

STATE OF ILLINOIS)  
  )SS  
COUNTY OF COOK )

**CERTIFICATE**

I, Jennifer Rampke, the duly authorized, qualified and Executive Secretary of the **Community Development Commission of the City of Chicago**, and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a Resolution adopted by the **Community Development Commission of the City of Chicago** at a Regular Meeting Held on the 8<sup>th</sup> Day of November 2005 with the original resolution adopted at said meeting and recorded in the minutes of the Commission, and do hereby certify that said copy is a true, correct and complete transcript of said Resolution.

**Dated this 8<sup>th</sup> Day of November 2005**

  
**EXECUTIVE SECRETARY**  
Jennifer Rampke

COMMUNITY DEVELOPMENT COMMISSION  
OF THE  
CITY OF CHICAGO

RESOLUTION NO. 05 - CDC - 105

AUTHORIZATION TO NEGOTIATE A  
REDEVELOPMENT AGREEMENT WITH ONE SOUTH DEARBORN, LLC and  
MITTAL STEEL USA ISG, INC.

AND  
RECOMMENDATION TO  
THE CITY COUNCIL OF THE CITY OF CHICAGO  
FOR THE DESIGNATION OF ONE SOUTH DEARBORN, LLC and MITTAL STEEL  
USA ISG, INC. AS DEVELOPER

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (the City Council referred to herein collectively with the Mayor as the "Corporate Authorities") as codified in Section 2-124 of the City's Municipal Code; and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.), (as amended from time to time, the "Act"); and

WHEREAS, the City Council, upon the Commission's recommendation pursuant to Resolution \_\_-CDC-\_\_ and pursuant to the Act, enacted three ordinances on June 20, 1984 and later amended on February 7, 1997 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the Central Loop Redevelopment Project Area (the "Area"), designated the Area as a redevelopment project area and adopted tax increment allocation financing for the Area. The street boundaries of the Area are described on Exhibit A hereto; and

WHEREAS, One South Dearborn, LLC and Mittal Steel USA ISG, Inc. (the "Developer"), has presented to the City's Department of Planning and Development ("DPD") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of a new Unites States corporate headquarters for Mittal Steel USA ISG, Inc. on the 18<sup>th</sup> and 19<sup>th</sup> floors of the 1 South Dearborn building (the "Project"); and

WHEREAS, DPD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; now, therefore,

**BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO:**

- Section 1. The above recitals are incorporated herein and made a part hereof.
- Section 2. The Commission hereby recommends to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.
- Section 3. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.
- Section 4. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 5. This resolution shall be effective as of the date of its adoption.
- Section 6. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: November 8, 2005

Attachment: Exhibit A, Street Boundary Description

City of Chicago  
Department of Planning and Development

STAFF REPORT  
TO THE  
COMMUNITY DEVELOPMENT COMMISSION  
REQUESTING DEVELOPER DESIGNATION  
NOVEMBER 8, 2005

I. PROJECT IDENTIFICATION AND OVERVIEW

Project Name: Mittal Steel Corporate Headquarters

Applicant Name: One South Dearborn, LLC and Mittal Steel USA ISG, Inc.

Project Address: 1 South Dearborn Street

Ward and Alderman: 42<sup>nd</sup>, Alderman Burton F. Natarus

Community Area: Loop (32)

Redevelopment Project Area: Central Loop Tax Increment Financing Redevelopment Project Area

Requested Action: TIF Developer Designation

Proposed Project: One South Dearborn, LLC has constructed a 40-story 830,000 square foot Class A office building at 1 South Dearborn (the "Building"). Mittal Steel USA ISG, Inc. ("Mittal Steel") has entered into a lease with One South Dearborn, LLC for approximately 53,400 square feet of unfinished space on the 18<sup>th</sup> and 19<sup>th</sup> floors of the Building for use as its United States corporate headquarters.

TIF Assistance: \$2,000,000, to be provided upon issuance of the Certificate of Completion.

II. PROPERTY DESCRIPTION

Address: 1 South Dearborn Street ("Property")

Location: Southeast corner of State and Madison Streets

Tax Parcel Numbers: 17-16-206-007 and 17-16-206-008

Land Area: 41,850 square foot site; 830,000 square foot office building  
53,400 square feet for Mittal Steel

Current Use: Site is currently improved with a new 40-story office  
building, whose construction is now 75% complete. Retail  
uses are on the first floor and there are four floors of  
parking for 160 cars.

Current Zoning: Planned Development No. 689

Environmental Condition: N/A

### III. BACKGROUND

The Property is located within the Central Loop Tax Increment Financing Redevelopment Project Area (the "Area"), which was established by the City Council on June 20, 1984 and amended on February 7, 1997. The Property is commonly known as 1 South Dearborn Street and is currently improved with a new 40-story office building. The Property is immediately south of the new Sears Department store, east of Bank One/Chase Plaza, and north of the Inland Steel building and Shubert Theater.

This Property's zoning designation is Residential-Business Planned Development No. 689, which was approved by the Chicago City Council on October 7, 1998. In the fall of 2003, construction started on this 569-foot tall office building, which includes four levels of parking for 160 cars and approximately 8,000 square feet of retail space on the first floor. It is anticipated that the Building will be substantially complete by the end of the year.

Currently, Mittal Steel's United States headquarters is located in Richfield Township, Ohio. After evaluation and consideration of several alternate site locations, specifically including sites in Northwest Indiana, Mittal Steel decided to relocate its United States corporate headquarters to the City of Chicago. Mittal Steel currently has 98 employees in Chicago, all of whom will relocate to the new space.

### IV. PROPOSED DEVELOPMENT TEAM

#### **Development Entity:**

One South Dearborn, LLC is the Developer and owner of the Building. One South Dearborn, LLC is comprised of One South Dearborn Holdings, LLC, Hines One South Dearborn, LP, Levy One South Dearborn Investment Group, LLC, Levy Family Partners LLC, and Thrall Investment Company, LLC (see attached organization chart). *NOTE: Background checks for the Partners of Hines One South Dearborn, LP shall be completed prior to City Council introduction.*

Mittal Steel USA ISG, Inc. is comprised of Mittal Steel US Holdings B.V. (Netherlands), Mittal Steel US Investments B.V. (Netherlands), Mittal Steel Holding AB (Sweden), Mittal Canada, Inc., Mittal Steel Canada Holdings, Inc., Mittal Steel International Holdings B.V. (Netherlands), Beheer-en Beleggingsmaatschappij Brohenco B.V. (Netherlands), Mittal Steel Company N.V. (Netherlands), Mittal Investments S.a.r.l. (Luxembourg) and Ispat International Investments S.L. (Spain) (see attached organization chart).

### Proposed Developer

One South Dearborn, LLC is a privately held Illinois limited liability company that was founded in 1957 in Houston by Gerald D. Hines. The firm is one of the largest privately held real estate development, investment, and management companies in the world. The Hines portfolio of projects completed and underway consists of more than 700 properties including stunning skyscrapers, premier corporate headquarters, mixed-use centers, industrial parks, medical facilities, and master-planned resort and residential communities. Currently, Hines has over 80 million square feet under management and controls assets valued in excess of \$11 billion. In Chicago, Hines has developed and owns a number of properties including 191 N. Wacker, 225 W. Wacker, 303 E. Wacker and Three First National Plaza, to name a few.

Mittal Steel is the largest steelmaker in the world, with shipments of 42.1 million tons and revenues of over \$22 billion in 2004. Mittal Steel is the product of a recently implemented merger between LNM Holdings and Ispat International. Currently, Mittal Steel has steel-making facilities in 14 countries and sales and marketing offices in an additional 11 countries. Mittal Steel employs 164,000 people spanning 45 different nationalities, and its shares are listed on the New York and Amsterdam stock exchanges.

### V. PROPOSED PROJECT

#### Project Overview:

DPD intends to enter into a Tax Increment Financing ("TIF") redevelopment agreement with One South Dearborn, LLC and, through a limited joinder, Mittal Steel. The purpose of the redevelopment agreement is to provide an incentive to Mittal Steel to relocate its United States corporate headquarters into a new office building constructed by One South Dearborn, LLC.

One South Dearborn, LLC has constructed a 40-story Class A office building that includes approximately 830,000 square feet, at the southeast corner of State and Madison Streets. The Building has approximately 8,000 square feet of ground-floor retail and 160 parking spaces. The Building's tenants include Sidley Austin Brown & Wood, Barton Brands, Elite Business Center and Fifth Third Bank. One South Dearborn, LLC anticipates signing a lease with a restaurant user in the very near future to occupy the balance of retail space. The Building is more than 75% complete, with substantial completion by the end of the year. The Property is located within the 42<sup>nd</sup> Ward and the Central Loop Tax Increment Financing Redevelopment Project Area.

Mittal Steel intends to enter into a lease with One South Dearborn, LLC for approximately 53,400 square feet of unfinished space on the 18<sup>th</sup> and 19<sup>th</sup> floors of the Building for use as its United States corporate headquarters. The project will include the following components:

- Mittal Steel's construction of certain tenant improvements on the 18<sup>th</sup> and 19<sup>th</sup> floors including interior construction, plumbing, fire protection, electrical and mechanical work, furniture and furniture installation, carpeting, telecommunications systems and certain architectural costs;
- One South Dearborn LLC's construction of all base building improvements for the Building, the completion of the lobby, all exterior improvements, and the construction of limited Mittal Steel tenant improvements, in compliance with the terms of their lease.

Mittal Steel's 10-year lease calls for a net rent per square foot of \$20.00, which escalates to \$25.60 in Year 10. Mittal Steel will have one five-year option to renew the lease. A floor plan is provided as an exhibit to this report.

## VI. FINANCIAL STRUCTURE

The City intends to enter into a TIF Redevelopment Agreement with One South Dearborn, LLC and, through a limited joinder, Mittal Steel. The purpose of the Redevelopment Agreement is to provide an incentive to Mittal Steel to locate its new United States corporate headquarters in the City of Chicago, at the Building. Mittal Steel has entered into a long-term lease and will complete the build-out of the 18<sup>th</sup> and 19<sup>th</sup> floors, a total of approximately 53,400 square feet of unfinished space, and utilize the space as its headquarters.

DPD intends to provide One South Dearborn with TIF assistance, for eligible costs incurred, in an amount equal to \$2,000,000; the total project cost for the Building is approximately \$220,000,000. The City's financial assistance is being provided for the eventual benefit of Mittal Steel, however, all payments will be made first to One South Dearborn and then paid by One South Dearborn, LLC to Mittal Steel within 30 days of receipt thereof. Mittal Steel will invest approximately \$6,483,140 for the completion of the Project. TIF will be provided to One South Dearborn, LLC from existing increment, and/or bond funds, in the Central Loop Redevelopment Project Area Tax Increment Allocation Fund no earlier than upon the issuance of a Certificate of Completion (the "Certificate") to Mittal Steel for the Project. This is the first TIF deal for the Building; no TIF assistance has been provided in the past.

