree on a successor escrow agent, then Escrowee shall deliver all remaining escrow funds to the City.

10. This Agreement shall terminate ten (10) days following the earlier of: (i) the date on which Grantee completes the Remediation Work in accordance with the terms of the Deed, or (ii) _____, 20____, as such date may be extended in writing by the City. All funds, including accumulated interest on the escrow funds, remaining in the escrow account on such termination date will belong to the City and the City will have the sole right to direct the Escrowee to disburse the funds in the escrow account to the City.

11. Any notice which the parties hereto are required or desire to give hereunder to any of the undersigned shall be in writing and may be given by mailing or delivering the same to the address of the undersigned by certified mail, return receipt requested, or overnight courier:

City: City of Chicago
Department of Assets, Information and Services
2 North LaSalle Street, Suite 200
Chicago, Illinois 60602
Attn: Commissioner

With copies to: City of Chicago
Department of Planning & Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
Attn: Commissioner

City of Chicago Department of Law
121 North LaSalle Street, Suite 600
Chicago, Illinois 60602
Attn: Real Estate and Land Use Division

Grantee: Revere Properties, Inc.
7420 S. Woodlawn Ave.
Chicago, IL 60619
Attn: Lee Reid, Jr.

With copies to: _____

Attn: _____

If Lender: _____

Attn: _____

Escrowee: _____

Attn: _____

REVERE PROPERTIES, INC.

CITY OF CHICAGO

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

LENDER: _____
By: _____
Name: _____
Its: _____

ESCROWEE: _____
By: _____
Name: _____
Its: _____

SCHEDULE 1
TO JOINT ORDER ESCROW AGREEMENT
LEGAL DESCRIPTION OF PROPERTY

See Exhibit A to Ordinance

SCHEDULE 2
TO JOINT ORDER ESCROW AGREEMENT

Disbursement Direction

I, _____, the _____ of Revere Properties, Inc., an Illinois corporation, hereby direct _____, Escrowee, under its Escrow Number _____ to pay to _____ the sum of \$ _____ from the cash Deposit held in said Escrow.

Dated: _____

Revere Properties, Inc.

By: _____

Name: _____

Its: _____

I, _____, the _____ [Commissioner / Deputy Commissioner] of the City of Chicago Department of Assets, Information and Services, hereby authorize the disbursement requested above approving its payment as so directed.

Dated: _____

City of Chicago, acting by and through its Department of Assets, Information and Services

By: _____

Name: _____

Its: _____

I, _____, the _____ of _____ [Lender], hereby direct _____, Escrowee, under its Escrow Number _____ to pay to _____ the sum of \$ _____ from the cash Deposit held in said Escrow.

Dated: _____

_____ [Lender]

By: _____

Name: _____

Its: _____

SCHEDULE 3
TO JOINT ORDER ESCROW AGREEMENT

The undersigned has served as the general contractor or remediation contractor to Revere Properties, Inc., an Illinois corporation ("Grantee") and hereby certifies that the accompanying joint written order seeks funds to reimburse Grantee for "Approved Project Costs" incurred by Grantee for the "Remediation Work," as defined in, and determined and governed by, the Quitclaim Deed to Grantee from the City dated _____, _____. The undersigned has obtained and has included with this certification lien waivers for all the work for which reimbursement is sought.

Dated: _____

_____ [General Contractor
or Remediation Contractor]

By: _____

Name: _____

Its: _____

SCHEDULE 4
TO JOINT ORDER ESCROW AGREEMENT

APPROVED PROJECT COSTS

The funds in the Escrow Account will be used solely to reimburse Grantee for the following categories of environmental costs incurred by Grantee in the performance of the Remediation Work:

1. Environmental consultant costs;
2. _____; and
3. _____.

Such environmental costs must be based on Grantee's actual costs, verified by actual receipts, with no markup by Grantee for these costs. Such receipts must include hourly billing rates for the prime environmental consultant and any environmental subcontractors, as proposed by Grantee and approved by the City, which approval shall not be unreasonably withheld, conditioned or delayed.