

9/30/2020

82-R-20

A RESOLUTION

**Authorizing the City Manager to Execute a Grant Agreement with
Evanston Rebuilding Warehouse**

**NOW BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
EVANSTON, COOK COUNTY, ILLINOIS, THAT:**

SECTION 1: The City Manager is hereby authorized and directed to execute a grant agreement ("Grant Agreement") between the City of Evanston ("Grantor") and Evanston Rebuilding Warehouse, an Illinois not for profit company ("Grantee"), attached hereto as Exhibit A and incorporated herein by reference. The Grant Agreement outlines the terms of the grant, including the amount issued of Eight-Seven Thousand and Five Hundred Dollars (\$87,500.00).

SECTION 2: The City Manager is hereby authorized and directed to negotiate any additional conditions of the Grant Agreement may be determined to be in the best interests of the City.

SECTION 3: This Resolution 82-R-20 shall be in full force and effect from and after its passage and approval in the manner provided by law.



Stephen H. Hagerty, Mayor

Attest:



Devon Reid, City Clerk

Approved as to form:



Kelley Gandurski, Corporation Counsel

Adopted: October 12, 2020

EXHIBIT A
Grant Agreement

EXHIBIT B
MWEBE Agreement



Date: August 21, 2020

To: Paul Zalmezak, City of Evanston

RE: City of Evanston TIF Funding

Hello Paul,

Thank you for the opportunity to request \$87,500 in TIF assistance from the City of Evanston for our renovation of 1245 Hartrey Avenue.

The space is an almost 29,000 square foot warehouse that we are adapting into a community hub of sustainability. The expanded space will allow us to stay in Evanston and grow our nonprofit mission and impact. It will have our reclaimed building materials retail store, workshops on repair and reuse, learning spaces for our workforce training program, and a community space.

The prior tenant was Tapes Unlimited, a light manufacturing business that occupied the space for 38 years. In the process of renovating the space, it is clear that the condition of the building is worse than we anticipated and we are well over budget.

This is with us doing much of the work ourselves and with our workforce training crew; using as much reclaimed material as possible; and asking favors of building trades partners.

The owner of the property is Reed Beidler of Lark Management. Reed estimates that he will spend about \$150,000 on his separate scope of work.

We would be grateful for \$87,500 in TIF funding in order to successfully complete this project and open our doors to the community. Our deconstruction training program provides a unique contribution to workforce development efforts in Evanston. Paid transitional employment is a powerful and effective way for individuals overcoming barriers to receive on the job training, education, and marketable certifications. Our program provides economic stability and support services so that our trainees can get on a path to success and stay there. And once employed, they can support their families and contribute to the economic, environmental, and social fabric of the City of Evanston.

In addition, there are several other ways that the Evanston Rebuilding Warehouse contributes to the economic development and environmental sustainability of the City of Evanston. Our reuse warehouse and deconstruction services keep tons of building materials out of landfills each year. We provide affordable building material to Evanston homeowners. We generate sales tax and will

pay property tax in this new space. And finally, we provide employment for 6 Evanston residents on our staff.

Don't hesitate to get in touch if you have questions or need additional information. We don't have much time as we had hoped to be able to afford to complete the project ourselves. We hope to move and open our doors in mid-October.

Thanks so much.

A handwritten signature in black ink, appearing to read "Aina Gutierrez". The signature is fluid and cursive, with a large initial "A" and a long, sweeping tail.