Mittal will be required to post/purchase an irrevocable Letter of Credit or an alternative form of security acceptable to the City prior to the issuance of the Certificate naming the City as the sole beneficiary, for the full amount of the \$2,000,000 in TIF assistance. The entire principal amount of the Letter of Credit, or an alternative form of security acceptable to the City, will be maintained for 10 years from the date of the issuance of the Certificate. The Letter of Credit essentially will be used to ensure that the occupancy and employment provisions in the redevelopment agreement are satisfied throughout the term of the agreement.

Additionally, Mittal Steel will also receive tax credits from the State of Illinois, which will help pay for job training and infrastructure costs. The State has agreed to provide \$6,360,000 in EDGE Tax Incentive, \$1,000,000 in the form of a Large Business Development Grant (LBDG) and \$159,000 in the form of an Employer Training Investment Grant.

Mittal Steel will use \$1,000,000 of State money (LBDG grant) and \$5,483,140 of its own money to fund this project. The following table identifies the sources and uses of funds for Mittal Steel.

## Sources and Uses of Funds for Mittal Steel

<b><u>Sources of Funds</u></b>		
State LBDG Grant	\$1,000,000	
Internal Funds	<u>\$5,483,140</u>	
<b>Total Sources of Funds</b>	<b>\$6,483,140</b>	
<b><u>Uses of Funds</u></b>		
<b>Hard Costs</b>	<b>Cost</b>	<b>\$/Sq. ft</b>
Demolition	\$1,337	\$0.02
Concrete Latexing	\$4,011	\$0.07
Misc Iron	\$80,226	\$1.50
Structural Steel	\$2,674	\$0.05
Rough Carpentry	\$53,484	\$1.00
Doors, Frames, Hardware	\$53,484	\$1.00
Millwork	\$267,420	\$5.00
Fire Proofing	\$1,337	\$0.02
Hardware / Aluminum	\$53,484	\$1.00
Glass & Glazing	\$53,484	\$1.00
Drywall	\$401,130	\$7.50
Acoustic Tile	\$160,452	\$3.00
Resilient Flooring + Base	\$40,113	\$0.75
Carpeting	\$187,194	\$3.50
Painting	\$93,597	\$1.75
A/V Equipment	\$8,022	\$0.15
Residential Equipment	\$13,371	\$0.25
Fire Protection	\$88,248	\$1.65
Plumbing	\$53,484	\$1.00
HVAC	\$401,130	\$7.50
Electrical	\$508,098	\$9.50
Light Fixtures	\$294,162	\$5.50
Tele/Data Communications (Low Voltage)	\$147,081	\$2.75
Security	\$10,696	\$0.20
Final Clean	\$10,696	\$0.20
Labor	\$40,113	\$0.75
General Conditions	\$75,713	\$1.42
<u>Contingency</u>	<u>\$233,499</u>	<u>\$4.37</u>
<b>Total Hard Costs</b>	<b>\$3,337,740</b>	<b>\$62.41</b>
<b>Soft Costs</b>		
Permits	\$9,085	\$0.17
Overhead & Fees	\$62,266	\$1.16
Architectural	\$160,452	\$3.00
MEP Consulting	\$69,529	\$1.30
<u>Moving/Project Management</u>	<u>\$106,968</u>	<u>\$2.00</u>
<b>Total Soft Costs</b>	<b>\$408,300</b>	<b>\$7.63</b>
<b>Miscellaneous Costs</b>		
Furniture, Fixtures & Equipment	\$1,337,100	\$25.00
<u>Relocation</u>	<u>\$1,400,000</u>	<u>\$26.18</u>
<b>Total Miscellaneous Costs</b>	<b>\$2,737,100</b>	<b>\$51.18</b>
<b>Total Uses of Funds</b>	<b>\$6,483,140</b>	<b>\$121.22</b>



## VII. PUBLIC BENEFITS

The proposed project will provide the following public benefits.

**Permanent Jobs:** Mittal Steel has committed to the creation and/or retention of a minimum of 212 jobs by June 2006. Mittal Steel will maintain a minimum of 191 jobs at the Building for a 10-year period from the date the Certificate is issued. Currently, Mittal Steel has 98 employees in Chicago, all of whom shall be relocated to the new corporate headquarters. The remaining 114 employees will be relocated from East Chicago, Indiana and Richfield Township, Ohio. The Mayor's Office for Workforce Development (MOWD) has been informed of the project and work with the developer on job training and placement.

**Construction Jobs:** The project will produce 75 temporary construction jobs.

**Affirmative Action:** The developer will comply with the requirements of Chicago's affirmative action ordinance, which requires contract participation of 24% by minority-owned business enterprises (MBEs) and 4% by woman-owned business enterprises (WBEs). The developer has provided notification of the proposed project, by certified mail, to eight associations of minority and women contractors. A sample version of the letter and copies of the post office receipts for the certified letters are presented as exhibits to this report.

**City Residency:** The developer will comply with the requirements of Chicago's city residency ordinance, which requires that at least half of all construction-worker hours be filled by Chicago residents. The developer will also comply with the requirement that all construction jobs are paid the prevailing wage.

**Donation:** The developer has agreed to donate \$50,000 to New Schools of Chicago, or Renaissance 2010, which shall be payable before closing.

## VIII. COMMUNITY SUPPORT

Alderman Natarus endorses the project. The following community organization has endorsed the project: World Business Chicago (see exhibit for copy of support letter).

## IX. CONFORMANCE WITH REDEVELOPMENT AREA PLAN

The proposed project is located in the Central Loop Tax Increment Financing Redevelopment Project Area. The proposed project will satisfy the following goals of the area's redevelopment plan: Provide needed incentives to encourage a broad range of improvements in preservation, rehabilitation and new development, and create an environment that stimulates private investment in appropriate new construction and rehabilitation. The implementation strategy for achieving the plan's goals envisions the sale of City land for commercial development. The proposed project also conforms to the plan's land use map, which calls for mixed-use development at the subject site.

## X. CONDITIONS OF ASSISTANCE

If the proposed resolution is approved by the CDC, DPD will negotiate a redevelopment agreement with the developer. The redevelopment agreement will incorporate the parameters of the proposed project as described in this staff report. Closing of the agreement will not occur before the City Council has approved the redevelopment agreement and the developer has obtained all necessary City approvals, including zoning and building permits. The redevelopment agreement will include a development timetable.

## XI. RECOMMENDATION

The proposed project is located in the Central Loop Tax Increment Financing Redevelopment Project Area. The proposed project will satisfy the following goals of the area's redevelopment plan: Provide needed incentives to encourage a broad range of improvements in preservation, rehabilitation and new development, and create an environment that stimulates private investment in appropriate new construction and rehabilitation. The implementation strategy for achieving the plan's goals envisions the need to provide TIF financial assistance for the creation of a corporate headquarters in a new office building. The proposed project also conforms to the plan's land use map, which calls for mixed-use development at the subject site.

## EXHIBITS

Redevelopment Area Map  
Neighborhood Map  
Typical Floor Plan  
Elevation  
Sample M/WBE Letter  
Copies of M/WBE Certified Letter Receipts  
TIF Term Sheet  
Community Letter of Support (forthcoming)  
Organizational Charts

