



City of Chicago Office of the City Clerk

City Hall
121 North LaSalle Street
Room 107
Chicago, IL 60602
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Legislation Referred to Committees at the Chicago City Council Meeting 2/5/2014 Section 1a - Mayoral Introductions

File #	Title	Sponsor(s)	Committee Referral
Agreement(s) - Collective Bargaining			
1	O2014-1317	Collective bargaining agreement with International Brotherhood of Teamsters, Local Union No. 743	Emanuel (Mayor) Workforce Development
Agreement(s) - Easement			
2	O2014-1076	Easement agreement with Commonwealth Edison Company for access to property 611-617 W Division St	Emanuel (Mayor) Housing
Agreement(s) - Franchise			
3	O2014-891	Extension of various Comcast cable franchise agreements	Emanuel (Mayor) Finance
Agreement(s) - Intergovernmental			
4	O2014-860	Intergovernmental agreement with Chicago Board of Education regarding Tax Increment Financing (TIF) assistance for rehabilitation and improvements to Coonley School	Emanuel (Mayor) Pawar (47) Finance
5	O2014-869	Intergovernmental agreement with Metropolitan Pier and Exposition Authority regarding construction and rehabilitation of property at 300 E Cermak Rd	Emanuel (Mayor) Finance
6	O2014-905	Intergovernmental agreement between Board of Education and Chicago Housing Authority for rehabilitation of existing properties at 1450 N Larrabee Ave and 700 S State St	Emanuel (Mayor) Housing
Agreement(s) - Lease			
7	O2014-1144	Lease agreement with Metropolitan Pier and Exposition Authority for access to City-owned property at 3050 S. Cottage Grove Ave	Emanuel (Mayor) Housing
Appointment(s)			
8	A2014-33	Appointment of Maurice Green as member of Special Service Area No. 47, 47th Street and Cottage Grove Commission	Emanuel (Mayor) Finance
9	A2014-35	Appointment of Stephanie D. Fishel and Andrew S. Levin as members of Special Service Area No. 60, Albany Park Commission	Emanuel (Mayor) Finance
10	A2014-36	Appointment of Timothy Hughes as member of Chicago Community Land Trust Board	Emanuel (Mayor) Housing
11	A2014-38	Appointment of Denise B. Gardner as member of Chicago Public Library Board	Emanuel (Mayor) Budget

Legislation Referred to Committees at the Chicago City Council Meeting

2/5/2014

Section 1a - Mayoral Introductions

File #	Title	Sponsor(s)	Committee Referral	
Fund 925 Amendment(s)				
12	O2014-838	Amendment of 2014 Annual Appropriation Ordinance within Fund No. 925 for Mayor's Office and Department of Transportation	Emanuel (Mayor)	Budget
Municipal Code Amendment(s)				
13	O2014-1367	Amendment of Municipal Code by adding new Chapter 9-115 establishing transportation network provider license	Emanuel (Mayor) Mitts (37)	License
Open Space Impact Fee(s)				
14	O2014-1271	Expenditure of Open Space Impact Fee funds for Limas Park and Beilfuss Park	Emanuel (Mayor)	Special Events
Property - Acquisition				
15	O2014-910	Acquisition of property from Illinois Department of Transportation for jurisdictional transfer from State to City and adding parcel to municipal street system	Emanuel (Mayor)	Housing
Reappointment(s)				
16	A2014-34	Reappointment of Bruce D. Longanecker, Sr. as member of Special Service Area No. 23, Clark Street-Lincoln Park Commission	Emanuel (Mayor)	Finance
17	A2014-37	Reappointment of Christopher P. Valenti as member of Chicago Public Library Board	Emanuel (Mayor)	Budget
Special Events				
18	O2014-1096	2014 Special Events Ordinance	Emanuel (Mayor)	Special Events
United States Govt.				
19	R2014-71	Support of proposal by President Barack Obama to raise minimum wage and call for City Council Committee on Workforce Development to hold hearing on issue	Emanuel (Mayor) Mitts (37) Burns (4) Thompson (16) Pawar (47)	Budget



City of Chicago



O2014-1317

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	2/5/2014
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Collective Bargaining agreement with International Brotherhood of Teamsters, Local Union No. 743
Committee(s) Assignment:	Committee on Workforce Development and Audit



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Corporation Counsel and the Budget Director, I transmit herewith an ordinance authorizing the execution of a collective bargaining agreement with Teamsters 743.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

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

SECTION 1. The City Council hereby approves the agreement, attached hereto, between the City of Chicago and the International Brotherhood of Teamsters, Teamsters Local Union No. 743. The Mayor is authorized to execute this agreement.

SECTION 2. This ordinance shall be in force and effect upon its passage and approval.

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

THE CITY OF CHICAGO

AND

THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS,
TEAMSTERS LOCAL UNION NO. 743

*Effective*_____

AGREEMENT

This collective bargaining agreement ("Agreement") is entered into by and between the City of Chicago, an Illinois Municipal Corporation ("Employer"), and the International Brotherhood of Teamsters, Teamsters Local Union No. 743 ("Union"), for the purpose of establishing, through the process of collective bargaining, certain provisions covering wages, and other terms and conditions of employment for the employees represented by the Union. It is the purpose and intent of the parties, through this Agreement, to establish and promote harmonious relations between the parties; provide efficient, uninterrupted and effective services to the public; provide an equitable and peaceful procedure for the resolution of differences under this Agreement; and establish and maintain wages, hours and terms and conditions of employment through collective bargaining. Where any express term of this Agreement conflicts with any ordinance, rules, regulations, personnel rules, interpretations, practices or policies to the contrary, the terms of this Agreement shall prevail.

ARTICLE I RECOGNITION

Section 1.1

The Employer recognizes the Union as the exclusive bargaining representative for all non-excluded employees employed by the Employer's Chicago Department of Public Health ("CDPH") in the job classifications Public Health Nurse ("PHN") III and PHN IV, for the purpose of negotiating about wages, hours and conditions of employment. Should the parties agree that other titles appropriately belong in the bargaining unit, they shall jointly stipulate to an amendment or clarification of the unit, even if there are no incumbents in the title at the time. Such stipulation shall be filed with the Illinois Labor Relations Board in accordance with its procedures. In the event that the Employer establishes any new job classification to perform bargaining unit work, the Employer will promptly notify the Union of its decision, and, upon request from the Union, meet and discuss any issue as to whether the new classification appropriately belongs in the bargaining unit.

Excluded from the bargaining unit are all managerial, supervisory, confidential, and exempt, and emergency employees, as defined by the City of Chicago Personnel Rules and the Illinois Public Labor Relations Act.

Section 1.2 Classification Changes

The Employer shall have the right to increase or decrease the working force, to eliminate, change or combine job classifications in whole or in part, and to establish new job classifications as the Employer may determine to be necessary from time to time for the efficient conduct of its business. The Employer shall notify the Union of the establishment of a new job classification arguably within the bargaining unit. The Employer shall set the wage rate for the new job classification. Upon request, the Employer will discuss the new rate with the Union. If the Union does not agree with the new rate set by the Employer, the Union may grieve the Employer's decision through the grievance and arbitration procedure under this Agreement.

ARTICLE II

MANAGEMENT'S RIGHTS

Section 2.1 Management's Rights

It is agreed that the Union and the employees will cooperate with the Employer to liberally construe this Agreement to facilitate the efficient, flexible and uninterrupted operation of the City. The Union recognizes that certain rights, powers, and responsibilities belong solely to and are exclusively vested in the Employer except only as they may be subject to a specific and express obligation of this Agreement. Among these rights, powers, and responsibilities, but not wholly inclusive, are all matters concerning or related to the management of the City and administration thereof, and the right:

- a. to determine the organization and operation of the Employer and any department or agency thereof;
- b. to determine and change the purpose, composition and function of each of its constituent departments and subdivisions;
- c. to set reasonable standards for the services to be offered to the public;
- d. to direct its employees, including the right to assign work and overtime;
- e. to hire, examine, classify, select, promote, restore to career service positions, train, transfer, assign and schedule its employees;
- f. to increase, reduce, change, modify or alter the composition and size of the work force, including the right to relieve employees from duties because of the lack of work or funds or other proper reasons;
- g. to contract out work;
- h. to establish work schedules and to determine the starting and quitting time, and the number of hours worked;
- i. to establish, modify, combine or abolish job positions and classifications;
- j. to add, delete or alter methods of operation, equipment or facilities;
- k. to determine the locations, methods, means and personnel by which operations are to be conducted, including the right to determine whether services are to be provided or purchased;
- l. to establish, implement and maintain an effective internal control program;
- m. to suspend, demote, discharge, or take other disciplinary action against employees; and

n. to add to, delete or alter policies, procedures, rules and regulations.

Inherent managerial functions, prerogatives and policy-making rights, whether listed above or not, which the Employer has not expressly restricted by a specific provision of this Agreement are not in any way, directly or indirectly, subject to internal or external review, provided that none of these rights is exercised contrary to or inconsistent with other terms of this Agreement.

Section 2.2 Rules and Regulations

The Employer shall have the right to make, and from time to time change, reasonable rules and regulations and to require employees' compliance therewith upon notification.

ARTICLE III **HOURS OF WORK**

Section 3.1 Normal Workweek and Workday

Nothing in this Agreement shall be construed as a guarantee of, or limitation on, the number of hours to be worked per day, per week, or for any other period of time, except only as specifically provided in Section 3.6 of this Agreement. The Employer's work week shall begin at 12:00 A.M. Sunday (one minute after 11:59 P.M. Saturday) and shall end at 12:00 A.M. the following Sunday. The normal workweek for employees shall consist of thirty-five (35) hours worked, with two (2) consecutive days off, in accordance with current practices. The normal workday for employees shall consist of seven (7) hours worked per day. The Employer may set up schedules for the various work shifts, as required. Each normal shift shall consist of seven (7) hours of work, an unpaid lunch period of one (1) hour and two (2) paid fifteen (15) minute rest periods.

Section 3.2 Changes

The Employer may change employees' normal workday or workweek upon reasonable prior notice to, and upon request, discussion with the Union.

Section 3.3 Scheduled Temporary Cessation or Reduction of Operations

In the event the Employer intends to exercise its managerial right to schedule a planned, City-wide temporary cessation or reduction of operations for economic or other legitimate operational reasons (e.g., as it did with the implementation of "Reduced City Service Days" in 2008 and 2009), resulting in a reduced number of days and/or hours worked for bargaining unit employees, the Employer will provide the Union with at least fifteen (15) days advance notice before implementing such scheduled temporary cessation or reduction of operations, and, upon request of the Union, will meet and discuss the impact on employees. Nothing in this section shall be construed as in any way diminishing or otherwise affecting the Employer's authority to exercise any other managerial right, consistent with the terms of this Agreement.

Section 3.4 Furlough Days

Employees shall be eligible to participate in the Employer's Voluntary Unpaid Furlough Program, under the same terms and conditions applicable to all non-represented

City employees, which terms and conditions may be subject to change from time to time. The current terms of the Voluntary Unpaid Furlough Program are described in part G of the City's Salary Resolution. It is understood and agreed that the City's decision to grant or deny any request for unpaid furlough time is entirely discretionary, and the City's determination as to what is in the best interests of maintaining its operations will always take precedence. The parties further understand and agree that all aspects of the City's Voluntary Unpaid Furlough Program, including the City's decision to grant or deny any unpaid furlough day request, are excluded from the grievance and arbitration provisions of Article VII of this Agreement.

Section 3.5 Overtime

- (a) Employees shall be required to work reasonable overtime hours, as a condition of continued employment, whenever requested by the Employer to do so. The Employer shall make a reasonable effort to give employees advance notice when they are to be required to work overtime.
- (b) Overtime on Regularly-Scheduled Days Off: When employees are required by the Employer to work on a regularly scheduled day off, any hours worked on said day shall be compensated for in compensatory time, at one and one-half times the regular hourly rate, on the basis of completed fifteen (15) minute segments, provided the employee works his or her full regular schedule within the Employer workweek in which the day off occurs. In determining whether an employee has worked his or her full regular schedule, any excused holidays, vacation days, and/or furlough days taken in accordance with the terms of this Agreement shall be considered days worked, in addition to days actually worked.
- (c) Overtime during the Workweek on Regular Workdays: Additionally, all hours worked and approved under the Employers rules in excess of forty (40) hours worked in a workweek on regular workdays (which does not include work on a regularly-scheduled day off), whether of an emergency nature or non-emergency nature shall be compensated at one and one-half (1 ½) times the employee's regular straight time hourly rate, on the basis of completed fifteen (15) minute segments. Work performed between thirty-five (35) and forty (40) hours worked in a workweek on regular workdays shall be compensated at the employee's regular straight time hourly rate. Sick leave, vacation, compensatory time, union business leave and/or other paid time off shall not be included as hours worked for purposes of paragraph (c) of this Section.
- (d) For any compensatory time earned under any provision of this Agreement, the employee may elect to be compensated in the form of cash, instead of compensatory time, at the time the compensatory time is earned; provided, however, that notice of said election must be given by the employee to the Employer's designated representative by no later than the first regular workday following the date on which the compensatory time was earned.
- (e) All compensatory time must be used on or before December 31 of the calendar year in which it is earned, subject to the Employer's operational needs and scheduling requirements. If any compensatory time is not used by December 31 of the calendar year

in which it is earned, the employee will be compensated for said time earned in the form of cash instead of compensatory time. Notwithstanding the foregoing, any compensatory time earned in December of any year may be used on or before March 31 of the following calendar year, subject to the Employer's operational needs and scheduling requirements. If any compensatory time earned in December is not used by March 31 of the following calendar year, the employee will be compensated for said time earned in the form of cash instead of compensatory time.

Section 3.6 Reporting Pay

An employee who reports for work at her/his assigned day and starting time, without having been previously notified at his/her last known address or telephone number, as recorded in the personnel file, at least three (3) hours prior to starting time to report, shall be given a minimum of two (2) hours work or two (2) hours pay. However, the foregoing obligation shall not apply in the event the failure to provide work is because of an emergency, an Act of God, a failure of heat, light or power, or by any other cause beyond the control of the City. The employee must accept any nursing job to which she/he may be assigned.

Section 3.7 Call-in Pay

Employees called in on a scheduled work day to work hours outside their scheduled work hours, where the call-in hours are not contiguous to the beginning or end of the employee's scheduled work day, shall receive a minimum of two (2) hours of compensatory time, beginning from the time they arrive at the designated work location.

ARTICLE IV

WAGES, INSURANCE AND ALLOWANCE

Section 4.1 Wages

Employees will be paid in accordance with the Salary Schedules attached hereto as Appendix A, which will reflect the following wage adjustments:

(a) Effective on the first day of the first full payroll period following the final date of ratification of this Agreement, Grade 6 of the salary schedule for Public Health Nurse IIIs (Schedule SZ) shall be adjusted so that (1) the new rate for each step in that grade will be equal to the current (January 1, 2012) rate for the following step (i.e., the new entrance rate will be equal to the January 1, 2012 Step 2 rate, the new Step 2 rate will be equal to the January 1, 2012 Step 3 rate, etc.); and (2) the new Step 10 rate will be equal to \$101,796.00 annually. Incumbent employees in Grade 6 will be placed in the appropriate step in Grade 6 in accordance with the City's traditional and historical practices with respect to re-grades.

(b) Effective on the first day of the first full payroll period following the final date of ratification of this Agreement, Grade 7 of the salary schedule for Public Health Nurse IVs (Schedule SZ) shall be adjusted so that (1) the new rate for each step in that

grade will be equal to the current (January 1, 2012) rate for the following step (i.e., the new entrance rate will be equal to the January 1, 2012 Step 2 rate, the new Step 2 rate will be equal to the January 1, 2012 Step 3 rate, etc.); and (2) the new Step 10 rate will be equal to the January 1, 2012 Step 7 rate of Grade 8 of the Schedule S salary schedule for Registered Nurses (\$106,212.00). Incumbent employees in Grade 7 will be placed in the appropriate step in Grade 7 in accordance with the City's traditional and historical practices with respect to re-grades.

(c) In addition, effective on 1/1/16, the City will adjust the wages for all PHN IIIs and IVs by 1%.

Section 4.2 Pay During Absence

All leaves of absence or other time off shall be without pay except as otherwise expressly provided in Article V of this Agreement.

Section 4.3 Pay on Promotion or Transfer

Employees promoted or transferred to a different job title shall be compensated in accordance with the then current Regulations Governing the Administration of the Compensation Plan and Employee benefits for Classified Positions Set Forth in the Annual Appropriation Ordinance.

Section 4.4 No Pay During Strikes or Lockout

Employees shall not be entitled to any wages or benefits whatsoever if, despite all efforts to maintain peace, they are engaged in a strike, work stoppage, walkout or other interruption of work, or are locked out by the Employer.

Section 4.5 Life Insurance

(a) The Employer agrees to provide \$25,000 Group Term Life Insurance at no cost to the employee, subject to Section 4.8 below. Employees must complete a City of Chicago Group Term Life Insurance enrollment form set, including the employee beneficiary section of the form set, in order to qualify for coverage in the Basic Group Term Life Plan. The failure of the employee to complete the enrollment form set will result in termination of the employee's Basic Group Term Life Insurance coverage.

(b) The Employer agrees to provide procedures for employees to purchase Group Term Life Insurance, and Universal Life Insurance, in addition to the basic Group Term Life Insurance coverage described above, at additional cost to the employee. Such options are outlined in Appendix B of this Agreement.

Section 4.6 Health Insurance

(a) The Employer shall provide to employees and their eligible dependents Group Health, Dental and Vision Care as set forth in Appendix C of this Agreement, subject to Section 4.8 below. If any other bargaining unit of employees of the Employer is required to pay less in premium contributions or receive higher benefit levels under the medical care plan, then this unit of employees shall pay the same and/or receive the same benefit levels.

(b) Family Coverage: Where both husband and wife or other family members eligible under one family coverage are employed by the Employer, the Employer shall pay for only one family insurance or family health plan.

(c) Maintenance of Insurance: The current practice permitting employees to use vacation or other time due during an illness in order to keep his/her insurance in effect shall continue for the term of the Agreement.

Section 4.7 Plans Administration

The insurance plans are provided through contracts between the Employer and insurance companies and/or plan administrators. These plans, and matters concerning their administration, are not subject to grievance or arbitration. To the extent that there may be any conflict between said plans and this Agreement, the provisions of the plans shall prevail. Detailed information regarding the plans will be made available upon request at reasonable times.

Section 4.8 Joint Labor Management Cooperation Committee on Health Care

(a) The Employer and the Union (the "Parties") agree to be bound by determinations and recommendations of the Joint Labor Management Cooperation Committee ("LMCC") negotiated between the Employer and the Coalition of Unionized Public Employees ("COUPE") and created pursuant to applicable state and federal law. The purpose of the LMCC is to research and make recommendations and decisions within its authority related to the achievement of significant and measurable savings in the cost of employee health care during the term of this Agreement. The LMCC Agreement and Declaration of Trust ("Trust Agreement") is attached to this Agreement as Appendix D.

(b) The Trust Agreement shall address, without limitation, the following:

1. Formation of a Committee to govern the LMCC consisting of up to thirty (30) Trustees, with half of the Trustees to be appointed by the Employer, and half to be appointed by unions who represent employees of the Employer, and who have also agreed to participate in the LMCC ("Participating Labor Unions").

2. Appointment by the City and Participating Labor Unions of a Co-Chair and Vice-Chair as designated in the Trust Agreement.
3. Authority of the LMCC to make recommendations and modifications in the health plan expected to result in savings and cost containment.
4. Establishment of a Trust Fund with contributions provided by the City of Chicago and third parties.

Section 4.9 Reduction from Full Time to Part Time Status

Employees will not be reduced from full-time to part-time status solely to avoid the payment of fringe benefits under this Agreement.

Section 4.10 Automobile Reimbursement

Employees who are required by the Employer to use their own automobiles in the performance of their job shall receive mileage reimbursement at the then effective rate recognized by the Internal Revenue Service, with a maximum of \$550 per month, beginning on the effective date of ratification of this Agreement. Thereafter, the maximum reimbursement will increase effective each February 1 by the percentage increase in the Transportation Expenditure Category of the Consumer Price Index for All Urban Consumers (CPI-U): U.S. City Average for the previous year, as rounded to the nearest \$5 increment. Employees seeking mileage reimbursement must submit that request on a form provided by the Employer. Payment for mileage expenses will be made on a monthly basis. In the event that during the life of this Agreement the Employer shall implement for any group of employees an automobile expense reimbursement program which is more favorable to employees than the provisions of this paragraph, upon notice from the Union, the Employer will meet and discuss with representatives of the Union the possible application of said new program to employees covered by this Agreement.

Section 4.11 Relief in Higher Classification

An employee who is directed to and does perform substantially all of the duties and responsibilities of a higher rated classification within the bargaining unit to the satisfaction of the Employer for five (5) days shall be paid at the higher rate. Employees paid for acting in a higher-rated job shall be paid as if they had been promoted to the higher-rated job. An employee who is requested by the Employer to assume substantially all of the duties and responsibilities of a higher rated classification outside of the bargaining unit will not be paid at the higher rate, but may accept or decline the assignment.

The time limits for any assignments to higher-rated jobs shall be ninety (90) days, except where a regular incumbent is on leave of absence, in which case it shall be six (6) months. The time limits may be extended by mutual agreement of parties. The Employer

shall not arbitrarily remove employees out of the higher classification solely to defeat the purpose of this section.

The Employer will equitably rotate assignments to higher rated jobs on the basis of seniority among the employees at the work location who have the then present ability to do the job without further training. In the event the Employer makes a rotational assignment to a higher rated job out of seniority order, the Employer will notify the Union, and, following a request from the Union, will meet and discuss the Employer's rationale for doing so, as well as its plan for rotating such future assignments at that work location.

Section 4.12 Uniform Allowance

Each employee will continue to receive a uniform allowance of \$600 per year, in accordance with current practice. Employees may purchase uniforms from the store of their choice; provided, however, they follow the policies issued by the Employer from time to time.

ARTICLE V

ABSENCE FROM WORK

Section 5.1 Holidays

(a) An employee is eligible for the following holidays:

1. New Year's Day	7. Independence Day
2. Dr. Martin Luther King's Birthday	8. Labor Day
3. Lincoln's Birthday	9. Columbus Day
4. Washington's Birthday	10. Veteran's Day
5. Casimir Pulaski Day	11. Thanksgiving Day
6. Memorial Day	12. Christmas Day

In addition to the foregoing twelve (12) paid holidays, employees shall receive one (1) personal day, which shall be granted in accordance with the current practices of the Employer.

(b) In order to qualify, an employee should otherwise have been scheduled to work on such day if it had not been observed as a holiday, or if she/he were not on vacation at that time. Any paid holiday in the pay period shall be counted as a regular working day. If an employee is absent without pay on the last working day preceding or the first working

day following such holiday, the holiday shall be considered as an additional day absent without pay.

(c) When any of the above listed holidays falls on a Saturday or Sunday, the closest workday, Friday or Monday, will be recognized as the holiday.

(d) When an employee who is authorized to work and does work one of the recognized holidays, all hours worked on said holiday shall be compensated for in compensatory time, at one and one-half times the regular hourly rate of pay, on the basis of completed fifteen (15) minute segments.

(e) Failure to Report to Work on a Scheduled Holiday

If an employee is scheduled to work on a Holiday and fails to report for work, the employee shall forfeit his/her right to pay for that paid scheduled holiday. An employee may utilize any available time, in accordance with the applicable Employer policy.

Section 5.2 Vacations

(a) Employees shall be eligible for paid vacations as of January 1 of each year following the year in which they were employed. An employee will earn the following amounts of paid vacation, based on such employee's continuous service prior to July 1:

<u>Length of Service</u>	<u>Vacation</u>
Less than 4 years	13 working days
4 to 8 years	18 working days
9 years or more	23 working days

(b) Vacation leave earned will be determined by dividing the number of months worked in the prior year by twelve (12) and then multiplying by the number of yearly vacation days based on service. Any fraction will be rounded off to the nearest whole number of days. Any month in which the employee worked for at least 50% of the time shall be credited for purposes of computing vacation leave.

(c) On termination an employee shall be paid for her/his accrued and pro rata vacation, except where she/he was discharged for serious misconduct (i.e., violent acts, criminal acts, drug and alcohol violations on the job, or gross insubordination.)

(d) In the event of the death of an employee while in the employ of the

Employer, her/his accrued vacation pay shall be paid to her/his spouse or legal representative. Payment to either shall relieve the Employer from any further liability.

(e) By January 31 of each calendar year, employees may submit their preferences for utilization of vacation time for the ensuing year to the Employer in writing. The request must set forth the beginning and ending date of the desired vacation. In establishing vacation schedules, the Employer shall consider both the employee's preference and the operating needs of the Employer. Where the Employer is unable to grant vacation preferences for all employees within a position classification within a facility, but is able to grant some, the preferred vacation periods will be granted on the basis of total continuous service.

(f) Employees who file their preference by January 31 shall be notified of the vacation schedules not later than April 1 of that vacation year.

Section 5.3 Forfeit of Vacation

All earned vacation leave not taken in the vacation year it is due shall be forfeited, unless the employee was denied vacation by the Employer, or the employee was unable to take vacation because the employee was on an approved leave of absence, including a duty disability leave of absence, during the vacation period. Notwithstanding the foregoing, if an employee still has unused vacation time during the fourth quarter of the vacation year, the employee upon giving written notification to the Employer before December 15 of the vacation year, may carry over no more than three (3) such days into the next vacation year. All such vacation days deferred in this fashion must be scheduled upon mutual agreement of the Employer and employee and taken before June 30 of the vacation year into which they are carried over. Employees on duty disability shall retain any vacation leave earned prior to being placed on duty disability leave, together with all vacation time earned during the period of duty disability for the 12 months following the date on which the person became disabled, and shall be entitled to use such vacation time within 12 months following their return to work.

Section 5.4 Sick Leave

(a) Each employee may be allotted sick leave with pay for periods not exceeding twelve (12) working days in the aggregate during each calendar year on account of sickness, or related cause of absence, which may be considered by the department head a sufficient and legitimate excuse for the employee's failure to be present and in attendance upon her duties. Each employee appointed after January 1 of the calendar year shall be allowed sick leave at the rate of one day for each month of employment through December 31 of that year.

Sick leave credit shall accrue to a maximum of two hundred (200) work days at the rate of twelve (12) days per year less days of sick leave used. Sick leave not taken at the time of termination shall cease and end all rights for compensation. Sick leave accrued while working for another public agency shall not be transferable.

(b) Employees shall accrue sick time at the rate of one (1) day on the first day of the month for each month of employment. In the event an employee, or a member of the employee's immediate family, experiences a serious health condition within the meaning of the Family and Medical Leave Act, upon request of the employee, the Employer will make available to said employee up to the full amount of sick time the employee would have accrued for the remainder of that calendar year as if he/she were actively employed, in order to cover the absence resulting from the condition in question. Should the employee's, or his/her immediate family member's serious health condition require the employee to be absent into the next calendar year, upon request of the employee, the Employer will make available to said employee up to the full amount of sick time the employee would have accrued for that calendar year as if he/she were actively employed. Upon his/her return to work, the employee will begin to accrue sick time with the start of the next calendar year. The Employer reserves the right to require an employee to provide documentation of the illness in question.

Section 5.5 Jury Duty

An employee who serves on a jury or is subject to proper subpoena (except if the employee is party to non-work related litigation) shall be granted a leave of absence with pay during the term of such absence, provided that the employee deposits his/her jury duty pay with the City Comptroller for those days which he/she was scheduled to work for the Employer and receives pay or compensatory time for said work.

Section 5.6 Bereavement Pay

In the event of a death in an employee's immediate family or domestic partner, such employee shall be entitled to a leave of absence up to a maximum of three (3) consecutive days including the day of the funeral. Where death occurs and the funeral is to be held out of Illinois and beyond the states contiguous thereto, the employee shall be entitled to a maximum of five consecutive days to attend the funeral. The five consecutive days shall include the day of the funeral. During such leave, an hourly employee shall receive his/her regular straight time pay for such time as he/she is required to be away from work during his/her regularly scheduled hours of work. Salaried employees shall receive the leave of absence without additional compensation.

The employee's immediate family shall be defined as: mother, father, husband, wife, brother or sister (including step or half), son or daughter (including step or adopted),

father-in-law, mother-in-law, daughter-in-law, son-in-law, sister-in-law, brother-in-law, grandparents and grandchildren, court-appointed legal guardian, and a person for whom the employee is a court-appointed legal guardian. The employer may, at its option, require the employee to submit satisfactory proof of death and/or proof of the relationship of the deceased to the employee. Domestic partners are defined as two persons regardless of their gender, who have a close personal relationship, sharing the same regular and permanent residence for at least six months; are each eighteen years of age or older; not married to anyone; not related by blood closer than would bar marriage in the State of Illinois; and are each other's sole domestic partner, responsible for each other's common welfare and jointly sharing their financial responsibilities. To qualify as a "domestic partner" under this section, the employee must register the domestic partner's name with the City of Chicago.

Section 5.7 Military Leave

Any employee who is a member of a reserve force of the United States or of the State of Illinois, other than the National Guard, and who is ordered by the appropriate authorities to attend a training program or perform other duties under the supervision of the United States or the State of Illinois, shall be granted a paid leave of absence during the period of such activity, but not to exceed fourteen (14) calendar days in any calendar year, provided that employees shall, as a condition precedent to payment, deposit his/her military pay for all days compensated by the Employer with the City Comptroller.

Any employee who is a member of the National Guard of the United States or of the State of Illinois and who is ordered by the appropriate authorities to attend a training program or perform other duties under the supervision of the United States or the State of Illinois, shall be granted a paid leave of absence during the period of such activity, but not to exceed fifteen (15) calendar days in any calendar year, provided that employees shall, as a condition precedent to payment, deposit his/her military pay for all days compensated by the Employer with the City Comptroller. Any reservist called for active duty on or after September 11, 2001 shall be entitled to full salary and medical benefits, provided that paid leave shall be conditioned upon payment of military pay to the Comptroller. The right to this additional paid leave shall automatically terminate upon termination of active duty.

Section 5.8 Family and Medical Leave

Employees who have been employed a minimum of twelve (12) months, and who have worked at least 1,250 hours in the preceding twelve (12) months, shall be entitled to up to twelve (12) weeks unpaid leave within a twelve (12) month period for any of the following reasons:

- (a) For the birth of the employee's child and to care for such child;
- (b) For the placement of a child with the employee for adoption or foster care;

- (c) To care for the employee's spouse, child or parent with a serious health condition; and
- (d) Due to a serious health condition affecting the employee.

Employees may, but are not required, to elect to use accumulated paid vacation and/or unused paid sick leave or other accrued time toward this leave, according to the City's policies.

All such leaves are subject to the provisions of the Family and Medical Leave Act and the regulations thereunder, as well as the policies and procedures of the Employer in effect as of the date of this Agreement.

Such leave is concurrent with, and not in addition to, the unpaid leave provided for above. Employees may elect to substitute any accumulated paid leave for any portion of unpaid FMLA leave, or may take such unpaid FMLA leave following any paid leave for which the employee may be eligible and elects to use.

During any leave taken pursuant to this provision, the employee's health care coverage shall be maintained as if the employee was working, and seniority shall accrue.

The Employer shall pay its portion of the employee's insurance (individual or family) for the time period the employee is on FMLA leave, and the employee shall pay his/her portion of the insurance during that time period.

Section 5.9 Medical Leave

Non-probationary employees shall be granted medical leaves of absence upon request. Said medical leaves of absence shall be granted for up to three (3) months, provided said leaves shall be renewable for like three-month periods, for a total medical leave of absence up to one (1) year. The Employer may request satisfactory proof of medical leaves of absence. Employees on medical leaves of absence shall return to work promptly after their doctor releases them to return to work. An employee on a medical leave of absence shall be returned to work upon the expiration of his/her leave, provided the employee has complied with the Employer's procedure which shall be provided to the employee prior to the start of said leave. If an employee is granted an extension of his/her leave, he/she shall be returned to work upon the expiration of the leave's extension, provided the employee has complied with the Employer's procedures.

Seniority shall accumulate for employees on medical leaves of absence for only up to one (1) year. After one (1) year, an employee on a medical leave of absence shall retain, but not accumulate seniority.

Employees who return from a medical leave of absence within one (1) year shall be reinstated to:

- (a) their former position if it is vacant; if not:
- (b) a vacant position in the same classification; if none available:
- (c) bump the least senior employee in the same classification, provided the employee returning from the Leave of Absence has more seniority than the least senior employee, who shall be subject to the lay off and recall provisions of Section 6.6.

Section 5.10 Personal Leave

Non-probationary employees may apply for leaves of absence without pay for personal reasons. The grant and duration of such leaves shall be within the discretion of the Employer. Seniority shall accumulate for employees on said leaves. Employees who return from said leaves shall be reinstated to their former job subject to the layoff, recall and break in service provisions of this Agreement.

Employees shall be granted personal leaves of absence without pay for a period of up to one (1) year for the purpose of providing necessary care, full-time supervision, custody or nonprofessional treatment for a member of the employee's immediate family or household under circumstances temporarily inconsistent with employee's uninterrupted performance of his/her normal job duties, if satisfactory proof of the need for and duration of such leave is provided to the Employer. Such leaves shall be granted under the same terms and conditions as set forth above.

Employees who return from a personal leave of absence within one (1) year shall be reinstated to:

- (a) their former position if it is vacant; if not:
- (b) a vacant position in the same classification; if none available:
- (c) bump the least senior employee in the same classification, provided the employee returning from the Leave of Absence has more seniority than the least senior employee, who shall be subject to the layoff and recall provisions of Section 6.6.

Section 5.11 Duty Disability

Any employee who has been granted Duty Disability benefits shall be granted a Leave of Absence. The Employer will mail the initial Duty Disability payment within ten (10) working days upon receipt of verified authorization from the approving authority. Contingent upon continued verified authorization, subsequent payment will be made twice a month. If Duty Disability is denied, and such denial is later reversed, the employee shall be paid up to the date the amount the employee was eligible to receive, less any other disability payments received by the employee, subject to the same terms and conditions identified in this paragraph. Employees who return from said leaves shall be reinstated to their former job classification, if there is a vacancy in said classification, or if a position in said classification is then occupied by an employee with lower seniority. If the employee's former job classification is not available because the employee would have been laid off, if the employee had not been on a Leave of Absence, the employee may exercise seniority rights in accordance with and subject to the layoff, recall and break-in-service provisions of this Agreement. An employee granted Duty Disability shall continue to receive full benefits for any period he/she is on said leave in accordance with current practice.

ARTICLE VI

SENIORITY

Section 6.1 Definition of Seniority of Continuous Service

The term "seniority" and "continuous service" shall mean the same thing they are defined and used in this Agreement. Seniority or continuous service means continuous paid employment from the employee's last date of hire by the City, without a break or interruption in such paid employment, and regardless of job classification or department.

An employee earns continuous service credit even though he or she is not paid for:

- (a) an absence where the employee is adjudged eligible for duty disability compensation;
- (b) an approved Family and Medical Leave of absence;
- (c) an approved medical leave of absence of one year or less; or
- (d) an approved personal leave of absence of one year or less.

In the event two (2) or more employees have the same seniority date, a lottery shall be conducted to break seniority ties.

Service requirements for advancement within the salary ranges of Appendix A shall have the implication of continuous service with the City of Chicago. For purposes of determining eligibility for longevity pay increases and in determining an employee's vacation benefits, seniority or continuous service shall mean service for the Employer regardless of job title or department.

Section 6.2 Probation/Career Service Status

New employees will be regarded as probationary employees for the first six (6) months of employment and will receive no seniority or continuous service credit during such probationary period. Any period of absence from work in excess of ten (10) days shall extend the probationary period for a period of time equal to the absence. Probationary employees continuing in the service of the employer beyond their probationary period shall be career service employees and shall have their seniority made retroactive to the date of their original hiring. Probationary employees may be disciplined or discharged as exclusively determined by the Employer and such Employer action shall not be subject to the grievance procedure, provided that, if the Employer, within its discretion, rehires a former employee who did not complete his/her probationary period within one (1) year from the employee's termination, and said former employee had served ninety (90) days or more of his/her probationary period, all time previously served in the probationary period shall be counted for purposes for determining when the said employee completes his/her probationary period. A probationary employee who has served ninety (90) days or more of his/her probationary period and who is laid off shall be given preference over other applicants for employment in the same job title in the department from which he/she was laid off, so long as he/she does not refuse an offer of employment, and does not suffer a break in service under Section 6.4 of this Agreement.

Probationary employees shall not be eligible for dental or vision insurance but shall receive all other benefits under this Agreement. Probationary employees shall be compensated at the same rate as career service employees.

This Section 6.2 shall not apply to any new employee who, at the time of his/her hire as a PHN III or PHN IV, was already employed in a City job classification in which he/she held Career Service status.

Section 6.3 Interruption in Service

Employees who work a minimum of eighty (80) hours per month shall be credited with Continuous Service for time worked. Continuous Service credit will not be earned for absences without leave, absences due to suspension, or for any other unpaid leave or other interruption in service not specifically referenced in Section 6.1 above.

Section 6.4 Break in Service

Seniority or Continuous Service of an employee is broken, the employment relationship is terminated, and the employee shall have no right to be rehired, notwithstanding the provisions of any ordinance or rule to the contrary, if the employee:

- (a) quits or resigns;
- (b) is discharged for cause;
- (c) retires;
- (d) is absent for five (5) consecutive work days without notifying the employee's authorized Employer representative unless circumstances preclude the employee, or someone on the employee's behalf, from giving such notice;
- (e) fails to return to work at the expiration of an authorized Leave of Absence, unless there are extenuating circumstances which prohibit the employee from returning to work on the expiration of the leave;
- (f) does not actively work for the Employer for twelve (12) months for any reason except military service, approved Union or medical leave of absence, or duty disability leave;
- (g) is on layoff for more than twelve (12) consecutive months where the employee has less than five (5) years of service at the time the layoff began;
- (h) is on layoff for more than two (2) years if the employee has five (5) years of service or more at the time the layoff began.