Aina Gutierrez
Executive Director

**Evanston Rebuilding Warehouse
Sources & Uses of Funds**

Uses

Electrical	\$	50,000	10%
HVAC	\$	7,000	1%
Demolition	\$	20,000	4%
Framing/Drywall	\$	75,000	15%
Fire Protection	\$	50,000	10%
Plumbing	\$	40,000	8%
Construction Materials	\$	70,000	14%
Consultants	\$	52,500	10%
Equipent, Furniture and Supplies	\$	30,000	6%
Exterior	\$	90,000	18%
Moving Services	\$	25,000	5%
Total Uses	\$	509,500	100%

Sources

Donations	\$	251,000	49%
Grants	\$	90,000	18%
Crowdfunding Contribution	\$	41,000	8%
REDF Social Impact Loan	\$	40,000	8%
TIF	\$	87,500	17%
Total Sources	\$	509,500	100%

GRANT AGREEMENT

THIS GRANT AGREEMENT ("**Agreement**") is entered by and between the City of Evanston, an Illinois municipal corporation ("**City**"), and Evanston Rebuilding Warehouse, an Illinois not-for-profit corporation ("**Evanston Rebuilding Warehouse**" or "**Grantee**").

RECITALS

WHEREAS, Evanston Rebuilding Warehouse is a non-profit organization that promotes the reduction of waste in landfills through sustainable deconstruction and renovation building practices; and

WHEREAS, Evanston Rebuilding Warehouse sells reclaimed building materials at low cost to the community to financially support the education, job-training and job-development programs; and

WHEREAS, Evanston Rebuilding Warehouse seeks to renovate a 29,000 square foot warehouse space located at 1245 Hartrey in Evanston to provide an expanded space for reclaimed building materials retail store, workshops on repair and reuse, learning spaces for workforce training program and community space; and

WHEREAS, Evanston Rebuilding Warehouse seeks \$87,500 from the West Evanston Tax Increment Financing District to apply toward the total \$500,000 renovation budget, representing 17% of total project costs.; and

WHEREAS, The City of Evanston seeks workforce development partnerships to assist with the implementation of a union trainee program for Evanston residents including electricians, carpenters, drywall finishers, painters, laborers, cement masons and bricklayers; and

WHEREAS, the City Council, as recommended by the Economic Development Committee, has authorized staff to manage and administer this Agreement on the City's behalf, including, without limitation, authorizing the City Manager to execute this Agreement with Grantee, thereby establishing the terms, conditions, and requirements for participation in this Agreement in accordance with City guidelines,

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

AGREEMENT

I. DEFINITIONS

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

- a. **“Completion Date”** means the date that the Grantee has finished the Project, December 31, 2020, pursuant to the plans approved by City Council and to the satisfaction of the Manager.
- b. **“Manager”** means the City’s Economic Development Manager, who shall manage and administer this Agreement on behalf of the City, or his designee.
- c. **“Grant”** means the total amount of the City’s grant of West Evanston Tax Increment Financing money to Grantee for purposes of funding the Project, which cannot exceed Eighty-Seven Thousand Five Hundred Dollars (\$87,500), which is the amount approved by City Council.
- d. **“Project”** means completing the renovation and receiving Final Certificate of Occupancy and agreeing to help create and host ongoing workforce development training classes preparing trainees for pathways to union apprenticeships to be summarized in an agreement to be drafted by the Minority, Women, Evanston Business Enterprise (MWEBE) Committee of the City Council.

II. TERMS OF GRANT

- a. City agrees to disburse total grant funds in an amount not to exceed \$87,500 (**“Grant Amount”**) from its West Evanston Tax Increment Financing District in accordance with the terms of the agreement completed by the MWEBE Committee.

III. EVANSTON REBUILDING WAREHOUSE’S RESPONSIBILITIES

- a. Evanston Rebuilding Warehouse is required to complete the construction of the project and receive a Final Certificate of Occupancy
- b. Evanston Rebuilding Warehouse is required to submit receipts for tax increment financing eligible expenses totaling \$87,500 prior to reimbursement. Eligible expenses include hvac, electrical, plumbing and other improvements affixed to the property
- c. Evanston Rebuilding Warehouse will be asked to submit periodic reports on the activity at the property and a progress report summarizing the workforce development programming defined by the MWEBE Committee.
- d. Grantee shall acknowledge, in any Project press release(s), programs, and events, that the City’s Grant was vital to completion of the Project. Grantee will identify the City of Evanston financial support on the Grantee’s business website and on other media material distributed by Grantee.