EXISTING TAX INCREMENT

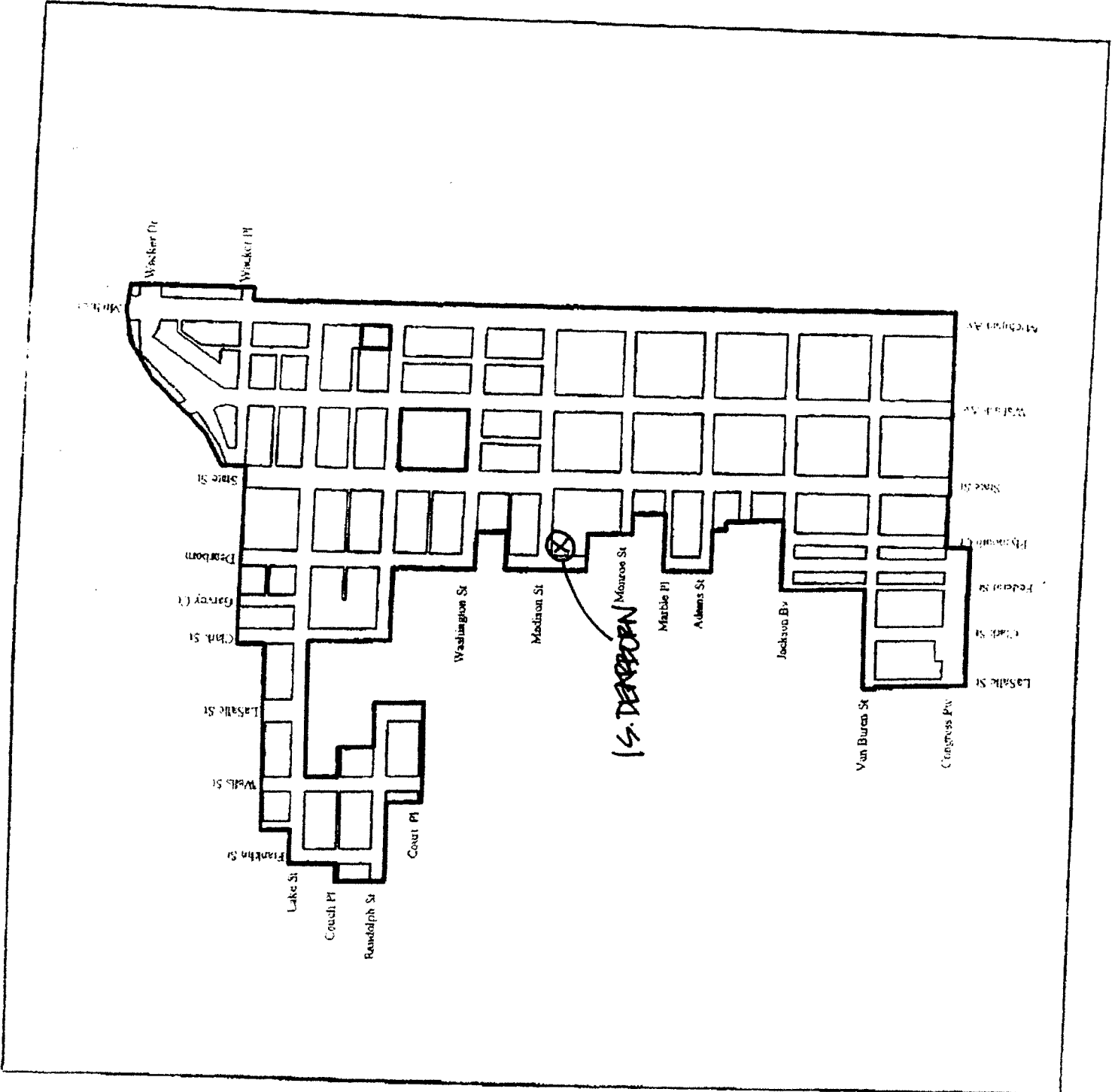
FINANCING DISTRICT

Central Loop



CITY OF CHICAGO  
RICHARD M. DALEY  
MAYOR

DEPARTMENT OF PLANNING  
AND DEVELOPMENT  
ALBERT KLUMBERG  
COMMISSIONER



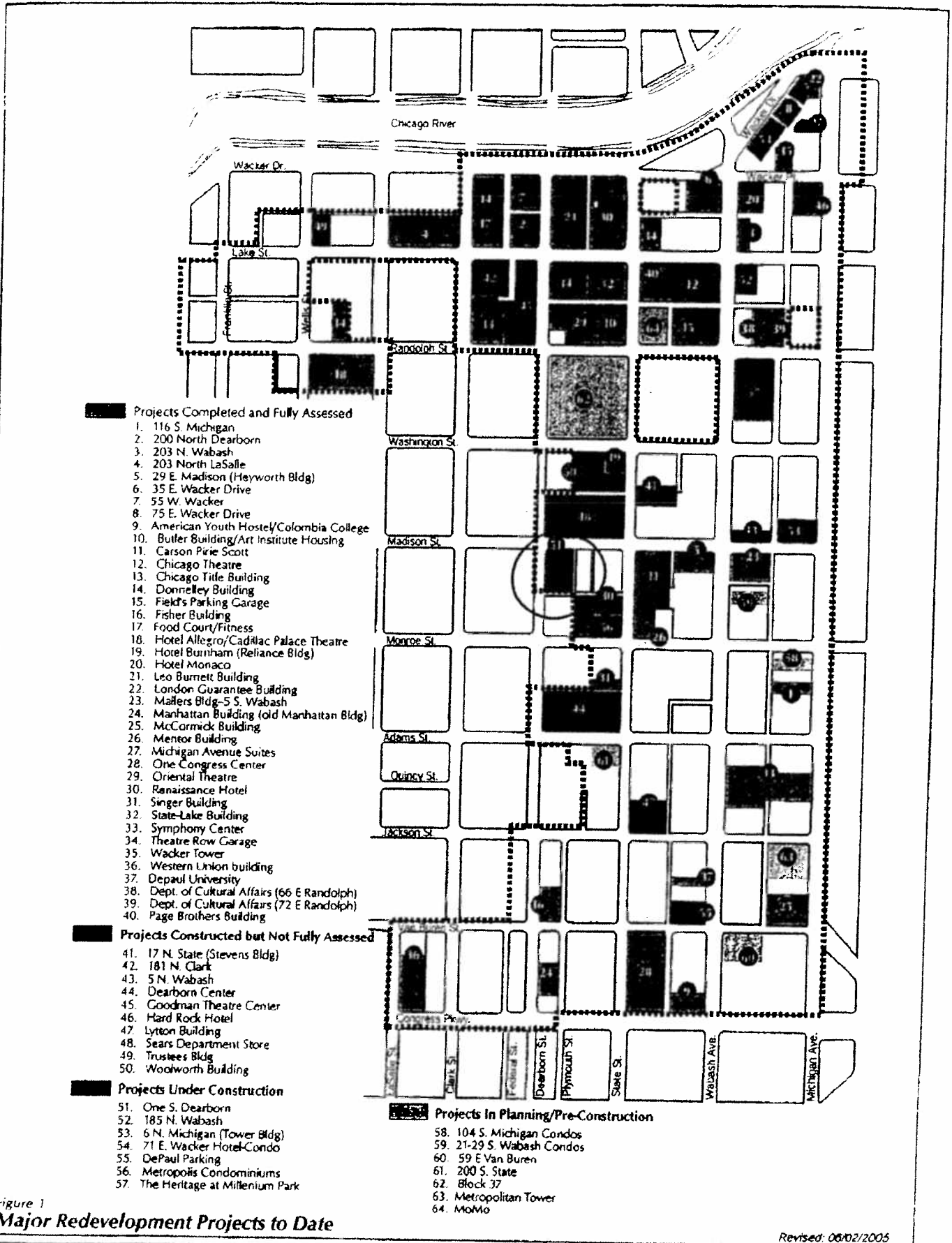
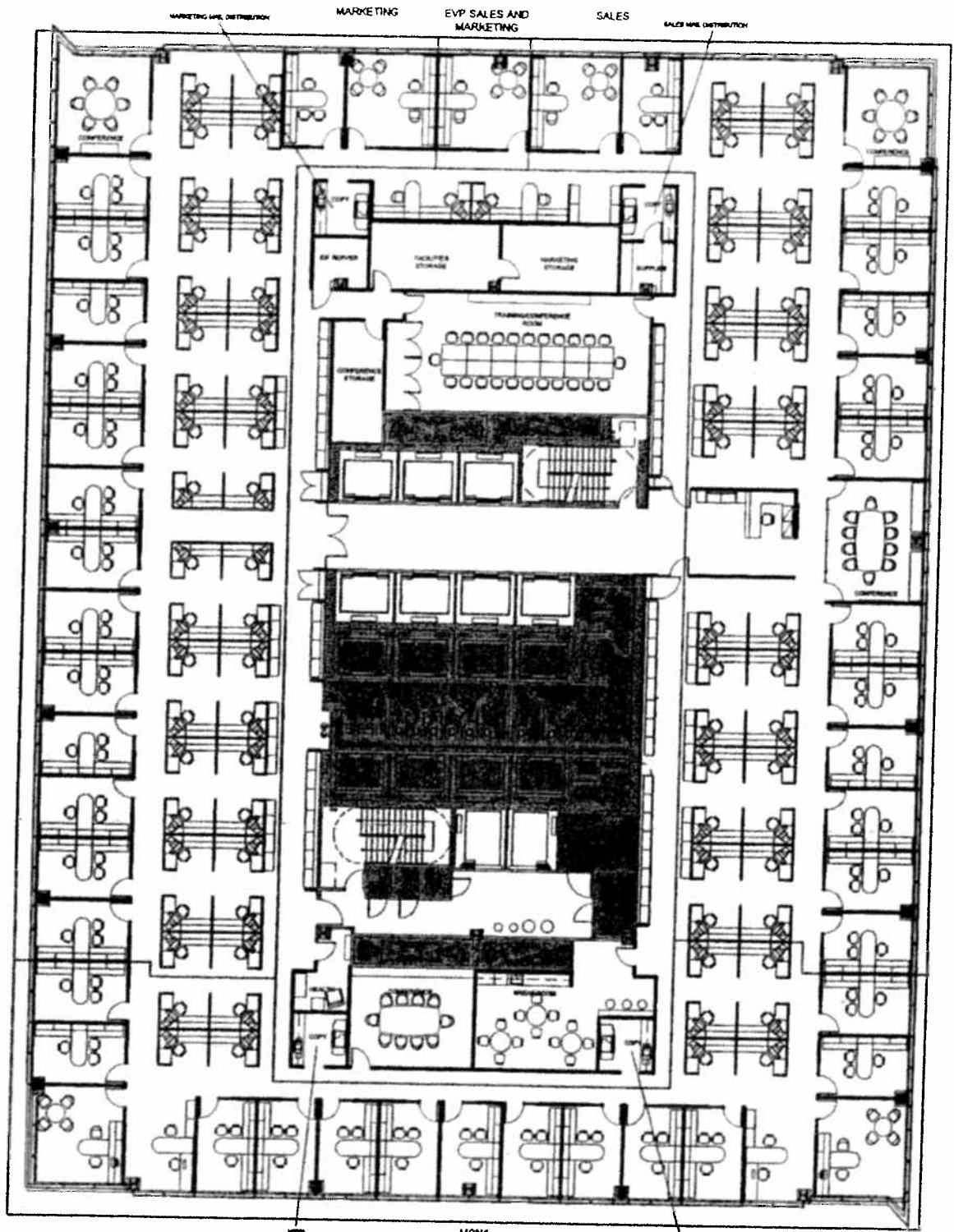


Figure 1  
Major Redevelopment Projects to Date

Revised: 06/02/2005



MITTAL STEEL USA  
1 SOUTH DEARBORN

Revisions:

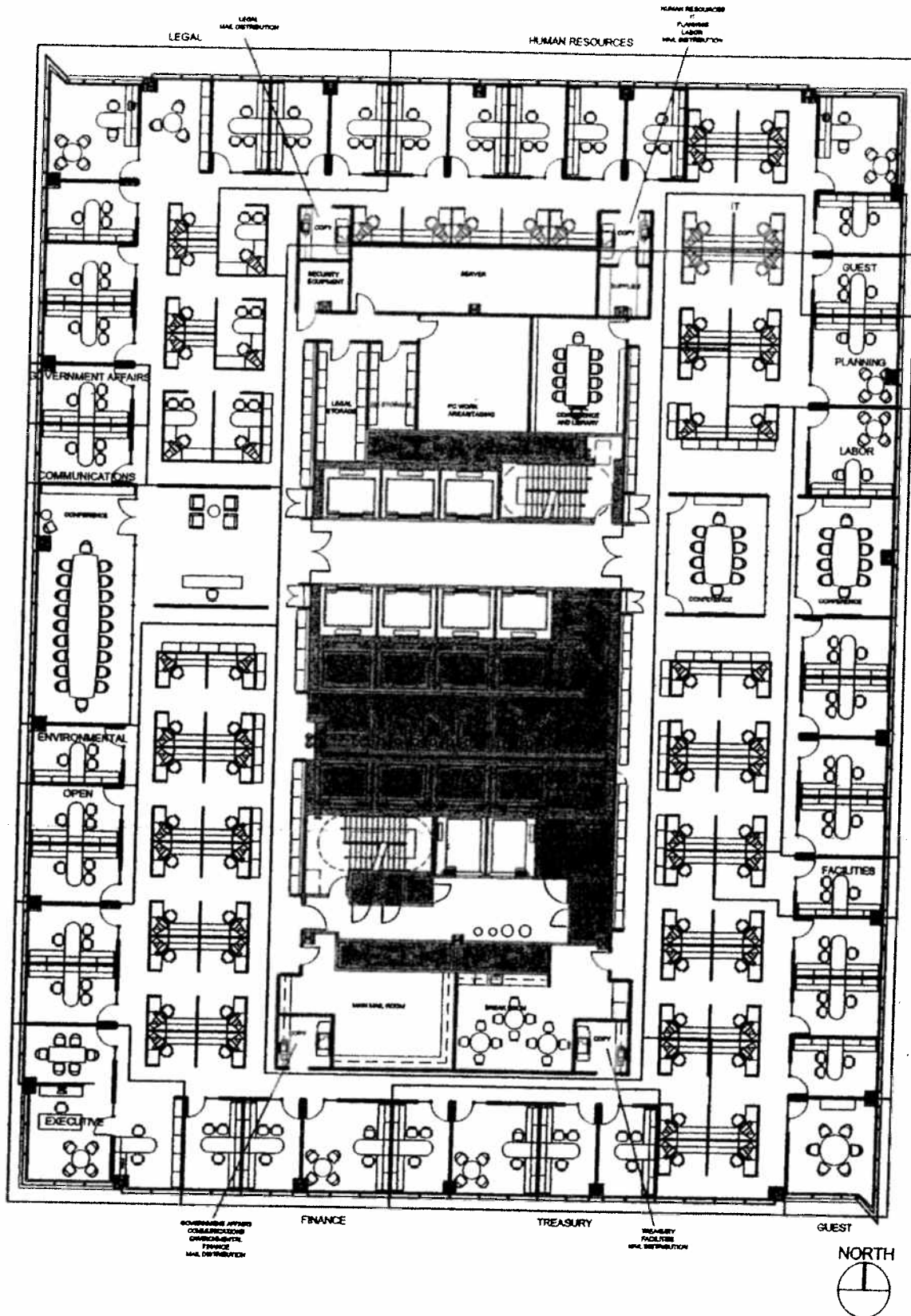
07.21.05	08.01.05
07.21.05	08.03.05
07.22.05	
07.25.05	
07.27.05	
07.29.05	