Section 6.5 Filling Of Permanent Vacancies

- (a) The Employer shall determine if there is a permanent vacancy to be filled prior to posting of that vacancy.
- (b) Employees within a department who desire a change in shift, day(s) off or location of their job assignment shall request such change in writing on the Employer's form at any time for the remainder of the calendar year. A list of all transfer requests on file for employees will be sent to the Union monthly.
- (c) When filling a vacancy, the Employer shall select the most senior employee in the job classification in the Department who has such a request on file prior to any notice of posting being sent to the Union, provided the employee has the present ability to

perform the required work without further training after a reasonable amount of orientation. The Employer shall give the Union a list of newly transferred employees by Department once a month. Any employee transferred may not seek another transfer for 6 months.

(d) When filling a vacancy and there are no said employees who have requests on file prior to any notice of posting being sent to the Union, the Employer shall select the employee in the job classification in the Department from the recall or reinstatement list, if any, in accordance with the recall procedures in this Agreement.

(e) When filling a PHN IV vacancy and there are no said employees who have requests on file prior to any notice of posting being sent to the Union, and there are no eligible employees on said recall or reinstatement lists, the Employer shall post the job for bidding.

(f) All permanent PHN IV vacancies covered by this Agreement not filled as provided above shall be posted on a designated bulletin board at each work-site and at other appropriate locations as designated by the Employer. The permanent vacancy shall be posted for fourteen (14) calendar days. There shall be written notification to the Union of the posting of said vacancies at least one day prior to it being posted. The posting shall contain at least the following: job title, qualifications, hours, work location(s), pay grade and person to whom the job bid should be submitted. The posting shall also include any additional qualifications and duties required by the Employer for the position(s) posted.

(g) Any PHN III may apply for any PHN IV position covered by this Agreement by submitting a bid application during the posting period. An employee shall not be allowed to bid on his/her own classification.

(h) All bidders for permanent vacancies shall meet the minimum qualifications for the job in order to be considered for selection by the Employer. Qualified employees shall be given an equal opportunity with other applicants to bid on jobs which are determined to be permanently vacant by the Employer. If the Employer determines that two or more applicants are equally qualified to perform the work required, the Employer shall give preference to employee applicants over non-employee applicants.

If selecting between employee applicants the Employer determines to be equally qualified to perform the work required, the Employer shall select the most senior of those employee applicants. The Employer shall determine whether employee applicants are "equally qualified" based upon relevant evidence of performance, experience, training, proven ability and similar criteria related to the vacancy.

Bidders who are not selected shall be so notified by the Department Head. A copy of the bid list with seniority dates and the name of the successful bidder identified, shall be sent to the Union.

During the posting, bidding and selection process, the Employer may temporarily fill the vacancy.

(i) The successful bidder for any jobs under this Section shall have an evaluation period, not to exceed sixty (60) days, to demonstrate that he or she can perform the job. If the Employer has just cause based upon the employee's job performance at any time during that period that the successful bidder cannot perform the job, or if the successful bidder desires to return to his/her former job, then the successful bidder shall be returned to the job he/she held just prior to the awarding of the bid, displacing, if necessary, any employee who has been placed into said job.

Section 6.6 Layoff and Recall

(a) The Employer shall notify the Union and the affected employees in writing at least thirty (30) calendar days in advance of any layoff under this subsection, except when layoffs occur as a result of grant funds being reduced or eliminated. Where layoffs occur as a result of grant funds being reduced or eliminated and the Employer is unable to give at least thirty (30) calendar days notice, the Employer shall give the Union and the affected employees at least fourteen (14) calendar days notice of any layoff.

(b) All layoffs shall be by job classification within the Department.

(c) Non-Career Service employees within the affected job classification shall be terminated prior to any Career Service employees in that job classification being laid off.

(d) Where ability, skill and efficiency are equal, employees shall be laid off in order of their seniority, provided that the Employer may retain employees with special knowledge or skills.

(e) An employee subject to layoff shall have first priority to fill a job in an equal or lower-graded bargaining unit classification, in the Department, which the Employer has deemed vacant, in lieu of layoff, provided the said employee has the then present ability to perform the required work without further training after a reasonable period of orientation. Said offers shall be by seniority. The Employer shall provide the Union with a list of the department vacancies, including the hours of work and location, if known, of available positions, prior to any movement of employees. If an employee subject to layoff is unable to fill a job in an equal or lower-graded bargaining unit classification under this subsection, the employee subject to layoff may displace (bump) the least senior employee, if

any, in the most recent lower bargaining unit job title the employee to be laid off held in the Department, provided the employee bumping has the then present ability to perform the job without further training after a reasonable period of orientation, and provided further that the employee bumping has greater seniority than the employee being displaced.

(f) Laid off employees shall be placed on a layoff list, and shall retain and accumulate seniority and continuous service credit while on layoff, subject to the break-in-service provisions of this Agreement.

(g) Employees shall be recalled in the reverse order of layoff, provided the employee has the then present ability to perform the required work without further training after a reasonable period of orientation.

Section 6.7 Balancing the Workforce

Prior to taking any action pursuant to this Section, the Employer will notify the Union of its intention to balance the workforce and, upon request, agrees to confer with the Union. The Employer shall provide fourteen (14) days advance notice to the Union. Should the Union request to confer with the Employer, said conference shall take place between the date the Employer provides the Union with advanced notice and the date the balancing of the workforce is scheduled to be implemented. If the conference does not take place during said time frame because the Union has not made itself available to meet at reasonable times during that time frame, the Employer may proceed to balance the workforce as set forth below.

The Employer's movement of employees from one location, shift or day off schedule to another, which would otherwise be considered the filling of a permanent vacancy, shall not be deemed a permanent vacancy if there is not a net increase in the number of employees in the affected classification(s) in the affected locations, shifts or day off schedule.

If the Employer intends to reduce the number of employees in a job classification at a location, and reassign them to another location, the Employer shall seek volunteers among the employees in the affected job classification, provided that the volunteers have the then present ability to perform the work required without further training. Such employees shall also be permitted to volunteer for positions in the job classification(s) at other locations that the Employer has declared vacant, provided that the volunteers have the then present ability to perform the work required without further training.

If there are more volunteers than there are assignments, such reassignments shall be made on the basis of seniority. If there are insufficient volunteers available, the Employer

shall reassign employees using reverse seniority, provided that the employees have the then present ability to perform the required work.

An employee being reassigned under this provision may file a transfer request (under the filling of vacancy article) to return to his/her original location. Said request must be made within sixty (60) days of reassignment, shall be valid for a period of eighteen (18) months after date of reassignment, and shall have preference over all other transfer requests for the original location.

Section 6.8 Detailing

Detailing is the temporary transfer of an employee to a work assignment within her/his job classification geographically removed from the employee's normal work site.

Employee(s) shall normally not be detailed for more than thirty (30) days, unless the Employer gives notice to the Union of its need to do so and confers with the Union upon request. In any event, no such assignment may extend beyond ninety (90) days without the agreement of the parties.

The Employer shall notify the employees of the requirements for a detailing assignment and shall seek volunteers among the employees who are qualified to perform the special assignment. If there are more volunteers than needed, selection shall be made on the basis of seniority commencing with the most senior. If there are insufficient volunteers, assignments shall be made from among the employees within the organizational unit where the detailing is necessary, commencing with the least senior employee with the present ability to perform the work. The Employer shall rotate such assignments equitably among the available employees.

In the event of an emergency any limitations of this Section shall be waived for a maximum of fifteen (15) working days. Should any emergency require a waiver of this section beyond fifteen (15) working days, the City agrees to confer with the Union regarding such extension.

Section 6.9 Seniority Lists

The Employer shall provide the Union with a seniority list annually. Each month the Employer shall notify the Union of additions and deletions to that list.

Section 6.10 Reciprocity

Employees hired prior to July 9, 1985, who have rendered service to the County of Cook, the Chicago Park District, the Forest Preserve District, the Chicago Housing Authority, the Metropolitan Sanitary District of Greater Chicago, the State of Illinois, the Chicago Board of Education, City Colleges of Chicago, Community College District 508,

Public Building Commission of Chicago, Chicago Urban Transportation District, the Chicago Transit Authority, and the Regional Transportation Authority shall have the right to have the period of such service credited and counted for the purpose of advancement within longevity salary schedules, provided the above interpretation of continuous service shall apply. Employees hired after July 9, 1985 who have rendered service to another employer as stated above shall not have the period of such service credited and counted for the purpose of advancement within longevity salary schedules.

ARTICLE VII

DISCIPLINE AND GRIEVANCE/ARBITRATION

Section 7.1 Discipline

(a) Non-probationary, Career Service employees will be discharged or otherwise disciplined only for just cause.

(b) All discipline of any probationary or other non-Career Service employee, as well as all discharges, shall be excluded from the terms of this Article VII. Discharges of Career Service employees shall be governed exclusively by the City of Chicago's Human Resources Board/Police Board Rules. For suspensions of Career Service employees of eleven (11) days or more, an election to arbitrate said suspension must be made at the time the appeal to the Human Resources Board or Police Board is required. Once the election to arbitrate is made, the employee forfeits further right to a Human Resources Board or Police Board hearing. The grievance procedure provisions herein and the Human Resources Board or Police Board appeals procedure are mutually exclusive, and no relief shall be available under both. Disciplinary cases which are converted from a discharge to a suspension as a result of decision of the Human Resources Board or Police Board do not thereafter become arbitrable as a result of said decision.

(c) The Employer within its discretion may determine whether disciplinary action should be an oral warning, written reprimand, suspension or discharge, depending upon various factors, such as, but not limited to, the severity of the offense or the employee's prior record. Discipline of non-probationary, Career Service employees shall be for just cause, and, for such employees, principles of progressive discipline shall apply as set forth in the Personnel Rules of the City of Chicago. Such discipline shall be administered as soon as practical after the Employer has had a reasonable opportunity to fully investigate the matter. In cases of oral warning, the supervisor shall inform the employee that she/he is receiving an oral warning and the reasons therefore.

For discipline other than oral warnings, the employee's immediate supervisor shall meet with the employee and notify him/her of the accusations against the employee and give the employee an opportunity to answer said accusations. Specifically, the supervisor shall tell the employee the names of witnesses, if any, and make available copies of pertinent documents the employee or Union is legally entitled to receive.

If the employee requests the presence of a Union representative at a meeting, one will be provided, if readily available, within a reasonable time period who shall be given the opportunity, if the employee requests, to rebut the discipline and request further pertinent information.

The Employer will notify the union office in writing of the pre-disciplinary meeting at the time the Employer notifies the employee. The Employer shall not have to unreasonably defer or avoid its intended disciplinary action because of the unavailability of an employee representative, taking all of the circumstances into account. The Employer is not obligated to meet with the employee prior to taking disciplinary action where the employee is unavailable or in emergency situations. The Employer's failure to satisfy this Section 7.1(b) shall not in and of itself result in a reversal of the Employer's disciplinary action or cause the Employer to pay back pay to the employee.

In the event disciplinary action is taken, the employee and the Union shall be given, in writing, a statement of the reasons therefor. The employee shall initial a copy, noting receipt only, which shall be placed in the employee's file.

(c) Conduct of Disciplinary Investigations By the Inspector General's Office

1. Supplementing all rights and processes due employees covered by this Agreement who may be the subject of a disciplinary investigation by the Inspector General, the interview will be conducted in the following manner:
 - A. The interview of the employee shall be scheduled at a reasonable time, preferably while the employee is on duty, or if feasible, during day shift hours.
 - B. The interview, depending upon the allegation, will take place at the employee's location of assignment, normal department location or other appropriate location, but not at a police station.
 - C. Prior to an interview, the employee under investigation shall be informed of the person in charge of the investigation, the identity of the interviewer and all persons present during the interview. When a formal statement is being taken, all questions directed to the employee shall be asked by and through one interviewer at a time.
 - D. The length of the interview sessions will be reasonable, with reasonable interruptions permitted for personal necessities.

- E. At the beginning of the interview, the employee shall be informed of the nature of the matters to be discussed.
- F. An employee under investigation shall not be threatened with transfer, dismissal or disciplinary action, or promised a reward, as an inducement to provide information relating to the matter under investigation, or for exercising any rights contained in this Agreement provided, however, that this Section shall not prohibit or prevent an accurate reading of the employee's administrative rights, or the imposition of discipline in accordance therewith.
- G. An employee under investigation will be provided, without unreasonable delay, with a copy of any written statement the employee has made.
- H. (1) If the allegation under investigation indicates a recommendation for discipline is probable against the employee, said employee will be given the statutory administrative proceedings rights prior to the commencement of the interview. (2) If the allegation indicates that criminal prosecution may be probable against said employee, the provisions of this Section shall be inapplicable and said employee will be afforded his constitutional rights concerning self-incrimination prior to the commencement of the interview. An employee will not be read his/her administrative and Miranda rights during the same interview.
- I. At the request of the employee under investigation, an employee who may be subject to discipline shall have the right to be represented in the interview by a representative of the Union. The employee shall be told that he/she has the right to Union representation before commencement of the interview. The interrogation shall be suspended until representation can be obtained, provided the suspension is not for an unreasonable time and the Employer does not have the interview unduly delayed.
- J. The Employer shall not compel an employee under investigation to speak or testify before, or to be questioned by, any non-governmental agency relating to any matter or issue under investigation.
- K. The results of a polygraph examination shall not be used against an employee in any forum adverse to the employee's interests. The Employer will not require a polygraph examination if it is illegal to do so. If an employee is asked to take a polygraph examination, he/she will be advised in writing 24 hours prior to the administration of the examination. The results of any polygraph examination shall be known to the employee within one week.

- L. This section shall not apply to employee witnesses.
- M. The identity of an employee under investigation shall not be made available to the media during the course of an investigation until charges are filed by the Employer and the employee has the opportunity to respond thereto. If an employee is exonerated after the City initially informed the media of the charges against the employee, the City will make that fact available to the media where the employee requests it.
- N. In the event that disciplinary action is taken against an employee, any allegations of violations of this Section shall be heard in connection with, and in the same forum as, grievances which protest said disciplinary action.
- O. Any evidence or information including employee statements that is obtained in violation of the rights enumerated in this Section, shall be suppressed and shall not be used by the Employer for any disciplinary action against the employee, or in the case of promotions or transfers.

2. Should during the life of this Agreement the City Council enact an ordinance which transfers the investigative authority of the Inspector General to another City Department or agency, the provisions of this Section shall be deemed to be applicable to that Department or agency.

(d) Personnel Files

The Employer's personnel files and disciplinary history files, except for confidential documents, relating to any employee shall be open and available for inspection by the affected employee during regular business hours. Any material and/or matter not available for inspection shall not be used in any forum adverse to the employee's interest. Records of disciplinary action which are over two years after the date of the incident or the date upon which the violation was discovered, whichever is longer, shall not be used against the employee; provided, however, that said record of discipline may continue to be used as a basis for further discipline beyond said two year period if (1) the matter is the subject of either civil or criminal court litigation prior to the expiration of the two-year period; or (2) the employee is charged with at least one additional, substantially similar offense at any time within said two year period.

Section 7.2 Grievance and Arbitration Procedures

(a) Disciplinary actions, except as described in Section 7.1(b) above, any and all disputes and differences involving Department of Personnel Rules, or an agency administrative action, or an interpretation or application of a specific section in this Agreement between the Employer and the Union or any of the employees it represents shall be exclusively settled in accordance with the terms of this Section 7.2.

(b) There shall be no interruption of the operation of the Employer. It is agreed that the time limitations set forth herein are of the essence and that no action or matter not in compliance therewith shall be considered the subject of a grievance unless said time limitations are extended by written agreement of both parties to this Agreement.

(c) Before a formal grievance is initiated, the employee shall discuss the matter with her/his immediate supervisor. If the problem is not resolved in discussion, the following procedure shall be used to adjust the grievance:

STEP I

- A. The employee or the Union shall put the grievance or complaint in writing on the appropriate grievance form within ten (10) calendar days of having knowledge of the event which gives rise to the grievance. In the space provided, the employee or the Union will indicate what Section and part of the Agreement is in violation and the requested remedy, and submit the form to her/his immediate supervisor.
- B. The immediate supervisor will notify the employee in writing of her/his decision in the space provided on the original grievance form, Step I. This form will be returned to the employee and the Union within ten (10) calendar days after receipt of the written complaint.

STEP II

- A. If the grievance is not settled at Step I, the Union representative and/or the employee shall have the right to make an appeal in writing on the grievance form Step II to the Department Head's designee and/or Director of Nursing within ten (10) calendar days after the date of the decision by the immediate supervisor. A meeting shall be held within five (5) working days thereafter. The name of the Department Head's designee shall be posted for employees in areas where employee notices are normally posted and submitted to the Union.
- B. The Department Head's designee will notify the employee in writing with a copy to the Union of her/his decision on the grievance form Step II within seven (7) calendar days of the Step II meeting.

STEP III

- A. If the grievance is not settled in Step II, the Union or the employee may appeal in writing on the space provided on the grievance form Step III along with Steps I and II to the Department Head or designee within ten (10) calendar

days of receipt of the senior supervisor's decision. If the dispute involves nursing practice issues, the appeal, upon request, shall be heard by the Department Head or designee and the Director of Labor Relations who shall seek the full input of the Director of Nursing concerning the dispute before the Employer gives the Union and the grievant a final answer.

- B. The Department Head or designee shall meet with the Union in an effort to resolve said grievance and reply in writing of her/his decision to the employee and the Union within seven (7) calendar days of receipt of the Step III appeal.

STEP IV

- A. If the grievance is not settled in Step III, the Union or the Employer, but not an employee or group of employees, may submit the dispute to final and binding arbitration, only if it involves an interpretation or application of a specific section of this Agreement, by serving a written request on the other to arbitrate, setting forth the facts and specific relief requested, within thirty (30) calendar days after the answer is given at Step III of this procedure.
- B. Within seven (7) calendar days after receipt of the written notice of arbitration the parties shall meet or otherwise attempt to select an impartial arbitrator by mutual agreement. If after seven (7) calendar days the parties are unable to mutually agree upon selection of an arbitrator, the parties will contact the Federal Mediation and Conciliation Service and request a panel of eight (8) arbitrators. No subsequent panel may be requested except with the mutual written agreement of the Employer and the Union. The Employer and the Union will alternately strike names from the listing of arbitrators until the arbitrator is chosen. The Employer will strike first.
- C. The Arbitrator will advise the parties of his/her fees and expenses prior to selection and will be expected to charge such fees and expenses. The fees and expenses of the Arbitrator shall be borne equally between the Union and the Employer. Each party shall be responsible for compensating its own representatives and witnesses. The cost of a transcript shall be shared if the necessity of a transcript is mutually agreed upon between the parties.
- D. The Arbitrator shall select a date for arbitration within sixty (60) days of notice that a grievance is ready for arbitration and submit his/her decision within thirty (30) days following such hearing.
- E. The parties may agree to submit more than one (1) grievance to an Arbitrator.

F. An arbitrable matter must involve the meaning and application or interpretation of a specific provision of this Agreement. The provisions of this Agreement shall be the sole source of any rights which either party may assert in arbitration. The Arbitrator shall have no power to amend, add to, subtract from, or change the terms of this Agreement, and shall be authorized only to interpret the existing provisions of this Agreement and apply them to the specific facts of the grievance or dispute. The decision of the Arbitrator shall be based wholly on the evidence and arguments presented to him/her by the parties in the presence of each other. No arbitration hearing shall be held unless both parties are present. The decision of the Arbitrator shall be final and binding on all parties to the dispute, including the employee or employees involved.

(d) Any settlement at Step I, II or III shall be binding upon the Employer, the Union and the aggrieved employee(s).

(e) Failure of the Employer to answer a grievance within the time limits herein shall permit the Union to refer the case to the succeeding step of the procedure.

(f) The Union will be informed of and allowed to be in attendance at all grievance or disciplinary hearings.

(g) If the grievance or arbitration affects more than one employee, the grievance or arbitration may be presented by a single selected employee representative of the group or class.

(h) Either the Employer or the Union may file a grievance at Step III.

(i) Even though a grievance has been filed, employees are obligated to follow instructions or orders of supervisors of the Employer, subject to discipline, except where the instruction or order is so inherently dangerous to the employee that it could cause death or serious physical harm. The Employer agrees that by following instructions or orders the employee does not waive the employee's right to process her/his grievance.

(j) Upon written request, at any step of the grievance procedure, the Union shall be given specified written materials, policies or documents pertinent to the grievance under consideration to which the Union is legally entitled.

ARTICLE VIII
EDUCATION, TRAINING, AND PROFESSIONAL DEVELOPMENT

Section 8.1 Tuition Reimbursement

Rules and procedures regarding tuition reimbursement shall be as described in Appendix E attached, which by reference is made part of this Agreement.

- (a) Employees shall be entitled to tuition reimbursement subject to the restrictions provided in the Tuition Reimbursement Policy identified as Appendix E in this Agreement.
- (b) The Employer will, upon request, notify the Union in writing of the names of employees who have been granted tuition reimbursement, the amount of the reimbursement, and the names of employees whose applications were denied. This request should specifically identify the employee by name and by title code. No more than two (2) requests shall be made per calendar year.

Section 8.2 Continuing Education Outside the Department

Employees may receive up to 35 hours per year of paid time for continuing education related to public health (e.g., workshops, seminars, classes, etc.), as approved by the Commissioner. Continuing education for employees is not mandatory.

Section 8.3 Protocol

Requests for leave from work to attend in-service training or continuing education programs outside the Department must be submitted in accordance with applicable Department procedures, and are subject to final approval by the Commissioner or his/her designee.

Section 8.4 Preceptors

The Employer and the Union mutually recognize the value of preceptorship in the training of new bargaining unit employees. Where the City assigns an employee to precept a new employee, the appropriate City supervisor will discuss the terms of the preceptorship with the preceptor and the new employee, and the Department will utilize its current validation checklist, or some other similar informal written document. The preceptorship will be taken into consideration in any evaluation of the precepting employee's performance with respect to his/her caseload.

Section 8.5 Training

The Employer and Union are committed to the principle of training for employees in order to improve the efficiency and effectiveness of the Department of Health. The

Employer has the right to require employees to attend training without the loss of pay, and the Employer may request proof of attendance. The Employer may change an employee's start time to coincide with the hours of the training.

Section 8.6 Advisory Training Committee

An Advisory Training Committee shall be established in the Department of Public Health composed of representatives of the Commissioner and at least one representative from Teamsters, Local 743. Teamsters, Local 743, will appoint its representative(s). This Committee will meet quarterly, unless the parties mutually agree to meet less or more frequently, and said meetings will take place during the working hours of employees on the Committee. Employees will be allowed to attend Advisory Training Committee meetings subject to prior supervisor approval and operational needs. The Committee may make recommendations to the Department of Public Health regarding public health, job-related, educational and/or training programs and development opportunities.

ARTICLE IX

DUES/FAIR SHARE FEE DEDUCTION

Section 9.1 Dues Deduction

Upon receipt of a written authorization in a form agreed upon by the Employer and the Union, the Employer shall deduct from the wages of the employees concerned the dues uniformly required and shall forward the full amount to the Union by the tenth (10th) day of the month following the month in which the deductions are made. Authorization for such deduction shall be irrevocable unless revoked by written notice to the Employer and the Union during the fifteen (15) day period prior to the expiration of this Agreement. The Employer will not similarly deduct the dues of any other organization as to employees covered by this Agreement.

Section 9.2 Fair Share

It is further agreed that thirty (30) days after the later of the execution of this Agreement or the employee's date of hire, the Employer shall deduct from the earnings of employees who are not members of the Union, a monthly amount as certified by the Union and shall remit such deductions to the Union at the same time that the dues check-off is remitted under terms and procedures as shall be agreed upon in negotiations between the Employer and the Union. It is understood that the amount of deduction from said non-member bargaining unit employees will not exceed the regular monthly Union dues and represents the employee's fair share cost of the collective bargaining process, contract administration and pursuing matters affecting wages, hours and other conditions of employment.

Section 9.3 Right of Non-Association

Nothing in this Agreement shall be inconsistent with Section 6(g) of the Illinois Public Labor Relations Act in protecting the right of non-association of employees based upon the bona fide religious tenets or teachings of a Church or other religious body of which such employees are members.

Section 9.4 Condition of Employment

Each employee who on the effective date of this Agreement is a member of the Union, and each employee who becomes a member after that date, shall, as a condition of employment, maintain his/her membership in good standing in the Union during the term of this Agreement.

Any present employee who is not a member of the Union shall, as a condition of employment, be required to pay a fair share (not to exceed the amount of Union dues) of the cost of the collective bargaining process and contract administration. All employees hired on or after the effective date of this Agreement and who have not made application for membership shall be required, thirty (30) days after the later of the execution of this Agreement or their hire date, to pay a fair share of the cost of the collective bargaining process and contract administration and pursuing matters affecting wages, hours and other conditions of employment.

Section 9.5 Indemnity

The Union shall indemnify and hold the Employer harmless against any and all claims, demands, suits, or other forms of liability, including damages, attorney's fees (as outlined in the side letter) and court and other costs that shall arise out of any action taken or not taken by the Employer for the purpose of complying with this Article, or in reliance on any list, notice, certification or assignment furnished under any of such provisions.

ARTICLE X

UNION REPRESENTATION

Section 10.1 Union Representatives

The Union will advise the Employer in writing of the names of the business agents and stewards authorized to act on behalf of the Union.

Section 10.2 Investigation and Processing of Grievances

Union stewards and grievants will be permitted a reasonable amount of time without loss of pay during working hours to investigate and process grievances where this does not substantially interfere with the efficient operation of the department, provided that stewards shall observe the Employer's reasonable visitation rules for Union representatives. The employee shall ask his/her immediate supervisor for permission to

handle grievances on work time, it being understood that the operation of the department takes precedence unless there is an emergency, but such permission shall not be unreasonably denied. Paid time off to investigate and process grievances under this Section does not include any time spent preparing for or presenting arbitration hearings after Step III of the grievance procedure has been completed.

Section 10.3 - Right of Access

Union business agents will be permitted to enter the Employer's facilities for purposes of handling grievances, observing conditions under which employees are working, attending meetings authorized by this Agreement, or for the administration of this Agreement, consistent with the Employer's reasonable visitation rules. The Union will not abuse this privilege, and all activities shall be conducted in a manner so as not to interfere with the Employer's normal operations.

The Employer agrees to make available conference or meeting rooms for meetings under this Article or authorized by this Agreement upon reasonable request of the Union, subject to the Employer's reasonable rules relating to the Union's use of the Employer's premises.

Section 10.4 Contract Negotiations

The Employer agrees to meet with Union representatives, including Local Unit representatives, but not more than four (4) who are employees covered by this Agreement, at reasonable times to negotiate a subsequent collective bargaining agreement. The names of designated representatives shall be certified to the Employer in writing by the Union. Said designated representatives attending the meeting shall participate without loss of pay. During the course of contract negotiations with the City, said designated representatives may also be allowed a reasonable amount of time without loss of pay during working hours for the purpose of meeting, and/or traveling to meetings, to discuss issues relevant to their representation of the Union in said negotiations, provided that no one designated representative will be granted more than a total of four (4) hours of paid time under this Section in any calendar year, and provided further that the total paid time used by all designated representatives under this Section does not exceed twenty-eight (28) hours in any calendar year. Designated representatives will obtain the permission of their respective supervisors before using paid time under this Section, it being understood that the operational needs of the department take precedence.

Section 10.5 Labor-Management Meetings

For the purpose of maintaining communications between labor and management in order to cooperatively discuss and solve problems of mutual concern, labor-management meetings between the Union and designated representatives of the Department of Health will normally be held on a quarterly basis. Representatives of other interested City Departments may attend said meetings at their discretion. Fewer or more frequent

meetings may be held by mutual agreement of the parties. Meetings shall be scheduled at a time, place and date mutually agreed upon with due regard for the efficient operation of the Employer's business.

The parties may discuss any subject of mutual concern, except for grievances and changes in this Agreement. Each party shall prepare and submit an agenda to the other one (1) week prior to the scheduled meeting. These meetings shall be attended by a reasonable number of representatives of each party, which number shall be mutually agreed to by the Union and the Employer. Any Union representative who is a City employee shall ask his/her immediate supervisor for permission to attend a labor-management meeting on work time, it being understood that the operations of the Department take precedence, but such permission shall not be unreasonably denied.

Section 10.6 Orientation

The Employer agrees to grant the Union a reasonable opportunity during the orientation of new employees to present the benefits of membership in the Union. The Union may have up to one (1) hour prior to, or following, the Employer's normal orientation period.

ARTICLE XI

NO STRIKE OR LOCKOUT

Section 11.1 No Strike

During the term of this Agreement neither the Union, its officers, or members shall instigate, call, encourage, sanction, recognize, condone, or participate in any strike (including, but not limited to sympathy strikes and strikes to protest Union or third party conduct), slowdown, stoppage of work, boycott, picketing, or willful interference with rendering of services by the Employer.

Section 11.2 Union Responsibility

The Union agrees that it will use its best efforts to prevent any acts forbidden in this Article and that in the event any such acts take place or are engaged in by any employee or group of employees, the Union further agrees it will use its best efforts to cause an immediate cessation thereof. If the Union immediately takes steps in good faith to end any strike, slowdown, stoppage, boycott, picketing or interference, the Employer agrees that it will not bring action against the Union to establish responsibility for such wildcat or unauthorized conduct.

Section 11.3 Discipline For Breach.

The Employer in its sole discretion may terminate the employment or otherwise discipline any employee or employees who engage in any act forbidden in this Article.

Section 11.4 No Lockout

The Employer agrees not to lock out the employees during the term of this Agreement.

ARTICLE XII SUBCONTRACTING

Section 12.1

The Employer will have employees perform bargaining unit work where practicable; however, the Employer reserves the right to contract out work for reasons of efficiency or economy.

Section 12.2

Prior to subcontracting bargaining unit work, the Employer shall give notice of such contemplated action to the Union at least 30 days prior to entering into a subcontract, unless emergency or other circumstances preclude 30 days notice, in which case the Employer will give notice to the Union as soon as practicable after the need for the subcontracting is known. The notice shall be in writing and shall contain the name and address of the party who will perform the work, a description of the work to be performed, any contemplated impact on bargaining unit employees, and any other relevant data to enable the Union to discuss with the Employer alternatives to such action. Upon request, the Employer will meet with the Union within 3 days of such a request.

Section 12.3

If bargaining unit employees would be displaced by the proposed subcontracting, the Employer shall make available, on a seniority basis, equal-rated permanent bargaining unit jobs the Employer has declared to be vacant in the Department, or other Departments, in that order, provided the displaced employees have the then present ability to perform the required work without further training. However, the employee shall be provided with a reasonable amount of orientation to allow her or him to perform the work.

ARTICLE XIII

MISCELLANEOUS

Section 13.1 Bulletin Boards

The Employer or her/his designee in the department shall, upon the request of an employee of that department or agency, and subject to the availability of space, designate space on a bulletin board for the employee to post materials which do not relate to official City business. The employee shall not use such space for posting abusive, inflammatory or partisan political material. All materials which are posted by the employee must be signed and dated by such employee prior to posting, and bear the approval of the Department Head or his designee.

Section 13.2 Delegation

Employees shall not be required or directed to delegate nursing activities to other personnel inconsistent with recognized standards of professional practice and/or the Illinois Nursing Act and the Rules for its Administration.

Section 13.3 Performance Evaluations

As part of the evaluation process, the employee's supervisor shall discuss the evaluation with the employee and give him/her the reasons for such evaluation and an opportunity to clarify or rebut his/her evaluation. During the discussion each employee shall receive a legible copy of the performance appraisal, signed by the supervisor and the employee. The employee's signature will indicate only that he/she has seen the evaluation.

The evaluation form shall state that it is the employee's right to place a rebuttal in his/her file if the employee so chooses. Both the evaluation and the rebuttal shall be retained in the employee's personnel file.

Section 13.4 Prohibition Against Discrimination

(a) The Employer agrees not to discriminate against any employee on the basis of race, sex, creed, religion, color, sexual preference, marital (including parental) status, age, national origin, or mental and/or physical handicap, or Union activity.

(b) Grievances by employees alleging violations of Section 13.4(a) shall be resolved through Step III of the Grievance Procedure of this Agreement, but shall not be subject to arbitration unless mutually agreed by the parties.

Section 13.5 Reasonable Accommodation

Whenever an employee (or the Union at the request of an employee) requests an accommodation under the Americans with Disabilities Act ("ADA"), or such an

accommodation is otherwise contemplated by the Employer, the Employer, the employee and/or the Union will meet to discuss the matter. If the Employer, the employee and the Union reach agreement, such agreement shall be binding on the Employer, the Union and all employees.

In the event a grievance is filed over any action or inaction by the Employer, and the Employer claims that such action or inaction was based on the Employer's obligations under the ADA, the arbitrator shall take the Employer's obligations under the ADA, the Union's obligations under the ADA, as well as the provisions of Section 13.4 (non-discrimination) of this Agreement when rendering his or her decision.

Neither party shall unreasonably withhold its consent to the reasonable accommodation of an employee.

It is the intent of the parties that reasonable accommodations adopted by the Employer conform to the requirements of the Agreement to the extent practicable. In the event of a conflict between this Agreement, any agreement or settlement hereunder or arbitration award and any decision of any agency or court of competent jurisdiction finding a violation of the ADA, such decision shall take precedence over the Agreement, and agreement or settlement hereunder or arbitration award.

Information obtained regarding the medical condition or history of an employee shall be treated in a confidential manner.

Section 13.6 Health and Safety

The Employer shall continue its efforts to provide for a safe working environment for its employees as is legally required by federal and state laws.

Section 13.7 Extension of Benefits

Any improvements in holidays, vacations, sick leave for salaried employees, automobile reimbursement, group health, vision care, dental, life and accident benefits, bereavement leave and jury duty leave granted to the majority of other employees of the Employer during the term of this Agreement shall also be granted to employees covered under this Agreement.

Section 13.8 Protocol Committee

At least one bargaining unit employee will serve on each protocol committee involving nursing practice. The Union will encourage bargaining unit employees to volunteer to serve on a protocol committee.

ARTICLE XIV
DRUG AND ALCOHOL PROGRAM

Section 14.1 Policy Statement

The City of Chicago's essential mission is to provide services to its citizens in a safe and economic manner. The parties to this Agreement recognize that drug and alcohol abuse in the workplace has a deleterious effect on the health and safety of employees, as well as their morale and productivity, all of which creates an undue burden on the persons which the City and the employees covered by this Agreement serve.

The Employer and the Union maintain a strong commitment to protect people and property, and to provide a safe working environment. To this end, the Employer has also established its confidential Employee Assistance Program for employees with personal problems, including alcohol and substance abuse, and the parties to this Agreement urge employees who have such problems to utilize the Program's services.

To maintain a workplace, which provides a safe and healthy work environment for all employees, the following drug and alcohol program is also established.

Section 14.2 Definitions

(a) Alcohol: Ethyl alcohol

(b) Prohibited Items & Substances:

all illegal drugs and controlled substances, alcoholic beverages, and drug paraphernalia in the possession of, or being used by, an employee on the job or the premises of the Employer.

(c) Employer Premises:

all property, facilities, land, buildings, structures, automobiles, trucks and other vehicles owned, leased or used by the Employer as job sites or work locations and over which the Employer has authority as employer.

(d) Employee: all persons covered by this Agreement.

(e) Accident:

an event resulting in injury to a person requiring medical attention or causing significant damage to property to which an employee contributed as a direct or indirect cause.

(f) Reasonable Cause:

erratic or unusual behavior by an employee, including but not limited to noticeable imbalance, incoherence and disorientation, which would lead a person of ordinary sensibilities to conclude that the employee is under the influence of drugs and/or alcohol.

(g) Under the Influence:

any mental, emotional, sensory or physical impairment due to the use of drugs or alcohol.

(h) Test:

the taking and analysis of any body component sample, whether by blood, breath, urine, or in any other scientifically reliable manner, for the purpose of identifying, measuring or quantifying the presence or absence of drugs, alcohol or any metabolite thereof.

Section 14.3 Disciplinary Action

(a) All employees are expected to report to work in a physical condition that will enable them to perform their jobs in a safe manner. Further, employees shall not use, possess, dispense or receive prohibited items or substances on or at the Employer's premises, nor shall they report to work under the influence of drugs and/or alcohol.

(b) When, based upon the direct observation of two supervisors, the Employer has reasonable cause to believe that an employee on duty is under the influence of a prohibited substance, the Employer shall have the right to subject that employee to a drug and alcohol test. At the Employer's discretion, the employee may be placed on administrative leave with pay until test results are available. All documentation concerning the decision to perform a drug or alcohol test and the test results themselves shall be kept confidential pursuant to the terms of Section 4(j) herein. If the test results prove negative, the employee shall be reinstated. In all other cases, the Employer will terminate all employees who:

- (i) test positive for drug and/or alcohol use;
- (ii) refuse to cooperate with testing procedures;
- (iii) are found to be under the influence of drugs or alcohol while on duty and on the Employer's premises;

- (iv) are found in possession of alcohol, drugs or drug paraphernalia, or are found selling or distributing drugs or drug paraphernalia, on the Employer's premises.

(c) All adverse employment action taken against an employee under this program shall be subject to the grievance and arbitration procedures of this Agreement.