- e. Grantee shall comply with all terms and conditions of this Agreement and all applicable requirements of Federal, State, and City of Evanston law.

IV. THE CITY'S RESPONSIBILITIES

- a. Within a reasonable time after Grantee notifies City of the completion of the Project or any portion thereof, the Manager shall inspect the relevant reports to ascertain whether they were completed in accordance with the Project scope approved by the City Council.
- b. Manager shall review Evanston Rebuilding Warehouse's request and accompanying documents for the Grant. If Evanston Rebuilding Warehouse meets all its terms, conditions, and obligations under this Agreement, the Manager shall issue the Grant funds as set forth herein.

V. TIME OF PERFORMANCE

Evanston Rebuilding Warehouse will complete the Project no later than December 31, 2020. Failure to complete the Project within said time will result in Evanston Rebuilding Warehouse's inability to apply for future funding. Requests for additional time and extensions in Project completion time may be granted, but only if submitted in writing prior to the expiration of this Agreement.

VI. OBLIGATION TO REFRAIN FROM DISCRIMINATION

- a. Grantee covenants and agrees for itself, its successors and its assigns to either or both of the Properties, or any part thereof, that it shall not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, age, or physical or mental disabilities that do not impair ability to work, and further that it shall examine all job classifications to determine if minority persons or women are underutilized and shall take appropriate affirmative action to rectify any such underutilization.
- b. If Grantee hires additional employees in order to perform its responsibilities pursuant to this Agreement, or any portion hereof, it shall determine the availability of minorities and women in the area(s) from which it may reasonably recruit and it shall hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.
- c. That, in all solicitations or advertisements for employees placed by it or on its behalf, it shall state that all applicants shall be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, or disability.

VII. NO AGENCY CREATED

Neither Grantee nor any third party hired by Grantee to complete the Project is an agent of the City. Any provisions of this Agreement that may appear to give the City any right to direct the Grantee concerning the details of the obligations under this Agreement, or to exercise any control over such obligations, shall mean only that the Grantee shall follow the direction of the City concerning the end results of the obligations.

VIII. OWNERSHIP OF DOCUMENTS

All documents prepared and submitted to the City pursuant to this Agreement (including any duplicate copies) shall be the property of the City. The City's ownership of these documents includes use of, reproduction or reuse of and all incidental rights thereto.

IX. INDEMNIFICATION AND HOLD HARMLESS

To the maximum extent permitted by law, the Grantee agrees to and shall defend, indemnify and hold harmless the City, and its respective officers, officials, employees, contractors and agents from and against all claims, liability, loss, damage, costs or expenses (including expert witness fees, reasonable attorneys' fees, and court costs) arising from or as a result of the death of any person or any accident, injury, loss or damage whatsoever caused to any person or property resulting or arising from or in any way connected with the following, provided Grantee shall not be responsible for (and such indemnity shall not apply to) any negligence or willful misconduct of the City, or their respective officers, officials, active employees, contractors or agents:

- a. The development, construction, marketing, use or operation of the Properties by the Grantee, its officers, contractors, subcontractors, agents, employees or other persons acting on Grantee's behalf ("**Indemnifying Parties**");
- b. The displacement or relocation of any person from the Properties as the result of the development of the Project on the Properties by the **Indemnifying Parties**;
- c. Any loss or damage to the City resulting from any inaccuracy in or breach of any representation or warranty of Grantee, or resulting from any breach or default by Grantee, under this Agreement; and
- d. Any and all actions, claims, damages, injuries, challenges and/or costs or liabilities arising from the approval of any and all entitlements or permits by the

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

under this Agreement, the Grantee agrees to pay the City's attorney's fees, expert witness fees, and all costs.