Project Number: 917.00

Scale:	1/16"=1'-0"
Drawn:	CLH
Checked:	TB
Approved:	
Date:	07.20.2005

**POWELLKLEINSCHMIDT**  
645 North Michigan Avenue  
Suite 610  
Chicago Illinois, 60611  
(312) 642.6450  
(312) 642.5135 (fax)  
www.powellkleinschmidt.com

18TH FLOOR PLAN



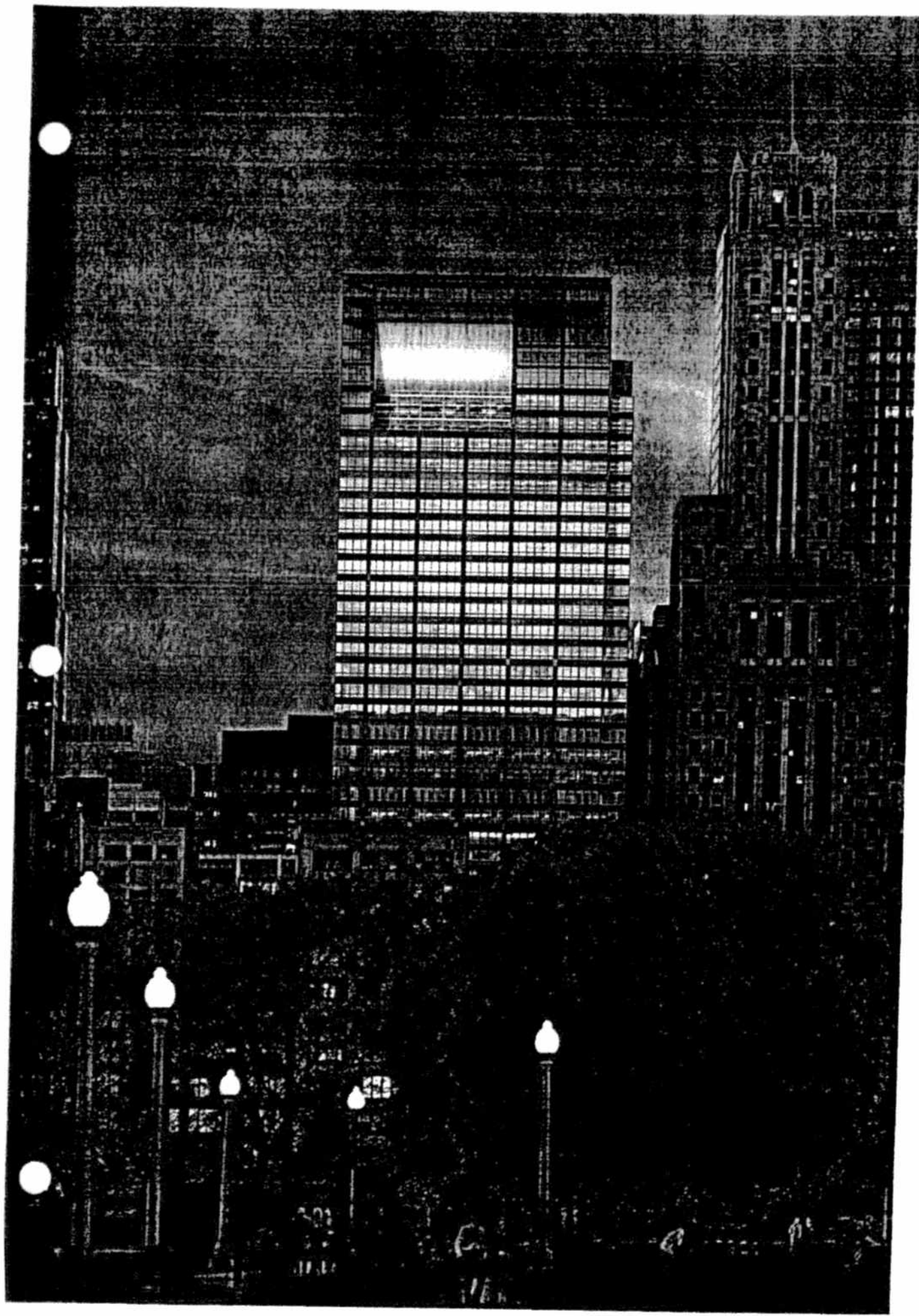
MITTAL STEEL USA  
1 SOUTH DEARBORN

Revisions:  
07.22.05  
07.27.05  
07.29.05  
08.01.05  
08.03.05

Project Number: 917.00  
Scale: 1/16"=1'-0"  
Drawn: CLH  
Checked: TB  
Approved:  
Date: 07.20.2005

**POWELLKLENSCHMIDT**  
845 North Michigan Avenue  
Suite 810  
Chicago Illinois, 60611  
(312) 842-6400  
(312) 842-5135 (fax)  
www.powellkenschmidt.com

19TH FLOOR PLAN







October 21, 2005

**VIA CERTIFIED MAIL**

African American Contractors Association  
Omar Shareef / Crystal Overton  
3706 S. Indiana Ave.  
First Floor  
Chicago, Illinois 60653

Re: One South Dearborn

Dear Omar and Crystal:

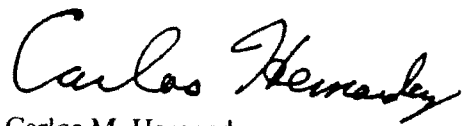
The purpose of this letter is to inform your organization of potential contracting opportunities associated with the proposed development of the property located at One South Dearborn Street, Chicago, Illinois (the "Building"). The project consists of the build-out of approximately 53,500 rentable square feet of office space on the 18<sup>th</sup> and 19<sup>th</sup> floors of the Building. The office space will serve as the United States Corporate Headquarters for Mittal Steel USA ISG, Inc ("Mittal").

Mittal has selected Clune Construction Company L.P. ("Clune") to be the general contractor for the build-out project. The project is anticipated to require the participation of trades such as millwork, fireproofing, glass & glazing, drywall/rough carpentry, carpet/resilient/metal flooring, painting, plumbing, HVAC, electrical, communications and others. A project schedule is attached hereto. Mittal has established a build-out project budget of \$3,796,232, which is subject to minority business enterprise participation of 25% percent and women business enterprise participation of 5%. Clune may be contacted through its Vice President, Mr. Vince Gutekanst at 10 South LaSalle Street, Suite 300, Chicago, Illinois 60603, (312) 609-3638.

At your request, our general contractor will meet with a representative of your organization to present the project budget and schedule. At your request, our general contractor also will provide your organization with one copy of the project bid documents (including plans and specifications).

We request that you make your member companies aware of this project so that they may submit bids for appropriate subcontracting opportunities if and when they arise. Should you have any questions, please do not hesitate to call.

Sincerely,

A handwritten signature in black ink that reads "Carlos Hernandez". The signature is written in a cursive, flowing style.

Carlos M. Hernandez

Attachments

cc: Nori Greenstein, Department of Planning and Development

THE  
WALZ  
CERTIFIED  
MAILER™

FROM

**WALZ™**

FORM #35663 VERSION: 07/04  
U.S. PAT. NOS. 5,501,393; 4,368,903

7160 3901 9848 7228 4328

Label #1

AFRICAN AMERICAN CONTRACTORS  
ASSOCIATION  
OMAR SHAREEF / CRYSTAL OVERTON  
3706 S. INDIANA AVE.  
FIRST FLOOR  
CHICAGO, ILLINOIS 60653

Label #2

AFRICAN AMERICAN CONTRACTORS  
ASSOCIATION  
OMAR SHAREEF / CRYSTAL OVERTON  
3706 S. INDIANA AVE.  
FIRST FLOOR  
CHICAGO, ILLINOIS 60653

Label #3

Ryan J. Fitts  
Mayer, Brown, Rowe & Maw LLP  
71 South Wacker Drive  
Chicago, Illinois 60606-4637

TO:  
AFRICAN AMERICAN CONTRACTORS  
ASSOCIATION  
OMAR SHAREEF / CRYSTAL OVERTON  
3706 S. INDIANA AVE.  
FIRST FLOOR  
CHICAGO, ILLINOIS 60653

SENDER: Ryan J. Fitts

REFERENCE: 05077976

TEAR ALONG THIS LINE

PS Form 3800, June 2000

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	
	Return Receipt Fee	
	Restricted Delivery	
Total Postage & Fees		

US Postal Service

POSTMARK OR DATE

Receipt for  
Certified Mail

No Insurance Coverage Provided  
Do Not Use for International Mail

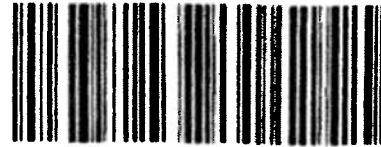
FOLD AND TEAR THIS WAY → OPTIONAL

Label #5

AFRICAN AMERICAN CONTRACTORS  
ASSOCIATION  
OMAR SHAREEF / CRYSTAL OVERTON  
3706 S. INDIANA AVE.  
FIRST FLOOR  
CHICAGO, ILLINOIS 60653

Label #6

PLACE STICKER AT TOP OF ENVELOPE  
TO THE RIGHT OF RETURN ADDRESS.  
FOLD AT DOTTED LINE.  
**CERTIFIED MAIL**



7160 3901 9848 7228 4328

RETURN RECEIPT REQUESTED

Charge  
Amount:

Charge  
To: 05077976

Certified Article Number  
9234 9228 9486 7046 0917  
SENDER'S RECORD

FOLD AND TEAR THIS WAY →

2. Article Number



7160 3901 9848 7228 4328

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

AFRICAN AMERICAN CONTRACTORS ASSOCIATION  
OMAR SHAREEF / CRYSTAL OVERTON  
3706 S. INDIANA AVE.  
FIRST FLOOR  
CHICAGO, ILLINOIS 60653

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

**X**  Agent  
 Addressee  
D. Is delivery address different from item 1?  
If YES, enter delivery address below:  Yes  
 No

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED  
USPS MAIL CARRIER  
DETACH ALONG PERFORATION

Thank you for using Return Receipt Service

THE  
WALZ  
CERTIFIED  
MAILER™

FROM

**WALZ**™

FORM #35663 VERSION: 07/04  
U.S. PAT. NOS. 5,501,393; 4,368,903

7160 3903 9848 7227 9874

Label #1

BLACK CONTRACTORS UNITED  
EDWARD T. MCKINNIE  
400 W. 76TH ST.  
CHICAGO, ILLINOIS 60620

Label #2

BLACK CONTRACTORS UNITED  
EDWARD T. MCKINNIE  
400 W. 76TH ST.  
CHICAGO, ILLINOIS 60620

Label #3

Ryan J. Fitts  
Mayer, Brown, Rowe & Maw LLP  
71 South Wacker Drive  
Chicago, Illinois 60606-4637

TO:  
BLACK CONTRACTORS UNITED  
EDWARD T. MCKINNIE  
400 W. 76TH ST.  
CHICAGO, ILLINOIS 60620

SENDER: Ryan J. Fitts

REFERENCE: 05077976

← TEAR ALONG THIS LINE

PS Form 3800, June 2000

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	
	Return Receipt Fee	
	Restricted Delivery	
	Total Postage & Fees	

US Postal Service

POSTMARK OR DATE

### Receipt for Certified Mail

No Insurance Coverage Provided  
Do Not Use for International Mail

FOLD AND TEAR THIS WAY → OPTIONAL

Label #5

BLACK CONTRACTORS UNITED  
EDWARD T. MCKINNIE  
400 W. 76TH ST.  
CHICAGO, ILLINOIS 60620

Label #6

PLACE STICKER AT TOP OF ENVELOPE  
TO THE RIGHT OF RETURN ADDRESS  
FOLD AT DOTTED LINE  
**CERTIFIED MAIL**



7160 3903 9848 7227 9874

RETURN RECEIPT REQUESTED

Charge  
Amount:

Charge  
To: 05077976

FOLD AND TEAR THIS WAY →

Label #4

Certified Article Number  
7160 3903 9848 7227 9874  
SENDER'S RECORD

2. Article Number



7160 3903 9848 7227 9874

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

BLACK CONTRACTORS UNITED  
EDWARD T. MCKINNIE  
400 W. 76TH ST.  
CHICAGO, ILLINOIS 60620

#### COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X

Agent  
 Addressee  
 Yes  
 No

D. Is delivery address different from item 1?  
If YES, enter delivery address below:

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED  
USPS MAIL CARRIER  
DETACH ALONG PERFORATION


Thank you for using Return Receipt Service

THE  
WALZ  
CERTIFIED  
MAILER™


FROM **WALZ™**

U.S. PAT. NOS. 5,501,393; 4,368,903

7160 3901 9848 7227 9881

  
FEDERATION OF WOMEN CONTRACTORS  
BETH DORIA  
5650 S. ARCHER AVE.  
CHICAGO, ILLINOIS 60638

Label #1

  
FEDERATION OF WOMEN CONTRACTORS  
BETH DORIA  
5650 S. ARCHER AVE.  
CHICAGO, ILLINOIS 60638

Label #2

Ryan J. Fitts  
Mayer, Brown, Rowe & Maw LLP  
71 South Wacker Drive  
Chicago, Illinois 60606-4637

Label #3

TO:  
FEDERATION OF WOMEN  
CONTRACTORS  
BETH DORIA  
5650 S. ARCHER AVE.  
CHICAGO, ILLINOIS 60638

SENDER: Ryan J. Fitts

REFERENCE: 05077976

PS Form 3800, June 2000

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	
	Return Receipt Fee	
	Restricted Delivery	
	Total Postage & Fees	

← TEAR ALONG THIS LINE

US Postal Service  
**Receipt for  
Certified Mail**

POSTMARK OR DATE

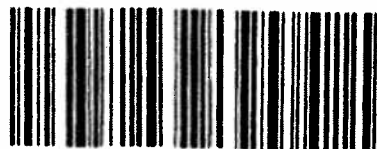
No Insurance Coverage Provided  
Do Not Use for International Mail

FOLD AND TEAR THIS WAY → OPTIONAL

Label #5

FEDERATION OF WOMEN CONTRACTORS  
BETH DORIA  
5650 S. ARCHER AVE.  
CHICAGO, ILLINOIS 60638

Label #6



7160 3901 9848 7227 9881

RETURN RECEIPT REQUESTED

Certified Article Number  
7160 3901 9848 7227 9881  
SENDER'S RECORD

Charge Amount:

Charge To: 05077976

FOLD AND TEAR THIS WAY →

2. Article Number



7160 3901 9848 7227 9881

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

FEDERATION OF WOMEN CONTRACTORS  
BETH DORIA  
5650 S. ARCHER AVE.  
CHICAGO, ILLINOIS 60638

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

**X**  Agent  Addressee

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED  
USPS MAIL CARRIER  
DETACH ALONG PERFORATION

Thank you for using Return Receipt Service

THE  
WALZ  
CERTIFIED  
MAILER™

FROM

**WALZ**™

U.S. PAT. NOS. 5,501,393; 4,388,903

1380 3102 1078 1001 10 10

Label #1

HISPANIC AMERICAN CONSTRUCTION  
INDUSTRY ASSOCIATION  
RAFAEL HERNANDEZ  
901 W. JACKSON ST.  
SUITE 205  
CHICAGO, ILLINOIS 60607

Label #2

HISPANIC AMERICAN CONSTRUCTION  
INDUSTRY ASSOCIATION  
RAFAEL HERNANDEZ  
901 W. JACKSON ST.  
SUITE 205  
CHICAGO, ILLINOIS 60607

Label #3

Ryan J. Fitts  
Mayer, Brown, Rowe & Maw LLP  
71 South Wacker Drive  
Chicago, Illinois 60606-4637

TO:

HISPANIC AMERICAN CONSTRUCTION  
INDUSTRY ASSOCIATION  
RAFAEL HERNANDEZ  
901 W. JACKSON ST.  
SUITE 205  
CHICAGO, ILLINOIS 60607

SENDER:

Ryan J. Fitts

REFERENCE:

05077976

← TEAR ALONG THIS LINE

PS Form 3800, June 2000

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	
	Return Receipt Fee	
	Restricted Delivery	
Total Postage & Fees		

US Postal Service

POSTMARK OR DATE

Receipt for  
Certified Mail

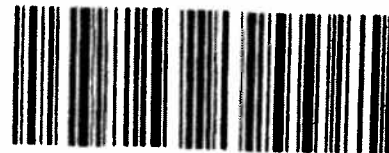
No Insurance Coverage Provided  
Do Not Use for International Mail

FOLD AND TEAR THIS WAY → OPTIONAL

Label #5

HISPANIC AMERICAN CONSTRUCTION  
INDUSTRY ASSOCIATION  
RAFAEL HERNANDEZ  
901 W. JACKSON ST.  
SUITE 205  
CHICAGO, ILLINOIS 60607

Label #6



7160 3901 9848 7227 9898

RETURN RECEIPT REQUESTED

Certified Article Number  
7160 3901 9848 7227 9898  
SENDERS RECORD

Charge  
Amount:

Charge  
To: 05077976

FOLD AND TEAR THIS WAY →

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED  
USPS MAIL CARRIER  
DETACH ALONG PERFORATION

2. Article Number



7160 3901 9848 7227 9898

3. Service Type CERTIFIED MAIL

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

HISPANIC AMERICAN CONSTRUCTION INDUSTRY ASSOCIATION  
RAFAEL HERNANDEZ  
901 W. JACKSON ST.  
SUITE 205  
CHICAGO, ILLINOIS 60607

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
C. Signature	
X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If YES, enter delivery address below:	

Thank you for using Return Receipt Service

THE  
WALZ  
CERTIFIED  
MAILER™

FROM

**WALZ**™

Form 3800, Version 07/01  
U.S. PAT. NOS. 5,501,393; 4,368,903

7160 3901 9848 7228 2522

Label #1

MEXICAN AMERICAN CHAMBER OF  
COMMERCE  
JUAN OCHOA  
33 N. LASALLE ST.  
SUITE 1720  
CHICAGO, ILLINOIS 60602

Label #2

MEXICAN AMERICAN CHAMBER OF  
COMMERCE  
JUAN OCHOA  
33 N. LASALLE ST.  
SUITE 1720  
CHICAGO, ILLINOIS 60602

Label #3

Ryan J. Fitts  
Mayer, Brown, Rowe & Maw LLP  
71 South Wacker Drive  
Chicago, Illinois 60606-4637

TO:

MEXICAN AMERICAN CHAMBER OF  
COMMERCE  
JUAN OCHOA  
33 N. LASALLE ST.  
SUITE 1720  
CHICAGO, ILLINOIS 60602

SENDER:

Ryan J. Fitts

REFERENCE:

05077976

TEAR ALONG THIS LINE

PS Form 3800, June 2000

RETURN  
RECEIPT  
SERVICE

Postage

Certified Fee

Return Receipt Fee

Restricted Delivery

Total Postage & Fees

US Postal Service

Receipt for  
Certified Mail

POSTMARK OR DATE

No Insurance Coverage Provided  
Do Not Use for International Mail

FOLD AND TEAR THIS WAY → OPTIONAL

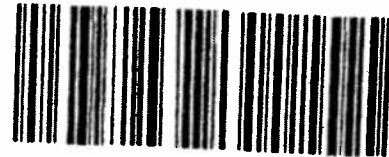
Label #5

MEXICAN AMERICAN CHAMBER OF  
COMMERCE  
JUAN OCHOA  
33 N. LASALLE ST.  
SUITE 1720  
CHICAGO, ILLINOIS 60602

Label #6

PLACE STICKER AT TOP OF ENVELOPE  
TO THE RIGHT OF RETURN ADDRESS  
FOLD AT DOTTED LINE

**CERTIFIED MAIL**



7160 3901 9848 7228 2522

RETURN RECEIPT REQUESTED

Certified Article Number  
2252 9221 9486 7228 2522  
SENDER'S RECORD

Charge  
Amount:

Charge  
To: 05077976

FOLD AND TEAR THIS WAY →

2. Article Number



7160 3901 9848 7228 2522

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

MEXICAN AMERICAN CHAMBER OF COMMERCE  
JUAN OCHOA  
33 N. LASALLE ST.  
SUITE 1720  
CHICAGO, ILLINOIS 60602

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X

Agent  
 Addressee  
 Yes  
 No

D. Is delivery address different from item 1?  
If YES, enter delivery address below:

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED  
USPS MAIL CARRIER  
DETACH ALONG PERFORATION

Thank you for using Return Receipt Service

PS Form 3811, July 2001

Domestic Return Receipt

THE  
WALZ  
CERTIFIED  
MAILER™

FROM

**WALZ™**

U.S. PAT. NOS. 5,501,393; 4,368,903

7160 3901 9848 7228 2537

Label #1

ASSOCIATION OF ASIAN CONSTRUCTION  
ENTERPRISES  
PERRY NACKACHI  
333 N. OGDEN AVE.  
CHICAGO, ILLINOIS 60607

Label #2

ASSOCIATION OF ASIAN CONSTRUCTION  
ENTERPRISES  
PERRY NACKACHI  
333 N. OGDEN AVE.  
CHICAGO, ILLINOIS 60607

Label #3

Ryan J. Fitts  
Mayer, Brown, Rowe & Maw LLP  
71 South Wacker Drive  
Chicago, Illinois 60606-4637

TO:  
ASSOCIATION OF ASIAN  
CONSTRUCTION ENTERPRISES  
PERRY NACKACHI  
333 N. OGDEN AVE.  
CHICAGO, ILLINOIS 60607

SENDER: Ryan J. Fitts

REFERENCE: 05077976

PS Form 3800, June 2000

← TEAR ALONG THIS LINE

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	
	Return Receipt Fee	
	Restricted Delivery	
Total Postage & Fees		

US Postal Service

Receipt for  
Certified Mail

POSTMARK OR DATE

No Insurance Coverage Provided  
Do Not Use for International Mail

FOLD AND TEAR THIS WAY → OPTIONAL

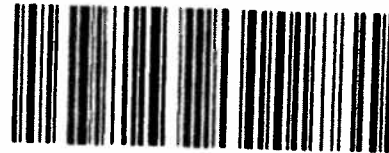
Label #5

ASSOCIATION OF ASIAN CONSTRUCTION  
ENTERPRISES  
PERRY NACKACHI  
333 N. OGDEN AVE.  
CHICAGO, ILLINOIS 60607

Label #6

PLACE STICKER AT TOP OF ENVELOPE  
TO THE RIGHT OF RETURN ADDRESS.  
FOLD AT DOTTED LINE.

**CERTIFIED MAIL**



7160 3901 9848 7228 2537

RETURN RECEIPT REQUESTED

Certified Article Number  
6552 9221 9486 7056 0972  
SENDER'S RECORD

Charge Amount:

Charge To: 05077976

FOLD AND TEAR THIS WAY →

2. Article Number



7160 3901 9848 7228 2537

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

ASSOCIATION OF ASIAN CONSTRUCTION ENTERPRISES  
PERRY NACKACHI  
333 N. OGDEN AVE.  
CHICAGO, ILLINOIS 60607

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X

Agent  
 Addressee

D. Is delivery address different from item 1?  
If YES, enter delivery address below:

Yes  
 No

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED  
USPS MAIL CARRIER  
DETACH ALONG PERFORATION

Thank you for using Return Receipt Service



THE  
WALZ  
CERTIFIED  
MAILER™

FROM

**WALZ™**

U.S. PAT. NOS. 5,501,393; 4,368,903

7160 3901 9848 7228 2546

Label #1

WOMEN BUSINESS DEVELOPMENT CENTER  
HEDY RATNER  
EIGHT S. MICHIGAN AVE.  
SUITE 400  
CHICAGO, ILLINOIS 60603

Label #2

WOMEN BUSINESS DEVELOPMENT CENTER  
HEDY RATNER  
EIGHT S. MICHIGAN AVE.  
SUITE 400  
CHICAGO, ILLINOIS 60603

Label #3

Ryan J. Fitts  
Mayer, Brown, Rowe & Maw LLP  
71 South Wacker Drive  
Chicago, Illinois 60606-4637

TO:  
WOMEN BUSINESS DEVELOPMENT  
CENTER  
HEDY RATNER  
EIGHT S. MICHIGAN AVE.  
SUITE 400  
CHICAGO, ILLINOIS 60603

SENDER: Ryan J. Fitts

REFERENCE: 05077976

TEAR ALONG THIS LINE

PS Form 3800, June 2000

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	
	Return Receipt Fee	
	Restricted Delivery	
Total Postage & Fees		

US Postal Service

POSTMARK OR DATE

Receipt for  
Certified Mail

No Insurance Coverage Provided  
Do Not Use for International Mail

FOLD AND TEAR THIS WAY → OPTIONAL

Label #5

WOMEN BUSINESS DEVELOPMENT CENTER  
HEDY RATNER  
EIGHT S. MICHIGAN AVE.  
SUITE 400  
CHICAGO, ILLINOIS 60603

Label #6

PLACE STICKER AT TOP OF ENVELOPE  
TO THE RIGHT OF RETURN ADDRESS  
FOLD AT DOTTED LINE  
**CERTIFIED MAIL**



7160 3901 9848 7228 2546

RETURN RECEIPT REQUESTED

Charge Amount:

Charge To: 05077976

FOLD AND TEAR THIS WAY →

Certified Article Number  
7160 3901 9848 7228 2546  
SENDER'S RECORD

2. Article Number



7160 3901 9848 7228 2546

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

WOMEN BUSINESS DEVELOPMENT CENTER  
HEDY RATNER  
EIGHT S. MICHIGAN AVE.  
SUITE 400  
CHICAGO, ILLINOIS 60603

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
C. Signature <b>X</b>	
D. Is delivery address different from item 1? If YES, enter delivery address below: <input type="checkbox"/> Agent <input type="checkbox"/> Addressee <input type="checkbox"/> Yes <input type="checkbox"/> No	

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED  
USPS MAIL CARRIER  
DETACH ALONG PERFORATION

Thank you for using Return Receipt Service

THE  
WALZ  
CERTIFIED  
MAILER™

FROM **WALZ™**  
U.S. PAT. NOS. 5,501,393; 4,368,903

7160 3903 9848 7228 2553

Label #1  
ILLINOIS ASSOCIATION OF MINORITY  
CONTRACTORS  
BABETTE PAYTON  
1643 E. 71ST ST.  
CHICAGO, ILLINOIS 60649

TO:  
ILLINOIS ASSOCIATION OF MINORITY  
CONTRACTORS  
BABETTE PAYTON  
1643 E. 71ST ST.  
CHICAGO, ILLINOIS 60649

Label #2  
ILLINOIS ASSOCIATION OF MINORITY  
CONTRACTORS  
BABETTE PAYTON  
1643 E. 71ST ST.  
CHICAGO, ILLINOIS 60649

SENDER: Ryan J. Fitts  
REFERENCE: 05077976

Label #3  
Ryan J. Fitts  
Mayer, Brown, Rowe & Maw LLP  
71 South Wacker Drive  
Chicago, Illinois 60606-4637

TEAR ALONG THIS LINE

PS Form 3800, June 2000

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	
	Return Receipt Fee	
	Restricted Delivery	
Total Postage & Fees		

US Postal Service

Receipt for  
Certified Mail

POSTMARK OR DATE

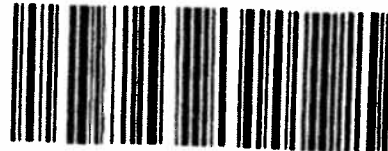
No Insurance Coverage Provided  
Do Not Use for International Mail

FOLD AND TEAR THIS WAY → OPTIONAL

Certified Article Number  
7160 3903 9848 7228 2553  
SENDER'S RECORD

Label #5  
ILLINOIS ASSOCIATION OF MINORITY  
CONTRACTORS  
BABETTE PAYTON  
1643 E. 71ST ST.  
CHICAGO, ILLINOIS 60649

Label #6



7160 3903 9848 7228 2553

RETURN RECEIPT REQUESTED

Charge Amount:

Charge To: 05077976

FOLD AND TEAR THIS WAY →

2. Article Number



7160 3903 9848 7228 2553

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

ILLINOIS ASSOCIATION OF MINORITY CONTRACTORS  
BABETTE PAYTON  
1643 E. 71ST ST.  
CHICAGO, ILLINOIS 60649

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature  
X  Agent  Addressee

D. Is delivery address different from item 1? If YES, enter delivery address below:  Yes  No

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED  
USPS MAIL CARRIER  
DETACH ALONG PERFORATION

Thank you for using Return Receipt Service

**Final Draft**

**TERM SHEET  
Mittal Steel  
October 20, 2005**

**1. Developer:**

One South Dearborn LLC ("One South Dearborn") and, with a limited joinder agreement by Mittal Steel USA ISG, Inc. ("Mittal"), One South Dearborn and Mittal are collectively defined as the "Developer".

**2. Developer State of Organization:**

Mittal Steel is a publicly traded Delaware Corporation.

One South Dearborn LLC is a privately held Illinois Limited Liability Corporation.

**3. Developer Address:**

Mittal Steel  
4020 Kinross Parkway  
Richfield, Ohio 44286

One South Dearborn, LLC  
C/O Hines Interests  
70 W. Madison  
Chicago, IL. 60602

**4. Project:**

The City of Chicago (the "City"), through its Department of Planning and Development ("DPD"), intends to enter into a Tax Increment Financing ("TIF") Redevelopment Agreement ("the RDA") with One South Dearborn, LLC and, through a limited joinder, Mittal Steel USA ISG, Inc. The purpose of the Redevelopment Agreement is to provide an incentive to Mittal to locate its new United States corporate headquarters (the "Headquarters") in the City of Chicago, at the One South Dearborn location. Mittal intends to complete the build-out of the 18<sup>th</sup> and 19<sup>th</sup> floors, a total of approximately 53,400 square feet (the "Project") and utilize the space as its Headquarters.

One South Dearborn is currently developing a 40-story, 830,000 square foot square foot, Class A office building (the "Building") located at the southeast corner of Dearborn and Madison Streets on the property commonly known as One South Dearborn Street. The Building is located within the 42<sup>nd</sup> Ward and the Central Loop TIF and is part of Planned Development No. 689 (the "PD"). Mittal intends to enter into a lease with One South Dearborn (the "Lease") for approximately 53,500 unfinished square feet on the 18<sup>th</sup> and 19<sup>th</sup> floors of the Building to be built-out for use as the Mittal Steel USA Headquarters (the "Project"). The Lease is expected to have an initial term of 10 years commencing on January 1, 2006.