Section 14.4 Drug and Alcohol Testing

- (a) The Employer may require drug and/or alcohol testing under the following conditions:
 - (i) a test may be administered in the event that two supervisors have reasonable cause to believe that an employee has reported to work under the influence of or is at work under the influence of, drugs or alcohol;
 - (ii) a test may be required if an employee is involved in a workplace accident or fighting;
 - (iii) a test may be required as part of a follow-up to counseling or rehabilitation for substance abuse for up to a one year period following the end of an in-patient rehabilitation program or one year and 30 days after the initial counseling session.
 - (iv) as may be required by the terms of an agreement (such as, an intergovernmental agreement or the like) or grant program.
- (b) Employees to be tested will be required to sign a consent form and chain of custody form, assuring proper documentation and accuracy. If an employee refuses to sign a consent form authorizing the test, he or she will be subject to termination.
- (c) Drug and alcohol testing will be conducted by an independent laboratory accredited by the relevant agency of the United States Department of Health and Human Service ("DHHS"), and may consist of either blood or urine tests, or both. The Employer reserves the right to utilize a breathalyzer to test for the presence of alcohol, in lieu of other clinical testing.
- (d) Laboratory testing procedures will conform to the procedures specified in the DHHS guidelines for federal workplace drug testing programs, dated June 9, 1994 and as may be amended hereafter by DHHS.

(e) Initial and confirmatory test results which meet or exceed the cutoff levels for drugs set forth in the DHHS guidelines (and as they may be amended) shall be regarded as "positive," and shall presumptively establish that the tested employee was under the influence of drugs.

(f) Initial and confirmatory (or breathalyzer) test results which meet or exceed the level of blood alcohol established in the Illinois Motor Vehicle Act as legal intoxication shall presumptively establish that the tested employee was under the influence of alcohol.

(g) The cost of initial and confirmatory testing will be borne by the Employer.

(h) Drug and alcohol test results shall be reported to the Commissioner of Human Resources or his designee in the manner to be prescribed by the Commissioner. The applicant or incumbent shall be notified of the test results in writing. The Commissioner will inform the applicable department head of any employee who tests positive for alcohol or drugs, who in turn will initiate disciplinary proceedings under Section 14.3 above.

(i) All urine or blood samples shall be taken in sufficient quantity as to allow for retesting. Any portion not used in the test will be preserved by scientifically reliable means for one (1) year following the test. Any employee whose test result is positive may elect, at his or her expense, to be retested by the same or other laboratory satisfactory to the Commissioner of Human Resources, provided that the Employer's testing laboratory shall arrange for transmitting said sample to the second laboratory. Positive results of said retesting shall be conclusive as to the presence of alcohol or drugs. The failure to take a sufficient sample, or to preserve such sample, to allow for retesting, shall not affect the removal from eligibility of an applicant or personnel action, including discharge, of any employee.

(j) No laboratory report or test results shall appear in the incumbent's personnel file unless they are part of a personnel action under this program, but shall be placed in a special locked file maintained by the Commissioner of Human Resources, except as such disclosure may be required by this policy, law or ordinance. Such information shall be regarded as confidential and shall be used by the Employer in accordance with the provisions of this Article.

Section 14.5 Employee Assistance Program

The parties to this Agreement recognize that impairment due to drug and alcohol abuse can be an illness which should be treated. Accordingly, employees are encouraged to seek help for a drug or alcohol problem before it deteriorates into a disciplinary matter and may participate if they wish in the voluntary Employee Assistance Program.

ARTICLE XV
COMPLETE AGREEMENT, WAIVER AND SEPARABILITY

Section 15.1 Complete Agreement

This Agreement represents the sole and complete Agreement between the parties.

Section 15.2 Waiver

The parties acknowledge that, during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties, after the exercise of that right and opportunity, are set forth in this Agreement. The parties expressly waive and relinquish the right, and each agrees that the other shall not be obligated during the term of this Agreement, to bargain collectively with respect to any subject matter concerning wages, hours or conditions of employment referred to or covered in this Agreement, or discarded during the negotiations, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated this Agreement.

Section 15.3 Modifications

After this Agreement has been executed, no provision may be altered or modified during the term of the Agreement except by mutual consent in writing between the Employer and the Union, and only at a conference called for such purpose by the parties and ratified by their respective organizations. All such alterations or modifications shall be executed with the same formality as this Agreement.

Section 15.4 Separability

Should any provision of this Agreement be rendered or declared invalid by reason of any existing or subsequently enacted legislation, or by decree of a court of competent jurisdiction, only that portion of the Agreement shall become null and void, and the remainder shall remain in full force and effect in accordance with its terms.

ARTICLE XVI
TERM OF AGREEMENT

Section 16.1 Term of Agreement

This Agreement shall be effective from the date upon which it is ratified by the City Council of the City of Chicago, and shall remain in effect through 11:59 p.m. on June 30, 2017, subject to the terms of Sections 16.2 and 16.3 of this Article. Thereafter, it shall automatically renew itself from year to year unless at least sixty (60) days and not more than

ninety (90) days prior to the termination date or anniversary thereof, either party gives written notice to the other by Certified Mail, return receipt requested, of a desire to amend, add to, subtract from, or terminate this Agreement. In the event such notice of a desire to amend, add to, or subtract from the terms of this Agreement is given, the parties shall, within a reasonable time thereafter, enter into negotiations concerning the request.

Section 16.2 Health Plan Reopener

Each party reserves the right to reopen this Agreement in order to further negotiate the Health Plan set forth in Article IV for the following reasons:

- (a) Any change(s) in the applicable law(s), including but not limited to a universal, national or state health care program mandating significant changes in health insurance benefits that becomes law and is effective during the term of this Agreement;
- (b) The lack of achievement of health care cost containment as anticipated by the parties pursuant to the establishment and administration of the Labor-Management Cooperation Committee on health care ("LMCC"), as defined below:
 1. The parties charge the LMCC with the responsibility of approving Plan changes that will result in significant cost containment or savings, as measured by a projected increase of costs for any individual plan of no more than 8% in Fiscal Year 2009 and each fiscal year thereafter when compared to health care costs in Fiscal Year 2008 and each previous fiscal year thereafter, respectively.
 2. Should the Plan changes approved by the LMCC fail to result in such cost containment or savings as stated in subsection (a) above, the LMCC shall make such adjustments to the Plan as are necessary, including but not limited to adjustments in deductibles, co-pays and co-insurance, to prevent the cost increase from exceeding 8% as measured in subsection (a) above.
 3. Should the plan changes approved by the LMCC fail to achieve cost containment or savings as stated in subsections (a) and (b) above by the end of the following fiscal year, either party may elect to reopen negotiations as set forth herein on the following specific topics:
 - Health Plan set forth in Article 9;
 - Structure of the LMCC;
 - Composition of the LMCC;
 - Funding of the LMCC;

provided, however, each party reserves the right to reopen this Agreement in order to negotiate the Health Plan set forth in Article IV no later than June 30, 2011.

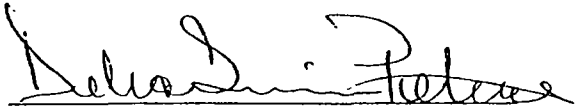
If any one of the foregoing events or conditions occurs, either party to this Agreement has thirty (30) days to notify the other party of its intent to reopen this Agreement in order to negotiate the Health Plan set forth in Article IV. Should either party elect to reopen negotiations pursuant to this provision, it shall submit written notice to the other party. Thereafter, the parties have ninety (90) days within which to reach agreement on the Article. If the parties fail to reach agreement at the conclusion of that ninety (90) day period, each party reserves the right to reopen the entire Agreement.

IN WITNESS WHEREOF, each of the parties hereto, by its duly authorized representatives, has executed this document on the date set forth below:

FOR THE CITY OF CHICAGO:

Date: _____

FOR THE UNION:

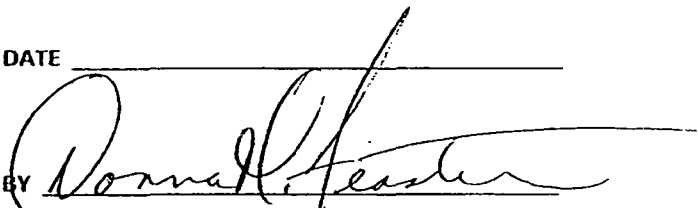
BY 
Debra Simmons-Peterson, President

DATE 1.7.14

BY 
Richard Cristo, Business Agent

DATE January 17, 14

BY 
Lorraine Schoenstadt, Negotiating Committee

DATE _____
BY 
Donna M. Feaster, Negotiating Committee

DATE _____

APPENDIX A

BARGAINING UNIT CLASSIFICATION GRADES
SALARY SCHEDULE SZ

<u>JOB CLASSIFICATION</u>	<u>CLASS GRADE</u>
Public Health Nurse III	6
Public Health Nurse IV	7

(Attach Salary Schedules)

TEAMSTERS LOCAL 743

January 1, 2012

ENTRANCE RATE		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	MAXIMUM RATE
CLASS GRADE	FIRST 6 MONTHS		NEXT 12 MONTHS	NEXT 12 MONTHS	NEXT 12 MONTHS	NEXT 12 MONTHS	AFTER 1 YEAR AT STEP 5 RATE & 5 YRS SERVICE	AFTER 1 YEAR AT STEP 6 RATE & 7 YRS SERVICE	AFTER 1 YEAR AT STEP 7 RATE & 10 YRS SERVICE	AFTER 1 YEAR AT STEP 8 RATE & 15 YRS SERVICE	AFTER 1 YEAR AT STEP 9 RATE & 20 YRS SERVICE
6	ANNUAL	62,004	65,052	68,268	71,760	76,128	79,896	83,904	88,104	92,544	97,224
	MONTHLY	5,167	5,421	5,689	5,980	6,344	6,658	6,992	7,342	7,712	8,102
7	ANNUAL	64,416	67,596	71,052	74,640	78,336	83,076	87,240	91,632	96,264	101,076
	MONTHLY	5,368	5,633	5,921	6,220	6,528	6,923	7,270	7,636	8,022	8,423

TEAMSTERS LOCAL 743
SALARY SCHEDULE for REGISTERED NURSES

SCHEDULE SZ

SCHEDULE SZ		Upon Ratification									
ENTRANCE RATE		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	MAXIMUM RATE
CLASS GRADE	FIRST 6 MONTHS		NEXT 12 MONTHS	NEXT 12 MONTHS	NEXT 12 MONTHS		AFTER 1 YEAR AT STEP 5 RATE & 5 YRS SERVICE	AFTER 1 YEAR AT STEP 6 RATE & 7 YRS SERVICE	AFTER 1 YEAR AT STEP 7 RATE & 10 YRS SERVICE	AFTER 1 YEAR AT STEP 8 RATE & 15 YRS SERVICE	AFTER 1 YEAR AT STEP 9 RATE & 20 YRS SERVICE
	6 ANNUAL	65,052	68,268	71,760	76,128	79,896	83,904	88,104	92,544	97,224	101,796
	MONTHLY	5,421	5,689	5,980	6,344	6,658	6,992	7,342	7,712	8,102	8,483
7 ANNUAL		67,596	71,052	74,640	78,336	83,076	87,240	91,632	96,264	101,076	106,212
	MONTHLY	5,633	5,921	6,220	6,528	6,923	7,270	7,636	8,022	8,423	8,851

SCHEDULE SZ

SALARY SCHEDULE for REGISTERED NURSES

January 1, 2016

ENTRANCE RATE		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	MAXIMUM RATE
CLASS GRADE		FIRST 6 MONTHS	NEXT 12 MONTHS	NEXT 12 MONTHS	NEXT 12 MONTHS	NEXT 12 MONTHS	AFTER 1 YEAR AT STEP 5 RATE & 5 YRS SERVICE	AFTER 1 YEAR AT STEP 6 RATE & 7 YRS SERVICE	AFTER 1 YEAR AT STEP 7 RATE & 10 YRS SERVICE	AFTER 1 YEAR AT STEP 8 RATE & 15 YRS SERVICE	AFTER 1 YEAR AT STEP 9 RATE & 20 YRS SERVICE
6	ANNUAL	65,700	68,952	72,480	76,884	80,700	84,744	88,980	93,468	98,196	102,816
	MONTHLY	5,475	5,746	6,040	6,407	6,725	7,062	7,415	7,789	8,183	8,568
7	ANNUAL	68,268	71,760	75,384	79,116	83,904	88,116	92,544	97,224	102,084	107,280
	MONTHLY	5,689	5,980	6,282	6,593	6,992	7,343	7,712	8,102	8,507	8,940

APPENDIX B

LIFE INSURANCE

1. Optional Group Term Life Insurance

Effective upon ratification of this Agreement, or upon implementation of the plan, whichever is later, full-time or full-time equivalent Registered Nurses shall have the option to purchase additional Group Term Life Insurance under a new plan (Plan C). Present employees may opt for new Plan C or stay with old Plan B. New employees will have the new Plan C option only.

Plan B - Optional Group Term Life Insurance - Fixed Rate

Full-time or full-time equivalent Registered Nurses shall continue to have the option of purchasing additional insurance in \$1,000 units up to an amount equal to the employee's annual earnings rounded up to the next multiple of \$1,000. The monthly premium each employee pays will depend upon the amount of coverage selected. Premiums will be deducted from each paycheck.

Plan C - Optional Group Term Life Insurance - Graduated Rate

Full-time or full-time equivalent Registered Nurses shall have the option to purchase additional insurance in the amount of one, two, or three times the Nurse's salary. The monthly premium each employee pays will depend upon the amount of coverage selected and age. Premiums will be deducted from each paycheck.

2. Universal Life Insurance Program

Effective upon ratification of this Agreement, or upon implementation of the plan, whichever is later, full-time or full time equivalent Registered Nurses shall have the additional option of purchasing Universal Life Insurance for themselves, their spouses and any dependent children. The monthly premium each employee pays will depend upon the amount of coverage selected and age. Premiums may be deducted from each paycheck.

APPENDIX C

MEDICAL CARE BENEFITS

The following changes in the current City Health Care Plan (the "Plan") shall become effective on January 1, 2006, unless otherwise provided in this Appendix B. Unless changed by this proposal, all other aspects of the Plan shall remain in effect.

1. Plan Alternatives.

The Plan shall consist of three separate alternative coverages – a PPO plan ("PPO"); a PPO Plan with a Health Reimbursement Account ("PPO/HRA"); and two HMO plans ("HMO").

2. Plan Design.

(a) Network Plans:

(i) The deductibles, co-insurance and out-of-pocket maximums for the PPO Plan and the PPO/HRA Plan are set forth in Exhibit 1 hereto. For the PPO and PPO/HRA Plans, all covered services are subject to the annual deductible unless otherwise indicated. HMO benefits in Exhibit 1 are not subject to co-pays unless the co-pay is specified.

If the Employer decides that the PPO/HRA alternative lacks sufficient employee enrollment or is cost prohibitive, it may discontinue that alternative provided the Employer provides reasonable prior notice to the Union and an opportunity for those enrolled in the PPO/HRA to enroll in another plan. For this purpose, "reasonable notice" shall be defined as notification in writing of the employer's intent to discontinue the plan at least ninety (90) days prior to the proposed discontinuation where circumstances are within the city's control. In all other cases, the City will provide the maximum notice as is practicable under the circumstances. In addition, in the event that a new health care plan becomes available to the City during a Plan year, the Employer shall have the right to include that new plan in the Plan alternatives upon reasonable notice to and discussion with the Union.

(ii) The PPO/HRA Plan shall have an HRA account for each employee (to be administered by the relevant claim administrator or other third party administrator which the Employer shall determine, with prior notice to the Union), which account shall be credited with \$500.00 per individual, and \$1,000.00 per family per Plan year. Such amounts must be used for "qualified medical expenses" (as defined by the Employer), and can be carried over into the next Plan year if not used in the preceding Plan year.

(iii) The PPO and PPO/HRA Plan will provide a "wellness" feature for members with a maximum annual benefit of \$600.00 per individual, which is not subject to the Plan deductible or co-insurance.

(iv) Add an emergency room deductible of \$100.00 to the PPO and PPO/HRA Plan which amount shall be waived in the event the individual is admitted to the hospital. The Employer will interpret this provision consistently between its various bargaining units.

(v) Add a disease management feature for active employees. The Employer will consider any input from the Union through the Labor Management Health Care Committee concerning the structure and implementation of this feature.

(vi) Expand the Employer's 125 Plan effective January 1, 2006, to provide for a voluntary "flexible spending account" feature to allow for the contribution by participants of up to \$5,000 per Plan year to fund certain medical expenses (such as dental, vision, deductibles, co-payments, drug co-payments, and over-the-counter drugs) on a pre-tax basis, subject to the normal IRS rules regarding such plans.

(vii) All newly hired employees shall be required to participate in the PPO Plan for the first 18 months of their employment. These employees shall be eligible to participate in the first enrollment period following the 18 month anniversary of their dates of hire.

(b) HMO Plan:

(i) The HMO Plan shall have the minimum features set forth in Exhibit 1 hereto.

3. Health Care Contributions

(a) The schedule for employee contributions to the Plan, as set forth in the 1999-2003 collective bargaining agreement(s), shall remain in effect until June 30, 2006.

(b) A new employee contribution schedule, which shall become effective July 1, 2006, is set forth in Exhibit 2 hereto.

4. Prescription Drug Coverage

(a) Retail Drug Plan:

For the PPO Plan, PPO/HRA Plan, and HMO Plan, the following co-pays shall

apply -

(i) generic tier 1 - effective through life of the Agreement - \$10.00.

(ii) brand formulary tier 2 (brand with no generic substitute) -
effective July 1, 2006, \$30.00.

(iii) brand with generic substitute - \$10.00 generic co-pay plus the
difference in cost between brand and generic drug.

(iv) brand non-formulary tier 3 - effective July 1, 2006, \$45.00.

(b) Mail Order Plan:

The PPO Plan, the PPO/HRA Plan, and HMO Plan shall have a mail order feature. The co-pays for the mail order plan for a 90 day supply are as follows –

- (i) generic tier 1 – effective through life of the Agreement – \$20.00.
- (ii) brand formulary tier 2 (brand with no generic substitute) – effective July 1, 2006, \$60.00.
- (iii) brand with generic substitute – \$20.00 generic co-payment plus difference in cost between brand and generic drug.
- (iv) brand non-formulary tier 3 – not available in mail order.

5. Dental and Vision Plans

(a) Preventative Dental Plan:

The Employer shall maintain the current PPO and HMO dental plans with changes to co-pays and deductibles according to the schedule attached as Exhibit 3 hereto.

(b) Vision Care Plan:

The current vision plan will be deleted. Vision benefits are to be included in the PPO and PPO/HRA Plans, and under the HMO's pursuant to the coverages available in those plans.

The Employer reserves the right to add to, change, modify or withdraw this proposal until final ratification of the entire agreement is concluded.

EXHIBIT 1

<u>BENEFIT</u>	<u>PPO</u>	<u>PPO w/HRA</u>	<u>HMO</u>
HRA (single/family)	N/A	\$500/\$1000	N/A
Co-Insurance (in/out of network)	90%/60%	90%/60%	N/A

<u>HEALTH INSURANCE</u> (SECTION 25.2)	<u>Highlights of Health Insurance Plan, Continued</u>		
<u>BENEFIT</u>	<u>PPO</u>	<u>PPO w/HRA</u>	<u>HMO</u>
In-Network Deductible	\$300/person (eff. 1/1/06) \$350/person (eff. 1/1/07) max of 3 per family	\$1,000 person \$2,000 family	N/A
Out-of-Network Deductible	\$1500/person (eff. 1/1/06) \$3000/family	\$3500 per person max of 3 per family	Status Quo
In-Network OPX	\$1500 per person \$3000 per family (includes deductible)	\$3000 per person max of three per family (deductible not included)	N/A
Out-of-Network OPX	\$3500 per person \$7000 per family	\$11,500 per person \$34,000 per family	Status Quo
ER Co-Payment	\$100, waived if admitted; not applied toward deductible or OPX (eff. 1/1/06)	\$100, waived if admitted; not applied toward deductible or OPX (eff. 1/1/06)	\$100, waived if admitted (eff. 1/1/06)

<u>HEALTH</u> <u>INSURANCE</u> (SECTION 25.2) <u>BENEFIT</u>	Highlights of Health Insurance Plan, Continued		
	<u>PPO</u>	<u>PPO w/HRA</u>	<u>HMO</u>
Office Visits	90%/60%	90%/60%	\$15.00 Co-Pay (eff. 1/1/06) \$20.00 Co-Pay (eff. 1/1/07)
Pediatric Immunization	Please Refer to Wellness Benefit	Please Refer to Wellness Benefit	Covered
Pap Smear/Routine Gynecology	Please Refer to Wellness Benefit	Please Refer to Wellness Benefit	\$15.00 Co-Pay (eff. 1/1/06) \$20.00 Co-Pay (eff. 1/1/07)
Mammograms	Please Refer to Wellness Benefit	Please Refer to Wellness Benefit	\$15.00 Co-Pay (eff. 1/1/06) \$20.00 Co-Pay (eff. 1/1/07)
Outpatient Surgery	90%/60%	90%/60%	\$15.00 Co-Pay (eff. 1/1/06) \$20.00 Co-Pay (eff. 1/1/07)
In-Patient Hospital Services	90%/60%	90%/60%	\$15.00 Co-Pay (eff. 1/1/06) \$20.00 Co-Pay (eff. 1/1/07)
Outpatient Laboratory	90%/60%	90%/60%	Covered
Outpatient Radiology	90%/60%	90%/60%	Covered

<u>HEALTH INSURANCE</u> (SECTION 25.2) <u>BENEFIT</u>	<u>Highlights of Health Insurance Plan, Continued</u>		
	<u>PPO</u>	<u>PPO w/HRA</u>	<u>HMO</u>
Physical, Speech & Occupational Therapy	90%/60% Restoration Only	90%/60% Restoration Only	60 Combined Visits per Calendar Year, Restoration only
Cardiac Rehabilitation	90%/60% Cardiac Rehabilitation Services Only in Programs Approved by Claim Administrator (12 weeks or 36 sessions/year)	90%/60% Cardiac Rehabilitation Services Only in Programs Approved by Claim Administrator (12 weeks or 36 sessions/year)	Covered
Pulmonary Rehabilitation	90%/60%	90%/60%	Covered
Respiratory Therapy	90%/60%	90%/60%	Covered
Restorative Services & Chiropractic Care	90%/60% Chiropractic Care Only 20 Per Year, Max 3 Modalities Per Visit	90%/60% Chiropractic Care Only 20 Per Year, Max 3 Modalities Per Visit	Covered, Re- quires Referral from Primary Care Physician
Chemotherapy, Radiation and Dialysis	90%/60%	90%/60%	Covered
Outpatient Private Duty Nursing	90%/60%	90%/60%	Covered, Requires HMO Approval
Skilled Nursing Care	90%/60%	90%/60%	Covered, Up to 120 Days per Calendar Year
Hospice and Home Healthcare	90%/60%	90%/60%	Covered
DME & Prosthetics	90%/60%	90%/60%	Covered

<u>HEALTH</u> <u>INSURANCE</u> (SECTION 25.2) <u>BENEFIT</u>	Highlights of Health Insurance Plan, Continued		
	<u>PPO</u>	<u>PPO w/HRA</u>	<u>HMO</u>
Outpatient Diabetic Education	90%/60% Two Visits Per Lifetime	90%/60% Two Visits Per Lifetime	Covered
Routine Foot Care	Not Covered	Not Covered	Not Covered
Fertility Treatment	90%/60%	90%/60%	Available According to HMO Guidelines

<u>HEALTH</u> <u>INSURANCE</u> (SECTION 25.2) <u>BENEFIT</u>	Highlights of Health Insurance Plan, Continued		
	<u>PPO</u>	<u>PPO w/HRA</u>	<u>HMO</u>
Mental Illness Care	Inpatient: 90%/60% Outpatient: 80% of \$100 Max Covered Expenses per Session; Only 7 Sessions Covered if Treatment Is Not Certified; Max Covered Expenses: \$5000/year Mental Health & Substance Abuse Max Expenses: Individual: \$37,500/year Individual: \$250,000/lifetime Family: \$500,000/lifetime		Co-Pays for Inpatient and Outpatient Services: \$15.00 Co-Pay (eff. 1/1/06) \$20.00 Co-Pay (eff. 1/1/07) Service Limitations: Inpatient: 30 Days/Year Outpatient: 30 Visits/Year
Substance Abuse	Inpatient: 90%/60% Outpatient: 80% of \$100 Max Covered Expenses per Session; Only 7 Sessions Covered if Treatment Is Not Certified; Max Covered Expenses: \$5000/year Mental Health & Substance Abuse Max Expenses: Individual: \$37,500/year Individual: \$250,000/lifetime Family: \$500,000/lifetime		Co-Pays for Inpatient and Outpatient Services: \$15.00 Co-Pay (eff. 1/1/06) \$20.00 Co-Pay (eff. 1/1/07) Service Limitations: Inpatient: 30 Days/Year Outpatient: 30 Visits/Year
Hearing Exams and Aids	Hearing Screening: Covered in Wellness Benefit Hearing Aids: Not Covered	Hearing Screening: Covered in Wellness Benefit Hearing Aids: Not Covered	Screening: Covered in Full Hearing Aids: Not Covered
Lifetime Limits	Maximum Lifetime Limit is \$1.5 Million		No Limit

<u>HEALTH</u> <u>INSURANCE</u> (SECTION 25.2) <u>BENEFIT</u>	Highlights of Health Insurance Plan, Continued		
	<u>PPO</u>	<u>PPO w/HRA</u>	<u>HMO</u>
Wellness Benefit	\$600 per year (effective 1/1/06) <u>Includes:</u> Subject to further review and development, the Wellness Benefit will cover, outside of deductibles: (1) routine exams, (2) immunizations, (3) mammograms, and (4) vision exams, lenses, frames and contacts. The Wellness Benefit will also provide on-site health assessments. Wellness Benefit Is Not Subject to Plan Annual Deductible		Available According to HMO Guidelines

EXHIBIT 2

EMPLOYEE CONTRIBUTION SCHEDULE (PER PAY PERIOD) COMPOSITE 2.0% OF OVERALL SALARY

LEVEL OF COVERAGE			
ANNUAL SALARY	SINGLE	EMPLOYEE+1	FAMILY
SALARY LEVEL	1.2921% OF PAYROLL/24	1.9854% OF PAYROLL/24	2.4765% OF PAYROLL/24

CONTRIBUTIONS AT SELECTED SALARY LEVELS (PER PAY PERIOD)

LEVEL OF COVERAGE			
ANNUAL SALARY	SINGLE	EMPLOYEE+1	FAMILY
Under \$30,000	\$15.71	\$23.88	\$27.65
\$30,001	\$16.15	\$24.82	\$30.96
\$40,000	\$21.54	\$33.09	\$41.28
\$50,000	\$26.92	\$41.36	\$51.59
\$60,000	\$32.30	\$49.64	\$61.91
\$70,000	\$37.69	\$57.91	\$72.23
\$80,000	\$43.07	\$66.18	\$82.55
\$90,000	\$48.45	\$74.45	\$92.87
\$100,000	\$53.84	\$82.73	\$103.19

REFERENCE

CURRENT EMPLOYEE CONTRIBUTION SCHEDULE

07/01/2000	LEVEL OF COVERAGE		
ANNUAL SALARY	SINGLE	EMPLOYEE+1	FAMILY
UP TO \$30,000	\$12.50	\$19.00	\$22.00
\$30,001 TO \$89,999	1.0281% OF PAYROLL/24	1.579% OF PAYROLL/24	1.9705% OF PAYROLL/24
\$90,000 AND OVER	\$38.50	\$59.30	\$73.95

EXHIBIT 3

	DENTAL HMO PLAN (MUST USE PANEL DENTISTS)	DENTAL PPO PLAN	
		IN NETWORK	OUT OF NETWORK
BENEFIT DESIGN			
Individual Deductible	\$0	\$100 Per Person, Per Year (eff. 1/1/06)	\$200 Per Person, Per Year (eff. 1/1/06)
Annual Maximum Benefit	Unlimited	\$1200 Per Person	
ORTHODONTIC PROCEDURES (BRACES)			
Braces - Under Age 25 Only	\$2300 Co-Payment	Not Covered	
PREVENTATIVE SERVICES			
Oral Exams (Twice a Year) Cleanings (Twice a Year) X-Rays (Twice a Year) Space Maintainers (Children under 12)	100% Covered in Full \$10 Co-Payment (eff. 1/1/06)	100% Covered in Full No Deductible \$10 Co-Payment (eff. 1/1/06)	Plan Pays 80% of PPO Allowable Amount. Member Pays Balance of Billed Charges. No Deductible
BASIC PROCEDURES			
Co-Payment (Member Pays)			
Amalgam (Fillings) - One Surface Permanent	\$18.53 (1/1/06) \$20.20 (1/1/07)	Plan Pays 60% of PPO Allowable Member Pays 40% of PPO Allowable After Deductible	Plan Pays 50% of PPO Allowable Amount. Member Pays Balance of Billed Charges After Deductible
Resin - One Surface Anterior Including Acid Etch	\$21.80 (1/1/06) \$23.76 (1/1/07)		
Pin Retention (per tooth in addition to restoration)	\$28.34 (1/1/06) \$30.89 (1/1/07)	Plan Pays 60% of PPO Allowable. Member Pays 40% of PPO Allowable After Deductible.	Plan Pays 50% of PPO Allowable Amount. Member Pays Balance of Billed Charges After Deductible.
Routine Extraction Single Tooth	\$21.80 (1/1/06) \$23.76 (1/1/07)		
Surgical Removal of Erupted Tooth	\$41.42 (1/1/06) \$45.15 (1/1/07)		
Surgical Removal of Tooth - Soft Tissue Impaction	\$53.41 (1/1/06) \$58.22 (1/1/07)		
Surgical Removal of Tooth - Partial Bony Impaction	\$76.30 (1/1/06) \$83.17 (1/1/07)		
Surgical Removal of Tooth - Complete Bony Impaction	\$76.30 (1/1/06) \$83.17 (1/1/07)		
Alveoloplasty - Without Extractions - Per Quadrant	\$88.29 (1/1/06) \$96.24 (1/1/07)		
Scaling and Root Planning - Per Quadrant with Local Anesthesia	\$41.42 (1/1/06) \$45.15 (1/1/07)		

	DENTAL HMO PLAN (MUST USE PANEL DENTISTS)		DENTAL PPO PLAN	
			IN NETWORK	OUT OF NETWORK
Gingivectomy or Gingivoplasty - Per Quadrant	\$167.86 (1/1/06) \$182.97 (1/1/07)			
Gingival Flap Procedure Including Root Planing - Per Quadrant	\$160.23 (1/1/06) \$174.65 (1/1/07)			
Osseous Surgery, Flap Entry and Closure - Per Quadrant	\$186.39 (1/1/06) \$203.17 (1/1/07)			
Pulp Capping - Direct or Indirect	\$14.17 (1/1/06) \$15.45 (1/1/07)			
Root Canal Therapy	(1/1/06) (1/1/07)		Plan Pays 60% of PPO Allowable. Member Pays 40% of PPO Allowable After Deductible.	Plan Pays 50% of PPO Allowable Amount. Member Pays Balance of Billed Charges After Deductible.
Anterior	\$136.25	\$148.51		
Bicuspid	\$147.15	\$160.39		
Molar	\$197.29	\$215.05		
Apicoectomy (First Root)	\$126.44 (1/1/06) \$137.82 (1/1/07)			
Palliative Treatment	\$15.26 (1/1/06) \$16.63 (1/1/07)			
Limited Occlusion Adjustment	\$23.98 (1/1/06) \$26.14 (1/1/07)			
MAJOR RESTORATIVE PROCEDURES				
Inlay - Metallic (One Surface)	\$252.88 (1/1/06) \$275.64 (1/1/07)			
Onlay - Metallic (Three Sur- faces)	\$342.26 (1/1/06) \$373.06 (1/1/07)			
Core Buildup Including Pins	\$101.37 (1/1/06) \$110.49 (1/1/07)			
Temporary Crown - With Fractured Tooth (no Charge In Conjunction with Permanent Tooth)	\$68.67 (1/1/06) \$74.85 (1/1/07)			
Crown - Porcelain/Ceramic Substrate	\$353.16 (1/1/06) \$384.94 (1/1/07)			
Crown - Full Cast, Base Metal	\$361.88 (1/1/06) \$394.45 (1/1/07)			
Denture - Complete Upper or Lower	\$444.72 (1/1/06) \$484.74 (1/1/07)			
Lower Denture Reline - Chair- side	\$135.16 (1/1/06) \$147.32 (1/1/07)			

APPENDIX D

(LMCC Trust Agreement)

APPENDIX E

CITY OF CHICAGO TUITION REIMBURSEMENT POLICY

GENERAL PURPOSE: To increase the effectiveness of City services to the citizens of Chicago by encouraging the personal development of City employees through education and training, as well as to prepare employees for advancement.

- I. EFFECTIVE DATE: This policy is effective June 1, 1981. Reimbursement for any course commencing on or after this date will be subject to this policy statement.

II. ELIGIBILITY REQUIREMENTS:

A. Applicants

1. Applicants must be City employees currently on a City payroll. Board of Education and employees of other governmental agencies are NOT eligible for this program.
2. Applicants must be full-time (a minimum of 35 hrs. a week) or part-time (more than 17 ½ but less than 35 hrs. a week) employees. Emergency appointments, seasonal employees, Student-As-Trainees and other student employees are NOT eligible.

B. Educational and Vocational/Technical Institutions

1. Applicant's school of enrollment must offer resident classroom instruction and be chartered by and reside within the State of Illinois, or be an on-line course of study which otherwise meets the requirements of this policy.
2. Colleges and Universities must be accredited by the North Central Association of Colleges and Secondary Schools.
3. Technical/Vocational Institutions must be licensed by the State of Illinois or the Commission of the National Association of Trade and Technical Schools.
4. Courses offered at schools not so accredited may be approved by the Department of Human Resources, if such courses have been authorized by a licensing board and/or professional association.

C. Course of Study

Courses of study must be related to the employee's current work or probable future work with the City of Chicago.

III. CONDITIONS AND LIMITATIONS ON REIMBURSEMENT:

- A. Reimbursement is limited to two courses per term.
- B. Reimbursement is for tuition only; cost for books, lab fees, late penalties, supplies and other special fees are NOT reimbursable.
- C. Reimbursement will be limited by the amount of financial aid the employee receives from other sources.

- D. Tuition fees paid to any City College of Chicago will NOT be reimbursed.
- E. Reimbursement will be based on available funds.
- F. The application must be approved by the employee's Department Head or designated authority and by the Department of Human Resources.
- G. All applications must be submitted to the Department of Human Resources within thirty (30) days after the date classes begin.
- H. In the case of a work-related seminar, the application and accompanying letter of explanation must be approved by the Department of Human Resources prior to the date of the seminar.
- I. The timely reimbursement of tuition to the employee is dependent upon the earliest of applications, Release of Financial Aid Information forms, original grade reports and original receipts of payment by the Department of Human Resources. Carbon, photostatic, or Xerox copies will NOT be accepted.
- J. Employees expecting late final grade(s) or for some other reason wishing to hold open their reimbursement request must promptly notify the Department of Human Resources. Unless this procedure is followed, reimbursement will not be paid.

IV. APPLICATION PROCEDURE:

A. Undergraduate Student

- 1. Complete two (2) copies of the Tuition Reimbursement Application form (PER-SO).
- 2. Complete one (1) copy of the Release of Financial Aid Information form (PER-51)
- 3. Immediately send one (1) copy of the PER-SO form, without the departmental signatures, and the PER-51 form to the Department of Human Resources, Staff & Organization Development, City Hall - Room 1100.
- 4. Send the second copy of the PER-SO form through your department to secure the Department Head's or designated representative's signature. When the second copy is received by the Department of Human Resources, the application will be reviewed and the applicant will be notified of its approval or disapproval.

B. Graduate and Vocational/Technical Students

- 1. Complete steps A1-4 as above.
- 2. Prepare a letter of explanation to the Commissioner of Human Resources, describing how your course of study is related to your present or future job duties. This letter is to be signed by the Department Head or designated representative and submitted with the second copy of the PER-SO to the Department of Human Resources. Only one letter needs to be on file during your course of study.

C. Work-Related Seminar Participants

- 1. Complete two (2) copies of the PER-SO form.

2. Immediately send one (1) copy of the PER-SO form without the departmental signatures to the Department of Human Resources.
3. Send the second copy of the PER-SO form through your department to secure the Department Head's or designated representative's signature.
4. Complete step B-2: The letter requested in this step must be APPROVED PRIOR to the start of the seminar.

V. REIMBURSEMENT RATES: Reimbursement is based on grade and granted on the following basis upon submission of original grade reports and original receipts of payment to the Department of Personnel. The rates are as follows:

A. Undergraduate School

1. Grade "A": Full time - 100% Part time - 50%
2. Grade "B" and "C": Full time - 75% Part time - 37 1/2%

B. Graduate and Professional School

1. Grade "A": Pull time - 100% Part time - 50%
2. Grade "B": Full time - 75% Part time - 37 1/2%
(Grades of "C" are NOT reimbursable at this level of study)

C. Grade of "pass" in a course graded on a Pass/Fail basis:
Full time - 75% Part time - 37 1/2%

D. Work-related seminars are reimbursed for the registration fee only.

VI. Failure to comply with this policy will result in the disapproval of the application and non-payment of reimbursement. The Department of Human Resources will, in all cases, exercise the final judgment as to whether or not reimbursement will be granted and, if so, the amount of reimbursement.

The Department of Human Resources will administer the Tuition Reimbursement program without regard to race, color, religion, sex, age, national origin or handicap.

In the event an employee commences an undergraduate or graduate degree (including a law degree) program after the execution of this agreement, and obtains an undergraduate or graduate degree with the assistance of the tuition reimbursement program, and the employee, within one (1) year of obtaining such degree, voluntarily resigns from the City, all tuition costs (100%) reimbursed to the employee by the Employer for obtaining such degree shall be repaid to the Employer. If the employee voluntarily resigns after one (1) year but less than two (2) years after obtaining the degree, the employee shall repay one-half (50%) of the tuition reimbursement to the Employer. If the employee does not complete the degree program and voluntarily resigns from the City, the employee shall repay 100% of all tuition reimbursement received for any course completed within two (2) years of such resignation. Employees receiving tuition reimbursement for such degrees shall, as a condition of receiving such reimbursement, execute an appropriate form consistent with this paragraph.