X. COMPLIANCE WITH LAW

Grantee agrees to comply with all the requirements now or hereafter in force, of all municipal, county, state and federal authorities, pertaining to the development and use of the Properties and implementation of the Project, as well as operations conducted on the Properties. The Manager shall not issue any Grant money to the Grantee if there is in violation of any law, ordinance, code, regulation, or permit.

XI. TERMINATION

If Grantee fails to cure any Event of Default upon notice and within the time for cure provided for herein, the City may, by written notice to the Grantee, terminate this Agreement. Such termination shall trigger the "Repayment of Grant" defined herein.

Grantee may not terminate this Agreement without the express written consent of the City.

XII. NOTICES

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

To City: City of Evanston
Economic Development Manager
2100 Ridge Avenue
Evanston, IL 60201
Email: pzalmezak@cityofevanston.org

With a copy to: City of Evanston
Attn: Corporation Counsel
2100 Ridge Avenue
Evanston, IL 60201

To Grantee: Evanston Rebuilding Warehouse
1245 Hartrey
Evanston, IL 60202

Any written notice, demand or communication shall be deemed received immediately if personally delivered or delivered by delivery service to the addresses above, and shall

be deemed received on the third day from the date it is postmarked if delivered by registered or certified mail.

XIII. DEFAULT; REMEDIES; DISPUTE RESOLUTION

a. Notice of Default.

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

b. Cure of Default

Upon the receipt of the notice of default, the alleged defaulting party shall promptly commence to cure, correct, or remedy such default within ninety (90) days and shall continuously and diligently prosecute the same to completion.

c. City Remedies; Repayment of Grant.

In the event of a default by Grantee of the terms of this Agreement that has not been cured within the timeframe set forth in Paragraph b above, the City, at its option, may terminate this Agreement or may institute legal action in law or in equity to cure, correct, or remedy such default, enjoin any threatened or attempted violation, or enforce the terms of this Agreement

In the event of a default by Grantee that occurs after the City has disbursed any Grant funds, the total of such disbursement(s), plus any accrued interest, shall become immediately due and payable. All payments shall be first credited to accrued interest, next to costs, charges, and fees which may be owing from time to time, and then to principal. All payment shall be made in lawful money of the United States. Payments shall be made to City at the address set forth in Article XIV herein or at such other address as City may direct pursuant to notice delivered to Grantee in accordance with Article XIV.

d. Grantee's Exclusive Remedies.

The parties acknowledge that the City would not have entered into this Agreement if it were to be liable in damages under, or with respect to, this Agreement or any of the matters referred to herein, including the Project, except as provided in this Article. Accordingly, Grantee shall not be entitled to damages or monetary relief for any breach of this Agreement by the City or arising out of or connected with any dispute, controversy, or issue between Grantee and the City regarding this Agreement or any of the matters referred to herein, the parties

agreeing that declaratory and injunctive relief, mandate, and specific performance shall be Grantee's sole and exclusive judicial remedies.

XIV. APPLICABLE LAW

The internal laws of the State of Illinois without regard to principles of conflicts of law shall govern the interpretation and enforcement of this Agreement. Venue shall be in Cook County, Illinois.

XV. CONFLICT OF INTEREST

- a. No member, official, or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects his/her personal interests or the interests of any corporation, partnership, or association in which he/she is, directly or indirectly, interested.
- b. The Grantee warrants that it has not paid or given, and shall not pay or give, any third person any money or other consideration for obtaining this Agreement.

XVI. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES

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

XVII. BINDING EFFECT

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

XVIII. AUTHORITY TO SIGN

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

XIX. COUNTERPARTS

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

XX. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

- a. This Agreement and the Exhibits and references incorporated into this Agreement express all understandings of the parties concerning the matters covered in this Agreement. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.
- b. All waivers of and/or amendments to the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or the Grantee.

XXI. NON-ASSIGNMENT

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

XXII. NO WAIVER

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

[Signature page to follow]

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

CITY

Dated: _____

By: _____

Name: _____

Title: _____

GRANTEE

Dated: _____

By: _____

Name: _____

Title: _____