212 total employees of Mittal will be located at the Headquarters, of which 98 were previously working in Chicago as employees of Ispat Inland. The remaining 114 employees will be relocated to the Headquarters from 2 locations in East Chicago, Indiana and Richfield, Ohio.

The proposed development of the Property and the Project will include the following components:

- Tenant Improvements by Mittal throughout the 18<sup>th</sup> and 19<sup>th</sup> Floors, including: plumbing, electrical, HVAC, and security improvements
- One South Dearborn's construction of all base building improvements for the Building, the completion of the lobby, all exterior improvements, and the construction of limited Mittal tenant improvements in compliance with the terms of the lease.

The site is currently owned by One South Dearborn LLC and includes the following permanent index numbers (the "Project PINs"):

17-16-206-007 and 17-16-206-008

**5. Total Project Budget:**

**Sources and Uses of Funds for Mittal Build-Out**

<u>Sources</u>	<u>Amount</u>	<u>% of Total</u>
State LBDG Grant	\$1,000,000	15%
Mittal Internal Funds	\$5,483,140	85%

<u>Uses/Line Items</u>	<u>\$/sf of Project</u>
Hard Costs of Tenant Improvements	\$3,337,740 \$62
Soft Costs/ Fees	\$408,300 \$8
Relocation Costs	\$1,400,000 \$26
Furniture, Fixtures, and Equipment	<u>\$1,337,100</u> <u>\$25</u>
<b>Total Uses</b>	<b><u>\$6,483,140</u></b> <b><u>\$121</u></b>

**6. City Financing:**

The City, through the Department of Planning and Development ("DPD"), intends to provide One South Dearborn with TIF assistance, for TIF-Eligible costs incurred in an amount equal to \$2,000,000. The City's financial assistance is being provided for the eventual benefit of Mittal. However, all payments shall be paid first to One South Dearborn and then paid by One South Dearborn to Mittal within 30 days of One South Dearborn's receipt thereof. Mittal will invest approximately \$6,483,000 for the completion of the Project. TIF-eligible expenses will be provided to One South Dearborn from existing increment, and/or bond funds, in the Central Loop Redevelopment Project Area Tax Increment Allocation Fund no earlier than upon the issuance of a Certificate of Completion (the "Certificate") to Mittal for the Project.

Mittal will be required to post/purchase an irrevocable Letter of Credit (the "L/C") or an alternative form of security acceptable to the City prior to the issuance of the Certificate naming the City as the sole beneficiary, for the full amount of the \$2,000,000 in TIF assistance. The entire principal amount of the L/C, or an alternative form of security acceptable to the City, will be maintained for 10 years from the date of the issuance of the Certificate.

**7. DPD Advertising Period**

N/A

**8. Project Timeline:**

Execute/Close Agreement within 180 days of Council authorization;  
Commence Project by: November 2005  
Complete Project by: February 2006

City must be notified of and approve changes to project construction dates.

**9. Job Creation/Retention:**

Mittal shall be required to have/do the following:

- 1) Relocate/Create 212 jobs to the headquarters by June 1, 2006; and;
- 2) Maintain a minimum of 191 jobs at the Headquarters for a ten-year period from the date the Certificate of Completion is issued. (refer to Section 36)

Mittal anticipates relocating 114 of these positions from outside the Chicago area and 98 from Ispat Inland in Chicago, a predecessor of Mittal Steel USA.

**10. Other Project Financing:**

N/A

**11. Order of Spending of Project Funds:**

All Developer equity and/or lender financing, if any, will be spent first. TIF financial assistance will be provided as described in Section 6.

The Developer acknowledges and understands that the City will not issue a Certificate of Completion for the Project, and pay out TIF funds, until the following conditions have been met:

- Completion of the construction of the Project;
- Receipt of a Certificate of Occupancy (the "C of O") for the Project or other evidence acceptable to DPD that the Developer has complied with building permit requirements;
- Evidence of the Project meeting or exceeding MBE/WBE, Prevailing Wage, and City Residency requirements;
- Evidence that TIF-Eligible costs have been incurred, to be determined solely by DPD, in an amount equal to or greater than the total amount of assistance;
- Evidence that the Mittal Job Creation requirements (minimum of 191) have been met
- Receipt of an irrevocable Letter of Credit, from Mittal, or other form of security acceptable to the City, naming the City as the sole beneficiary, equal to the amount of the TIF payment;
- Evidence of the satisfaction of the Public Benefits requirement

**12. City Approvals:**

The City shall have the right to approve plans and specifications for the Project prior to closing the RDA, the form of each general contractor contract (which must include approved language regarding the City's MBE/WBE, City Residency and Prevailing Wage requirements), the final Project Budget, the survey for the Property to be developed, change orders which either reduce the gross or net square footage of the Project by 5%, individually or cumulatively, increase the budget by 10% a change in the use of the Property, or delay in the Project completion by more than 3 months. The City will attempt to expeditiously review all of the above and approve or reject in writing. The Developer is at risk to proceed with any of the above without City written approval. Other material change orders made by the Developer as defined in the RDA by the City at its sole discretion shall be reported to the City in the Developer's quarterly reports.

**13. Progress Reports:**

Although City written approval for the disbursement of Developer equity and lender financing will not be required, the City will require the Developer to provide the City with: 1) written progress reports on a quarterly basis; duplicates of applicable support documentation verifying the disbursement and receipt of Overall Project funds (i.e. invoices, canceled checks, partial and final waivers-of-lien, etc.); 2) monthly reports on MBE/WBE utilization, Prevailing Wage and City Residency (based on expenditures to-date); 3) if applicable a report which includes a plan by the Developer to address any shortfall; and 4) the City retains the right to review draw requests which must be accompanied by, among other things, invoices, canceled checks, lien waivers owner's sworn statement, general contractor's sworn statement and MBE/WBE subcontractor contract amounts and certification letters as a prerequisite to disbursement.

**14. Prior Expenditures:**

The City may reimburse for project expenses incurred prior to the execution of the RDA, provided Developer has verification acceptable to the City. In addition, costs associated with completing the Project must be incurred/spent prior to the expiration of the Central Loop TIF District.

**15. City Funds at Closing:**

City Funds will not be paid on the closing date.

**16. City Fee:**

None

**17. Construction Escrow:**

Not applicable unless required by the lender, if any. However, the City will require copies of pertinent documentation as listed in section 13 above. The City requires a copy of each Inspecting Agent report as required by the lender to disburse Project funds, if applicable.

**18. MBE/WBE:**

Developer must meet the Department of Planning and Development's goals of 24%/4% MBE/WBE participation for the Project's direct and indirect costs of construction (defined as construction hard costs plus construction related soft costs) for the Project, which will be more fully described in the MBE/WBE exhibit to the RA:

- Environmental remediation
- Demolition
- Site preparation
- Building construction
- All soft costs that are directly or indirectly related to new construction or rehabilitation (A & E, construction management, etc.)
- Construction contingency (if actually incurred in order to complete construction of the Project)

If Developer seeks to exclude the cost of any of the applicable Project activities from the MBE/WBE Budget (an exhibit to the TIF RDA), the Developer must provide DPD with a list of those activities (and the estimated cost of each activity) it wishes to be excluded. The City, in its sole discretion, will then determine if these items are to be excluded from the MBE/WBE Budget. Developer is reminded that after the start of construction or execution of the RDA, whichever is first, Developer may not request a waiver for any Project activity and/or its associated cost.

Prior to the start of construction, or prior to the execution of the RDA, whichever is first, Developer must submit to DPD its agreement with the General Contractor (the "GC") for review. DPD will not review sub-contracts but may request copies of such documents from Developer. Developer will submit their MBE/WBE Utilization Plan, including Schedules C and D, to DOH for approval. Prior to the execution of the Redevelopment Agreement, the Developer must submit evidence acceptable to DPD that the general contractor has met at least once with, and provided bid documents to, applicable MBE/WBE contractor associations.

The City will monitor Developer's compliance with the MBE/WBE requirement on a monthly basis and at the completion of Project (to be measured in actual dollars expended to date, based on the MBE/WBE exhibit to the Agreement). Developer is cautioned that if the MBE/WBE requirement is not met, the City will not release any TIF Funds.

#### 19. City Residents:

Developer must meet City residency requirements for all contracts let involving construction of the Project. City residents must perform 50% of all construction hours. This City requirement cannot be waived. If Developer fails to contract out 50% of all construction man-hours to City residents, the value of the City's financial assistance being provided will be reduced by 1/20th of 1% of the final aggregate dollar value expended for all construction contracts let for the Project (to be assessed at the completion of the Project).

#### 20. Prevailing Wage

Developer must pay prevailing wages for all construction trades, as established by the Illinois Department of Labor. Developer is cautioned that if the prevailing wage requirement is not met, the City will not release any TIF funds.

#### 21. Environmental Audits:

Prior to closing or the start of construction, whichever comes first, the City will require that Developer and/or Owner provide the City with all environmental reports or audits obtained by Developer or Owner with respect to the Site, and if not covered by such reports, a phase I environmental site assessment for any unassessed portion of the Site. If there has been a notice from an agency regarding environmental issues Developer must provide written verification from the appropriate municipal, State and/or federal environmental agency that all identified environmental issues have been resolved to their satisfaction. The

City reserves the right to require, at Developer's expense, additional environmental studies if the initial ones are inadequate.

**22. Covenants Running with the land:**

Covenants regarding completion of the Project and the operation of the Headquarters by Mittal, as described in the RDA, or an approved successor of Mittal, for 10 years from the issuance of the Certificate

**23. Other Provisions**

Provisions for review and approval of new uses, job creation/maintenance requirements, for public benefits and operating requirements.

**24. End User/Use Requirements:**

Permitted uses of property and improvements allowed by the RDA, the TIF Plan, and under the PD.

**25. TIF-Eligible Costs:**

Acquisition, demolition, site preparation, environmental remediation and other eligible activities under the Act; TIF-eligible activities for the Project will be listed specifically in the RDA.

**26. Closing Requirements:**

City review, prior to closing, of Developer equity. Developer financial statements (including entities with an ownership interest in the Project) for the most recent three fiscal years (if applicable to the Developers legal entity), a copy of the Owner's title policy, UCC, tax and judgment searches, opinion of counsel, insurance (acceptable to the City), ground leases, acquisition documents, tenant leases, if any, lease termination agreements, tenant relocation plans, operating leases, synthetic leases, any other leases associated with the Property, and other financing documents and other customary closing requirements.

Evidence of the Public Benefit Payment.

**27. Performance bonds:**

Not applicable unless work is to be performed in the public way.