The provision shall not apply to reimbursement where the employee is required by the Employer to attend an educational or training program nor shall this provision apply to employees who resign from one department within the City of Chicago for the purpose of accepting employment within another City of Chicago Department.

CITY OF CHICAGO PROPOSED LETTER AGREEMENT
3/4/09

James Brennwald
Assistant Chief Labor Counsel
City of Chicago Department of Law
30 N LaSalle Street, Suite 1040
Chicago, Illinois 60602

Dear Mr. Brennwald:

This letter is to confirm our Agreement that Teamsters Local 743 ("the Union") will provide an itemized fair share notice (hereafter "Notice") which sets forth the major expenditures of the Union qualifying for fair share purposes, and a statement that the information on the Union's expenditures was obtained from the most recent annual audited financial statement of the Union. The Union will also provide, as part of the Notice, a description of the procedure available to non-member employees by an impartial decision-maker and a statement that disputed portions of fair share objectors' fair share fees will be placed in an escrow account while the objections are pending. Prior to distribution to non-members, the Union shall submit the Notice to the individual or official designated by the Employer for the purpose. The initial Union notice shall satisfy this requirement unless such notice is amended or changed.

The Employer will provide the Union with complete names and addresses, on a monthly basis for all persons hired, in the Union's bargaining unit. The Union shall notify in writing each non-member employee in its bargaining unit of his/her fair share obligation. The Union shall be responsible for distribution of all fair share notices to non-members, including new hires, upon receipt of names and addresses for these employees from the Employer. The Union will certify to the Employer that distribution of the Notice has been completed. The Employer shall not be responsible for the fair share processes, except as provided herein. The Employer shall not be a party to, but shall be bound by, any decision obtained through the Union's internal fair share dispute resolution procedure. The Employer shall not be responsible under any circumstances to guarantee the legal sufficiency or factual accuracy of the Union's fair share calculations, fair share amount or fair share procedures.

The Employer shall not be obligated to remit a fair share deduction to the Union until it has distributed a fair share notice and dispute resolution procedure consistent with the terms of this letter and of Article 14 of the collective bargaining agreement. In the event of a dispute as to compliance, the Employer and the Union shall place deductions in an interest bearing account

and proceed to an expedited arbitration on the issues(s) raised by the Employer.

It is further agreed in connection with the indemnification provisions of Article IX of the collective bargaining agreement that in the event of a claim, suit or demand brought against the Employer arising out of any action taken for the purpose of complying with the provisions of Article IX of the collective bargaining agreement, or in reliance on any list, notice, certification or assignment furnished thereunder, the Employer shall have the option of representing itself through the office of the Corporation Counsel or through the appointment of a Special Assistant Corporation Counsel. In either event, the Employer shall be solely responsible for the payment of the attorney's fees so generated in representing itself. If, however, the Employer does not exercise either of the above options, the Union shall be solely responsible for the payment of attorney's fees incurred in the defense of the Employer, provided that the Union shall, after consulting with the Employer, select the attorney(s) to represent the Employer.

AGREED:

CITY OF CHICAGO

TEAMSTERS LOCAL 743

By:_____

By:_____

Date:_____

Date:_____

July 21, 2011

Richard Cristo
Teamsters Local 743
4620 S. Tripp Avenue
Chicago, Illinois 60632

**RE: City of Chicago and Teamsters Local 743
Conversion of Current Non-Career Service PHN IVs**

Dear Mr. Cristo:

This is to confirm the agreement of the City of Chicago and Teamsters Local 743 ("Union") that, effective on the final date of ratification of the parties' 2010-2012 Agreement, all "non-Career Service" Public Health Nurse IVs ("PHN IVs") in the bargaining unit who, as of said date, (1) are either on the Employer's payroll, or on an approved leave of absence; and (2) have been employed by the City as a PHN IV for at least six (6) months, as such time period is determined under Section 6.2 of the Agreement; shall be converted to "Career Service" status in the PHN IV job classification.

Nothing in this letter of agreement shall be construed as affecting the determination of any PHN IV's seniority in accordance with the terms of Section 6.1 of the Agreement.

Please sign below to acknowledge the Union's agreement to the foregoing.

Sincerely,

James Q. Brennwald
Chief Labor Negotiator
(312) 744-5395

AGREED:

TEAMSTERS LOCAL 743

By: _____

Date: _____

cc: Jim Karagianes
Don O'Malley

Carol Hamburger

July 21, 2011

Richard Cristo
Teamsters Local 743
4620 S. Tripp Avenue
Chicago, Illinois 60632

**RE: City of Chicago and Teamsters Local 743
Implementation of New Salary Schedule for Grade 6**

Dear Mr. Cristo:

This is to confirm the parties' agreement that, in implementing Section 4.1a of the Agreement, the City will follow the attached "Guidelines For Implementation of Salary Schedule Adjustment for Grade 6."

Sincerely,

James Q. Brennwald
Chief Labor Negotiator
(312) 744-5395

AGREED:

TEAMSTERS LOCAL 743

By: _____

Date: _____

**GUIDELINES FOR IMPLEMENTATION OF
SALARY SCHEDULE ADJUSTMENT FOR GRADES 6 and 7 (SECTIONS 4.1a and b)**

7/21/11 (Revised 1/28/14)

1. NEW SALARY SCHEDULE RATES FOR GRADES 6 AND 7

- A. Effective date: This salary schedule adjustment will become effective on the first day of the first full payroll period following the final date of ratification of the CBA.
- B. Based on current salary schedule. Look at the current salary schedule.
- C. Grades 6 and 7 rates moved one step to the left. On the effective date of this salary schedule adjustment, the current step 1 (entry) rate drops off the table, the current step 2 rate becomes the new step 1 rate, the current step 3 rate becomes the new step 2 rate, etc. The new step 10 rate will be as set forth in Sections 4.1(a) and (b).

2. PLACEMENT OF GRADES 6 AND 7 INCUMBENTS ON NEW SALARY SCHEDULE: ONE STEP TO THE LEFT

- A. Follow the current rate. Also on the effective date of this salary schedule adjustment, incumbent employees in Grades 6 and 7 will be placed in the step in their grade that corresponds to their current step rate. That is, each such employee (except for employees at step 1 - see below) will be moved one step to the left, so the employee's current step rate will remain the same, at least initially.
- B. Eligible to advance/return to former step based on time already served at current step rate.
 - (1) Incumbent employees who are moved one step to the left will retain their anniversary date, and will be eligible to advance/return to their former step (and the new, higher rate for that step) on the completion of one year at their current step rate (or, in the case of employees moved from step 2 to step 1, on the completion of six months at their current step rate).
 - (2) In determining how long an employee has been at his/her current step rate, all time already served at the current step rate will be included.
 - (3) An incumbent employee who has been moved one step to the left will be eligible to advance/return immediately to his/her former step (and the new, higher rate for that step) on the effective date of this salary schedule adjustment if (a) the employee's former step was 5, 6, 7, 8, 9 or 10, and the employee has already been at his/her current step rate for at least one year;

or (b) the employee's former step was 2, and the employee has already been at his/her current step rate for at least 6 months.

- (4) The effective date of this salary schedule adjustment will become the new anniversary date for employees who advance/return immediately to their former step.

3. INCUMBENT EMPLOYEES AT STEP ONE

Any employees who are at step 1 as of the effective date of this salary schedule adjustment will remain at step 1, but at the new, higher step 1 rate. The effective date of this salary schedule adjustment will become the new anniversary date for such employees, who will then become eligible for advancement to step 2 on the completion of 6 months at the new step 1 rate.

4. ADDITIONAL ACROSS-THE-BOARD PERCENTAGE INCREASE ON JANUARY 1, 2016

After adjusting the rates for Grades 6 and 7 of the salary schedule as described above on the effective date of this salary schedule adjustment, and after placing incumbents in grades 6 and 7 in the appropriate steps, all steps in Grades 6 and 7 will be increased in accordance with the terms of Section 4.1c.



City of Chicago



O2014-1076

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	2/5/2014
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Grant of Easement with Commonwealth Edison Company for access to 611-617 W Division St
Committee(s) Assignment:	Committee on Housing and Real Estate



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith an ordinance authorizing the execution of an easement agreement.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

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

SECTION 1: On behalf of the City of Chicago, the Commissioner of the Department of Fleet and Facility Management is authorized to execute a Grant of Easement with the Commonwealth Edison Company governing access to 611-17 West Division Street for purposes of installing, repairing, and maintaining electric services for the benefit of the Chicago Police Station at 1160 North Larrabee Avenue and adjacent property located at 625 West Division Street; such Grant of Easement to be approved as to form and legality by the Corporation Counsel in substantially the following form:

GRANT OF EASEMENT

The Grantor(s) **CITY OF CHICAGO**, a municipal corporation and home rule unit of government, in consideration of the sum of Ten Dollars and other valuable consideration, receipt of which is hereby acknowledged, hereby give(s) and grant(s) to **COMMONWEALTH**

EDISON COMPANY, an Illinois corporation, its licensees, successors and assigns, an easement ("Easement") to construct, operate, repair, maintain, modify, reconstruct, replace, supplement, relocate and remove, from time to time, wires, cables, conduits, manholes, transformers, switchgear, pedestals and other facilities (collectively the "Facilities") used in connection with underground transmission and distribution of electricity,

sounds and signals, together with the right to install required service connections to serve improvements on Grantor's Property (as hereinafter described) and adjacent lots and the right, from time to time, to trim or remove trees, bushes and saplings and to clear all obstructions from the surface and subsurface as may be required incident to the grant herein given, in, over, under, across, along and upon a strip of land situated in Section **04**, Township **39** North, Range **14**, East of the Third Principal Meridian in **Cook** County, Illinois, described below (the "Easement Area"). No structures or obstructions shall be placed over Grantee's Facilities or in, upon or over the Easement Area by Grantor without prior written consent of Grantee. After installation of any Facilities by Grantee, the grade of the Easement Area shall not be altered in a manner so as to interfere with the operation and maintenance thereof.

THE EASEMENT AREA HEREBY GRANTED SHALL CONSIST OF A SIXTEEN (16) FOOT WIDE STRIP OF LAND, BEING THE EXTENSION OF THE NORTH-SOUTH ALLEYWAY IN BLOCK 88; TOGETHER WITH, THAT PART OF GRANTOR'S PROPERTY SITUATED WEST OF THE SAME CONSISTING OF A STRIP OF LAND BEING TEN (10) FEET IN WIDTH, AS MEASURED FIVE (5) FEET EACH SIDE OF

GRANTEE'S UNDERGROUND CABLE AS INSTALLED; AND FINALLY, THAT PART OF LOT 3 BEING THE SOUTH FIFTEEN (15) FEET OF THE NORTH NINETY-FIVE (95) FEET SITUATED BETWEEN THE EAST LINE OF THE AFORESAID NORTH-SOUTH ALLEYWAY EXTENDED NORTH AND THE WEST WALL OF EXISTING BUILDING.

THE AFOREMENTIONED EASEMENT AREA IS SITUATED UPON AND WITHIN THE GRANTOR'S PROPERTY LEGALLY DESCRIBED AS FOLLOWS:

THE EAST 1/2 OF LOT 2, AND LOT 3 IN BLOCK 88 IN ELSTON'S ADDITION TO CHICAGO IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**ADDRESS: 611-617 W. DIVISION STREET
CHICAGO, ILLINOIS**

PINs: 17-04-303-019-0000 and 17-04-303-020-0000

This Grant of Easement is subject to the following conditions:

1. Grantor shall have no liability or obligation for the laying, construction, reconstruction, repair, renewal, replacement, operation, maintenance, inspection, alteration, removal, changing the size of, or abandoning in place of, all or any part of the Facilities within the Easement Area. Grantor shall not be liable to Grantee for any injury, damage, cost or expense suffered or sustained by Grantee or by its agents, servants, employees, contractors or invitees (collectively, "Grantee Parties"), which results from any cause whatsoever. Grantee agrees to indemnify, defend and hold Grantor, its officers, agents and employees, harmless from and against any losses, costs, damages, injuries, liabilities, claims, suits, actions, causes of action and expenses, including, without limitation, reasonable attorneys' fees and court costs (collectively, "Losses"), suffered or incurred by Grantor, or its officers, agents or employees, arising from or in connection with the entry by Grantee or any Grantee Parties upon the Easement Area, or the exercise by Grantee or any Grantee Parties of any of the rights herein granted.

2. Grantee shall perform any and all work in the Easement Area, in accordance with all applicable laws governing such work.

3. Grantee agrees to restore any part of the surface of the real estate which is damaged by the construction, installation, operation, maintenance, repair, renewal, removal, or changing the size of said Facilities, to the condition of the Easement Area immediately before such damage occurred.

4. This instrument contains all the terms and conditions of the Easement granted herein, express or implied between the parties hereto, and shall be binding upon, and inure to the benefit of, Grantor and Grantee and their respective legal representatives, heirs, successors, assigns, lessees and licensees, and shall run with the land.

5. It is agreed that this Grant of Easement constitutes the entire agreement between the parties regarding the subject matter hereof and no representation or statements, verbal or written, have been made modifying, adding to or changing the terms of this Grant of Easement.

6. All notices required to be given under this Grant of Easement shall be sent by (a) hand delivery, (b) courier, (c) registered or certified mail, return receipt requested, postage prepaid, or (d) email, but only to the extent acknowledged by a responding email, to the addresses set forth below or to such other address as either party shall have directed in written notice given to the other prior to the mailing of any such notice:

If to Grantor: City of Chicago
Department of Fleet and Facility Management
30 North LaSalle Street, Room 300
Chicago, Illinois 60602
Attn: Office of Real Estate Management

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

If to Grantee: Commonwealth Edison Company
Three Lincoln Centre – 4th Floor
Oakbrook Terrace, IL 60181
Attn: Real Estate Specialist Chicago Region

7. The Easement granted herein is subject to all existing matters affecting title to the Easement Area. Grantor represents and warrants to Grantee that Grantor is the true and lawful owner of the Easement Area and has full right and power to grant and convey the rights conveyed herein.

8. The Easement granted herein is non-exclusive, and Grantor reserves the right to convey similar rights and easements to such other persons as Grantor may deem proper, provided such action does not materially interfere with Grantee's use of the Easement.

9. Grantor reserves to itself, its successors and assigns, all rights accruing from its ownership of the Easement Area that are not expressly prohibited herein and are not inconsistent with the purpose of this Easement.

10. The Easement granted herein is subject to termination, extinguishment and reversion in the event Grantee shall fail to use said Easement for a period of twelve (12) consecutive months. In the event of such termination, extinguishment and reversion, Grantee shall deliver to Grantor, upon request, an instrument in proper form for recording, releasing the

Easement Area from the Easement. Within ninety (90) days after the termination or extinguishment of the Easement herein granted, Grantee shall, at its sole cost, risk and expense, remove all of its Facilities and all of its other property from the Easement Area, clear and level the Easement Area and restore it to the same or as good condition as it was in on the date hereof. In the event that Grantee fails so to remove its Facilities and property and/or to restore the Easement Area, Grantor shall have the right, at Grantee's expense, to effect such removal and/or to restore said Easement Area. Grantee shall reimburse Grantor, upon demand, for the cost thereof, and said Facilities and any other property may be treated as property of Grantor and sold or otherwise disposed of by Grantor as it sees fit, all without liability of any kind to Grantee by reason thereof, and without prejudice to Grantor against Grantee for full reimbursement of costs incurred.

11. The parties hereto may administratively amend this Grant of Easement with respect to any provisions reasonably related to Grantee's use of the Easement and/or Grantor's administration of this Grant of Easement; provided, however, that such amendment(s) shall not materially alter the essential provisions contained herein.

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties have set their hands hereto on or as of the date first above written.

CITY OF CHICAGO, an Illinois municipal corporation

By: _____
David J. Reynolds
Commissioner of Fleet and Facility Management

Approved as to Form and Legality:

By: _____
Richard Wendy
Deputy Corporation Counsel
Real Estate and Land Use Division

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I _____, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that David J. Reynolds, as Commissioner of the Department of Fleet and Facility Management of the City of Chicago, an Illinois municipal corporation (the "City") who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Commissioner of said corporation, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of the City for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 200__.

NOTARY PUBLIC

AGREED TO AND ACCEPTED BY:

COMMONWEALTH EDISON COMPANY,
an Illinois corporation

By: _____
[Name]
Its [Title]

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, _____, a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____, personally known to me to be the _____ of Commonwealth Edison Company, an Illinois corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that s/he signed and delivered the foregoing instrument pursuant to authority given by said corporation, as her/his free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 200__.

NOTARY PUBLIC

**611-17 West Division Street
Grant of Easement
Commonwealth Edison Company**

SECTION 2: This Ordinance shall be effective from and after the date of its passage and approval.



City of Chicago



O2014-891

Office of the City Clerk

Document Tracking Sheet

Meeting Date:

2/5/2014

Sponsor(s):

Emanuel (Mayor)

Type:

Ordinance

Title:

Extension of various Comcast Cable Franchise Agreements

Committee(s) Assignment:

Committee on Finance

FIN.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Business Affairs and Consumer Protection, I transmit herewith an ordinance authorizing the execution of an extension of various Comcast Cable Franchise Agreements.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

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

Mayor

James D. S.

ORDINANCE

WHEREAS, Section 6(a) of Article VII of the Illinois Constitution provides that a home rule unit "may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare; to license; to tax . . ."; and

WHEREAS, Pursuant to section 4-280-100 of the Municipal Code of Chicago, the City Council is authorized to renew franchise agreements to construct and operate cable television systems within the public ways of the City; and

WHEREAS, Comcast currently maintains and operates a cable television system in all five City of Chicago Franchise Areas pursuant to Cable Television Franchise Agreements; and

WHEREAS, The Comcast Franchises for Franchise Areas 2, 3, 4 and 5 (the "Expiring Franchises") are due to expire on March 15, 2014 (the "Expiration Date"); and

WHEREAS, Comcast has indicated an interest in renewing the Expiring Franchises and continuing to operate in Franchise Areas 2, 3, 4 and 5; and

WHEREAS, The Cable Administrator of the City of Chicago has been conducting renewal negotiations with Comcast, which are ongoing; and

WHEREAS, These negotiations will likely not conclude before the Expiration Date; and

WHEREAS, It is in the interests of the City of Chicago and the City's cable consumers that adequate time be provided for the Cable Administrator to reach an agreement with Comcast that best serves and protects the interests of the City and its cable-viewing public; now, therefore,

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

SECTION 1. Subject to Section 2 of this Ordinance, the Cable Administrator is authorized to enter into agreements with Comcast to extend the term of the Expiring Franchises to on or before June 15, 2014. If in the Cable Administrator's judgment, a renewal agreement acceptable to the City has not been reached by June 15, 2014, she is authorized to execute a one-time re-extension until September 15, 2014. Except for extending (i) the expiration date, and (ii) the funding for the Chicago Access Corp. ("CAC") described in Section 3 of this Ordinance, the remaining aspects of the Expiring Franchises shall remain unchanged.

SECTION 2. If during any extension period provided for in Section 1 of this Ordinance, the parties initiate the formal franchise renewal process provided for by 47 U.S.C. Section 546, the Cable Administrator is authorized to enter into agreements with Comcast to extend the term of the Expiring Franchises pending the resolution of those formal proceedings. Except for extending (i) the expiration date, and (ii) the funding for the CAC described in Section 3 of this Ordinance, the remaining aspects of the Expiring Franchises shall remain unchanged.

SECTION 3. The Cable Administrator is authorized to execute the extensions provided for in this Ordinance only if any and all such extensions include, for the full term of the extension, a concomitant extension of the funding to the CAC provided for in Section 19.2 and associated Exhibit H of the Expiring Franchises.

SECTION 4. This ordinance shall be in force and effect upon its passage and approval, and shall be deemed to apply retroactively to March 15, 2014.



City of Chicago



O2014-860

Office of the City Clerk

Document Tracking Sheet

Meeting Date:

2/5/2014

Sponsor(s):

Emanuel (Mayor)
Pawar (47)

Type:

Ordinance

Title:

Intergovernmental agreement with Board of Education
regarding Tax Increment Financing assistance for
rehabilitation and improvements to Coonley School

Committee(s) Assignment:

Committee on Finance

FIN.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith, together with Alderman Pawar, an ordinance authorizing an intergovernmental agreement with the Board of Education regarding TIF assistance for Coonley School.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois; and

WHEREAS, the Board of Education of the City of Chicago (the "Board") is a body corporate and politic, organized under and existing pursuant to Article 34 of the School Code of the State of Illinois; and

WHEREAS, the Board owns or otherwise controls certain real property generally located at 4046 North Leavitt Street, Chicago, Illinois 60618 (the "Property"); and

WHEREAS, the Board is improving an elementary school on the Property known as the Coonley School; and

WHEREAS, the improvement of the elementary school requires the Board to rehabilitate the buildings and related improvements which will house and serve the School (the "Facility") on the Property (all such activities referred to herein shall be known as the "Project"); and

WHEREAS, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blight conditions through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, to induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on January 12, 2000: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Western Avenue South Redevelopment Project Area" (as amended pursuant to an ordinance adopted by the City Council on May 17, 2000, the "Approval Ordinance"); "An Ordinance of the City of Chicago, Illinois Designating the Western Avenue South Redevelopment Project Area as a Tax Increment Financing District" (the Designation Ordinance); and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Western Avenue South Redevelopment Project Area" (the "Adoption Ordinance") (the aforesaid Approval, Designation and Adoption Ordinances are collectively referred to herein as the "TIF Ordinances", the Redevelopment Plan approved by the TIF Ordinances is referred to herein as the "Redevelopment Plan" and the redevelopment project area created by the TIF Ordinances, as has been or may be amended from time to time, is referred to herein as the "Redevelopment Area"); and

WHEREAS, all of the Property lies wholly within the boundaries of the Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7), such ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Redevelopment Area shall be known as the "Redevelopment Area Increment"); and

WHEREAS, the Board is a taxing district under the Act; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(4), Increment may also be used to pay costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and

WHEREAS, the Redevelopment Plan contemplates that tax increment financing assistance would be provided for public improvements within the boundaries of the Redevelopment Area; and

WHEREAS, the City desires to use a portion of the Redevelopment Area Increment for the Project on the Property, all of which lies wholly within the boundaries of the Redevelopment Area; and

WHEREAS, the City agrees to use a portion of the Redevelopment Area Increment (the "City Increment Funds") in an amount not to exceed \$16,500,000 to pay for or reimburse the Board for the costs of improving the Facility on the Property, to the extent that such costs constitute TIF-Funded Improvements (as such term is defined in Article Three, Section 3 of the Agreement, as such term is defined below in this ordinance and the form of which is attached hereto as Exhibit 1); and

WHEREAS, in accordance with the Act, certain of the TIF-Funded Improvements funded under the Agreement (as such term is defined below in this ordinance), among other eligible redevelopment project costs under the Act approved by the City pursuant to the Agreement, are and shall be such of the Board's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan, and certain of the TIF-Funded Improvements consist of the cost of the Board's capital improvements for the Facility that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-03 (u) of the Act; and

WHEREAS, the City and the Board now desire to enter into an agreement (the "Agreement") whereby the City shall use the City Increment Funds in an amount not to exceed \$16,500,000 to pay for or reimburse the Board for the costs of improving the Facility on the Property to the extent that such costs constitute TIF-Funded Improvements; now, therefore,

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

SECTION 1. The above recitals are incorporated here by this reference.

SECTION 2. The City hereby finds that certain of the TIF-Funded Improvements funded under the Agreement, among other eligible redevelopment project costs under the Act approved by the City, consist of the cost of the Board's capital improvements for the Facility that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-03 (u) of the Act.

SECTION 3. The Commissioner of the Department of Planning and Development or his designee is authorized to execute the Agreement and such other documents as are necessary, between the City and the Board in substantially the form attached as Exhibit 1. The Agreement shall contain such other terms as are necessary or appropriate.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision

shall not affect any of the other provisions of this ordinance.

SECTION 5. This ordinance takes effect upon passage and approval.

EXHIBIT 1

S:\SHARED\Finance\Gaynor New Housing & Econ Dev\Coonley Annex\lga 3.doc

INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF CHICAGO, BY AND THROUGH ITS DEPARTMENT OF PLANNING AND DEVELOPMENT, AND THE BOARD OF EDUCATION OF THE CITY OF CHICAGO REGARDING COONLEY SCHOOL

This Intergovernmental Agreement regarding Coonley School (this "Agreement") is made and entered into as of the _____ day of _____, 2014 (the "Agreement Date") by and between the City of Chicago (the "City"), a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, by and through its Department of Planning and Development (the "Department"), and the Board of Education of the City of Chicago (the "Board"), a body corporate and politic, organized under and existing pursuant to Article 34 of the School Code of the State of Illinois.

RECITALS

WHEREAS, the Board owns or otherwise controls certain real property generally located at 4046 North Leavitt Street, Chicago, Illinois 60618 (the "Property", as defined or otherwise depicted in Exhibit A attached hereto); and

WHEREAS, the Board is improving an elementary school on the Property known as the Coonley School; and

WHEREAS, the improvement of the elementary school requires the Board to rehabilitate the buildings and related improvements which will house and serve the Coonley School (the "Facility") on the Property (all such activities referred to herein shall be known as the "Project"); and

WHEREAS, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blight conditions through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, to induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on January 12, 2000, published at pages 22278 through 22373 of the Journal of Proceedings of the City Council of the City for said date: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Western Avenue South Redevelopment Project Area" (as amended pursuant to an ordinance adopted by the City Council on May 17, 2000, published at pages 31520 through 31609 of the Journal of Proceedings of the City Council of the City for said date, the "Approval Ordinance"); "An Ordinance of the City of Chicago, Illinois Designating the Western Avenue South Redevelopment Project Area as a Tax Increment Financing District" (the Designation Ordinance); and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Western Avenue South Redevelopment Project Area" (the "Adoption Ordinance") (the aforesaid Approval, Designation and Adoption Ordinances are collectively referred to herein as the "TIF Ordinances", the Redevelopment Plan approved by the TIF Ordinances is referred to herein as the "Redevelopment Plan" and the redevelopment project area created by the TIF Ordinances, as has been or may be amended from time to time, is referred to herein as the "Redevelopment Area"); and

WHEREAS, all of the Property lies wholly within the boundaries of the Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7), such ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Redevelopment Area shall be known as the "Redevelopment Area Increment"); and

WHEREAS, the Board is a taxing district under the Act; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(4), Increment may also be used to pay costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and

WHEREAS, the Redevelopment Plan contemplates that tax increment financing assistance would be provided for public improvements within the boundaries of the Redevelopment Area; and

WHEREAS, the City desires to use a portion of the Redevelopment Area Increment for the Project on the Property, all of which lies wholly within the boundaries of the Redevelopment Area; and

WHEREAS, the City agrees to use a portion of the Redevelopment Area Increment (the "City Increment Funds") in an amount not to exceed \$16,500,000 to pay for or reimburse the Board for the costs of improving the Facility on the Property to the extent that such costs constitute TIF-Funded Improvements (as defined in Article Three, Section 3 of this Agreement) (the City Increment Funds disbursed pursuant to this Agreement shall be known as the "City Funds"); and

WHEREAS, in accordance with the Act, certain of the TIF-Funded Improvements, among other eligible redevelopment project costs under the Act approved by the City pursuant to this Agreement, are and shall be such of the Board's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan, and the City has found, pursuant to the Agreement Ordinance (as such term is defined in Article Fourteen hereof) that certain of the TIF-Funded Improvements consist of the cost of the Board's capital improvements for the Facility that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-03 (u) of the Act; and

WHEREAS, the City and the Board now desire to enter into this Agreement.

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

ARTICLE ONE: INCORPORATION OF RECITALS

The recitals set forth above are incorporated herein by reference and made a part hereof.

ARTICLE TWO: THE PROJECT

1. The plans and specifications for the Project shall: (a) at a minimum meet the general requirements for the Facility as set forth in Exhibit B hereof, (b) be provided to the City by the Board, and (c) approved by the City in the City's discretion. The Board shall comply with

all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Board, all as may be in effect from time to time, pertaining to or affecting the Project or the Board as related thereto. The Board shall include a certification of such compliance with each request for City Funds hereunder and at the time the Project is completed. The City shall be entitled to rely on this certification without further inquiry. Upon the City's request, the Board shall provide evidence satisfactory to the City of such compliance.

2. In all contracts relating to the Project, the Board agrees to require the contractor to name the City as an additional insured on insurance coverages and to require the contractor to indemnify the City from all claims, damages, demands, losses, suits, actions, judgments and expenses including but not limited to attorney's fees arising out of or resulting from work on the Project by the contractor or contractor's suppliers, employees, or agents.

ARTICLE THREE: FUNDING

1. (a) Upon completion of the Project (or, subject to the availability of City Funds and in the City's discretion, at intervals during the Project acceptable to the City), the Board shall provide the Department with a Requisition Form, in the form of Exhibit E hereto, along with: (i) a cost itemization of the applicable portions of the budget attached as Exhibit G hereto; (ii) evidence of the expenditures upon TIF-Funded Improvements which the Board has paid; and (iii) all other documentation described in Exhibit E. The City shall review and, in the City's discretion, approve the Requisition Form and make the requested and approved disbursement of City Funds. The availability of the City Funds is subject to the City's compliance with all applicable requirements regarding the use of such funds and the timing of such use.

(b) Delivery by the Board to the Department of a Requisition Form hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such Requisition Form, that:

(i) the total amount of the City Funds previously disbursed (if any) represents the actual amount paid to the general contractor, subcontractors, and other parties who have performed work on or otherwise provided goods or services in connection with the Project, and/or their payees;

(ii) all amounts shown as previous payments on the current Requisition Form have been paid to the parties entitled to such payment;

(iii) the Board has approved all work and materials for the Requisition Form, and such work and materials conform to the plans and specifications for the Project; and

(iv) the Board is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Board, all as may be in effect from time to time, pertaining to or affecting the Project or the Board as related thereto.

The City shall have the right, in its discretion, to require the Board to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and the approval of the Requisition Form by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Board.

(c) [intentionally omitted]

(d) Payments of City Increment Funds will be subject to the availability of Redevelopment Area Increment in the Tax Increment Financing Redevelopment Project Area Special Tax Allocation Fund created pursuant to the Adoption Ordinance (the "Special Tax Allocation Fund"), subject to all applicable restrictions on and obligations of the City contained in all City ordinances relating to the Redevelopment Area Increment and all agreements and other documents entered into by the City pursuant thereto.

(e) (i) The Board's right to receive payments hereunder shall be subordinate to the obligations of the City to be paid from Redevelopment Area Increment and the commitments by the City to pay Redevelopment Area Increment pursuant to: (1) that certain Tax Increment Allocation Revenue Note (Western Avenue South Redevelopment Project) Taxable Series 2003, dated August 12, 2003, in the amount of \$3,000,000 from the City to Banco Popular North America; (2) that certain North Center Redevelopment Agreement made as of the 1st day of June, 2004, by and between the City and North Center Senior Housing L.P., an Illinois limited partnership; and (3) that certain North Center Associates LLC Redevelopment Agreement dated on or about August 31, 2007, by and between the City and North Center Associates LLC, an Illinois limited liability company.

(ii) The City, subject to the terms of this subsection 1(e)(ii), may, until the earlier to occur of (1) the expiration of the Term of this Agreement or (2) the date that the City has paid directly or the Board has been reimbursed in the full amount of the City Funds under this Agreement, exclude up to 90% of the Increment generated from the construction value of a new assisted development project and pledge that Increment to a developer on a basis superior to that of the Board. For purposes of this subsection, "a new assisted development project" shall not include any development project that is or will be exempt from the payment of ad valorem property taxes. Further, for purposes of this subsection, "Increment generated from the construction value of a new assisted development project" shall be the amount of Increment generated by the equalized assessed value ("EAV") of such affected parcels over and above the EAV of such affected parcels for the year immediately preceding the year in which the new assisted development project commences (the "Base Year"). Except for the foregoing, the Board shall retain its initial lien status relative to Redevelopment Area Increment.

In the event that the City elects to avail itself of the provisions of this subsection, it shall, at least seven (7) days prior to executing a binding commitment pledging the Increment described above, certify, in a letter to the Board, the affected parcels and the EAV thereof for the Base Year.

(f) [intentionally omitted]

(g) The availability of City Increment Funds is subject to the City's compliance with all applicable requirements regarding the use of the Redevelopment Area Increment deposited annually into the Special Tax Allocation Fund and the timing of such use.

(h) The Board shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements ("Bonds"); provided, however, that any such amendments shall not have a material adverse effect on the Board or the Project. The Board shall, at the Board's expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial

condition and assisting the City in preparing an offering statement with respect thereto. The City may, in its sole discretion, use all or a portion of the proceeds of such Bonds if issued to pay for all or a portion of the TIF-Funded Improvements.

2. The current estimate of the cost of the Project is \$16,615,000. The Board has delivered to the Commissioner, and the Commissioner hereby approves, a detailed project budget for the Project, attached hereto and incorporated herein as Exhibit G. The Board certifies that it has identified sources of funds (including the City Funds) sufficient to complete the Project. The Board agrees that the City will only contribute the City Funds to the Project and that all costs of completing the Project over the City Funds shall be the sole responsibility of the Board. If the Board at any point does not have sufficient funds to complete the Project, the Board shall so notify the City in writing, and the Board may narrow the scope of the Project as agreed with the City in order to construct and rehabilitate the Facility with the available funds.

3. Attached as Exhibit H and incorporated herein is a preliminary list of capital improvements, land assembly costs, relocation costs and other costs, if any, recognized by the City as being eligible redevelopment project costs under the Act with respect to the Project, to be paid for out of City Funds ("TIF-Funded Improvements"); and to the extent the TIF-Funded Improvements are included as taxing district capital costs under the Act, the Board acknowledges that the TIF-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these TIF-Funded Improvements are necessary and directly result from the Redevelopment Plan. Prior to the expenditure of City Funds on the Project, the Commissioner, based upon the detailed project budget, shall make such modifications to Exhibit H as he or she wishes in his or her discretion to account for all of the City Funds to be expended under this Agreement; provided, however, that all TIF-Funded Improvements shall (i) qualify as redevelopment project costs under the Act, (ii) qualify as eligible costs under the Redevelopment Plan; and (iii) be improvements that the Commissioner has agreed to pay for out of City Funds, subject to the terms of this Agreement.

4. If the aggregate cost of the Project is less than the amount of the City Funds contemplated by this Agreement, the Board shall have no claim to the difference between the amount of the City Funds contemplated by this Agreement and the amount of the City Funds actually paid by the City to the Board and expended by the Board on the Project.

5. If requested by the City, the Board shall provide to the City quarterly reports on the progress of the Project and reasonable access to its books and records relating to the Project.

6. Commencing with the first State fiscal year (July 1 - June 30) beginning after the execution of this Agreement and for each State fiscal year thereafter until and including State fiscal year 2025, the Board shall annually notify the City of (i) the amount of the actual, final award that it receives from the Illinois Capital Development Board pursuant to the Illinois School Construction Law (5 ILCS 230/5-1), and (ii) any available "Excess Amount" (as defined in the following sentence). In the event that such an award in any particular State fiscal year exceeds 130% of \$114,914,131, as adjusted every January 31, beginning January 31, 2005, by the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor for the preceding calendar year period (the "Base Amount"), the Board shall provide the City with value equivalent to an amount that is equal to 50% of the grant amount that the Board receives that is in excess of 130% of the Base Amount (the "Excess Amount"). For example, if the Base Amount was \$100.00 and if the Board was awarded a grant of \$150.00 in a particular State fiscal year, \$20.00 of this award would qualify as Excess Amount; therefore, the Board would provide the City with value equivalent to \$10.00, which is 50% of the Excess Amount. After receipt by the City of the notice required under this paragraph and if an Excess Amount exists in any particular fiscal year, the Board and the City shall

determine, by mutual agreement, what the equivalent value should be, if any, and the City shall inform the Board whether it wishes to receive such value by (i) having the Board pay the City, for its application, as determined by the City, an amount equal to the Excess Amount, or (ii) applying a reduction or credit (equal to the Excess Amount), in whole or in part, to some future assistance that the City is providing to the Board through one or more tax increment financing agreements. The City and the Board shall cooperate to establish a mutually agreeable process under which the Board will provide the requisite value to the City. It is acknowledged between the Board and City that a similar undertaking of the Board may be contained in other agreements between the City and the Board pursuant to which the City provides tax increment financing assistance for capital projects of the Board. Accordingly, the City shall have the sole and exclusive right to determine how to deal with the Excess Amount within the context of the several agreements that may be outstanding or contemplated from time to time that address the City's rights regarding any such Excess Amount.

ARTICLE FOUR: TERM

The Term of the Agreement shall be deemed to have commenced as of the Agreement Date set forth above and shall expire on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2024).

ARTICLE FIVE: INDEMNITY; DEFAULT

1. The Board agrees to indemnify, defend and hold the City, its officers, officials, members, employees and agents harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (i) the Board's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Board's or any contractor's failure to pay general contractors, subcontractors or materialmen in connection with the Project.

2. The failure of the Board to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Board under this Agreement or any related agreement shall constitute an "Event of Default" by the Board hereunder. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of the City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

In the event the Board shall fail to perform a covenant which the Board is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Board has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those defaults which are not capable of being cured within such thirty (30) day period, the Board shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

3. The failure of the City to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the City under this Agreement or any other agreement directly related to this Agreement shall constitute an "Event of Default" by the City hereunder. Upon the occurrence of an Event of Default, the Board may terminate this Agreement and any other agreement directly related to this Agreement. The Board may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and

secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

In the event the City shall fail to perform a covenant which the City is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the City has failed to cure such default within thirty (30) days of its receipt of a written notice from the Board specifying the nature of the default; provided, however, with respect to those defaults which are not capable of being cured within such thirty (30) day period, the City shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

ARTICLE SIX: CONSENT

Whenever the consent or approval of one or both parties to this Agreement is required hereunder, such consent or approval shall not be unreasonably withheld.

