

**Exhibit A**

Attached

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Attached



August 18, 2023

Ellen Alderman  
The Rebuild Foundation NFP  
6760 S Stony Island Ave  
Chicago, IL 60649

**RE: Conditional Commitment of Neighborhood Opportunity Funds**

Dear Ellen,

On behalf of the City of Chicago ("City") Department of Planning and Development ("DPD"), congratulations on being selected as a Neighborhood Opportunity Fund ("NOF") Large Finalist ("Finalist")! Pending approval from City Council and execution of the NOF Redevelopment Agreement ("NOF RDA"), The Rebuild Foundation NFP will be an NOF Large Grantee ("Grantee").

The Rebuild Foundation NFP has received a conditional commitment of up to **\$2,500,000** in NOF funds ("NOF Grant").

The Project was selected for the plan and scope of work presented in the application and summarized below. Any changes to the proposed project plan or scope of work without DPD's prior written approval may result in forfeiture of the NOF Grant.

**PROJECT ADDRESS**

1341-53 E 72nd St

**PROJECT PINS**

20-26-209-013-0000

20-26-209-014-0000

**PROJECT PLAN & SCOPE** ("Project")

The Developer intends to repurpose the former St. Laurence School, a 40,000 square foot building, into an amenity to accommodate varying kinds of artists practices including residencies, workshops and critiques for emerging and established artists working in a range of mediums, as well as free public events that will benefit the surrounding community. Programs will be tailored for those interested in painting, drawing printmaking, milling, wood craftsmanship, design, product modeling, writing, music, curation, and other artistic practices. This site will offer Tool, Tech and Fab Labs. Rehabilitation work will include earthwork, asphalt paving,

plumbing, HVAC, electrical, fire protection, carpentry, dry wall partitions, flooring, new windows and security screens, masonry window infill, roof patching, and painting.

**PROJECT SOURCES & USES**

<i>Anticipated Project Funds (Sources)</i>		<i>Anticipated Project Costs (Uses)</i>	
Equity	\$0	Hard Costs	\$8,126,102
Lender Financing	\$561,684	Soft Costs	\$1,218,915
Private Grants	\$6,283,333	Acquisition Costs	\$0
NOF Grant	\$2,500,000	Site Preparation Costs	\$0
<b>Total</b>	<b>\$9,345,017</b>	<b>Total</b>	<b>\$9,345,017</b>

**GRANT PAYMENT**

Grantees shall receive a one-time disbursement of 100% of their NOF Grant following the completion of the Project and DPD’s issuance of the Certificate.

**SUMMARY OF GRANT COVENANTS**

The following is a summary of important NOF Grant covenants to which the Grantee must adhere. The NOF RDA will contain a complete list of all NOF Grant covenants.

Grantees shall not do any of the following without prior, written consent from DPD, for the Term of the Agreement: be a party to any merger, liquidation or consolidation; sell, transfer, convey, lease or otherwise dispose of all or substantially all of their assets or any portion of the project property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; enter into any transaction outside the ordinary course of Grantee’s business; assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or enter into any transaction that would cause a material and detrimental change to Grantee’s financial condition.

*Operations & Occupancy Covenants*

Grantees must continuously own, occupy, and/or operate the entirety of the Project for three years following the issuance of the Certificate. If a Grantee fails to satisfy these requirements, the City shall have the right to cease NOF payments, terminate the RDA, or place a lien on the Project property in the value of disbursed City funds.

*Annual Compliance Report*

Grantees must submit an Annual Compliance Report for at least three years following the issuance of the Certificate. Requirements for the Annual Compliance Reports will be detailed in the NOF RDA.

**GRANT CONDITIONS**

Issuance of the NOF Grant is subject to the Finalist’s ability to fulfill the following conditions, and City Council approval. Following City Council approval of the NOF Grant, the Grantee will be required to execute the NOF RDA with the City, through DPD, which details the legal requirements of the Project and the process for receiving the NOF Grant.

*CONDITIONS FOR SUBMISSION TO CITY COUNCIL FOR APPROVAL FOR THE NOF GRANT*

The following *must* be submitted to your Project Manager by Friday, September 8, 2023 to prepare for submission to City Council for approval.

1. **Pre-Construction Compliance Meeting:** The Finalist, general contractor, and all major subcontractors must meet with Construction Compliance staff to review the Finalist's plan to achieve the City's Construction Compliance obligations (MBE/WBE, City Residency and Prevailing Wage Requirements), as established in the RDA and as mandated by City ordinance and DPD policy.
2. **Final Contractor Estimates:** The Finalist must submit at least two, final and comprehensive contractor estimates for the final Project scope of work. All estimates must reflect the same scope of work and final Project Budget, as well as account for the City's M/WBE, Prevailing Wage and City Residency construction compliance requirements.
3. **Final Project Budget:** The Finalist must submit a final Project budget. The NOF Grant amount in this letter will not be increased; therefore, the Finalist must assume the responsibility of any Project cost increases following City Council approval.
4. **Final Design Documents:** The Finalist must submit, at a minimum, a final site plan, final renderings, and final elevations for the Project. All DPD comments on the Project design should be addressed prior to seeking City Council approval.
5. **Final Zoning Approval:** The Finalist must verify that all proposed Project uses and physical improvements comply with the zoning requirements for the Project location. If the Project uses and/or improvements require a zoning map amendment, licenses, or permits, the Finalist must provide evidence of the approved zoning map amendment, secured licenses and/or permits, and Aldermanic input.
6. **Final Project Financing:** The Finalist must submit proof of project financing, demonstrating that all sources of funds outside of the NOF Grant are available and secured, or will be secured by closing. The Finalist must close on all financing sources on or before executing the RDA.
7. **Final Site Control:** The Finalist must submit the following proof of site control, demonstrating that the Project location is secured, or will be secured by closing. The Finalist must secure site control on or before executing the RDA.
  - a) Tenant Finalists: Letter of interest or executed lease (for at least three years) for the Project location.
  - b) Owner-Occupied Finalists: Deed or Real Estate Purchase Agreement (demonstrating closing within 90 days), for the Project location.
  - c) Property Owner Finalists: Deed or Real Estate Purchase Agreement (demonstrating closing within 90 days), for the Project location; AND letters of interest or executed tenant leases, for at least three years, for at least 75% of the Project.