**28. Bid Requirement:**

Contracts for subcontractors (not including architect) must be bid out and Developer must show evidence that the lowest responsive and responsible bidder was chosen, unless otherwise approved by the City. Developer is required to provide DPD with a copy of the general contractor contract for review. Developer has informed the City that they intend to use Clune Construction as its general contractor for the Property.

**29. Percent Penalty for Not Soliciting Bids:**

N/A



**30. Limits on Developer Action:**

Until a Certificate of Completion for the Project is issued by the City, Developer may not, without the City's consent (not to be unreasonably withheld): (i) enter into a merger, liquidation or consolidation that would have a materially adverse affect on the ability of Developer to complete the Project; (ii) directly or indirectly sell or transfer the Property or all or substantially all of its assets; (iii) enter into any transaction outside the ordinary course of business that would materially adversely affect the ability of Developer to complete the Project; or (iv) assume or guarantee the obligations of any other person or entity that would materially adversely affect the ability of Developer to complete the Project.

**31. Limits on Other Financing:**

Prior to the issuance of a Certificate, City consent required for financing related to the project. After issuance of the Certificate of Completion, if mortgagee or other permitted transferee executes a subordination agreement in which it subordinates its mortgage lien to the covenants that run with the land, City consent not required; however, City consent required for City to have obligation to pay any incremental taxes to any transferee other than Developer or a wholly-owned affiliate thereof.

**32. Subordination Agreement:**

Limited subordination, the City will require that all lenders, if any, subordinate their liens to the covenants in favor of the City that run with the land: to complete the Project; to meet job creation/maintenance goals; to stay in operation; and to pay taxes based on specified minimum assessed value.

**33. Title Company:**

To be determined

**34. Participation in Job Readiness Program**

Developer will work with DPD and MOWD to create a job recruiting/referral program.

**35. Monitoring Provisions / MBE, WBE, Residency, Prevailing Wage**

Prior to the closing date, Developer, general contractor and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to Developer's plan to achieve its obligations as established in the redevelopment agreement and as mandated by City Council ordinance and DPD policy. Developer shall submit documentation to monitoring staff on a regular basis (i.e., monthly, etc.); failure to do so will be deemed an Event of Default. Such documentation may include the following: 1) sub-contractor's activity report, 2) contractor's certification concerning labor standards and prevailing wage requirements, 3) contractor letter of understanding, 4) monthly utilization report, 5) authorization for payroll agent, 6) certified payroll, and 7) evidence that MBE/WBE contractor associations have been informed of the project, via written notice and meetings.

**36. Dark Day Provisions**

Occupancy and Operations Covenant

Mittal shall maintain its United States Headquarters and continuously occupy and operate the facility for a minimum of ten years from the date of the issuance of the Certificate. If Mittal fails to continuously occupy

and operate the facility the City shall have the right to draw on the L/C for all of the TIF payments made and to terminate the RDA.

Employment Covenant

Mittal shall be required to maintain a minimum of 191 jobs at the Headquarters location (212 jobs are anticipated) for a ten-year period from the date the Certificate of Completion is issued. The Developer will be required to submit employment reports directly to DPD by Feb 1<sup>st</sup> following each subject year. The year will be defined as beginning on January 1<sup>st</sup> and ending on December 31<sup>st</sup>.

Mittal shall be entitled to one 1-year cure period during the 10-year life of the compliance period commencing on the date of the issuance of the Certificate. The City shall have the right to recapture the full amount of all previous payment of TIF funds if not cured during the initial cure period or if a second default occurs. Any default year by Mittal (if cured) shall not count toward the required 10 years of compliance, or any other obligation of Developer under the agreement.

Developer will provide a Letter of Credit (the "L/C") or other form of security acceptable to the City, naming the City as the sole beneficiary, prior to the issuance of the Certificate and the TIF payment in an amount equal to the full amount of the TIF payment. The full principal amount of the L/C, or other form of security acceptable to the City will be maintained for a minimum of 10 years from the date of the issuance of the Certificate. This period will be extended by one year if there is a default, which is cured during the initial 10 years from the issuance of the Certificate.

The City shall have the right to discontinue the payment of TIF Funds if Developer fails to comply with other standard provisions and covenants of the RDA.

**37. Escrow Agreements**

Not Applicable.

**38. Future Bond Issuance**

Not Applicable.

**39. Reduction in TIF Funds**

See Sections 6 and 36.

**40. EDS - Principals, Structure and Partners in LLC's**

The City requires disclosure of all individuals, corporations or other entities who are party to the Developer's legal ownership, the RDA and to all leases. The City has the right to examine the economic terms of leases, management and other material agreements relating to Mittal.

**41. Displacement / Relocation**

N/A

**42. Real Estate Tax provisions**

To be Determined

**43. City Remedies upon Default**

Ordinary and customary remedies in transactions of this type, including without limitation, suspension and termination of City payments.

**44. Event of Default**

The RDA will contain event of default provisions customary for City transactions. Any violation of covenants or any violation of Dark Day provisions are also considered events of default.

**45. Provisions for Acquisition (When Applicable)**

Not applicable.

**46. Residential TIFs / Mixed-Use with Residential Components**

Not applicable.

**47. Public Benefits Program**

As a condition of closing and as a condition of the TIF payment, Mittal will commit to donating, and evidencing to DPD, \$50,000 to City of Chicago institutions, to be determined by Mittal and approved by DPD, such as:

- After School Matters, Inc. in care of Mayor Daley's KidStart initiative;
- Working in the Schools (WITS);
- The Chicago Park District;

or to similar programs to be determined at a later date by the City.

**48. Outstanding Obligations**

Not applicable, paying out of existing funds.

Various persons and entities which own less than 7.5% of the Applicant on a diluted basis

Levy Family Partners, LLC

Various persons and entities which own less than 7.5% of the Applicant on a diluted basis

TIC I, LLC

Various persons and entities which own less than 7.5% of the Applicant on a diluted basis

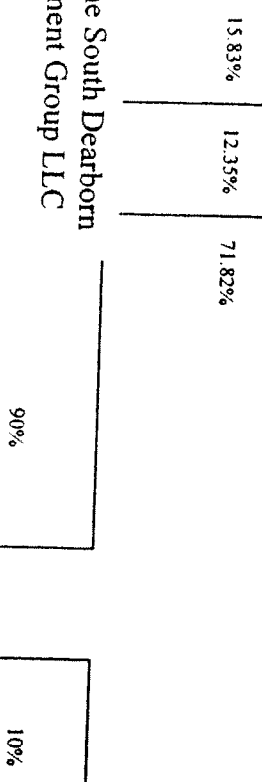
Various persons and entities which own less than 7.5% of the Applicant on a diluted basis

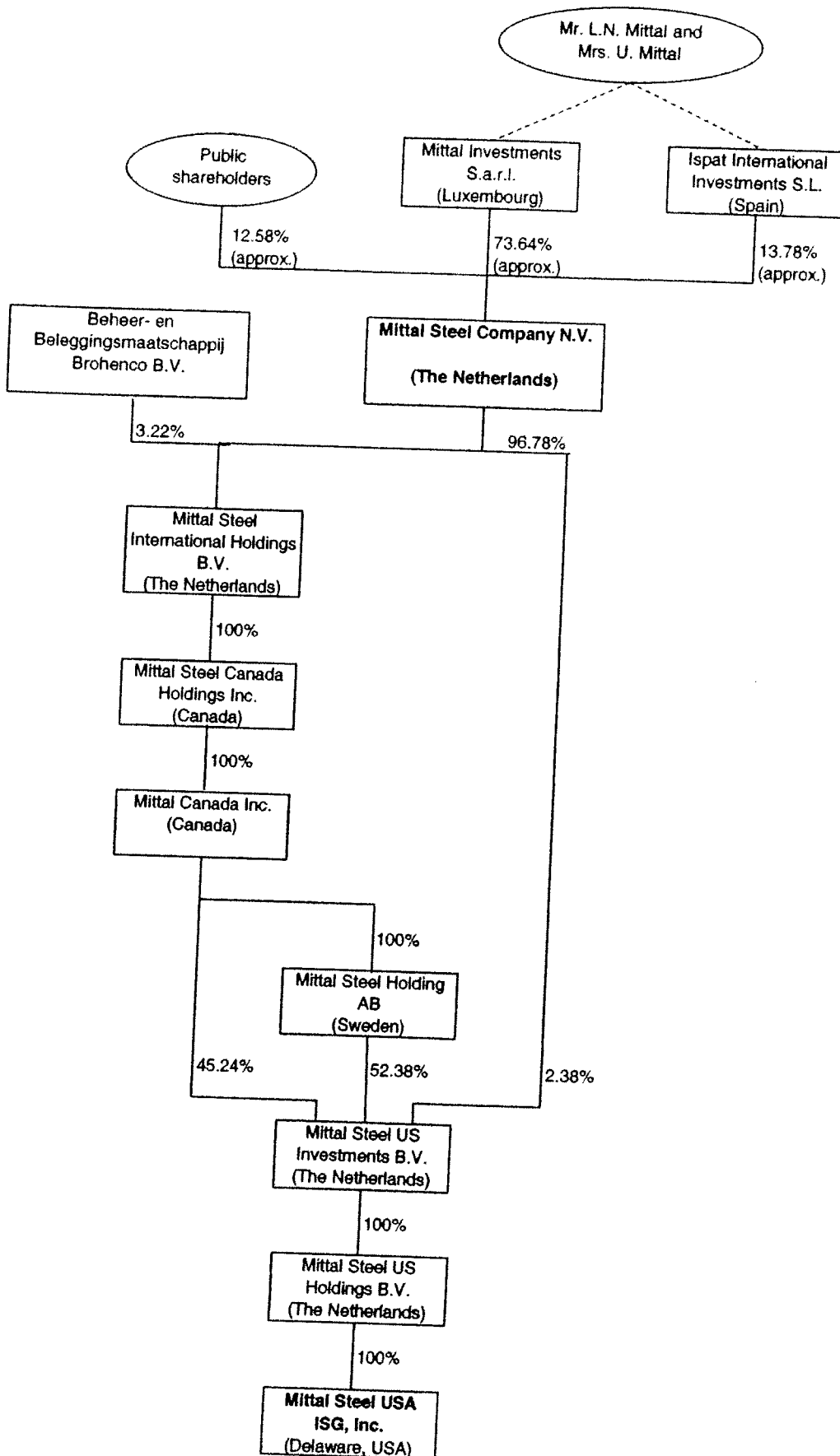
Levy One South Dearborn Investment Group LLC

One South Dearborn Holdings LLC

Hines One South Dearborn LP

One South Dearborn LLC (Applicant)





**EXHIBIT A**

Street Boundary Description of the  
Central Loop Tax Increment Financing  
Redevelopment Project Area

The Area is generally bounded by Wacker Drive on the north, Michigan Avenue on the east, Congress Parkway on the south, and La Salle and Franklin Streets on the west.