ARTICLE SEVEN: NOTICE

Notice to Board shall be addressed to:

Chief Financial Officer
Board of Education of the City of Chicago
125 South Clark Street, 14th Floor
Chicago, Illinois 60603
FAX: (773) 553-2701

and

General Counsel
Board of Education of the City of Chicago
125 South Clark Street, 7th Floor
Chicago, Illinois 60603
FAX: (773) 553-1702

Notice to the City shall be addressed to:

Commissioner
Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
FAX: (312) 744-2271

and

Corporation Counsel
121 North LaSalle Street, Room 600
Chicago, Illinois 60602
Attention: Finance and Economic Development Division
FAX: (312) 744-8538

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth above, by any of the following means: (a) personal

service; (b) electric communications, whether by telex, telegram, telecopy or facsimile (FAX) machine; (c) overnight courier; or (d) registered or certified mail, return receipt requested.

Such addresses may be changed when notice is given to the other party in the same manner as provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and, if sent pursuant to subsection (d) shall be deemed received two (2) days following deposit in the mail.

ARTICLE EIGHT: ASSIGNMENT; BINDING EFFECT

This Agreement, or any portion thereof, shall not be assigned by either party without the prior written consent of the other.

This Agreement shall inure to the benefit of and shall be binding upon the City, the Board and their respective successors and permitted assigns. This Agreement is intended to be and is for the sole and exclusive benefit of the parties hereto and such successors and permitted assigns.

ARTICLE NINE: MODIFICATION

This Agreement may not be altered, modified or amended except by written instrument signed by all of the parties hereto.

ARTICLE TEN: COMPLIANCE WITH LAWS

The parties hereto shall comply with all federal, state and municipal laws, ordinances, rules and regulations relating to this Agreement.

ARTICLE ELEVEN: GOVERNING LAW AND SEVERABILITY

This Agreement shall be governed by the laws of the State of Illinois. If any provision of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute, ordinance, rule of law or public policy, or for any reason, such circumstance shall not have the effect of rendering any other provision or provisions contained herein invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses, or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part hereof.

ARTICLE TWELVE: COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed an original.

ARTICLE THIRTEEN: ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and, as of the date hereof, replaces the Original Agreement in its entirety.

ARTICLE FOURTEEN: AUTHORITY

Execution of this Agreement by the City is authorized by an ordinance passed by the City Council of the City on _____, 2014 (the "Agreement Ordinance"). Execution of this Agreement by the Board is authorized by Board Resolution 01-0725-RS2. The parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their obligations hereunder.

ARTICLE FIFTEEN: HEADINGS

The headings and titles of this Agreement are for convenience only and shall not influence the construction or interpretation of this Agreement.

ARTICLE SIXTEEN: DISCLAIMER OF RELATIONSHIP

Nothing contained in this Agreement, nor any act of the City or the Board shall be deemed or construed by any of the parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City and the Board.

ARTICLE SEVENTEEN: CONSTRUCTION OF WORDS

The use of the singular form of any word herein shall also include the plural, and vice versa. The use of the neuter form of any word herein shall also include the masculine and feminine forms, the masculine form shall include feminine and neuter, and the feminine form shall include masculine and neuter.

ARTICLE EIGHTEEN: NO PERSONAL LIABILITY

No officer, member, official, employee or agent of the City or the Board shall be individually or personally liable in connection with this Agreement.

ARTICLE NINETEEN: REPRESENTATIVES

Immediately upon execution of this Agreement, the following individuals will represent the parties as a primary contact in all matters under this Agreement.

For the Board: Patricia L. Taylor, Chief Operating Officer
Board of Education of the City of Chicago
125 South Clark Street, 17th Floor
Chicago, Illinois 60603
Phone: 773-553-2900

For the City: Christopher Jang, Assistant Commissioner
City of Chicago, Department of Planning and Development
121 North LaSalle Street, Room 1006
Chicago, Illinois 60602
Phone: 312-744-9463

Each party agrees to promptly notify the other party of any change in its designated representative, which notice shall include the name, address, telephone number and fax number of the representative for such party for the purpose hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CHICAGO, ILLINOIS

By: _____
Commissioner
Department of Planning and Development

THE BOARD OF EDUCATION
OF THE CITY OF CHICAGO

By: _____
President

Attest: By: _____
Secretary

Board Resolution No.: 01-0725-RS2

Approved as to legal form:

General Counsel

EXHIBIT A
THE PROPERTY

School	Section	Township	Range	folio	Source date
COONLEY	18	40	14		SEPT 1, 1965

SUB LOTS 1 TO 18 & 29 TO 46 IN SAM BROWN JR'S SUBDIVISION OF LOTS 2 & 3 BLOCK 9 IN W. B. OGDEN'S SUBDIVISION OF SOUTH WEST ¼ OF SECTION 18, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS & VACATED ALLEY.

118,980 SQ. FT.
2.73 ACRES

EXHIBIT B

FEATURES OF THE FACILITY

Address: John C. Coonley School
4046 N. Leavitt St.
Chicago, IL 60618

Project Description: John C. Coonley School Addition

This project will design and build a new 3-story linked addition to provide twelve additional classrooms and a new mobile hot food service cafeteria. Classrooms in the existing facility will be reconfigured at the connection to the new building. The existing kitchen and cafeteria will be re-purposed into classrooms. Site work to integrate the new addition is also included.

Capacity: Coonley Elementary School accommodates 700 students in Grades Pre-Kindergarten through 8th grade. The twelve additional classrooms will increase programmatic capacity.

EXHIBIT C
[intentionally omitted]

EXHIBIT D
[intentionally omitted]

EXHIBIT E

_____ REQUISITION FORM

State of Illinois)
) SS
County of Cook)

The affiant, _____ of the Board of Education of the City of Chicago, a body corporate and politic (the "Board"), hereby certifies to the City of Chicago (the "City") that with respect to that certain Intergovernmental Agreement between the Board and the City regarding Coonley School dated _____, 2014 (the "Agreement"):

A. The following is a true and complete statement of all expenditures for the Project by the Board to date:

TOTAL: \$ _____

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project paid for by the City to date:

\$ _____

C. The Board requests disbursement for the following cost of TIF-Funded Improvements:

\$ _____

D. None of the costs referenced in paragraph C above has been previously reimbursed by the City.

E. The Board hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and the Board is in compliance with all applicable covenants contained therein.

2. No Event of Default or condition or event that, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

3. The Board is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Board, all as may be in effect from time to time, pertaining to or affecting the Project or the Board as related thereto.

F. Attached hereto are: (1) a cost itemization of the applicable portions of the budget attached as Exhibit G to the Agreement; and (2) evidence of the expenditures upon TIF-Funded Improvements for which the Board hereby seeks reimbursement.

All capitalized terms that are not defined herein have the meanings given such terms in the Agreement.

THE BOARD OF EDUCATION
OF THE CITY OF CHICAGO, a body corporate and politic

By: _____
Name: _____
Title: _____

Subscribed and sworn before me this ____ day of _____, _____.

My commission expires: _____

Agreed and accepted:
CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT

Name: _____
Title: _____

EXHIBIT F
[intentionally omitted]

EXHIBIT G
PROJECT BUDGET

Uses of Funds		Project Estimate
Legal Fees		
	Land Acquisition	-
	Relocation	-
	Fees and Reimbursable Costs	\$50,000
Abatement, Demolition, Site Preparation & Remediation		\$1,345,092
Design and Management		\$1,269,026
Furniture, Fixtures and Equipment		\$115,000
Construction Expenditures		
	General Construction	\$12,498,082
Project Implementation		\$1,337,800
Project Total		\$16,615,000

EXHIBIT H

PROJECT TIF-FUNDED IMPROVEMENTS

Uses of Funds		Project Cost	TIF Funded Improvements
Legal Fees			
	Land Acquisition	-	-
	Relocation	-	-
	Fees and Reimbursable Costs	\$50,000	\$50,000
Abatement, Demolition, Site Preparation & Remediation		\$1,345,092	\$1,345,092
Design and Management		\$1,269,026	\$1,269,026
Furniture, Fixtures and Equipment		\$115,000	\$0
Construction Expenditures			
	General Construction	\$12,498,082	\$12,498,082
Project Implementation		\$1,337,800	\$1,337,800
Project Total		\$16,615,000	\$16,500,000



City of Chicago



O2014-869

Office of the City Clerk

Document Tracking Sheet

Meeting Date:

2/5/2014

Sponsor(s):

Emanuel (Mayor)

Type:

Ordinance

Title:

Intergovernmental agreement with Metropolitan Pier and Exposition Authority regarding construction and rehabilitation of property at 300 E Cermak Rd

Committee(s) Assignment:

Committee on Finance

FIN.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the execution of an intergovernmental agreement with the Metropolitan Pier and Exposition Authority regarding property located at 300 East Cermak.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Metropolitan Pier and Exposition Authority (the "MPEA") is a political subdivision, unit of local government, body politic and municipal corporation existing under the laws of the State of Illinois pursuant to the Metropolitan Pier and Exposition Authority Act, as amended, 70 ILCS 210/1 et seq. (the "MPEA Act"); and

WHEREAS, pursuant to Section 210/4(a) of the MPEA Act, the MPEA was established to "promote, operate and maintain fairs, expositions, meetings, and conventions from time to time" in the metropolitan Chicago area, and to "construct, equip, and maintain grounds, buildings, and facilities for those purposes"; and

WHEREAS, the MPEA owns McCormick Place, an exhibition and convention center located at 23rd Street and Martin Luther King Drive along the City's lakefront; and

WHEREAS, the McCormick Place convention center is comprised of four buildings having in aggregate over 2.6 million square feet of exhibit space and over 600,000 square feet of meeting rooms, along with four parking facilities containing approximately 6,700 parking spaces; and

WHEREAS, the MPEA also owns the Hyatt Regency McCormick Place, a recently renovated 1,262-room hotel operated by Hyatt Corporation and located adjacent to McCormick Place; and

WHEREAS, there is a shortage of hotel rooms within walking distance of McCormick Place to serve the convention center's visitors; and

WHEREAS, the MPEA desires to construct a second convention center headquarters hotel (the "Hotel") on the property legally described on Exhibit B attached hereto and depicted on Exhibit A (the "Hotel Property"); and

WHEREAS, the Hotel Property includes the American Book Company building, a five-story brick factory building that was constructed in 1912 and designated a Chicago Landmark on September 25, 2009 (the "ABC Building"); and

WHEREAS, the MPEA intends to rehabilitate, preserve and incorporate the ABC Building into the Hotel complex following preservation standards; and

WHEREAS, the MPEA desires to construct one or more sky bridge(s) connecting the Hotel to other MPEA facilities and to make certain streetscaping improvements (collectively, the "Adjacent Improvements," and together with the Hotel, the "Project") within the adjacent public right-of-way generally depicted in cross-hatching on Exhibit A (the "Adjacent Right-of-Way," and together with the Hotel Property, the "Project Site"); and

WHEREAS, the City recognizes the importance of McCormick Place to the City's economy; and

WHEREAS, the MPEA and the City have determined that the Project is necessary to improve the functionality and competitiveness of McCormick Place; and

WHEREAS, the Project will expand the City's and the State's convention and trade show business, create jobs, increase tourism, spur broader development of Chicago's Near South Community Area, and provide significant economic benefits to the City and its residents and businesses; and

WHEREAS, the City and the MPEA wish to enter into an intergovernmental agreement in substantially the form attached hereto as Exhibit C (the "Intergovernmental Agreement") to provide, inter alia, for the development and construction of the Project; and

WHEREAS, the Hotel Property lies wholly within the boundaries of the Calumet/Cermak Redevelopment Area (as hereinafter defined); and

WHEREAS, the Adjacent Right-of-Way lies within the Calumet/Cermak Redevelopment Area, the Michigan/Cermak Redevelopment Area and the Near South Redevelopment Area (all such areas as hereinafter defined); and

WHEREAS, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "TIF Act"), to finance projects that eradicate blighted conditions and conservation area factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, in accordance with the TIF Act, and pursuant to ordinances adopted on July 29, 1998, and published in the Journal of Proceedings of said date at pages 74598 through 74700, the City Council: (i) approved and adopted a redevelopment plan and project (the "Calumet/Cermak Plan") for a portion of the City known as the Calumet Avenue/Cermak Road Redevelopment Project Area (the "Calumet/Cermak Redevelopment Area"); (ii) designated the Calumet/Cermak Redevelopment Area as a redevelopment project area; and (iii) adopted tax increment allocation financing for the Calumet/Cermak Redevelopment Area (such ordinances collectively, as now or hereafter amended, the "Calumet/Cermak TIF Ordinances"); and

WHEREAS, in accordance with the TIF Act, and pursuant to ordinances adopted on September 13, 1989, and published in the Journal of Proceedings of said date at pages 4137 through 4198, the City Council: (i) approved and adopted a redevelopment project and plan (the "Michigan/Cermak Plan") for a portion of the City known as the Michigan/Cermak Redevelopment Project Area (the "Michigan/Cermak Redevelopment Area"); (ii) designated the Michigan/Cermak Redevelopment Area as a redevelopment project area; and (iii) adopted tax increment allocation financing for the Michigan/Cermak Redevelopment Area (such ordinances collectively, as now or hereafter amended, the "Michigan/Cermak TIF Ordinances"); and

WHEREAS, in accordance with the TIF Act, and pursuant to ordinances adopted on November 28, 1990, and published in the Journal of Proceedings of said date at pages 25969 through 26049, the City Council: (i) approved and adopted a redevelopment plan and project (the "Central Station Plan") for a portion of the City known as the Central Station Area Redevelopment Project Area (the "Central Station Redevelopment Area"); (ii) designated the Central Station Redevelopment Area as a redevelopment project area; and (iii) adopted tax

increment allocation financing for the Central Station Redevelopment Area (such ordinances collectively, as amended, the "Central Station TIF Ordinances"); and

WHEREAS, in accordance with the TIF Act, and pursuant to ordinances adopted on August 3, 1994, and published in the Journal of Proceedings of said date at pages 54876 through 54950, the City Council: (i) approved and adopted a redevelopment project and plan (the "Near South Plan") for a portion of the City known as the Near South Redevelopment Project Area (the "Near South Redevelopment Area"); (ii) designated the Near South Redevelopment Area as a redevelopment project area; and (iii) adopted tax increment allocation financing for the Near South Redevelopment Area (such ordinances collectively, as now or hereafter amended, the "Near South TIF Ordinances"); and

WHEREAS, the Near South Plan incorporated and replaced the Central Station Plan, and the Near South Redevelopment Area expanded and replaced the Central Station Area; and

WHEREAS, pursuant to Section 5/11-74.4-8(b) of the TIF Act, such incremental ad valorem taxes which, pursuant to the TIF Act, have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of the costs of the TIF-Eligible Improvements (as such term is defined in the Intergovernmental Agreement); and

WHEREAS, Increment collected from the Calumet/Cermak Redevelopment Area shall be known as the "Calumet/Cermak Increment"; Increment collected from the Michigan/Cermak Redevelopment Area shall be known as the "Michigan/Cermak Increment"; Increment collected from the Near South Redevelopment Area shall be known as the "Near South Increment"; and together, the Calumet/Cermak Increment, the Michigan/Cermak Increment, and the Near South Increment shall be known as the "City Increment"; and

WHEREAS, pursuant to Section 5/11-74.4-4(q) of the TIF Act, the City can use Increment from one redevelopment project area for eligible redevelopment project costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the Increment is received ("Transfer Rights"); and

WHEREAS, the City, by and through its Department of Planning and Development (together with any successor department thereto, the "Department") wishes to use a portion of the City Increment in a maximum aggregate amount not to exceed Fifty Five Million Dollars (\$55,000,000) to reimburse the MPEA for land acquisition costs and certain additional TIF-Eligible Improvements included within the Project; and

WHEREAS, the Calumet/Cermak Redevelopment Area is either contiguous to, or is separated only by a public right-of-way from, the Michigan/Cermak Redevelopment Area and the Near South Redevelopment Area; and

WHEREAS, the City, at its option, may exercise its Transfer Rights pursuant to the TIF Act, the Michigan/Cermak TIF Ordinances, the Michigan/Cermak Redevelopment Plan, the Near South TIF Ordinances and the Near South Redevelopment Plan, in order to pay for certain TIF-Eligible Improvements in the Calumet/Cermak Redevelopment Area, to the extent and in the manner provided for in the Intergovernmental Agreement; and

WHEREAS, the Michigan/Cermak Redevelopment Area is either contiguous to, or is separated only by a public right-of-way from, the Calumet/Cermak Redevelopment Area and the Near South Redevelopment Area; and

WHEREAS, the City, at its option, may exercise its Transfer Rights pursuant to the TIF Act, the Calumet/Cermak TIF Ordinances, the Calumet/Cermak Redevelopment Plan, the Near South TIF Ordinances and the Near South Redevelopment Plan, in order to pay for certain TIF-Eligible Improvements in the Michigan/Cermak Redevelopment Area, to the extent and in the manner provided for in the Intergovernmental Agreement; and

WHEREAS, the Calumet/Cermak Redevelopment Plan designates the Calumet/Cermak Redevelopment Area as a mixed-use district, and anticipates that it will include a wide range of land uses, including hotel and related uses to support the adjacent McCormick Place; and

WHEREAS, among the redevelopment objectives of the Calumet/Cermak Plan is to rehabilitate and enhance historically significant buildings within the Calumet/Cermak Redevelopment Area, and to provide needed improvements and facilities in proper relationship to the projected demand for such facilities; and

WHEREAS, among the redevelopment goals and objectives of the Michigan/Cermak Plan is to develop anchor projects that encourage commercial and related mixed use development along East Cermak Road and to link East Cermak Road redevelopment with McCormick Place; and

WHEREAS, among the redevelopment objectives of the Near South Plan is to encourage a high quality appearance of rights-of-way; and

WHEREAS, the Project is consistent with the goals and objectives of the Calumet/Cermak Plan, the Michigan/Cermak Plan and the Near South Plan; and

WHEREAS, the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq., authorizes and encourages cooperative agreements between units of Illinois' state and local government; and

WHEREAS, the Department has recommended that the City Council (i) approve the use of City Increment for the purposes set forth in this ordinance; and (ii) authorize the City to enter into the Intergovernmental Agreement; **now, therefore,**

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The City hereby approves the expenditure of City Increment in an aggregate maximum amount not to exceed Fifty Five Million Dollars (\$55,000,000), which shall be utilized to pay for or reimburse the MPEA for certain TIF-Eligible Improvements (as such term is defined in the Intergovernmental Agreement) included within the Project.

SECTION 3. The Commissioner of the Department (the "Commissioner") or a designee of the Commissioner is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver the Intergovernmental

Agreement between the MPEA and the City, and such other supporting documents as may be necessary to carry out and comply with the provisions of the Intergovernmental Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Intergovernmental Agreement.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 5. This ordinance shall be in full force and effect from and after the date of its passage and approval.

Attachments: Exhibit A – Depiction of Project Site
Exhibit B – Legal Description of Property
Exhibit C – Intergovernmental Agreement

EXHIBIT A

DEPICTION OF PROJECT SITE

(ATTACHED)

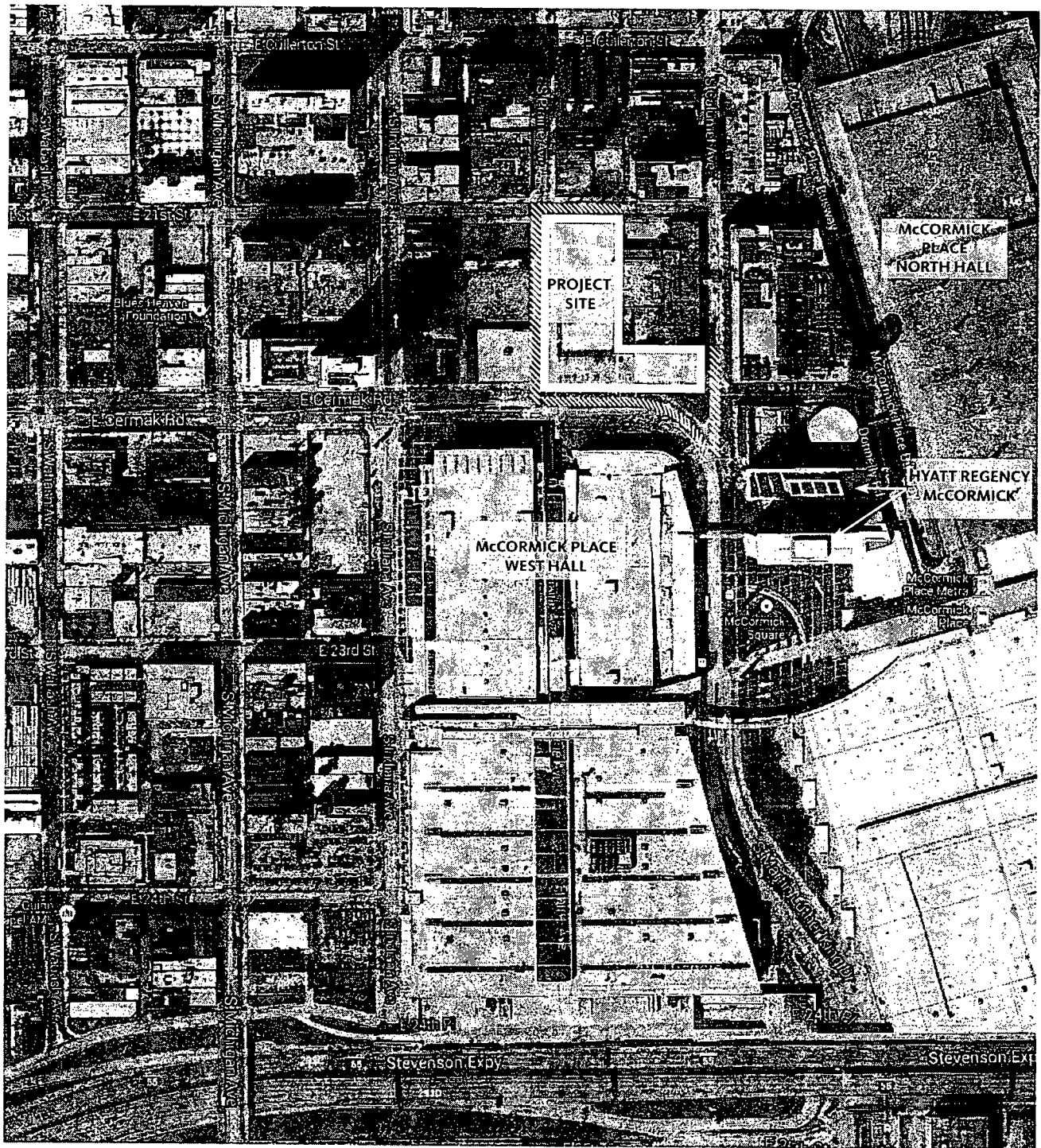


EXHIBIT B

LEGAL DESCRIPTION OF HOTEL PROPERTY

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT;
BOUNDARY SURVEY AND LEGAL DESCRIPTION FROM DRAFT TITLE COMMITMENT
ATTACHED AS EXHIBIT B TO IGA)

300 EAST CERMAK PARCEL:

LOTS 10 TO 18, BOTH INCLUSIVE, IN BLOCK 24 OF GURLEY'S SUBDIVISION, BLOCKS 21 TO 28 OF ASSESSOR'S DIVISION, IN SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALL OF THE NORTH/SOUTH VACATED ALLEY, LYING EAST OF AND ADJOINING LOTS 10 TO 18, ALL IN BLOCK 24 IN GURLEY'S SUBDIVISION AFORESAID, IN COOK COUNTY, ILLINOIS.

ABC BUILDING PARCEL

LOTS 8 AND 9 IN BLOCK 24 IN GURLEY'S SUBDIVISION OF BLOCKS 24 TO 28, BOTH INCLUSIVE, IN THE ASSESSOR'S DIVISION OF THE SOUTHWEST ¼ OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

THE EAST ½ OF THE NORTH/SOUTH VACATED ALLEY, LYING WEST OF AND ADJOINING LOTS 8 AND 9 IN BLOCK 24 IN GURLEY'S SUBDIVISION AFORESAID, IN COOK COUNTY, ILLINOIS.

ADDRESS: 300-30 EAST CERMAK ROAD
CHICAGO, ILLINOIS 60616

PINS: 17-22-321-001
17-22-321-018
17-22-321-017
17-22-321-016
17-22-321-014

EXHIBIT C

INTERGOVERNMENTAL AGREEMENT

(ATTACHED)

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE CITY OF CHICAGO AND THE
METROPOLITAN PIER AND
EXPOSITION AUTHORITY**

(The Above Space for Recorder's Use Only)

This **INTERGOVERNMENTAL AGREEMENT** ("Agreement") is made and entered into this ____ day of _____, 2014, by and between the City of Chicago (the "City"), an Illinois municipal corporation, by and through its Department of Planning and Development ("Department"), and the Metropolitan Pier and Exposition Authority (the "MPEA"), a political subdivision, unit of local government, body politic and municipal corporation existing under the laws of the State of Illinois pursuant to the Metropolitan Pier and Exposition Authority Act, as amended, 70 ILCS 210/1 *et seq.* (the "MPEA Act").

RECITALS

WHEREAS, the City is a home rule unit of government under Section 6(a), Article VII of the Constitution of the State of Illinois of 1970, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the MPEA was established as a unit of local government pursuant to Section 210/4(a) of the MPEA Act to "promote, operate and maintain fairs, expositions, meetings, and conventions from time to time" in the metropolitan Chicago area, and to "construct, equip, and maintain grounds, buildings, and facilities for those purposes"; and

WHEREAS, the MPEA owns McCormick Place, an exhibition and convention center located at 23rd Street and Martin Luther King Drive along the City's lakefront; and

WHEREAS, the McCormick Place convention center is comprised of four buildings having in aggregate over 2.6 million square feet of exhibit space and over 600,000 square feet of meeting rooms, along with four parking facilities containing approximately 6,700 parking spaces; and

WHEREAS, the MPEA also owns the Hyatt Regency McCormick Place, a recently renovated 1,262-room hotel operated by Hyatt Corporation and located adjacent to McCormick Place; and

WHEREAS, McCormick Place is the nation's largest convention center, annually hosting 125 to 150 events and attracting more than four million trade and public show visitors; and

WHEREAS, the MPEA desires to construct a second convention center headquarters hotel (the "Hotel") on the property legally described on Exhibit B attached hereto and depicted on Exhibit A (the "Hotel Property"); and

WHEREAS, the Hotel will be connected to other MPEA facilities by one or more sky bridges; and

WHEREAS, the MPEA desires to construct the sky bridge(s) and make certain streetscaping improvements (collectively, the "Adjacent Improvements") within the adjacent public right-of-way depicted on Exhibit A (the "Adjacent Right-of-Way," and together with the Hotel Property, the "Project Site"); and

WHEREAS, the Adjacent Improvements will supplement and enhance certain TIF-funded streetscaping improvements to be made by the MPEA on the north side of Cermak Road between Prairie Street and Calumet Avenue, authorized by ordinance adopted on June 26, 2013, and published in the Journal of Proceedings of such date at pages 56064 through 56098; and

WHEREAS, the Project Site includes a five-story brick factory building that was commissioned and built in 1912 as the Midwest offices, warehouse and distribution center of the American Book Company, a nationally-prominent New York textbook publisher (the "ABC Building"); and

WHEREAS, the ABC Building was designated a Chicago Landmark by ordinance adopted on September 25, 2009, and recorded in the Office of the Recorder of Deeds of Cook County on January 14, 2010, as document number 1001410030; and

WHEREAS, the significant historical and architectural features of the ABC Building were defined by the landmark ordinance to include all exterior elevations, including rooflines and all elevations of the tower, of the original 1912 building, and the main entrance foyer and lobby, including but not limited to the vaulted lobby ceiling, marble staircase and balustrade (collectively, the "Significant Historical and Architectural Features"); and

WHEREAS, the MPEA intends to rehabilitate, preserve and incorporate the ABC Building into the Hotel complex following preservation standards; and

WHEREAS, following construction, the Hotel will be a public facility owned by the MPEA; and

WHEREAS, the Hotel, the Adjacent Improvements and related improvements, including but not limited to those TIF-Eligible Improvements defined below and set forth on Exhibit E, are collectively referred to herein as the "Project"; and

WHEREAS, the MPEA estimates that a second hotel will allow McCormick Place to add about 15 mid-size events per year, potentially bringing in 80,000 more attendees annually; and

WHEREAS, the Hotel will provide the facilities and amenities required to serve as a headquarters hotel for groups holding shows at McCormick Place; and

WHEREAS, a description of the currently contemplated scope of the Project is set forth in Exhibit C attached hereto (the "Preliminary Scope of Development"); and

WHEREAS, the current estimate of the cost of the Project, including the cost of acquiring the Hotel Property, is Four Hundred Twenty-One Million Five Hundred Thousand Dollars (\$421,500,000), as outlined in the preliminary project budget attached hereto as Exhibit D (the "Preliminary Project Budget"); and

WHEREAS, the MPEA anticipates that it will acquire the Hotel Property in 2014 and complete construction of the Project in 2017; and

WHEREAS, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "TIF Act"), to finance projects that eradicate blighted conditions and conservation area factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, to induce certain redevelopment pursuant to the TIF Act, the City Council adopted the Calumet/Cermak TIF Ordinances, the Michigan/Cermak TIF Ordinances, and the Near South TIF Ordinances; and

WHEREAS, the Hotel Property lies wholly within the boundaries of the Calumet/Cermak Redevelopment Area; and

WHEREAS, the Adjacent Right-of-Way lies within the Calumet/Cermak Redevelopment Area, the Michigan/Cermak Redevelopment Area and the Near South Redevelopment Area; and

WHEREAS, pursuant to Section 5/11-74.4-8(b) of the TIF Act, such incremental ad valorem taxes which, pursuant to the TIF Act, have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of the costs of the TIF-Eligible Improvements; and

WHEREAS, pursuant to Section 5/11-74.4-4(q) of the TIF Act, the City can use Increment from one redevelopment project area for eligible redevelopment project costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the Increment is received ("Transfer Rights"); and

WHEREAS, the Calumet/Cermak Redevelopment Area is either contiguous to, or is separated only by a public right-of-way from, the Michigan/Cermak Redevelopment Area and the Near South Redevelopment Area; and

WHEREAS, the City may, at its option, exercise its Transfer Rights pursuant to the TIF Act and transfer a portion of the Michigan/Cermak Increment from the Michigan/Cermak Redevelopment Area, and a portion of the Near South Increment from the Near South Redevelopment Area, into the Calumet/Cermak TIF Fund in order to fund certain TIF-Eligible Improvements in the Calumet/Cermak Redevelopment Area, to the extent and in the manner hereafter provided; and

WHEREAS, the Michigan/Cermak Redevelopment Area is either contiguous to, or is separated only by a public right-of-way from, the Calumet/Cermak Redevelopment Area and the Near South Redevelopment Area; and

WHEREAS, the City may, at its option, exercise its Transfer Rights pursuant to the TIF Act and transfer a portion of the Calumet/Cermak Increment from the Calumet/Cermak Redevelopment Area, and a portion of the Near South Increment from the Near South Redevelopment Area, into the Michigan/Cermak TIF Fund in order to fund certain TIF-Eligible Improvements in the Michigan/Cermak Redevelopment Area, to the extent and in the manner hereafter provided; and

WHEREAS, the City and the MPEA agree that the City will pay not more than \$55,000,000 towards the Project (the "City Funds") from Calumet/Cermak Available Increment (in the case of the Hotel and other TIF-Eligible Improvements within the Calumet/Cermak Redevelopment Area), the Michigan/Cermak Available Increment (in the case of the Adjacent Improvements and other TIF-Eligible Improvements within the Michigan/Cermak Redevelopment Area) or Near South Available Increment (in the case of the Adjacent Improvements or other TIF-Eligible Improvements within the Near South Redevelopment Area), or a combination of all three, or from any other source of funds available to and selected by the City; and

WHEREAS, the Project will be carried out in accordance with this Agreement and the Calumet/Cermak Redevelopment Plan (in the case of the Hotel and other TIF-Eligible Improvements within the Calumet/Cermak Redevelopment Area), the Michigan/Cermak Redevelopment Plan (in the case of the Adjacent Improvements and other TIF-Eligible Improvements within the Michigan/Cermak Redevelopment Area), and the Near South Redevelopment Plan (in the case of the Adjacent Improvements and other TIF-Eligible Improvements within the Near South Redevelopment Area); and

WHEREAS, the MPEA has authority to issue certain revenue bonds (the "Hotel Revenue Bonds") pursuant to the MPEA Act in a maximum principal amount to generate approximately \$250,000,000 in proceeds (the "Hotel Bond Proceeds"), secured by revenues from the Hotel, as a means of permanently financing the costs of the Project, including the TIF-Eligible Improvements; and

WHEREAS, the MPEA has authority to permanently finance the Project by issuing certain bonds (the "Expansion Project Bonds") pursuant to the MPEA Act in a maximum principal amount to generate approximately \$153,000,000 in proceeds (the "Expansion Bond Proceeds"); and

WHEREAS, the portion of the Project to be constructed on the Hotel Property and within the Adjacent Right-of-Way located within the Calumet/Cermak Redevelopment Area will be carried out in accordance with this Agreement and the Calumet/Cermak Redevelopment Plan; and

WHEREAS, the portion of the Project to be constructed within the Adjacent Right-of-Way located within the Michigan/Cermak Redevelopment Area will be carried out in accordance with this Agreement and the Michigan/Cermak Redevelopment Plan, and the portion of the Project to be constructed within the Adjacent Right-of-Way located within the Near South Redevelopment Area will be carried out in accordance with this Agreement and the Near South Redevelopment Plan; and

WHEREAS, the Calumet/Cermak Redevelopment Plan designates the Calumet/Cermak Redevelopment Area as a mixed-use district, and anticipates that it will include a wide range of land uses, including hotel and related uses to support the adjacent McCormick Place; and

WHEREAS, among the redevelopment objectives of the Calumet/Cermak Plan is to rehabilitate and enhance historically significant buildings within the Calumet/Cermak Redevelopment Area, such as the ABC Building, and to provide needed improvements and facilities to serve projected demand for such facilities; and

WHEREAS, among the redevelopment goals and objectives of the Michigan/Cermak Plan is to develop anchor projects that encourage commercial and related mixed use development along East Cermak Road and to link East Cermak Road redevelopment with McCormick Place; and

WHEREAS, among the redevelopment objectives of the Near South Plan is to encourage a high quality appearance of rights-of-way; and

WHEREAS, the City and the MPEA wish to enter into this Agreement and partner in this public redevelopment project in order to elevate and promote the City and State of Illinois; and

WHEREAS, the Project will expand the City's and the State's convention and trade show business, create jobs, increase tourism, spur broader development of Chicago's Near South Community Area, and provide significant economic benefits to the City and its residents and businesses; and

WHEREAS, the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq., authorizes and encourages cooperative agreements between units of Illinois' state and local government; and

WHEREAS, by Resolution No. 14-0___ adopted on _____, 2014, the Board of Directors of the MPEA authorized the execution of this Agreement; and

WHEREAS, by ordinance adopted on _____, 2014, and published in the Journal of Proceedings of such date at pages _____ through _____, the City Council authorized the execution of this Agreement.

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

SECTION 1. INCORPORATION OF RECITALS.

The foregoing recitals constitute an integral part of this Agreement and are incorporated herein by this reference with the same force and effect as if set forth herein as agreements of the Parties.

SECTION 2. DEFINITIONS.

For purposes of this Agreement, in addition to the terms defined in the foregoing Recitals and elsewhere in this Agreement, the following terms shall have the meanings set forth below:

"300 E. Cermak Parcel" means a parcel of land consisting of approximately 79,980 square feet, as legally described on Exhibit B. The 300 E. Cermak Parcel is one of two parcels, along with the ABC Building Parcel, comprising the Hotel Property.

"ABC Building" is defined in the Recitals.

"ABC Building Parcel" means a parcel of land consisting of approximately 19,000 square feet, as legally described on Exhibit B. The ABC Building Parcel is improved with the ABC Building and is one of two parcels, along with the 300 E. Cermak Parcel, comprising the Hotel Property.

"Action or Proceeding" means any proceeding, arbitration or other alternative resolution process, investigation by any Governmental Authority, hearing, audit, appeal, administrative proceeding or judicial proceeding, including:

(a) litigation (including trial and appellate litigation, bankruptcy litigation, administrative proceedings, and hearings at all levels);

(b) action by any Party to enforce any rights and remedies under, or to terminate, this Agreement; or

(c) appraisal, arbitration, or mediation process or proceeding, whether or not identified as adversarial.

"Adjacent Improvements" is defined in the Recitals.

"Affiliate" means any person or entity directly or indirectly controlling, controlled by or under common control with the MPEA.

"Agent" means any contractor, subcontractor or other agent, entity or individual acting under the control or at the request of the MPEA or the MPEA's contractors.

"Agreement" means this Intergovernmental Agreement and all exhibits attached hereto.

"Architectural/Engineering Contract" means a guaranteed delivery contract for the preparation of the Bridging Documents dated June 25, 2013, by and between the MPEA and the Architectural/Engineering Consultant.

"Architectural/Engineering Consultant" means M. Arthur Gensler Jr. & Associates, Inc., the design team selected and approved by the MPEA pursuant to a Request for Proposals (#2013-03-M) dated February 21, 2013.

"Attorneys' Fees and Costs" means any and all reasonable attorneys' fees, costs, expenses and disbursements, including, but not limited to, expert witness fees and costs, travel time and associated costs, transcript preparation fees and costs, document copying, exhibit preparation, courier, postage, facsimile, long distance and communications expenses, court costs and the costs and fees associated with any other legal, administrative or alternative dispute resolution proceeding, fees and costs associated with execution upon any judgment or order, and costs on appeal.

"Available Increment" means, collectively, the Calumet/Cermak Available Increment, the Michigan/Cermak Available Increment and the Near South Available Increment.