*CONDITIONS FOR EXECUTING THE NOF RDA*

Following City Council's approval, the Grantee must satisfy the conditions below before the City will execute and deliver the NOF RDA, unless the City waives such conditions in writing.

The following *must* be secured within one month of receiving City Council approval to close on the NOF RDA.

**Building Permits:** The Grantee must submit proof of all permits required by the City's Municipal Code for work associated with the Project for all corresponding costs to be eligible for reimbursement.

#### *CONDITIONS FOR RECEIVING THE CERTIFICATE*

The Grantee must complete project construction and receive a Certificate within the timeframe dictated by the executed NOF RDA, or the Project will be considered in default, the NOF Grant may be forfeited, and the NOF RDA may be terminated.

The Certificate *must* be issued within 18 months of the NOF RDA execution date.

1. **MBE/WBE Requirements:** The Grantee must fulfill at least 35% Minority Business Enterprise (MBE) and 15% Women Business Enterprise (WBE) participation for all direct and indirect construction costs associated with the Project.<sup>1</sup>
2. **City Residency Requirements:** The Grantee must hire City residents to perform 50% of all construction hours.
3. **Prevailing Wage Requirements:** The Grantee must adhere to the City's prevailing wage requirement for all construction trades, as established by the Illinois Department of Labor.
4. **Certificate of Occupancy:** The Grantee must obtain and submit proof of all permits required by the City's Municipal Code to occupy the Project premises.
5. **Business Licenses:** The Grantee must obtain all necessary business licenses.
6. **Documentation:** The Grantee must appropriately document all eligible project costs. Documentation includes, but is not limited to, detailed invoices, cancelled checks, sworn owner's statement, sworn statement of contractor and subcontractor to owner and final lien waivers.

#### **PROJECT WITHDRAWAL AND TERMINATION POLICIES**

##### *Project Withdrawal*

Finalists or Grantees must provide written notification to DPD staff of their intent to rescind their NOF Grant and withdraw from the program. DPD staff will send the Finalist or Grantee an email confirmation of the project withdrawal and the return of the allocated NOF Grant.

##### *Project Termination*

DPD staff will send the Finalist or Grantee notification via email and postal mail to the above address regarding termination of the Project and the return of the allocated NOF Grant.

All questions regarding the conditions outlined in this letter, and general NOF requirements and procedures, can be addressed to William Grams ([william.grams@cityofchicago.org](mailto:william.grams@cityofchicago.org)) or 312-744-0896.

We look forward to supporting your efforts to revitalize the City's South, Southwest and West sides.

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<sup>1</sup> These higher than typical MBE/WBE percentages are required due to the Settlement Agreement dated 5/20/2019 which is attached as an Exhibit to this Conditional Commitment Letter and will be amended to allow for this project to satisfy the terms of the agreement in lieu of the 29<sup>th</sup> & Prairie Project.

Sincerely,



William Jeffries  
Managing Deputy Commissioner  
Department of Planning and Development

**On behalf of** The Rebuild Foundation NFP, **I accept the above terms and conditions of this Conditional Commitment of Neighborhood Opportunity Funds offered by the City of Chicago.**

10/25/23

Date



Ellen Alderman

Director of Programs and Operations

Title

Return one copy of this letter to:

City of Chicago  
Department of Planning and Development  
Attention: William Grams  
121 North LaSalle Street, RM 1003  
Chicago, IL 60602

**NOF-LARGE DELIVERABLE SUMMARY CHECKLIST & SCHEDULE**

**Milestone #1: Conditional Commitment of Funds (Letter)**

<input checked="" type="checkbox"/>	<i>Conditions for Next Milestone</i>	<i>Time to Next Milestone</i>
	Final Contractor Estimates (2)	<u>SEPTEMBER 8, 2023</u>
	Final Project Budget	
	Final Zoning	
	Final Design Documents	
	Preliminary (Final acceptable) Project Financing Documentation	
	Preliminary (Final acceptable) Site Control Documentation	

**Milestone #2: Council Approval (NOF Grant Issuance)**

<input checked="" type="checkbox"/>	<i>Conditions for Next Milestone</i>	<i>Time to Next Milestone</i>
	Final Project Financing Documentation	<u>1 MONTH</u>
	Final Site Control Documentation	
	Grant Payment Election (executed escrow agreement, if applicable)	
	Building Permits Secured	

**Milestone #3: Project Closing (Executed RDA)**

<input checked="" type="checkbox"/>	<i>Conditions for Next Milestone</i>	<i>Time to Next Milestone</i>
	M/WBE Construction Compliance Requirements Fulfilled	<u>18 MONTHS</u>
	City Residency Construction Compliance Requirements Fulfilled	
	Prevailing Wage Construction Compliance Requirements Fulfilled	
	Occupancy Permits Secured	
	Business Permits Secured	
	Business Licenses Secured	
	Project Cost Documentation (invoices, sworn statements, lien waivers)	

**Milestone #4: Project Completion (Certificate of Completion)**