"Available Proceeds" is defined in Section 8.12(c).

"Available Project Funds" is defined in Section 4.7(b)(viii).

"Bridging Documents" means, collectively, the (i) building program, (ii) schematic design documents, (iii) critical design details, and (iv) performance criteria for the mechanical and structural components of the Project that will be used by the MPEA to solicit bids from and form the basis of a contract with design-build-finance teams for the completion of design and construction documents for the Project. The Bridging Documents shall include architectural plans, sections, elevations, design details, other required drawings, performance criteria, and other specifications with sufficient detail to clearly establish the scope of work for the D/B/F Team and to set the architectural and interior design and FF&E requirements. The Bridging Documents shall also include structural, mechanical, electrical, plumbing, and fire protection drawings, performance criteria, and descriptions of building systems in sufficient detail to clearly establish the scope of work for the D/B/F Team and other requirements of the MPEA.

"Building Permit" means a demolition, grading, excavation, foundation or other building permit issued by the City for the construction of the Hotel.

"Business Relationship" has the meaning set forth for such term in Section 2-156-080 of the Municipal Code.

"Calumet/Cermak Available Increment" means an amount equal to all the Calumet/Cermak Increment on deposit in the Calumet/Cermak TIF Fund, plus any amounts of Michigan/Cermak Increment and/or Near South Increment which may have been transferred from time to time into the Calumet/Cermak TIF Fund pursuant to the Transfer Rights and this Agreement, less any amounts of such Increment which have been encumbered or pledged for the payment of Prior Obligations, all as of the date any payment is made under this Agreement

to the MPEA.

"Calumet/Cermak Increment" means Increment collected from the Calumet/Cermak Redevelopment Area.

"Calumet/Cermak Redevelopment Area" means the redevelopment project area created by the Calumet/Cermak TIF Ordinances.

"Calumet/Cermak Redevelopment Plan" means that certain redevelopment plan and project for the Calumet/Cermak Redevelopment Area approved by the Calumet/Cermak TIF Ordinances.

"Calumet/Cermak TIF Fund" means the special tax allocation fund created by the City in connection with the Calumet/Cermak Redevelopment Area into which the Calumet/Cermak Increment will be deposited, and into which certain Michigan/Cermak Increment and Near South Increment may be deposited by the City pursuant to its exercise of its Transfer Rights.

"Calumet/Cermak TIF Ordinances" means the following ordinances adopted by the City Council on July 29, 1998, and published in the Journal of Proceedings of such date at pages 74598 through 74700, as now or hereafter amended: "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan and Project for the Calumet Avenue/Cermak Road Redevelopment Project Area," "An Ordinance of the City of Chicago, Illinois Designating the Calumet Avenue/Cermak Road Redevelopment Project Area a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act," and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Calumet Avenue/Cermak Road Redevelopment Project Area."

"Certificate" is defined in Section 7.

"Change Order" means any amendment or modification to the Bridging Documents, Plans and Specifications, Project Budget or Redevelopment Schedule.

"City" is defined in the Preamble.

"City Council" means the City Council of the City of Chicago.

"City Funds" is defined in the Recitals and further described in Section 4.2 hereof.

"City Parties" means the City, and its officers, employees and agents.

"Commissioner" means the Commissioner of the Department of Planning and Development, or any successor department.

"Construction Agency Agreement" means the agreement dated September 18, 2013, by and between the MPEA and the Construction Agent, pursuant to which the Construction Agent will direct and manage the design and construction of the Hotel.

"Construction Agent" means Jones Lang LaSalle, the construction agent selected and

approved by the MPEA pursuant to a Request for Proposals (#2013-08-M) dated May 17, 2013.

"Construction Commencement Date" means the commencement of physical work by the D/B/F Team under a Building Permit.

"Construction Financing" is defined in Section 4.2.

"Construction Lender" is defined in Section 4.2.

"Construction Mortgage" is defined in Section 4.2.

"Corporation Counsel" means the City's Office of Corporation Counsel.

"D/B/F Contract" means a guaranteed delivery contract or contracts for the design, construction and financing of the Project to be entered into by the MPEA and the D/B/F Team consistent with the Project Budget and the Redevelopment Schedule.

"D/B/F Team" means the design-build-finance team for the Project to be selected by the MPEA in accordance with the MPEA Requirements, the Phase I RFQ and the Phase II RFP, and to be hired by the MPEA to construct the Project.

"Definitive Agreements" means the D/B/F Contract, the Hotel Operating Agreement, the Ground Lease, the Construction Mortgage, the Payment Applications and all other agreements relating to the development, construction, financing, use and occupancy of the Hotel.

"Department" means the Department of Planning and Development and any successor department thereto.

"Effective Date" means the date upon which this Agreement has been both (a) fully executed, and (b) delivered to the MPEA.

"Environmental Laws" means any and all Laws relating to the regulation and protection of human health, safety, the environment and natural resources now or hereafter in effect, as amended or supplemented from time to time, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136 et seq., the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., any and all regulations promulgated thereunder, and all analogous state and local counterparts or equivalents, including, without limitation, the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq., and the common law including trespass and nuisance.

"Environmental Reports" means a Phase I environmental site assessment of the Hotel Property prepared in accordance with current ASTM/ACSM standards and appropriate Phase II assessments of the Hotel Property to complete the Project in compliance with Illinois law and other applicable regulations.

"Event of Default" is defined in Section 10.2.

"Expansion Bond Proceeds" is defined in the Recitals.

"Expansion Project Bonds" is defined in the Recitals.

"FF&E" means furniture, fixtures and equipment.

"Financing Plan" means a detailed plan identifying the amounts and sources of funds sufficient to pay all Project Costs, including construction financing and permanent financing, as such plan is approved pursuant to Section 5.2, and may be updated pursuant to Section 3.4.

"Final Title Policy" means one or more title insurance policies issued by the Title Company in the most recently revised ALTA or equivalent form, showing the MPEA as the named insured with respect to the Hotel Property, noting the recording of this Agreement as a Schedule B exception. The Final Title Policy shall contain only those title exceptions reasonably acceptable to the Department. The Final Title Policy shall also contain such endorsements as may be required by the Corporation Counsel, including but not limited to, an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey.

"Financial Statements" means complete audited financial statements for the Project prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods.

"Force Majeure Event" means any cause beyond the reasonable control and not due to the negligent or willful misconduct of the Party affected, and which could not have been avoided by due diligence and use of commercially reasonable efforts, including drought, flood, earthquake, tornado, storm, fire, lightning, epidemic, war, riot, civil disturbance, sabotage, terrorism, threats of sabotage or terrorism, explosions, national emergency, strikes, lockouts, labor disputes and embargoes, and which actually cause delay, provided that in all events financial inability is excepted.

"GMP" means the guaranteed maximum price determined pursuant to the D/B/F Contract.

"GMP Set" means the drawings, specifications and other documents that form the basis for the GMP established pursuant to the D/B/F Contract, which documents shall fix and describe all design features, including sustainable design features, as well as the size, character, and quality of the Hotel as to architectural, civil and structural components and mechanical, electrical, plumbing and fire protection systems, structural dimensions, elevations, materials and colors, landscaping, and other features reasonably required by the MPEA, all of the foregoing as reasonably required to define the scope of the D/B/F Team's obligations under the D/B/F Contract.

"Governmental Authority" means any federal, state, county, municipal or local governmental agency or political subdivision, or any court or other entity, body, organization or

group exercising any executive, legislative, judicial, quasi-judicial, regulatory or administrative function of government, having jurisdiction over the Parties, the Project Site or the Project.

"Governmental Approvals" means, collectively, all licenses, permits and approvals required by any Governmental Authority to commence construction of the Hotel, including but not limited to, approval of the Planned Development Amendments and approval from the Commission on Chicago Landmarks with respect to any Preservation Work.

"Ground Lease" is defined in Section 4.2.

"Hotel" is defined in the Recitals.

"Hotel Bond Proceeds" is defined in the Recitals.

"Hotel Operating Agreement" means the operating agreement to be entered into between the MPEA and the Hotel Operator for the operation of the Hotel.

"Hotel Operator" means the company selected and approved by the MPEA Board on [September 13, 2013, pursuant to a Request for Proposals (#2013-03-M) dated February 21, 2013], as updated and amended.

"Hotel Property" is defined in the Recitals.

"Hotel Refinancing" is defined in Section 8.12(c).

"Hotel Revenue Bonds" is defined in the Recitals.

"Hotel Sale" is defined in Section 8.12(c).

"In Balance" is defined in Section 4.7(b)(vii).

"Increment" is defined in the Recitals.

"Journal of Proceedings" means the Journal of the Proceedings of the City Council of the City of Chicago.

"Law" or "Laws" means all applicable federal, state, local or other laws (including common law), statutes, codes, ordinances, rules, regulations, requirements, executive orders and mandatory guidelines or directives of any applicable Governmental Authority, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders, consent decrees or judgments, including, without limitation, Sections 7-28 and 11-4 of the Municipal Code of Chicago relating to waste disposal and all Environmental Laws.

"Losses" means any and all debts, liens, claims, suits, actions, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs and expenses (including, without limitation, environmental remediation

costs, Attorneys' Fees and Costs, consultants' fees and expenses and court costs).

"Michigan/Cermak Available Increment" means an amount equal to all the Michigan/Cermak Increment on deposit in the Michigan/Cermak TIF Fund, plus any amounts of Calumet/Cermak Increment and/or Near South Increment which may have been transferred from time to time into said TIF Fund pursuant to the Transfer Rights and this Agreement, less any amounts of such Increment which have been encumbered or pledged for the payment of Prior Obligations, all as of the date any payment is made under this Agreement to the MPEA.

"Michigan/Cermak Increment" means Increment collected from the Michigan/Cermak Redevelopment Area.

"Michigan/Cermak Redevelopment Area" means the redevelopment project area created by the Michigan/Cermak TIF Ordinances.

"Michigan/Cermak Redevelopment Plan" means that certain redevelopment plan and project for the Michigan/Cermak Redevelopment Area approved by the Michigan/Cermak TIF Ordinances.

"Michigan/Cermak TIF Ordinances" means the following ordinances adopted by the City Council on September 13, 1989, and published in the Journal of Proceedings of such date at pages 4137 through 4198, as now or hereafter amended: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Michigan/Cermak Redevelopment Project Area," "An Ordinance of the City of Chicago, Illinois Designating the Michigan/Cermak Redevelopment Project Area as a Tax Increment Financing District," and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Michigan/Cermak Redevelopment Project Area."

"Michigan/Cermak TIF Fund" means the special tax allocation fund created by the City in connection with the Michigan/Cermak Redevelopment Area into which the Michigan/Cermak Increment will be deposited, and into which certain Calumet/Cermak Increment and Near South Increment may be deposited by the City pursuant to its exercise of its Transfer Rights.

"MPEA" is defined in the Preamble.

"MPEA Act" is defined in the Preamble.

"MPEA Funds" is defined in Section 4.1.

"MPEA Parties" means the MPEA and its current and former officers, directors, employees, Agents, attorneys, predecessors, successors, assigns and anyone claiming by, through or under any of them.

"MPEA Requirements" means those requirements which are more particularly set forth on Exhibit G attached hereto and incorporated herein.

"Municipal Code" means the Municipal Code of the City of Chicago..

"Near South Available Increment" means an amount equal to all the Near South Increment on deposit in the Near South TIF Fund, less any amounts of such Increment which have been encumbered or pledged for the payment of Prior Obligations, all as of the date any payment is made under this Agreement to the MPEA.

"Near South Increment" means Increment collected from the Near South Redevelopment Area.

"Near South Redevelopment Area" means the redevelopment project area created by the Near South TIF Ordinances.

"Near South Redevelopment Plan" means that certain redevelopment plan and project for the Near South Redevelopment Area approved by the Near South TIF Ordinances.

"Near South TIF Ordinances" means the following ordinances adopted by the City Council on August 3, 1994, and published in the Journal of Proceedings of such date at pages 54876 to 54950, as now or hereafter amended: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Near South Redevelopment Project Area," "An Ordinance of the City of Chicago, Illinois Designating the Near South Redevelopment Project Area as a Tax Increment Financing District," and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Near South Redevelopment Project Area." The Near South TIF Ordinances expanded a redevelopment project area known as the Central Station Redevelopment Area created by ordinances adopted on November 28, 1990, and renamed the area the Near South Redevelopment Area. The Near South Redevelopment Plan incorporates and replaces the redevelopment plan and project for the Central Station Redevelopment Area.

"Near South TIF Fund" means the special tax allocation fund created by the City in connection with the Near South Redevelopment Area into which the Near South Increment will be deposited.

"Net Sale Proceeds" is defined in Section 8.12(c).

"Party(ies)" means the MPEA or the City, as applicable, or both.

"Payment Application" is defined in Section 4.2.

"Person(s)" means any individual, partnership, joint venture, corporation, limited liability company, limited liability partnership, trust or other entity, private or public, with the power and authority to act and conduct business on its own behalf.

"Phase I RFQ" means a Request for Qualifications issued by the MPEA to identify firms qualified to complete the Project and will require the firms to submit information evidencing their understanding and ability to provide construction financing. The RFQ will result in a short list of proposers who will be invited to submit a Phase II RFP.

"Phase II RFP" means a Request for Proposals issued by the MPEA to identify the D/B/F Team. These proposals must identify all team members, MBE/WBE participation, financing

proposals, and construction schedule, among other requirements. The D/B/F Contract will result from the Phase II RFP, along with other documents related to the Project, such as the Ground Lease and the financing documents.

"Planned Development Amendments" means (i) an amendment to Planned Development No. 675 approved by the City Council removing the Hotel Property from PD 675; and (ii) an amendment to Planned Development No. 331 approved by the City Council adding the Hotel Property to PD 331 and allowing the MPEA to construct the Project on the Project Site.

"Plans and Specifications" means the final construction documents based on the GMP Set, containing a site plan and working drawings and specifications for the Hotel, as approved by the City in connection with the issuance of the Building Permits.

"Preliminary Project Budget" is defined in the Recitals and attached hereto as Exhibit D. The Preliminary Project Budget is intended to represent a summary of Project Costs using preliminary cost estimates for the development of the Hotel based on the Preliminary Scope of Development.

"Preliminary Scope of Development" is defined in the Recitals and attached hereto as Exhibit C.

"Preservation Work" is defined in Section 3.13.

"Prior Obligations" means those certain TIF-funded City programs and redevelopment agreements that have been established by the City Council as of the Effective Date, which programs and agreements pledge or otherwise commit portions of the Increment collected from the Calumet/Cermak Redevelopment Area, the Michigan/Cermak Redevelopment Area, and the Near South Redevelopment Area, as applicable.

"Project" is defined in the Recitals.

"Project Budget" means the budget approved by the City pursuant to Sections 5.1 and 5.2, as such budget may be updated pursuant to Section 3.4. The Project Budget shall include the estimated Project Costs by line item based on the Bridging Documents (for approval under Section 5.1) or Plans and Specifications (for approval under Section 5.2) and shall include reasonable contingencies for unforeseen design and construction costs or overruns.

"Project Completion Conditions" is defined in Section 7.1.

"Project Costs" means all costs incurred by the MPEA in connection with the acquisition of the Hotel Property, site preparation, design, entitlement, construction, marketing, financing, and development of the Project.

"Project Site" is defined in the Recitals.

"Proposed Payment Dates" is defined in Section 4.7(a).

"Purchase Obligation" is defined in Section 4.2.

"Redevelopment Area(s)" means the Calumet/Cermak Redevelopment Area, the Michigan/Cermak Redevelopment Area or the Near South Redevelopment Area, as applicable.

"Redevelopment Plan(s)" means the Calumet/Cermak Redevelopment Plan, the Michigan/Cermak Redevelopment Plan or the Near South Redevelopment Plan, as applicable.

"Redevelopment Project Costs" means redevelopment project costs as defined in Section 5/11-74.4-3(q) of the TIF Act, including, *inter alia*, acquisition, consultant and construction costs for the public facility, as provided on Exhibit E, that are included in the budget set forth in the applicable Redevelopment Plan or otherwise referenced in the applicable Redevelopment Plan.

"Redevelopment Schedule" means the redevelopment schedule approved by the City pursuant to Section 3.3. At a minimum, the Redevelopment Schedule shall include the construction commencement date and the construction completion date for the Project. The construction completion date shall be no later than December 31, 2017, subject to the Department's option to extend such date pursuant to Section 3.1.

"Repayment Obligation" is defined in Section 4.2.

"Requisition Form" means a requisition form in the form of Exhibit H hereto.

"Significant Historical and Architectural Features" is defined in the Recitals.

"Survey" means a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Project Site, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois.

"Term of the Agreement" means the period commencing on the Effective Date and expiring on the later of the date on which (a) the Calumet/Cermak Redevelopment Area is no longer in effect; (b) the Michigan/Cermak Redevelopment Area is no longer in effect; or (c) the Near South Redevelopment Area is no longer in effect.

"TIF Act" is defined in the Recitals.

"TIF-Eligible Improvements" means those improvements of the Project which (i) qualify as Redevelopment Project Costs as defined in the TIF Act, (ii) are eligible costs under the Calumet/Cermak Redevelopment Plan (with respect to improvements within the Calumet/Cermak Redevelopment Area), the Michigan/Cermak Redevelopment Plan (with respect to improvements within the Michigan/Cermak Redevelopment Area) and the Near South Redevelopment Plan (with respect to improvements within the Near South Redevelopment Area), and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. Exhibit E lists the TIF-Eligible Improvements for the Project.

"Title Company" means Chicago Title Insurance Company, or any other Title Company selected by the Parties to issue the Final Title Policy.

SECTION 3. THE PROJECT.

3.1. Commencement and Completion of Project. Subject to Section 3.4 hereof, the MPEA shall commence and complete construction of the Project in accordance with the time periods set forth in the Redevelopment Schedule; provided, however, the Department may, in its sole discretion, extend such time periods (to the extent the Department's approval is required under Section 3.4).

3.2. Bridging Documents and Plans and Specifications. The MPEA and the City acknowledge that design of the Hotel has not been completed. The Bridging Documents for the Project must be submitted by the MPEA to the Department for the Department's written approval prior to the initial disbursement of City Funds under Section 5.1 hereof. The Plans and Specifications for the Project must be submitted by the MPEA to the Department for the Department's written approval prior to the Construction Commencement Date under Section 5.2 hereof. The Bridging Documents and the Plans and Specifications shall at all times conform to the Calumet/Cermak Redevelopment Plan (with respect to improvements within the Calumet/Cermak Redevelopment Area), the Michigan/Cermak Redevelopment Plan (with respect to improvements within the Michigan/Cermak Redevelopment Area) and the Near South Redevelopment Plan (with respect to improvements within the Near South Redevelopment Area), the terms and conditions of this Agreement, and all applicable Laws. The MPEA shall submit all necessary documents to the City's Department of Buildings, Department of Transportation and such other City departments or Governmental Authorities as may be necessary to acquire Building Permits and other required approvals for the Project. The MPEA shall construct the Project substantially in accordance with the Bridging Documents, the Plans and Specifications and all Laws and covenants and restrictions of record.

3.3. Project Budget, Redevelopment Schedule and Financing Plan. The MPEA has furnished to the Department, and the Department has approved, a Preliminary Project Budget showing total costs for the Project in an amount not less than \$421,500,000. The MPEA hereby certifies to the City that the City Funds and the MPEA Funds shall be sufficient to complete the Project. The MPEA shall refine the cost estimates set forth in the Preliminary Project Budget in conjunction with the preparation of the Bridging Documents and the Plans and Specifications, as described in Section 3.2 above. The Project Budget and the Redevelopment Schedule must be submitted by the MPEA to the Department for the Department's approval prior to the initial disbursement of City Funds under Section 5.1 hereof. The Financing Plan and any changes to the Project Budget and the Redevelopment Schedule must be submitted by the MPEA to the Department for the Department's approval prior to the Construction Commencement Date under Section 5.2 hereof.

3.4. Change Orders. Following the Department's approval of the Plans and Specifications, the Project Budget, the Financing Plan and the Redevelopment Schedule under Section 5.2 hereof, any Change Orders that individually or in the aggregate (a) reduce the square footage of the Hotel by more than five percent (5%) from the minimum square footage approved by the Department in the Plans and Specifications, (b) change the use of the Project Site, (c) extend the construction commencement and completion dates set forth in the Redevelopment Schedule by more than six (6) months each or twelve (12) months in the aggregate (other than for Force Majeure causes), or (d) increase the Project Budget by more

than 3% must be submitted (together with documentation substantiating the need for the Change Order and identifying the source of funding therefor) by the MPEA to the Department for the Department's prior written approval. The MPEA shall submit such Change Orders and documentation to the City prior to or simultaneously with its delivery of such materials to the MPEA Board. The MPEA shall not authorize or permit the performance of any work relating to any such Change Order or the furnishing of materials in connection therewith prior to the receipt by the MPEA of the Department's written approval (to the extent required in this section). The D/B/F Contract and each construction contract or subcontract applicable to the Project shall contain a provision to this effect. The City's receipt of any Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has committed pursuant to this Agreement or to provide any other additional assistance to the MPEA.

3.5. Limited Applicability of City Review and Approval. Any approval granted by the Department of the Bridging Documents, the Plans and Specifications, the Change Orders or any other document pursuant to this Agreement is for the purposes of this Agreement only and shall not constitute approval of the quality, structural soundness or safety of the Project Site or the Project, or the compliance of the Project Site or the Project with any Laws, private covenants or restrictions of record. The MPEA shall not commence construction of the Project until the MPEA has obtained all necessary Governmental Approvals. The MPEA understands and agrees that the City's approval of this Agreement does not constitute approval of any applications for such approvals, nor does it constitute a commitment by the City to take any particular action in relation to such applications.

3.6. Books and Records; Progress Reports; Inspection. The MPEA shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to, the D/B/F Team's and each subcontractor's sworn statements, the D/B/F Contract, all subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the MPEA's offices for inspection, copying, audit and examination by an authorized representative of the City, at the MPEA's expense. The MPEA shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the MPEA with respect to the Project. If requested by the City, the MPEA shall provide to the City written quarterly reports on the progress of the Project. The City reserves the right to inspect the Project from time to time as it is being undertaken or after its completion.

3.7. Barricades. Prior to commencing any construction in the public way or otherwise requiring barricades, the MPEA shall install or cause to be installed a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable Laws. The Department retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.8. Signs and Public Relations. The MPEA shall erect a sign of size and style approved by the City in a conspicuous location on the Project Site during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name,

photograph, artistic rendering of the Project and other pertinent information regarding the MPEA, the Project Site and the Project in the City's promotional literature and communications.

3.9. Utility Connections. The MPEA may connect all on-site water, sanitary, storm and sewer lines constructed on the Hotel Property to City utility lines existing on or near the perimeter of the Hotel Property, provided the MPEA first complies with all City requirements governing such connections, including the payment of customary fees and costs related thereto

3.10. Permit Fees. In connection with the Project, the MPEA shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City and are of general applicability to other property within the City.

3.11. Insurance. The MPEA shall provide and maintain, at the MPEA's own expense, or cause to be provided and maintained during the Term of this Agreement, the insurance coverage and requirements specified in Exhibit I, insuring all operations related to this Agreement.

3.12. Certificate of Compliance. The MPEA shall comply with all applicable Laws pertaining to or affecting the Project or the MPEA, including but not limited to those set forth on Exhibit G (the "MPEA Requirements"). The MPEA shall include a certification of such compliance with each request for City Funds hereunder and at the time the Project is completed. The City shall be entitled to rely on this certification without further inquiry; provided, however, upon the City's request, the MPEA shall provide evidence satisfactory to the City of such compliance.

3.13. ABC Building. The MPEA acknowledges that the Project Site includes a designated Chicago Landmark, referred to herein as the ABC Building, and that any work affecting the Significant Historical and Architectural Features of the ABC Building ("Preservation Work") is subject to the review and approval of the Commission on Chicago Landmarks. The MPEA shall submit such information as is necessary and satisfactory to the Department's Historic Preservation Division for review and approval and, if necessary (as determined by the Historic Preservation Division), for review and approval by the Commission on Chicago Landmarks, prior to application for a Building Permit. Prior to the issuance of the Certificate, the MPEA shall verify that the Project has been constructed in accordance with such approvals or any changes permitted under Section 3.4.

SECTION 4. FUNDING.

4.1 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$421,500,000, to be applied in the manner set forth in the Project Budget. The estimated Project Costs shall be funded from Expansion Bond Proceeds and Hotel Bond Proceeds (collectively, "MPEA Funds") and City Funds.

4.2 MPEA Funds. MPEA Funds shall be used to pay all Project Costs, including but not limited to Redevelopment Project Costs and costs of TIF-Eligible Improvements. The MPEA represents that the MPEA Act prohibits the MPEA from granting a lien or security interest in the MPEA's real property. To facilitate Project financing, the MPEA will enter into a ground lease or

similar instrument (the "Ground Lease") with the D/B/F Team who will thereby own the Hotel during the construction thereof. The D/B/F Team will obtain construction financing (the "Construction Financing") from a lender (the "Construction Lender") and correspondingly give the Construction Lender a security interest in the Ground Lease and/or the Hotel (the "Construction Mortgage"). Pursuant to the D/B/F Contract, the MPEA shall be obligated to: (a) purchase the Hotel from the D/B/F Team upon completion of construction (the "Purchase Obligation"); and (b) repay the D/B/F Team in the amount of the Project Costs incurred and paid (including from the proceeds of the Construction Financing) by the D/B/F Team during construction (the "Repayment Obligation"). Pursuant to the D/B/F Contract, the D/B/F Team shall submit applications for payment (each a "Payment Application") to the MPEA for review and approval as the D/B/F Team incurs and pays Project Costs. The amount of the Repayment Obligation shall increase as the MPEA approves each Payment Application. As Project Costs are thereby added to the amount of the Repayment Obligation they shall qualify as TIF-Eligible Improvements hereunder (subject to the terms and conditions hereof). Upon completion of the Project the MPEA shall use the Hotel Bond Proceeds and the Expansion Bond Proceeds (or a portion thereof) to satisfy the Purchase Obligation and the Repayment Obligation, whereupon the Construction Lender shall be obligated to release the Construction Mortgage and the MPEA and the D/B/F Team shall terminate the Ground Lease. The Ground Lease, the Construction Mortgage and each Payment Application shall be Definitive Agreements hereunder.

4.3 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay or reimburse the MPEA for the costs of TIF-Eligible Improvements that constitute Redevelopment Project Costs. Exhibit E sets forth, by line item, the TIF-Eligible Improvements for the Project, and the estimated costs that will be paid by or reimbursed from City Funds for each line item therein, not to exceed \$55,000,000, contingent upon receipt by the City of documentation satisfactory in form and substance to the Department evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, the City shall pay to the MPEA an amount not to exceed \$55,000,000 in City Funds from Available Increment, for the costs of the TIF-Eligible Improvements; provided, however, the City's obligation to provide City Funds hereunder is subject to the availability of Available Increment in the Calumet/Cermak TIF Fund (for TIF-Eligible Improvements within the Calumet/Cermak Redevelopment Area), the Michigan/Cermak TIF Fund (for TIF-Eligible Improvements within the Michigan/Cermak Redevelopment Area) and the Near South TIF Fund (for TIF-Eligible Improvements within the Near South Redevelopment Area). The projected Available Increment is sufficient to make the payments as scheduled under Section 4.7 of this Agreement, but the MPEA acknowledges and agrees that the projections could change and that the City does not guarantee the availability of such funds.

(c) Transferred Increment. Subject to the availability of funds, the City may, at its option, exercise its Transfer Rights to transfer (i) Michigan/Cermak Increment and/or Near South Increment into the Calumet/Cermak TIF Fund, as necessary to pay for TIF-Eligible Improvements within the Calumet/Cermak Redevelopment Area, and (ii) Calumet/Cermak Increment and/or Near South Increment into the Michigan/Cermak TIF Fund, as necessary to

pay for TIF-Eligible Improvements on the Adjacent Right-of-Way within the Michigan/Cermak Redevelopment Area.

(d) Increment Availability. Upon the MPEA's request, the City will advise the MPEA of significant unrelated expenditures that are being considered or may impact the Available Increment and the City's ability to utilize the City Funds as provided in Section 4.7 of this Agreement.

4.4 Prior Expenditures. Only those expenditures made by the MPEA with respect to the Project prior to the Effective Date, evidenced by documentation satisfactory to the Department and approved by the Department as satisfying costs covered in the Project Budget, shall be considered previously contributed MPEA Funds hereunder (the "Prior Expenditures"). Exhibit J hereto sets forth the expenditures approved by the Department as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Eligible Improvements shall not be reimbursed to the MPEA, but shall reduce the amount of MPEA Funds required to be contributed by the MPEA pursuant to Section 4.1 hereof.

4.5 Allocation Among Line Items. Disbursements for expenditures related to TIF-Eligible Improvements may be allocated to and charged against the appropriate line as determined by the Department.

4.6 Cost Overruns. If the aggregate cost of the TIF-Eligible Improvements exceeds City Funds available pursuant to Section 4.3 hereof, or if the cost of completing the Project exceeds the Project Budget, the MPEA shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Eligible Improvements in excess of City Funds and of completing the Project.

4.7 Payment.

(a) It is anticipated that City Funds will be available for disbursement to the MPEA in the following amounts on the following dates (the "Proposed Payment Dates"): (i) \$15 million on or about July 1, 2014, (ii) \$5 million on or about September 30, 2014, (iii) \$20 million on or about December 31, 2014, and (iv) the balance of City Funds, or \$15 million, on or about March 31, 2016. The MPEA may submit one or more Requisition Forms to the Department, along with the documentation described therein, requesting disbursement of City Funds on or any time after the Proposed Payment Dates (or such other dates as may be acceptable to the Parties) in the foregoing amounts. Each Requisition Form shall be payable by the City within three (3) months of receipt, subject to the availability of Available Increment. At the MPEA's request, the City shall provide the MPEA with an accounting of the Available Increment prior to the Proposed Payment Dates. If the Available Increment on the Proposed Payment Dates is insufficient to cover the MPEA's request for City Funds, then the City and the MPEA shall agree on a subsequent date or dates on or prior to December 15, 2016, for the City to provide the balance of such amount in accordance with the terms and subject to the conditions set forth in this Agreement.

(b) Delivery by the MPEA to the Department of any request for disbursement of City Funds hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

(i) The total amount of the disbursement request represents actual acquisition costs paid by the MPEA for the Hotel Property, or the actual amount paid or due to the D/B/F Team, subcontractors or other parties who have performed work on or otherwise provided goods or services in connection with the Project, and/or their payees;

(ii) all amounts shown as previous payments on the current disbursement request have been paid to the parties entitled to such payment, or the MPEA is obligated to pay the D/B/F Team such amounts pursuant to approved Payment Application(s);

(iii) the MPEA has approved all work and materials for the current disbursement request, and such work and materials conform to the Plans and Specifications for the Project;

(iv) the MPEA has approved Payment Application(s) covering the full amount of the disbursement request;

(v) the MPEA is in compliance with all applicable Laws pertaining to or affecting the Project or the MPEA as related thereto, including but not limited to the MPEA Requirements;

(vi) the representations and warranties contained in this Agreement are true and correct and the MPEA is in compliance with all covenants contained herein;

(vii) no Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred; and

(viii) the Project is In Balance. Following the Construction Commencement Date, the Project shall be deemed to be in balance ("In Balance") only if the total of the Available Project Funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project Costs incurred or to be incurred in the completion of the Project. "Available Project Funds" as used herein shall mean the undisbursed City Funds and the undisbursed MPEA Funds. The MPEA hereby agrees that, if the Project is not In Balance, the MPEA shall, within ten (10) days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

The City shall have the right, in its discretion, to require the MPEA to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the MPEA.

(c) Upon presentation of a disbursement request from the MPEA, the City shall review it and its supplemental documentation for, among other things, evidence that the MPEA

incurred and paid (or is obligated to pay under an approved Payment Application) costs of TIF-Eligible Improvements in an amount that equals or exceeds the amount of City Funds agreed to herein, and shall inform the MPEA of any questions or comments about the request as soon as practicable.

(d) Once a disbursement request is approved by the City, the City, by check or wire transfer, shall pay the approved City Funds amount not later than thirty (30) days following such approval.

4.8 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the MPEA's compliance with the provisions of this Agreement.

SECTION 5. CONDITIONS PRECEDENT TO DISBURSEMENT OF CITY FUNDS.

5.1 Disbursement of City Funds Prior to Construction Commencement Date. The conditions in this Section 5.1 must be satisfied to the City's reasonable satisfaction at least five (5) business days prior to the initial disbursement of City Funds, unless waived by the Department in its sole discretion.

(a) Bridging Documents. The MPEA shall have submitted to the Department, and the Department shall have approved, the Bridging Documents in accordance with the provisions of Section 3.2 hereof.

(b) Definitive Agreements. The MPEA shall have entered into, and submitted copies to the Department of, the Architectural/Engineering Contract, the Construction Agency Agreement, and the Hotel Operating Agreement.

(c) Phase I RFQ and Phase II RFP. The MPEA shall have selected a short list of prospective design-build-finance teams pursuant to the Phase I RFQ, and shall have issued the Phase II RFP for the Project.

(d) Project Budget. The MPEA shall have submitted to the Department, and the Department shall have approved, the Project Budget in accordance with the provisions of Section 3.3 hereof.

(e) Redevelopment Schedule. The MPEA shall have submitted to the Department, and the Department shall have approved, the Redevelopment Schedule.

(f) Acquisition of Hotel Property; Final Title Policy; Environmental Due Diligence. The MPEA shall have delivered to the Department: (i) a copy of the Final Title Policy; (ii) a copy of the Survey; (iii) copies of all easements and encumbrances of record affecting the Hotel Property; (iv) evidence of searches of current financing statements, judgments, pending litigation, bankruptcy proceedings and federal and state tax liens showing no security interests, judgments, pending litigation, bankruptcies or federal or state tax liens on the Hotel Property or affecting the MPEA; (v) a copy of the most recent real estate tax bill with respect to the Hotel Property; (vi) a copy of the most recent water bill with respect to the Hotel Property; (vii) copies of the Environmental Reports; (viii) an appraisal of the Hotel Property acceptable to the City; and (viii)

evidence of the purchase price of the Hotel Property in the form of a real estate sales contract or a deed and closing statement, certified by the MPEA.

(g) Evidence of Prior Expenditures. The MPEA shall have provided evidence satisfactory to the Department in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.4 hereof.

(h) Insurance. The MPEA shall have insured the Hotel Property in accordance with Section 3.11, and shall have delivered certificates required pursuant to Exhibit I evidencing the required coverage to the Department.

(i) Resolutions. The MPEA shall have submitted to the Corporation Counsel a copy of all resolutions authorizing the MPEA to execute and deliver any documents required to complete the transactions contemplated by this Agreement and to perform its obligations under this Agreement.

(j) No Default. No condition, event or act exists which would constitute an Event of Default or which, upon the giving of notice or the passage of time, or both, would constitute an Event of Default.

(k) No Litigation. No existing, pending or threatened Action or Proceeding before any court or administrative agency exists affecting the MPEA, the Project or the Project Site that would, if adversely determined, adversely affect, in the reasonable judgment of the City, the Project, the Project Site or the ability of the MPEA to perform its obligations under this Agreement or the Definitive Agreements.

(l) Representations and Warranties. The representations and warranties of the MPEA as set forth in Section 8 of this Agreement remain true and correct.

(m) Other Obligations. The MPEA shall have performed all of the other obligations required to be performed by the MPEA under this Agreement as and when required under this Agreement.

5.2 Disbursement of City Funds After Construction Commencement Date. In addition to the conditions in Section 5.1, the conditions in this Section 5.2 must be satisfied to the City's reasonable satisfaction at least five (5) business days prior to the Construction Commencement Date, unless waived by the Department in its sole discretion; provided, however, the MPEA covenants and agrees to keep the City informed at all times of the status of the documents referenced in this Section 5.2, and shall submit such documents to the Department for the Department's review and approval as soon as possible:

(a) Plans and Specifications. The MPEA shall have submitted to the Department, and the Department shall have approved, the Plans and Specifications in accordance with the provisions of Section 3.2 hereof.

(b) Updated Project Budget and Financing Plan. The MPEA shall have submitted to the Department, and the Department shall have approved, the Financing

Plan and any changes to the Project Budget in accordance with the provisions of Section 3.3 hereof.

(c) D/B/F Contract. The MPEA and the D/B/F Team shall have entered into the D/B/F Contract, the Guaranteed Maximum Price shall have been established pursuant to the D/B/F Contract, the amount of the Guaranteed Maximum Price shall be consistent with the Project Budget, and the D/B/F Contract shall be in full force and effect.

(d) Definitive Agreements. In addition to the D/B/F Contract, the MPEA shall have entered into, and submitted copies to the Department of, the Ground Lease and all other Definitive Agreements to which the MPEA is a party, and such Definitive Agreements shall be in full force and effect. In addition, the Construction Mortgage and any other Definitive Agreements relating to the financing of the Project shall be in full force and effect and available for review by the Department.

(e) Governmental Approvals. The MPEA shall have secured all necessary Governmental Approvals to commence construction of the Project and shall have submitted evidence thereof to the Department.

(f) Payment and Performance Bonds. The MPEA shall have received the payment and performance bonds required under the D/B/F Contract, and shall have submitted evidence thereof to the Department.

(g) Payment Application. The City shall have approved the form of Payment Application and such form shall be an exhibit to the D/B/F Contract.

5.3 Satisfaction Period.

(a) Conditions in Section 5.1. If any of the conditions in Section 5.1 have not been satisfied to the Department's reasonable satisfaction on or before December 31, 2014, the Department shall demand that such conditions are met and negotiate one or more 30-day extensions in good faith. If the MPEA fails to meet the extension(s), the Department may, at its option, upon prior written notice to the MPEA of at least ten (10) days, terminate this Agreement at the expiration of the notice period herein described, or delay the disbursement of City Funds until such time as the MPEA complies with this Section 5. If the City so terminates this Agreement, due to the MPEA's failure to comply with the explicit requirements of Section 5.1 after extension period(s) negotiated in good faith, the MPEA shall return to and/or reimburse the City for the full amount of the City Funds disbursed to date. Any forbearance by the Department in exercising its right to terminate this Agreement upon a default hereunder shall not be construed as a waiver of such right.

(b) Conditions in Section 5.2. If any of the conditions in Section 5.2 have not been satisfied to the Department's reasonable satisfaction on or before December 31, 2015, the Department shall demand that such conditions are met and negotiate one or more 30-day extensions in good faith. If the MPEA fails to meet the extension(s), the Department may, at its option, upon prior written notice to the MPEA of at least ten (10)

days, terminate this Agreement after the expiration of the notice period herein described, or delay the disbursement of City Funds until such time as the MPEA complies with this Section 5. If the City so terminates this Agreement due to the MPEA's failure to comply with the explicit requirements of Section 5.2 after extension period(s) negotiated in good faith, the MPEA shall return to and/or reimburse the City for the full amount of the City Funds disbursed to date. Any forbearance by the Department in exercising its right to terminate this Agreement upon a default hereunder shall not be construed as a waiver of such right.

SECTION 6. AGREEMENTS WITH CONTRACTORS.

6.1 Competitive Bidding. The MPEA shall competitively bid the D/B/F Contract and select the D/B/F Team in accordance with applicable Law, including, without limitation, the bidding, contracting and advertising requirements set forth in the MPEA Act. Within ten (10) business days after the D/B/F Contract has been fully executed, the MPEA shall deliver a complete copy of such contract to the Department, together with any modifications, amendments or supplements thereto.

6.2 Insurance. In all contracts relating to the Project, the MPEA agrees to require the contractor to name the City as an additional insured on insurance coverages and to require the contractor to indemnify the City from all Losses arising out of or resulting from work on the Project by the contractor or the contractor's suppliers, employees or agents.

6.3 Performance and Payment Bonds. Prior to commencement of construction of any portion of the Project involving work in the public way or work that constitutes a "public work" under applicable state law and is required to be bonded under such state law, the MPEA shall require that the D/B/F Team be bonded for its performance and payment by sureties having an AA rating or better using American Institute of Architect's Form No. A311 or its equivalent. The City shall be named as obligee or co-obligee on such bond. Prior to the commencement of construction of any portion of the Project, including work in the public way, the D/B/F Team and any subcontractors shall comply with the licensing, letter of credit, insurance and bonding, and other requirements applicable under the Municipal Code and the statutes of the State of Illinois.

6.4 Other Provisions. In addition to the requirements of this Section 6, the D/B/F Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.4 (Change Orders), Section 3.6 (Books and Records), Section 3.11 (Insurance), Section 8.4 (Employment Opportunity; Progress Reports), Section 8.5 (Employment Profile), Section 9.1 (Employment Opportunity), and Section 9.2 (City Resident Construction Worker Employment Requirement) hereof.

SECTION 7. COMPLETION OF THE PROJECT.

7.1 Certificate of Completion. The MPEA shall request a certificate of completion from the City ("Certificate") upon completion of the Project and purchase of the Hotel in accordance with this Agreement. The City will not issue the Certificate until (a) the MPEA has satisfied the Purchase Obligation and the Repayment Obligation, (b) the Construction Lender has released the Construction Mortgage, and (c) the Ground Lease has been terminated ((a),

(b) and (c) collectively, the "Project Completion Conditions"). The MPEA shall submit a written request for a Certificate within forty-five (45) days after the satisfaction of the Project Completion Obligations. Within forty-five (45) days after receipt of a written request by the MPEA for a Certificate, the City shall provide the MPEA with either the requested Certificate or a written statement indicating in adequate detail how the MPEA has failed to complete the Project in conformity with this Agreement, or is otherwise in default, and what measures or acts will be necessary, in the sole opinion of the City, for the MPEA to take or perform in order to obtain the Certificate. If the City requires additional measures or acts to assure compliance, the MPEA shall resubmit a written request for the Certificate upon compliance with the City's response. The Certificate shall be in recordable form, and shall, upon recording, constitute a conclusive determination of satisfaction and termination of the covenants in this Agreement with respect to the MPEA's obligations to construct the Project and purchase the Hotel. The Certificate shall not, however, constitute evidence that the MPEA has complied with any Laws relating to the construction of the Project, and shall not serve as any "guaranty" as to the quality of the construction. Nor shall the Certificate release the MPEA from its obligation to comply with the other terms, covenants and conditions of this Agreement.

7.2 Timeline for Satisfaction of Project Completion Conditions. If any of the Project Completion Conditions have not been satisfied to the Department's reasonable satisfaction on or before December 31, 2017, the Department shall demand that such conditions are met and negotiate one or more 30-day extensions in good faith. If the MPEA fails to meet the extension(s), the Department may, at its option, upon prior written notice to the MPEA of at least ten (10) days, terminate this Agreement after the expiration of the notice period herein described. If the City so terminates this Agreement due to the MPEA's failure to comply with the explicit requirements of Section 7.1 after extension period(s) negotiated in good faith, the MPEA shall return to and/or reimburse the City for the full amount of the City Funds disbursed to date. Any forbearance by the Department in exercising its right to terminate this Agreement upon a default hereunder shall not be construed as a waiver of such right.

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF THE MPEA.

8.1 General. The MPEA represents, warrants and covenants, as of the date of this Agreement, and throughout the Term of this Agreement, that:

(a) it has the authority as a municipal corporation of the State of Illinois to execute and deliver this Agreement and to perform its obligations hereunder;

(b) it has or shall obtain, and thereafter maintain, all Governmental Approvals necessary to conduct its business and to construct, complete and operate the Project;

(c) the Financial Statements, when hereafter required to be submitted, will be complete, correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of the Project;

(d) except as permitted under the Financing Plan, prior to the expiration of the Term of this Agreement, it shall not, without the prior written consent of the Department, which consent shall be in the Department's sole discretion, directly or indirectly: (i) sell, transfer, convey, lease or otherwise dispose of all or any portion of the

Project or the Hotel Property, or (ii) assign this Agreement; and

(e) prior to the issuance of the Certificate, it shall not, without the Department's prior written consent, which shall be in the Department's sole discretion, allow the existence of any liens against the Project Site (or improvements thereon); or incur any indebtedness, secured or to be secured by the Project Site (or improvements thereon) or any fixtures now or hereafter attached thereto, except financing disclosed in the Financing Plan.

8.2 Covenant to Redevelop. The MPEA shall redevelop the Project Site in accordance with this Agreement, the TIF Ordinances, the Plans and Specifications, the Project Budget, the Redevelopment Schedule, and all Laws applicable to the Project, the Project Site and/or the MPEA. The covenants set forth in this Section 8.2 shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

8.3 Use of City Funds. The City Funds disbursed to the MPEA shall be used by the MPEA solely to pay for or reimburse the MPEA for costs of TIF-Eligible Improvements as provided in this Agreement.

8.4 Employment Opportunity; Progress Reports. The MPEA covenants and agrees to abide by, and to contractually obligate and use reasonable efforts to cause the D/B/F Team and each of its contractors and subcontractors to abide by the terms set forth in Section 9 and Exhibit G hereof. The MPEA shall deliver to the City written progress reports detailing compliance with the requirements of Section 9.2 (City Resident Construction Worker Employment Requirement) and the affirmative action requirements set forth in Exhibit G of this Agreement. Such reports shall be delivered to the City when the Project is 30%, 60%, 90% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, the MPEA shall also deliver a plan to the Department which shall outline, to the Department's satisfaction, the manner in which the MPEA shall correct any shortfall.

8.5 Employment Profile. Upon the Department's request, the MPEA shall submit, and contractually obligate and cause the D/B/F Team and each of its contractors and subcontractors to submit, to the Department from time to time statements of their respective employment profiles.

8.6 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the TIF Act, the MPEA represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the applicable Redevelopment Areas or the applicable Redevelopment Plans, or any consultant hired by the City or the MPEA with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Project Site or any other property in the applicable Redevelopment Areas.

8.7 Financial Statements. For each fiscal year during the Term of the Agreement,

the MPEA shall obtain and provide to the Department Financial Statements for the Project. In addition, the MPEA shall submit unaudited financial statements for the Project as soon as reasonably practical following the close of each fiscal year and for such other periods as the Department may request.

8.8 Insurance. The MPEA shall comply (or cause compliance) with all provisions of Section 3.11 hereof.

8.9 MPEA's Liabilities. The MPEA shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder. The MPEA shall immediately notify the Department of any and all events or actions which may materially affect the MPEA's ability to carry on its business operations or perform its obligations under this Agreement.

8.10 Compliance with Laws. To the best of the MPEA's knowledge, after diligent inquiry, the Project is and shall be in compliance with all applicable Laws, including, without limitation, all Environmental Laws, pertaining to or affecting the Project and the Project Site. Upon the City's request, the MPEA shall provide evidence satisfactory to the City of such compliance.

8.11 Recording and Filing. The MPEA shall cause this Agreement, certain exhibits (as specified by the Corporation Counsel) and all amendments and supplements hereto, to be recorded and filed on the Effective Date in the records of the Cook County Recorder of Deeds. The MPEA shall pay all fees and charges incurred in connection with any such recording. Upon recording, the MPEA shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.12 Sale or Refinancing of Project.

(a) In the event of a Hotel Sale at any time prior to or after the expiration of the Term of the Agreement (subject to the City's consent as required under Section 8.1(d) above), on the closing date of such Hotel Sale, at the City's option, the MPEA shall pay and remit to the City the previously disbursed City Funds from the Net Sale Proceeds.

(b) In the event of a Hotel Refinancing at any time prior to the expiration of the Term of the Agreement, on the closing date of such Hotel Refinancing, at the City's option, the MPEA shall pay and remit to the City the City's pro rata share of the Available Proceeds. The City's pro rata share shall be determined by multiplying the Available Proceeds by a fraction, the numerator of which is the previously disbursed City Funds and the denominator of which is the total Project Costs.

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

"Available Proceeds" means the gross cash proceeds available from a Hotel Refinancing, less any reasonable and actual expenses incurred in connection with such refinancing, and less the payment of any principal and accrued interest on the bond indebtedness being refinanced.

"Hotel Sale" means the sale, conveyance, transfer or other disposition of all or any part of the Project or Hotel Property.

"Hotel Refinancing" means a refinancing or defeasance of all or a portion of the Hotel Revenue Bonds with Expansion Project Bonds.

"Net Sale Proceeds" means any receipts, proceeds or revenues derived from or in connection with a Hotel Sale, less any reasonable and actual expenses incurred in connection with such sale, and less the balance of any principal and accrued interest on the Expansion Project Bonds and the Hotel Revenue Bonds.

8.13 Use of Hotel Revenue. The Parties acknowledge and agree that the Hotel Revenue Bonds will be secured by revenues from the Hotel and must be repaid pursuant to the terms of the bond purchase agreement in effect at the time of bond issuance. The Parties acknowledge and further agree that in order to ensure the successful and long-term operation of the Hotel, the MPEA must fund operating and maintenance expenses, debt service, including the repayment of the Hotel Revenue Bonds, and capital reserve amounts with revenues from Hotel operations prior to pledging the revenue from the Hotel to any other source.

8.14 Survival of Covenants. All warranties, representations, covenants and agreements of the MPEA contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of the MPEA's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the Parties hereto and (except as provided in Section 7 hereof upon the issuance of the Certificate) shall be in effect throughout the Term of the Agreement (or such longer period as may be expressly provided for herein).

SECTION 9. DEVELOPER'S EMPLOYMENT OBLIGATIONS.

9.1 Employment Opportunity. The MPEA, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its general contractors, subcontractors or any Affiliate of the MPEA operating on the Project Site (collectively, with the MPEA, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to the MPEA and during the period of any other party's provision of services to the MPEA in connection with the construction of the Project or occupation of the Project Site:

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training,

including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

(b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the applicable Redevelopment Area; and to provide that contracts for work in connection with the construction of the Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the applicable Redevelopment Area.

(c) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Project Site, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

(f) Failure to comply with the employment obligations described in this Section 9.1 shall be a basis for the City to pursue remedies under the provisions of Section 10 hereof.

9.2 City Resident Construction Worker Employment Requirement. The MPEA agrees for itself and its successors and assigns, and shall contractually obligate the D/B/F Team and shall cause the D/B/F Team to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the MPEA, the D/B/F Team and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

SECTION 10. INDEMNITY; DEFAULT.

10.1 Indemnification. The MPEA agrees to indemnify, defend and hold the City, its

officers, officials, members, employees and agents, harmless from and against any Losses suffered or incurred by the City arising from or in connection with: (a) the failure of the MPEA to comply with any of the terms, covenants and conditions contained within this Agreement; (b) the failure of the MPEA or any of the MPEA Parties to pay contractors, subcontractors or material suppliers in connection with the Project; (c) any material misrepresentation or omission made by the MPEA or any of the MPEA Parties; and (d) any activity undertaken by the MPEA or any of the MPEA Parties on the Project Site. This indemnification shall survive any termination of this Agreement (regardless of the reason for such termination).

10.2 Event of Default. The failure of the MPEA to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the MPEA under this Agreement or any related agreement (including, without limitation, the Definitive Agreements) shall constitute an "Event of Default" by the MPEA hereunder.

10.3 Cure. If the MPEA defaults in the performance of its obligations under this Agreement, the MPEA shall have thirty (30) days after written notice of default from the City to cure the default, or such longer period as shall be reasonably necessary to cure such default provided the MPEA commences to cure the default within such thirty (30) day period and thereafter diligently and continuously pursues such cure to completion.

10.4 Remedies. If an Event of Default occurs, and the default is not cured in the time period provided for in Section 10.3 above, then the City shall have any of the following rights and remedies:

- (a) the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed pursuant hereto;
- (b) the right to place a lien on the Project and the Hotel Property in the amount of City Funds paid;
- (c) the right to seek reimbursement of the City Funds from the MPEA; and
- (d) the right, in any court of competent jurisdiction by any action or proceeding at law or in equity, to pursue and secure any available remedy, including but not limited to damages, injunctive relief or the specific performance of the agreements contained herein.

10.5 Waiver and Estoppel. Any delay by the City in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not operate as a waiver of such rights or operate to deprive the City of or limit such rights in any way. No waiver made by the City with respect to any specific default by the MPEA shall be construed, considered or treated as a waiver of the rights of the City with respect to any other defaults of the MPEA.

SECTION 11. NOTICES.

Unless another method is specified hereunder, any notice, demand or communication required or permitted to be given hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) personal service; (b) facsimile or e-mail transmission; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

If to the City: City of Chicago
Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
Attn: Commissioner

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

If to the MPEA: Metropolitan Pier and Exposition Authority
Corporate Center
301 E. Cermak Road
Chicago, IL 60616
Attn: Chief Executive Officer

With a copy to: Metropolitan Pier and Exposition Authority
Corporate Center
301 E. Cermak Road
Chicago, IL 60616
Attn: General Counsel

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmed transmission by facsimile or e-mail, respectively, provided that such facsimile or e-mail transmission is confirmed as having occurred prior to 5:00 p.m. on a business day. If such transmission occurred after 5:00 p.m. on a business day or on a non-business day, it shall be deemed to have been given on the next business day. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) business days after mailing. The Parties, by notice given hereunder, may designate any further or different addresses or addressees to which subsequent notices, demands or communications shall be given. The refusal to accept delivery by any Party or the inability to deliver any communication because of a changed address of which no notice has been given in accordance with this Section 11 shall constitute delivery.

SECTION 12. MISCELLANEOUS.

The following general provisions govern this Agreement:

12.1 Approval. Wherever this Agreement provides for the approval or consent of the City, the Department or the Commissioner, or any matter is to be to the City's, the Department's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, the Department or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act for the City or the Department in making all approvals, consents and determinations of satisfaction, granting the Certificate of Completion or otherwise administering this Agreement for the City.

12.2 Assignment. The MPEA may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Any successor in interest to the MPEA under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement for the Term of the Agreement. The MPEA consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

12.3 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the City, the MPEA and their respective successors and permitted assigns. This Agreement is intended to be and is for the sole and exclusive benefit of the Parties hereto and such successors and permitted assigns.

12.4 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances, such ordinances shall prevail and control.

12.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

12.6 Cumulative Remedies. The remedies of any Party hereunder are cumulative and the exercise of any one or more of such remedies shall not be construed as a waiver of any other remedy herein conferred upon such Party or hereafter existing at law or in equity, unless specifically so provided herein.

12.7 Date for Performance. If the final date of any time period set forth herein falls on a Saturday, Sunday or legal holiday under the laws of Illinois or the United States of America, then such time period shall be automatically extended to the next business day.

12.8 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by the Parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

12.9 Entire Agreement; Modification. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior agreements, negotiations and discussions. This Agreement may not be modified or amended in any manner without the prior written consent of the Parties hereto. No term of this

Agreement may be waived or discharged orally or by any course of dealing, but only by an instrument in writing signed by the Party benefited by such term.

12.10 Exhibits. All exhibits referred to herein and attached hereto shall be deemed part of this Agreement.

12.11 Force Majeure. Neither the City nor the MPEA shall be considered in breach of its obligations under this Agreement in the event of a delay due to unforeseeable events or conditions beyond the reasonable control of the Party affected which in fact interferes with the ability of such Party to discharge its obligations hereunder, including, without limitation, fires, floods, strikes, shortages of material and unusually severe weather or delays of subcontractors due to such causes. The time for the performance of the obligations shall be extended only for the period of the delay and only if the Party relying on this section requests an extension in writing within twenty (20) days after the beginning of any such delay.

12.12 Form of Documents. All documents required by this Agreement to be submitted, delivered or furnished to the City shall be in form and content satisfactory to the City.

12.13 Further Assurances. The MPEA agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

12.14 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

12.15 Headings. The headings of the various sections and subsections of this Agreement have been inserted for convenience of reference only and shall not in any manner be construed as modifying, amending or affecting in any way the express terms and provisions hereof.

12.16 Limitation of Liability. No member, official or employee of the City shall be personally liable to the MPEA 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 the MPEA from the City or any successor in interest or on any obligation under the terms of this Agreement.

12.17 No Waiver. No waiver by the City with respect to any specific default by the MPEA shall be deemed to be a waiver of the rights of the City with respect to any other defaults of the MPEA, nor shall any forbearance by the City to seek a remedy for any breach or default be deemed a waiver of its rights and remedies with respect to such breach or default, nor shall the City be deemed to have waived any of its rights and remedies unless such waiver is in writing.

12.18 Remedies Cumulative. The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

12.19 Right to Audit. The City shall have the right to audit, upon reasonable notice, all expenditures and financial records related to the Project. Upon written request by the City, the MPEA shall give the City access to all records controlled by, or in the possession of the MPEA relating to the Project or this Agreement, to permit the City to review such records in connection with conducting a reasonable audit.

12.20 Severability. If any term of this Agreement or any application thereof is held invalid or unenforceable, the remainder of this Agreement shall be construed as if such invalid part were never included herein and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

12.21 Successors and Assigns. Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall apply to and bind the successors and assigns of the Parties.

12.22 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party may hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

(Signature Page Follows)

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

CITY OF CHICAGO, an Illinois municipal corporation

By: _____
Andrew J. Mooney
Commissioner of Planning and Development

**METROPOLITAN PIER AND EXPOSITION
AUTHORITY**, a political subdivision, unit of local
government, a body politic and an Illinois municipal
corporation

By: _____
James Reilly
Its Chief Executive Officer

THIS INSTRUMENT PREPARED BY, AND
AFTER RECORDING, PLEASE RETURN TO:

Lisa Misher
Michael Gaynor
City of Chicago Department of Law
121 North LaSalle Street, Suite 600
Chicago, Illinois 60602
(312) 742-3932

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT Andrew Mooney, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago, Illinois (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Commissioner he signed and delivered the said instrument pursuant to authority given him on behalf of the City, for the uses and purposes therein set forth.

Given under my hand and notarial seal on _____, 2014.

Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the _____ of the Metropolitan Pier and Exposition Authority ("MPEA"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such _____ s/he signed and delivered the said instrument pursuant to authority given to her/him by the MPEA as her/his free and voluntary act and as the free and voluntary act of the MPEA for the uses and purposes therein set forth.

Given under my hand and notarial seal on _____, 2014.

Notary Public

EXHIBIT A

DEPICTION OF PROJECT SITE

(ATTACHED)

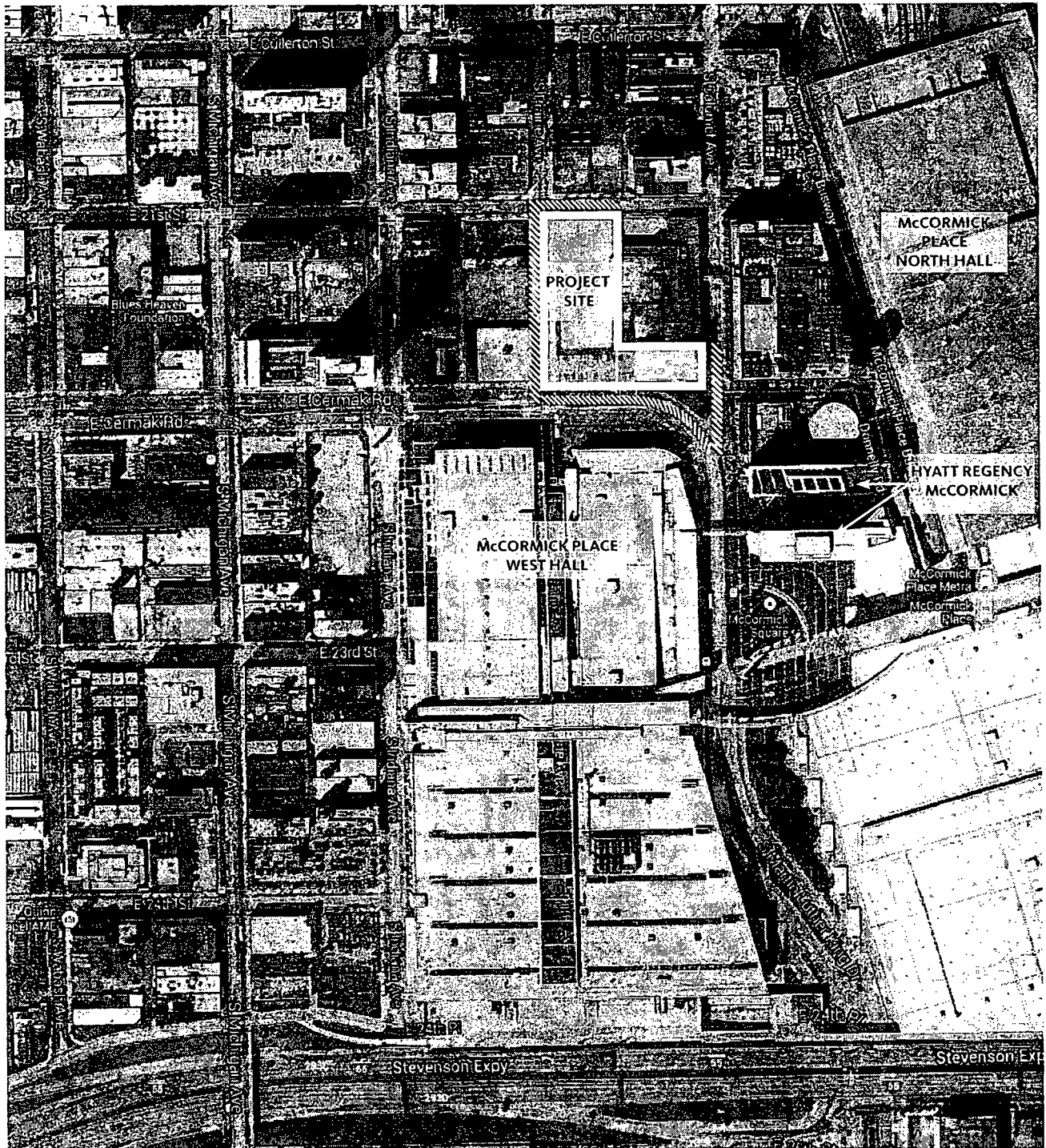


EXHIBIT B

LEGAL DESCRIPTION OF HOTEL PROPERTY

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT;
BOUNDARY SURVEY AND LEGAL DESCRIPTION FROM
DRAFT TITLE COMMITMENT ATTACHED)

300 EAST CERMAK PARCEL:

LOTS 10 TO 18, BOTH INCLUSIVE, IN BLOCK 24 OF GURLEY'S SUBDIVISION, BLOCKS 21 TO 28 OF ASSESSOR'S DIVISION, IN SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALL OF THE NORTH/SOUTH VACATED ALLEY, LYING EAST OF AND ADJOINING LOTS 10 TO 18, ALL IN BLOCK 24 IN GURLEY'S SUBDIVISION AFORESAID, IN COOK COUNTY, ILLINOIS.

ABC BUILDING PARCEL

LOTS 8 AND 9 IN BLOCK 24 IN GURLEY'S SUBDIVISION OF BLOCKS 24 TO 28, BOTH INCLUSIVE, IN THE ASSESSOR'S DIVISION OF THE SOUTHWEST $\frac{1}{4}$ OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

THE EAST $\frac{1}{2}$ OF THE NORTH/SOUTH VACATED ALLEY, LYING WEST OF AND ADJOINING LOTS 8 AND 9 IN BLOCK 24 IN GURLEY'S SUBDIVISION AFORESAID, IN COOK COUNTY, ILLINOIS.

ADDRESS: 300-30 EAST CERMAK ROAD
CHICAGO, ILLINOIS 60616

PINS: 17-22-321-001
17-22-321-018
17-22-321-017
17-22-321-016
17-22-321-014

**CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE A (CONTINUED)**

ORDER NO.: 1401 008961124 D2

5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS:

ABC BUILDING PARCEL

LOTS 8 AND 9 IN BLOCK 24 IN GURLEY'S SUBDIVISION OF BLOCKS 24 TO 28, BOTH INCLUSIVE, IN THE ASSESSOR'S DIVISION OF THE SOUTHWEST 1/4 OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

THE EAST 1/2 OF THE NORTH/SOUTH VACATED ALLEY, LYING WEST OF AND ADJOINING LOTS 8 AND 9 IN BLOCK 24 IN GURLEY'S SUBDIVISION AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 10 TO 18, BOTH INCLUSIVE IN BLOCK 24 OF GURLEY'S SUBDIVISION, BLOCKS 21 TO 28 OF ASSESSOR'S DIVISION IN SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALL OF THE NORTH/SOUTH VACATED ALLEY, LYING EAST OF AND ADJOINING LOTS 10 TO 18, ALL IN BLOCK 24 IN GURLEY'S SUBDIVISION AFORESAID, IN COOK COUNTY, ILLINOIS.

HEATING AND COOLING EASEMENT:

A NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF THE ABC BUILDING SITE AND WEST PLANT SITE AS CREATED BY THE SPECIAL WARRANTY DEED DATED AUGUST 2, 1999 AND RECORDED AUGUST 3, 1999 AS DOCUMENT 99736625, AS AMENDED BY SETTLEMENT AGREEMENT ENTERED IN CASE 01CH7396 AND BY AMENDMENT TO SPECIAL WARRANTY DEED AND GRANT OF EASEMENT RECORDED MAY 11, 2001 AS DOCUMENT 0010399234, FROM LAKESIDE CENTER LLC TO CARLYLE-CORE CHICAGO LLC FOR THE PURPOSE (AS DEFINED THEREIN) OF HEATING AND COOLING.

CALUMET TUNNELS EASEMENT:

A NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF THE ABC BUILDING SITE AND WEST PLANT SITE AS CREATED BY THE SPECIAL WARRANTY DEED DATED AUGUST 2, 1999 AND RECORDED AUGUST 3, 1999 AS DOCUMENT 99736625 FROM LAKESIDE CENTER LLC TO CARLYLE-CORE CHICAGO LLC FOR THE USE (AS DEFINED THEREIN) OF THE CALUMET TUNNELS.

COVERED BRIDGE EASEMENT:

A NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF THE ABC BUILDING SITE AND WEST PLANT SITE AS CREATED BY THE "AGREEMENT REGARDING COVERED BRIDGE" DATED AUGUST 2, 1999 AND RECORDED AUGUST 3, 1999 AS DOCUMENT 99736627 FROM LAKESIDE CENTER LLC TO CARLYLE-CORE CHICAGO LLC FOR THE PURPOSE OF THE USE (AS DEFINED THEREIN) OF SAID BRIDGE.



DATE 10-10-74

[illegible]

ST.

— 38 —

10 001

BLOCK

Remainder Parcel
Not Included

10723

ABC Building Parce

E. CERMAK

RL

PRELIMINARY

DATE JAN 18, 2014

State of Kansas
County of Cook

We **Arvey Certify** that we have compared the above
copy with original in accordance with office records and that the above
copy is a true representation of the original documents as compared to
a comparison of all documents the following copies pertain to

NATIONAL SURVEY SERVICE, INC.
PROFESSIONAL LAND SURVEYORS
26 S. MICHIGAN AVENUE, SUITE 200
CHICAGO, ILLINOIS 60603

TEL: 212-630-0400 FAX: 212-630-0404

BY _____
 (Type name and title of witness)

 (Type name and title of witness)

DATE OF BIRTH: _____

30 40 50 60 70 80 90 100 110 120 130 140 150 160 170 180 190 200 210 220 230 240 250 260 270 280 290 300 310 320 330 340 350 360 370 380 390 400 410 420 430 440 450 460 470 480 490 500 510 520 530 540 550 560 570 580 590 600 610 620 630 640 650 660 670 680 690 700 710 720 730 740 750 760 770 780 790 800 810 820 830 840 850 860 870 880 890 900 910 920 930 940 950 960 970 980 990 1000 1010 1020 1030 1040 1050 1060 1070 1080 1090 1100 1110 1120 1130 1140 1150 1160 1170 1180 1190 1200 1210 1220 1230 1240 1250 1260 1270 1280 1290 1300 1310 1320 1330 1340 1350 1360 1370 1380 1390 1400 1410 1420 1430 1440 1450 1460 1470 1480 1490 1500 1510 1520 1530 1540 1550 1560 1570 1580 1590 1600 1610 1620 1630 1640 1650 1660 1670 1680 1690 1700 1710 1720 1730 1740 1750 1760 1770 1780 1790 1800 1810 1820 1830 1840 1850 1860 1870 1880 1890 1900 1910 1920 1930 1940 1950 1960 1970 1980 1990 2000 2010 2020 2030 2040 2050 2060 2070 2080 2090 2100 2110 2120 2130 2140 2150 2160 2170 2180 2190 2200 2210 2220 2230 2240 2250 2260 2270 2280 2290 2300 2310 2320 2330 2340 2350 2360 2370 2380 2390 2400 2410 2420 2430 2440 2450 2460 2470 2480 2490 2500 2510 2520 2530 2540 2550 2560 2570 2580 2590 2600 2610 2620 2630 2640 2650 2660 2670 2680 2690 2700 2710 2720 2730 2740 2750 2760 2770 2780 2790 2800 2810 2820 2830 2840 2850 2860 2870 2880 2890 2900 2910 2920 2930 2940 2950 2960 2970 2980 2990 3000 3010 3020 3030 3040 3050 3060 3070 3080 3090 3100 3110 3120 3130 3140 3150 3160 3170 3180 3190 3200 3210 3220 3230 3240 3250 3260 3270 3280 3290 3300 3310 3320 3330 3340 3350 3360 3370 3380 3390 3400 3410 3420 3430 3440 3450 3460 3470 3480 3490 3500 3510 3520 3530 3540 3550 3560 3570 3580 3590 3600 3610 3620 3630 3640 3650 3660 3670 3680 3690 3700 3710 3720 3730 3740 3750 3760 3770 3780 3790 3800 3810 3820 3830 3840 3850 3860 3870 3880 3890 3900 3910 3920 3930 3940 3950 3960 3970 3980 3990 4000 4010 4020 4030 4040 4050 4060 4070 4080 4090 4100 4110 4120 4130 4140 4150 4160 4170 4180 4190 4200 4210 4220 4230 4240 4250 4260 4270 4280 4290 4300 4310 4320 4330 4340 4350 4360 4370 4380 4390 4400 4410 4420 4430 4440 4450 4460 4470 4480 4490 4500 4510 4520 4530 4540 4550 4560 4570 4580 4590 4600 4610 4620 4630 4640 4650 4660 4670 4680 4690 4700 4710 4720 4730 4740 4750 4760 4770 4780 4790 4800 4810 4820 4830 4840 4850 4860 4870 4880 4890 4900 4910 4920 4930 4940 4950 4960 4970 4980 4990 5000 5010 5020 5030 5040 5050 5060 5070 5080 5090 5100 5110 5120 5130 5140 5150 5160 5170 5180 5190 5200 5210 5220 5230 5240 5250 5260 5270 5280 5290 5300 5310 5320 5330 5340 5350 5360 5370 5380 5390 5400 5410 5420 5430 5440 5450 5460 5470 5480 5490 5500 5510 5520 5530 5540 5550 5560 5570 5580 5590 5600 5610 5620 5630 5640 5650 5660 5670 5680 5690 5700 5710 5720 5730 5740 5750 5760 5770 5780 5790 5800 5810 5820 5830 5840 5850 5860 5870 5880 5890 5900 5910 5920 5930 5940 5950 5960 5970 5980 5990 6000 6010 6020 6030 6040 6050 6060 6070 6080 6090 6100 6110 6120 6130 6140 6150 6160 6170 6180 6190 6200 6210 6220 6230 6240 6250 6260 6270 6280 6290 6300 6310 6320 6330 6340 6350 6360 6370 6380 6390 6400 6410 6420 6430 6440 6450 6460 6470 6480 6490 6500 6510 6520 6530 6540 6550 6560 6570 6580 6590 6600 6610 6620 6630 6640 6650 6660 6670 6680 6690 6700 6710 6720 6730 6740 6750 6760 6770 6780 6790 6800 6810 6820 6830 6840 6850 6860 6870 6880 6890 6900 6910 6920 6930 6940 6950 6960 6970 6980 6990 7000 7010 7020 7030 7040 7050 7060 7070 7080 7090 7100 7110 7120 7130 7140 7150 7160 7170 7180 7190 7200 7210 7220 7230 7240 7250 7260 7270 7280 7290 7300 7310 7320 7330 7340 7350 7360 7370 7380 7390 7400 7410 7420 7430 7440 7450 7460 7470 7480 7490 7500 7510 7520 7530 7540 7550 7560 7570 7580 7590 7600 7610 7620 7630 7640 7650 7660 7670 7680 7690 7700 7710 7720 7730 7740 7750 7760 7770 7780 7790 7800 7810 7820 7830 7840 7850 7860 7870 7880 7890 7900 7910 7920 7930 7940 7950 7960 7970 7980 7990 8000 8010 8020 8030 8040 8050 8060 8070 8080 8090 8100 8110 8120 8130 8140 8150 8160 8170 8180 8190 8200 8210 8220 8230 8240 8250 8260 8270 8280 8290 8300 8310 8320 8330 8340 8350 8360 8370 8380 8390 8400 8410 842

BLOCK 2 | ✨

14-00000

GRAPHIC SCALE

(30 PART)

IMPORTANT

[illegible]

1 PERSON IDENTIFIED WITH THE CLIENT GROUP
2 ALL FACTORS ARE ATTACHED WITHIN EACH GROUP
3 FIVE FACTORS FROM WHICH ARE THE BASIS FOR THE
4 THE GROUP'S IDENTIFICATION OF THE GROUP

주요인자: $\alpha = 0.05$

결과: $\chi^2 = 12.34$, $df = 1$, $p = 0.0007$

비율: $OR = 3.21$, $95\% CI = 1.12 - 9.28$

(2 7 7)

제 2023-000000호 (제 2023-000000호)

CONFIDENTIAL - SECURITY INFORMATION

EXHIBIT C

PRELIMINARY SCOPE OF DEVELOPMENT

(SUBJECT TO CHANGE IN ACCORDANCE WITH FINAL PLANS AND SPECIFICATIONS)

Rooms

1200 Keys

61 Suites of varying sizes

40	2 bay Executive Suites
10	2 bay hospitality Suites
2	3 bay Conference Suites
4	4 bay VIP Suites
2	5 bay Presidential Suites
3	4 bay Meeting Planner Suites

Concierge Lounge

Lobby & Reception

Main Lobby	4,000 SF
Registration	1,000 SF
Front Office	1,800 SF
Accounting	2,500 SF
Sales & Admin.	6,000 SF

Food and Beverage

Hotel Restaurant	300 Seats
Convention Bar	200 Seats
Rooftop Bar	100 Seats
Coffee and Convenience Store	30 Seats

Meeting Facilities*

Grand Ballroom	30,000 SF
Junior Ballroom	18,000 SF
Banquet Rooms	30,000 SF
Meeting Rooms	12,000 SF
Board Rooms	1,600 SF
	91,600 SF Total

*Meeting Facilities connected to McCormick Place West Building via Sky Bridge

Retail

Business Center	1,200 SF
Unassigned	6,000 SF

Recreation

Fitness Facility	4,000 SF
Indoor Pool	3,000 SF

Back of House

Main Kitchen	16,000 SF
Banquet Furniture	10,000 SF
Audio Visual	500 SF
Banquet Offices	1,000 SF
Coat Check & Toilets	8,000 SF
Receiving & Loading	3,000 SF
Security	600 SF
Staff Lockers & Toilets	6,000 SF
Housekeeping	3,500 SF
Linen Holding	1,200 SF
Maintenance	2,000 SF
General Storage	5,000 SF
MEP	TBD

Parking

On site valet	150 Spaces
Off Site	McCormick Place Garage – Parking Lot A

EXHIBIT D

PRELIMINARY PROJECT BUDGET

(TO BE ADDED; NOT ATTACHED FOR ORDINANCE)

EXHIBIT E

LIST OF TIF-ELIGIBLE IMPROVEMENTS

(PRELIMINARY — SUBJECT TO FINAL PROJECT BUDGET)

<u>TIF-ELIGIBLE PROJECT COSTS</u>	<u>ESTIMATES</u>
Land Acquisition Costs	\$24,500,000
Demolition & Site Preparation, Environmental Remediation, Survey & Geotechnical	\$4,500,000
Legal, Design, Planning, Financial, Engineering and Other Professional Consultant Fees	\$18,200,000
Publicly-Owned Exposition Headquarters Hotel Construction Costs	Greater than \$50,000,000

The Commissioner shall have the discretion to identify the specific amounts of TIF-eligible Project Costs that may be paid for from City Funds, subject to the \$55,000,000 maximum contribution. The actual amounts paid to the MPEA from City Funds for these TIF-Eligible Improvements may differ from these estimates, but will in total remain subject to the \$55,000,000 maximum contribution of City Funds.

EXHIBIT G

MPEA REQUIREMENTS

70 ILCS 210/23.1. Affirmative action

§ 23.1. Affirmative action.

(a) The Authority shall, within 90 days after the effective date of this amendatory Act of 1984, establish and maintain an affirmative action program designed to promote equal employment opportunity and eliminate the effects of past discrimination. Such program shall include a plan, including timetables where appropriate, which shall specify goals and methods for increasing participation by women and minorities in employment, including employment related to the planning, organization, and staging of the games, by the Authority and by parties which contract with the Authority. The Authority shall submit a detailed plan with the General Assembly prior to September 1 of each year. Such program shall also establish procedures and sanctions (including debarment), which the Authority shall enforce to ensure compliance with the plan established pursuant to this Section and with State and federal laws and regulations relating to the employment of women and minorities. A determination by the Authority as to whether a party to a contract with the Authority has achieved the goals or employed the methods for increasing participation by women and minorities shall be determined in accordance with the terms of such contracts or the applicable provisions of rules and regulations of the Authority existing at the time such contract was executed, including any provisions for consideration of good faith efforts at compliance which the Authority may reasonably adopt.

(b) The Authority shall adopt and maintain minority and female owned business enterprise procurement programs under the affirmative action program described in subsection (a) for any and all work, including all contracting related to the planning, organization, and staging of the games, undertaken by the Authority. That work shall include, but is not limited to, the purchase of professional services, construction services, supplies, materials, and equipment. The programs shall establish goals of awarding not less than 25% of the annual dollar value of all contracts, purchase orders, or other agreements (collectively referred to as "contracts") to minority owned businesses and 5% of the annual dollar value of all contracts to female owned businesses. Without limiting the generality of the foregoing, the programs shall require in connection with the prequalification or consideration of vendors for professional service contracts, construction contracts, and contracts for supplies, materials, equipment, and services that each proposer or bidder submit as part of his or her proposal or bid a commitment detailing how he or she will expend 25% or more of the dollar value of his or her contracts with one or more minority owned businesses and 5% or more of the dollar value with one or more female owned businesses. Bids or proposals that do not include such detailed commitments are not responsive and shall be rejected unless the Authority deems it appropriate to grant a waiver of these requirements. In addition the Authority may, in connection with the selection of providers of professional services, reserve the right to select a minority or female owned business or businesses to fulfill the commitment to minority and female business participation. The commitment to minority and female business participation may be met by the contractor or professional service provider's status as a minority or female owned business, by joint venture or by subcontracting a portion of the work with or purchasing materials for the work from one or more such businesses, or by any combination thereof. Each contract shall require the contractor or provider to submit a certified monthly report detailing the status of that contractor or provider's

compliance with the Authority's minority and female owned business enterprise procurement program. The Authority, after reviewing the monthly reports of the contractors and providers, shall compile a comprehensive report regarding compliance with this procurement program and file it quarterly with the General Assembly. If, in connection with a particular contract, the Authority determines that it is impracticable or excessively costly to obtain minority or female owned businesses to perform sufficient work to fulfill the commitment required by this subsection, the Authority shall reduce or waive the commitment in the contract, as may be appropriate. The Authority shall establish rules and regulations setting forth the standards to be used in determining whether or not a reduction or waiver is appropriate. The terms "minority owned business" and "female owned business" have the meanings given to those terms in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

(c) The Authority shall adopt and maintain an affirmative action program in connection with the hiring of minorities and women on the Expansion Project and on any and all construction projects, including all contracting related to the planning, organization, and staging of the games, undertaken by the Authority. The program shall be designed to promote equal employment opportunity and shall specify the goals and methods for increasing the participation of minorities and women in a representative mix of job classifications required to perform the respective contracts awarded by the Authority.

(d) In connection with the Expansion Project, the Authority shall incorporate the following elements into its minority and female owned business procurement programs to the extent feasible: (1) a major contractors program that permits minority owned businesses and female owned businesses to bear significant responsibility and risk for a portion of the project; (2) a mentor/protégé program that provides financial, technical, managerial, equipment, and personnel support to minority owned businesses and female owned businesses; (3) an emerging firms program that includes minority owned businesses and female owned businesses that would not otherwise qualify for the project due to inexperience or limited resources; (4) a small projects program that includes participation by smaller minority owned businesses and female owned businesses on jobs where the total dollar value is \$5,000,000 or less; and (5) a set-aside program that will identify contracts requiring the expenditure of funds less than \$50,000 for bids to be submitted solely by minority owned businesses and female owned businesses.

(e) The Authority is authorized to enter into agreements with contractors' associations, labor unions, and the contractors working on the Expansion Project to establish an Apprenticeship Preparedness Training Program to provide for an increase in the number of minority and female journeymen and apprentices in the building trades and to enter into agreements with Community College District 508 to provide readiness training. The Authority is further authorized to enter into contracts with public and private educational institutions and persons in the hospitality industry to provide training for employment in the hospitality industry.

(f) McCormick Place Advisory Board. There is created a McCormick Place Advisory Board composed as follows: 2 members shall be appointed by the Mayor of Chicago; 2 members shall be appointed by the Governor; 2 members shall be State Senators appointed by the President of the Senate; 2 members shall be State Senators appointed by the Minority Leader of the Senate; 2 members shall be State Representatives appointed by the Speaker of the House of Representatives; and 2 members shall be State Representatives appointed by the Minority Leader of the House of Representatives. The terms of all previously appointed members of the

Advisory Board expire on the effective date of this amendatory Act of the 92nd General Assembly. A State Senator or State Representative member may appoint a designee to serve on the McCormick Place Advisory Board in his or her absence.

A "member of a minority group" shall mean a person who is a citizen or lawful permanent resident of the United States and who is any of the following:

(1) American Indian or Alaska Native (a person having origins in any of the original peoples of North and South America, including Central America, and who maintains tribal affiliation or community attachment).

(2) Asian (a person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including, but not limited to, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam).

(3) Black or African American (a person having origins in any of the black racial groups of Africa). Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American".

(4) Hispanic or Latino (a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race).

(5) Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands).

Members of the McCormick Place Advisory Board shall serve 2-year terms and until their successors are appointed, except members who serve as a result of their elected position whose terms shall continue as long as they hold their designated elected positions. Vacancies shall be filled by appointment for the unexpired term in the same manner as original appointments are made. The McCormick Place Advisory Board shall elect its own chairperson.

Members of the McCormick Place Advisory Board shall serve without compensation but, at the Authority's discretion, shall be reimbursed for necessary expenses in connection with the performance of their duties.

The McCormick Place Advisory Board shall meet quarterly, or as needed, shall produce any reports it deems necessary, and shall:

(1) Work with the Authority on ways to improve the area physically and economically;

(2) Work with the Authority regarding potential means for providing increased economic opportunities to minorities and women produced indirectly or directly from the construction and operation of the Expansion Project;

(3) Work with the Authority to minimize any potential impact on the area surrounding the McCormick Place Expansion Project, including any impact on minority or female owned businesses, resulting from the construction and operation of the Expansion Project;

(4) Work with the Authority to find candidates for building trades apprenticeships, for

employment in the hospitality industry, and to identify job training programs;

(5) Work with the Authority to implement the provisions of subsections (a) through (e) of this Section in the construction of the Expansion Project, including the Authority's goal of awarding not less than 25% and 5% of the annual dollar value of contracts to minority and female owned businesses, the outreach program for minorities and women, and the mentor/protégé program for providing assistance to minority and female owned businesses.

(g) The Authority shall comply with subsection (e) of Section 5-42 of the Olympic Games and Paralympic Games (2016) Law. For purposes of this Section, the term "games" has the meaning set forth in the Olympic Games and Paralympic Games (2016) Law.

EXHIBIT H

REQUISITION FORM

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The affiant, the Metropolitan Pier and Exposition Authority (the "MPEA"), hereby certifies that with respect to that certain Intergovernmental Agreement between the MPEA and the City of Chicago dated _____, 2014 (the "Agreement"):

A. Expenditures for the Project, in the total amount of \$_____, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Eligible Improvements for the Project paid for or reimbursed by the City to date:

\$_____

C. The MPEA requests payment or reimbursement for the following costs of TIF-Eligible Improvements:

\$_____

D. None of the costs referenced in paragraph C above have been previously paid for or reimbursed by the City.

E. The MPEA hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and the MPEA is in compliance with all applicable covenants contained herein.

2. No Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

(SIGNATURE PAGE FOLLOWS)

**METROPOLITAN PIER AND EXPOSITION
AUTHORITY**, a political subdivision, unit of local
government, a body politic and an Illinois municipal
corporation

By: _____

Print Name: _____

Its Chief Executive Officer

Subscribed and sworn before me this ____ day of 20__.

My commission expires: _____

Agreed and accepted:

By: _____

Name: _____

Title: _____

City of Chicago

Department of Planning and Development

EXHIBIT I

INSURANCE REQUIREMENTS

The MPEA must provide and maintain, at the MPEA's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

(a) Construction. Prior to the construction of any portion of the Project, the MPEA will cause its architects, contractors, subcontractors, project managers and other parties constructing the Project to procure and maintain the following kinds and amounts of insurance:

(i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than \$ 500,000 each accident, illness or disease.

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk /Builders Risk

All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the Project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions with limits of not less than \$1,000,000. Coverage must include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with or precede start of work on the contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever, and must have limits sufficient to pay for the re-creation and reconstruction of such records.

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, the MPEA must cause the remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede start of work on the contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(b) Post Construction:

All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(c) Other Requirements:

The MPEA must furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The MPEA must submit evidence of insurance on the City of Chicago Insurance Certificate Form or equivalent. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements under the Agreement. The failure of the City to obtain certificates or other insurance evidence

from the MPEA is not a waiver by the City of any requirements for the MPEA to obtain and maintain the specified coverages. The MPEA shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve the MPEA of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and/or terminate the Agreement until proper evidence of insurance is provided.

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self-insured retentions on referenced insurance coverages must be borne by the MPEA and contractors.

The MPEA hereby waives and agrees to require its insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by the MPEA in no way limit the MPEA's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self-insurance programs maintained by the City of Chicago do not contribute with insurance provided by the MPEA under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

The MPEA must require its contractors and subcontractors to provide the insurance required herein, or the MPEA may provide the coverages for its contractors and subcontractors. All contractors and subcontractors are subject to the same insurance requirements of the MPEA unless otherwise specified in this Agreement.

If the MPEA or any contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

EXHIBIT J

PRIOR EXPENDITURES

(TO BE ADDED)



City of Chicago



O2014-905

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 2/5/2014

Sponsor(s): Emanuel (Mayor)

Type: Ordinance

Title: Intergovernmental agreement between Board of Education and Chicago Housing Authority to rehabilitate existing property at 1450 N Larrabee Ave and 700 S State St

Committee(s) Assignment: Committee on Housing and Real Estate



OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the execution of an intergovernmental agreement regarding property located at 1450 North Larrabee.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Board of Education of the City of Chicago (the "Board") is a body corporate and politic, organized under and existing pursuant to Article 34 of the School Code of the State of Illinois, 105 ILCS 5/1-1, *et seq.*; and

WHEREAS, pursuant to the provisions of an act to authorize the creation of public building commissions and to define their rights, powers and duties under the Public Building Commission Act, 50 ILCS 20/1, *et seq.*, the City Council of the City (the "City Council") created the Public Building Commission of Chicago (the "PBC") to facilitate the acquisition and construction of public buildings and facilities; and

WHEREAS, the Board operates a high school known as William Jones College Preparatory High School ("Jones College Prep"); and

WHEREAS, the Board, through the PBC, recently completed the construction of a new building for Jones College Prep on the real property generally located at 642–738 South State Street, Chicago, Illinois (the "New Facility"), which is located immediately south of the existing Jones College Prep building at 600–640 South State Street (the "Existing Facility"); and

WHEREAS, the New Facility has seven floors and is designed to accommodate 1,200 students; and

WHEREAS, the Board intends to rehabilitate the Existing Facility in order to further increase student enrollment to approximately 1,700 students; and

WHEREAS, the City Council, pursuant to an ordinance adopted on May 9, 2012, and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "Journal") of such date at pages 25768 to 25835, authorized the use of \$114,641,656 in tax increment financing from the Near South Redevelopment Area for the construction of the New Facility (the "Initial Jones TIF Ordinance"); and

WHEREAS, the City Council, pursuant to an ordinance adopted on March 13, 2013, and published in the *Journal* of such date at pages 47881 to 47902, authorized the use of \$13,900,000 in additional tax increment financing for the rehabilitation of the Existing Facility; and

WHEREAS, the New Facility includes an indoor swimming pool and gymnasium, but does not have (nor is there space on the Jones College Prep campus for) outdoor athletic fields; and

WHEREAS, the Chicago Housing Authority, an Illinois municipal corporation (the "CHA"), is the owner of the vacant block bounded by 23rd Street on the north, 24th Street on the south, Federal Street on the west and Dearborn Street on the east, as depicted on Exhibit A-1 and legally described on Exhibit A-2 attached hereto (the "CHA Property"); and

WHEREAS, the CHA Property is comprised of approximately 3.47 acres and is located in the immediate vicinity of the CHA's former Harold Ickes Homes; and

WHEREAS, the CHA Property is located in the 24th/Michigan Redevelopment Project Area established pursuant to ordinances adopted by the City Council on July 21, 1999, and published in the Journal of said date at pages 8099 through 8210; and

WHEREAS, the PBC is the owner in trust for the Board of the real property and improvements located at 1450 North Larrabee and formerly operated as Near North Career Metropolitan High School, as depicted on Exhibit B-1 and legally described on Exhibit B-2 (the "Near North High School Property"), which contains a total land area of approximately 9.8 acres; and

WHEREAS, pursuant to Board Report No. 12-0425-OP2, adopted by the Board on April 25, 2012, the Board authorized the PBC to convey the Board's interest in the Near North High School Property to the City for public housing in accordance with the City's obligations under the Consent Decree entered in *Cabrini-Green Local Advisory Council v. Chicago Housing Authority and City of Chicago*, Case No 96 06949 (the "Cabrini-Green Consent Decree"); and

WHEREAS, pursuant to a resolution adopted on December 10, 2013, the Board of Commissioners of the PBC approved the conveyance of the Near North High School Property to the City on behalf of the Board; and

WHEREAS, pursuant to the Initial Jones Ordinance, the City Council authorized the City to accept title to the Near North High School Property from the Board for development in accordance with the Cabrini Green Consent Decree; and

WHEREAS, the Board is interested in acquiring the CHA Property for the public purpose of constructing a new artificial turf field and running track for use by Jones College Prep (the "Outdoor Athletic Facilities"), and the CHA is interested in acquiring the Near North High School Property for the public purpose of constructing replacement public housing units and other public amenities as required by the Cabrini Green Consent Decree (the "Cabrini Green Redevelopment"); and

WHEREAS, the CHA is willing to convey the CHA Property to the City in exchange for the City's conveyance of the Near North High School Property to the CHA; and

WHEREAS, pursuant to Resolution No. 2013-CHA-101 adopted on November 19, 2013, the Board of Commissioners of the CHA authorized the CHA to submit acquisition and disposition applications to the United States Department of Housing and Urban Development to dispose of the CHA Property and to acquire the Near North High School Property; and

WHEREAS, it is anticipated that the Board will adopt a resolution at its meeting on February 26, 2014, finding that it is necessary or convenient for the City to transfer the CHA Property to the Board, and approving the Board's acceptance of title to the CHA Property, for the public purpose of constructing the Outdoor Athletic Fields; and

WHEREAS, Jones College Prep has been using the athletic fields at the Near North High School Property for outdoor athletic programs, events and competitions, and wishes to

retain the right to continue using the athletic fields until June 30, 2014 (the "Board's Occupancy Rights"); and

WHEREAS, the Chicago Police Department, the Chicago Fire Department and other City departments and agencies have been using the former high school's facilities (including, without limitation, the swimming pool) for training and other activities and wish to retain the right to continue using such facilities until they are permanently decommissioned or demolished and the Near North High School Property is utilized for the purposes required under the Cabrini Green Consent Decree (the "City's Occupancy Rights"); and

WHEREAS, the City Council finds that it is necessary or convenient to (a) acquire the CHA Property from the CHA and thereafter convey such property to the Board for the Outdoor Athletic Facilities, and (b) acquire the Near North High School Property from the Board and thereafter convey such property to the CHA for the Cabrini Green Redevelopment, subject to leases or other agreements protecting the City's Occupancy Rights and the Board's Occupancy Rights (such transactions collectively, the "Land Swap"); and

WHEREAS, the City Council finds that the Land Swap will implement a coordinated and comprehensive planning effort on the part of the Board, the CHA and the City, and will serve important public uses and purposes; and

WHEREAS, the CHA also owns certain vacant land located across 23rd Street kitty-corner from the CHA Property at 2200-58 South State Street/2301-57 South Dearborn Street, consisting of approximately 3.67 acres, which the CHA intends to transfer to the City at a future date, subject to separate City Council approval; and

WHEREAS, Article 7, Section 10 of the 1970 Constitution of the State of Illinois authorizes units of local government and school districts to contract among themselves to share services and to exercise, combine and transfer functions in any manner not prohibited by law or by ordinance; and

WHEREAS, the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, similarly authorizes public agencies, including units of local government and school districts, to contract with one another to perform any governmental service, activity or undertaking; and

WHEREAS, the Local Government Property Transfer Act, 50 ILCS 605/0.01 *et seq.*, authorizes a municipality (including units of local government and school districts), whose territory is wholly or partly within the corporate limits of another municipality, to by ordinance declare that it is necessary or convenient for it to use, occupy or improve real estate held by another municipality for the making of any public improvement or for any public purpose, in which case the corporate authorities of the transferor municipality shall have the power to transfer all of the right, title and interest of the transferor municipality in such real estate to the transferee municipality upon such terms as may be agreed to by the municipalities; and

WHEREAS, the Chicago Plan Commission adopted resolutions approving the Land Swap at its meeting on December 19, 2013; and

WHEREAS, public notices advertising the proposed transfers of the Near North High School Property to the CHA, and the CHA Property to the Board, and requesting alternative

proposals appeared in the *Chicago Sun-Times* on November 27, December 4 and December 11, 2013; and

WHEREAS, no other responsive proposals were received by the deadline indicated in the aforesaid notices; **now, therefore**

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

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. The City's acquisition of the CHA Property from the CHA for \$1.00 is hereby approved. The Department of Planning and Development (the "Department") is hereby authorized to accept on behalf of the City a deed of conveyance from the CHA for the CHA Property, subject to the approval of the Corporation Counsel.

SECTION 3. The City's conveyance of the CHA Property to the City of Chicago in Trust for the Use of Schools for \$1.00 is hereby approved. The Mayor or his proxy is authorized to execute, and the City Clerk or the Deputy City Clerk is authorized to attest, a quitclaim deed conveying to the City of Chicago in Trust for the Use of Schools all right, title and interest of the City in and to the CHA Property. The quitclaim deed shall contain language substantially in the following form:

This conveyance is subject to the express condition that the property is to be used solely for school purposes or another public purpose.

In the event that the above condition is not met, the City of Chicago may re-enter the property and revert title in the City of Chicago.

SECTION 4. The City's conveyance of the Near North High School Property to the CHA for \$1.00, subject to the Occupancy Rights, is hereby approved. The Mayor or his proxy is authorized to execute, and the City Clerk or the Deputy City Clerk is authorized to attest, a quitclaim deed conveying all right, title and interest of the City in and to the Near North High School Property to the CHA. Such deed shall include a restriction requiring that such property be used in accordance with the terms of the Cabrini-Green Consent Decree.

SECTION 5. The Commissioner of the Department, or a designee of the Commissioner, is each hereby authorized, with the approval of the City's Corporation Counsel, to negotiate, execute and deliver an intergovernmental agreement between the City and the CHA in substantially the form attached hereto as **Exhibit C** (the "IGA"), and such other supporting documents as may be necessary or appropriate to implement the provisions of this ordinance, including, without limitation, a lease or other agreement allowing the Chicago Police Department, the Chicago Fire Department and other City departments and agencies to continue using the facilities at the Near North High School Property after such property is conveyed to the CHA.

SECTION 6. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 7. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 8. This ordinance shall take effect immediately upon its passage and approval.

Attachments: Exhibit A-1 – Depiction of CHA Property
Exhibit A-2 – Legal Description of CHA Property
Exhibit B-1 – Depiction of Near North High School Property
Exhibit B-2 – Legal Description of Near North High School Property
Exhibit C – Intergovernmental Agreement

EXHIBIT A-1

DEPICTION OF CHA PROPERTY

(ATTACHED)



EXHIBIT B



EXHIBIT A-2

LEGAL DESCRIPTION OF CHA PROPERTY

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

LOTS 1 THRU 48 BLOCK 9 UHLICH AND MUHLKE'S ADDITION TO CHICAGO, SUBDIVISION OF EAST ½ OF THE NORTHEAST ¼ OF SECTION 28, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS;

ALSO

THE WEST ½ OF VACATED SOUTH DEARBORN STREET LYING EAST OF AND ADJOINING LOTS 1 TO 24 IN BLOCK 9 AFORESAID;

ALSO

THE EAST ½ OF THE NORTH-SOUTH 15 FOOT WIDE VACATED ALLEY LYING WEST OF AND ADJOINING LOTS 1 TO 24 IN BLOCK 9 AFORESAID;

ALSO

THE WEST ½ OF THE NORTH-SOUTH 15 FOOT WIDE VACATED ALLEY LYING EAST OF AND ADJOINING LOTS 25 TO 48 IN BLOCK 9 AFORESAID.

ADDRESS:

2301-55 SOUTH FEDERAL STREET
2302-54 SOUTH DEARBORN STREET
CHICAGO, ILLINOIS

PINS:

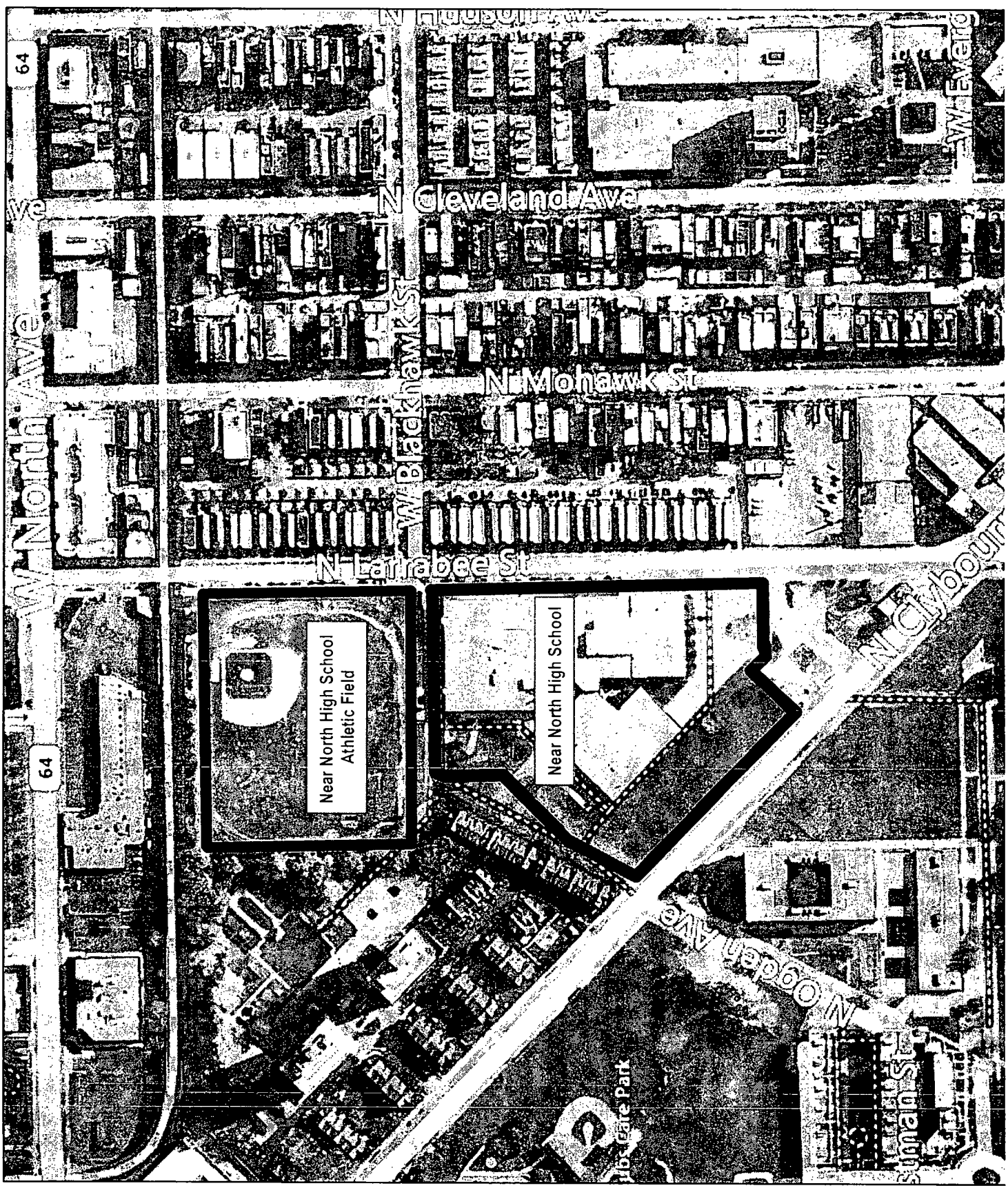
17-28-217-033-0000	PORTION OF LOT 33; LOTS 34, 35 AND 36; AND A PORTION OF THE WEST ½ OF THE VACATED NORTH/SOUTH ALLEY, VOL. 514
17-28-217-034-0000	LOTS 1 THROUGH 16; A PORTION OF THE EAST ½ OF THE VACATED NORTH/SOUTH ALLEY; AND A PORTION OF THE WEST ½ OF VACATED DEARBORN ST., VOL. 514.
17-28-217-035-0000	LOTS 17 THROUGH 32; A PORTION OF LOT 33; A PORTION OF THE VACATED NORTH/SOUTH ALLEY; AND A PORTION OF THE WEST ½ OF VACATED DEARBORN ST., VOL. 514.
17-28-217-036-0000	LOTS 37 THROUGH 48; A PORTION OF THE WEST ½ OF THE VACATED NORTH/SOUTH ALLEY, VOL. 514.

EXHIBIT B-1

DEPICTION OF NEAR NORTH HIGH SCHOOL PROPERTY

(ATTACHED)

Near North High School Campus
1450 N. Larrabee Street



Subject Property

For Illustration Purposes
Not to Scale

EXHIBIT B-2

LEGAL DESCRIPTION OF NEAR NORTH HIGH SCHOOL PROPERTY

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

PARCEL 1:

LOTS 139, 141, 143, 144, 145 (EXCEPT PARTS TAKEN FOR STREETS), ALSO LOT 137 (EXCEPT PART TAKEN FOR STREET), ALL IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 3 AND 4, INCLUSIVE, (EXCEPT PARTS TAKEN FOR STREET), IN W. S. JOHNSON'S SUBDIVISION OF LOT 138, IN BUTTERFIELD'S ADDITION TO CHICAGO, AFOREMENTIONED.

PARCEL 3:

LOTS 5 TO 7, INCLUSIVE, (EXCEPT PARTS TAKEN FOR STREET), IN COUNTY CLERK'S DIVISION OF LOTS 140 AND 142 IN BUTTERFIELD'S ADDITION TO CHICAGO, AFOREMENTIONED.

PARCEL 4:

LOTS 1 TO 4, INCLUSIVE, (EXCEPT PARTS TAKEN FOR STREET), IN OWNERS RESUBDIVISION OF LOT 142 IN BUTTERFIELD'S ADDITION TO CHICAGO, AFOREMENTIONED.

PARCEL 5:

LOTS 5 TO 17, INCLUSIVE, (EXCEPT PARTS TAKEN FOR STREETS AND ALLEYS), IN HINSCHKE'S SUBDIVISION OF LOTS 146 AND 148 AND SUB-LOT 1 OF LOT 149 IN BUTTERFIELD'S ADDITION TO CHICAGO, AFOREMENTIONED.

PARCEL 6:

LOTS 1 TO 9, INCLUSIVE, IN EICH'S SUBDIVISION OF LOT 147 IN BUTTERFIELD'S ADDITION TO CHICAGO, AFOREMENTIONED.

PARCEL 7:

THAT PART OF LOTS 1 AND 2 IN W. S. JOHNSON'S SUBDIVISION OF LOT 138 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING NORTHERLY AND NORTHEASTERLY OF THE FOLLOWING DESCRIBED LINES: COMMENCING AT THE NORTHEAST CORNER OF THE AFORESAID LOT 1, BEING THE SOUTHWEST CORNER OF LOT 137 IN AFORESAID BUTTERFIELD'S ADDITION, THENCE

WEST IN THE SOUTH LINE OF AFORESAID LOT 137 EXTENDED WEST, A DISTANCE OF 16.08 FEET TO A POINT; THENCE NORTHWESTERLY IN A LINE PARALLEL WITH THE SOUTHWESTERLY LINE OF SAID LOTS 1 AND 2 TO A POINT OF INTERSECTION WITH THE NORTHWESTERLY LINE OF SAID LOT 2 IN COOK COUNTY, ILLINOIS.

PARCEL 8:

LOTS 1 TO 5 (EXCEPT PARTS TAKEN FOR STREETS) IN BULMAN'S SUBDIVISION OF LOT 165 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE NORTHWEST $\frac{1}{4}$ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 9:

LOTS 1 TO 9, INCLUSIVE, AND THE EAST 10 FEET OF LOT 10 IN THE SUBDIVISION OF LOT 168 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE NORTHWEST $\frac{1}{4}$ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 10:

THE SOUTH $\frac{1}{2}$ OF VACATED WEST WEED STREET LYING EASTERLY OF NORTH OGDEN AVENUE AND WEST OF NORTH LARRABEE STREET IN THE WEST $\frac{1}{2}$ OF THE NORTHWEST $\frac{1}{4}$ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 11:

LOTS 1 AND 5 (EXCEPT THAT PART OF SAID LOTS TAKEN FOR STREETS) IN ASSESSOR'S DIVISION OF LOT 167 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE NORTHWEST $\frac{1}{4}$ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 12:

THAT PART OF LOT 166 LYING EASTERLY OF THE EASTERLY LINE OF OGDEN AVENUE IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE NORTHWEST $\frac{1}{4}$ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 13:

THAT PART OF LOTS 1 AND 2 LYING EAST OF THE EAST LINE OF OGDEN AVENUE IN BAUM'S SUBDIVISION OF THE WEST 15 FEET OF LOT 10 AND ALL OF LOT 11 IN THE SUBDIVISION OF LOT 168 IN BUTTERFIELD'S ADDITION TO CHICAGO, ALSO THE SOUTH $\frac{1}{2}$ OF THE WEST $\frac{1}{2}$ OF THE SOUTH 22 FEET OF THE NORTH $\frac{1}{2}$ OF THE WEST $\frac{1}{2}$ OF LOT 167 IN SAID BUTTERFIELD'S ADDITION TO CHICAGO, IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 14, 1915 AS DOCUMENT NUMBER 5691517, IN COOK COUNTY, ILLINOIS.

PARCEL 14:

ALL OF WEST SIEBENS PLACE AS OPENED BY CONDEMNATION PROCEEDING BY SUPERIOR COURT NO. 92859 DATED JULY 31, 1884 AND DESCRIBED AS FOLLOWS: THE NORTH 16 FEET OF THE SOUTH 23 FEET OF LOT 137; THE WESTERLY 10 FEET OF LOT 137 EXCEPT THE NORTH 16 FEET OF THE SOUTH 23 FEET THEREOF; THE WESTERLY 10 FEET OF LOT 139, 141 AND 143; THE NORTHEASTERLY 10 FEET OF LOTS 140, 142 AND 144; THENCE NORTHEASTERLY 10 FEET OF THAT PART OF LOT 138 LYING NORTHERLY OF THE NORTH LINE, EXTENDED WEST, OF THE SOUTH 7 FEET OF LOT 137, ALL IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO

THE SOUTHWESTERLY 10 FEET OF LOT 16 IN HINSCHKE'S SUBDIVISION OF LOTS 146 AND 148 AND SUBLOT 1 OF LOT 149 IN BUTTERFIELD'S ADDITION TO CHICAGO AFOREMENTIONED,

ALSO

THAT PART OF LOT 145 IN BUTTERFIELD'S ADDITION TO CHICAGO AFOREMENTIONED, WHICH LIES SOUTHWESTERLY OF THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 10 FEET OF LOT 16 IN HINSCHKE'S SUBDIVISION AFOREMENTIONED, PRODUCED SOUTHEASTERLY TO THE SOUTH LINE OF SAID LOT 145;

ALSO

THE NORTHEASTERLY 10 FEET OF RESERVE "B" IN HINSCHKE'S SUBDIVISION AFOREMENTIONED;

ALSO

THAT PART OF THE NORTHWESTERLY-SOUTHEASTERLY 10-FOOT PUBLIC ALLEY LYING BETWEEN LOTS 15 AND 16; TOGETHER WITH ALL OF THE NORTHEASTERLY-SOUTHWESTERLY 9-FOOT PUBLIC ALLEY AND 3.0 FOOT STRIP KNOWN AS RESERVE "B" (EXCEPT THE NORTHEASTERLY 10 FEET THEREOF) LYING SOUTHEASTERLY OF LOTS 9 TO 15, BOTH INCLUSIVE; AND THAT PART OF THE NORTHWESTERLY-SOUTHEASTERLY 12-FOOT PUBLIC ALLEY LYING BETWEEN LOT 9 AND LOTS 5 TO 8, BOTH INCLUSIVE, AND LYING SOUTHEASTERLY OF A LINE DRAWN FROM A POINT ON THE SOUTHWESTERLY LINE OF LOT 6, WHICH IS 39.15 FEET SOUTHEASTERLY OF THE MOST WESTERLY CORNER OF LOT 5 TO A POINT ON THE NORTH LINE OF LOT 17 WHICH IS 10.69 FEET EAST OF THE NORTHWEST CORNER OF LOT 17, ALL IN HINSCHKE'S SUBDIVISION OF LOTS 146 AND 148 AND SUB-LOT 1 IN BUTTERFIELD'S ADDITION TO CHICAGO AFOREMENTIONED IN COOK COUNTY, ILLINOIS.

PARCEL 15:

THE STRIP OF LAND MARKED "3 FOOT RESERVE B" ON PLAT OF HINSCHKE'S SUBDIVISION OF LOTS 146, 148 AND SUB-LOT 1 OF LOT 149 IN BUTTERFIELD'S

ADDITION TO CHICAGO, AFOREMENTIONED, (EXCEPT FROM SAID STRIP THE NORTHEASTERLY 10 FEET) IN COOK COUNTY, ILLINOIS.

PARCEL 16:

LOTS 11 THROUGH 17 AND THAT PART OF LOTS 9 AND 10 LYING WEST OF THE NORTHWESTERLY LINE OF OGDEN AVENUE, ALSO THAT PART OF LOTS 6, 7, 8, 9 AND 10 LYING WITHIN THE NORTHWESTERLY $\frac{1}{2}$ OF OGDEN AVENUE, AS OPENED IN BULMAN'S SUBDIVISION OF LOT 165 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE NORTHWEST $\frac{1}{4}$ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 17:

THAT PART OF LOT 166 LYING WEST OF THE NORTHWESTERLY LINE OF OGDEN AVENUE, ALSO THAT PART OF SAID LOT 166 LYING WITHIN THE NORTHWESTERLY $\frac{1}{2}$ OF OGDEN AVENUE, AS OPENED, IN BUTTERFIELD'S ADDITION TO CHICAGO, IN THE NORTHWEST $\frac{1}{4}$ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 18:

THAT PART OF LOT 2 LYING WEST OF THE NORTHWESTERLY LINE OF OGDEN AVENUE, ALSO THAT PART OF SAID LOT 2 LYING WITHIN THE NORTHWESTERLY $\frac{1}{2}$ OF OGDEN AVENUE, AS OPENED, IN ASSESSOR'S DIVISION OF LOT 167 IN BUTTERFIELD'S ADDITION TO CHICAGO, IN THE NORTHWEST $\frac{1}{4}$ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 19:

THAT PART OF LOT 1 LYING WEST OF THE NORTHWESTERLY LINE OF OGDEN AVENUE, ALSO THAT PART OF SAID LOT 1 LYING WITHIN THE NORTHWESTERLY $\frac{1}{2}$ OF OGDEN AVENUE, AS OPENED, IN CHRISTOPH F. BAUM'S SUBDIVISION OF PARTS OF LOTS 167 AND 168 IN BUTTERFIELD'S ADDITION TO CHICAGO, IN THE NORTHWEST $\frac{1}{4}$ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 20:

LOT 17 AND THAT PART OF LOTS 15 AND 16 LYING WEST OF THE NORTHWESTERLY LINE OF OGDEN AVENUE, ALSO THAT PART OF LOTS 13, 14, 15 AND 16 LYING WITHIN THE NORTHWESTERLY $\frac{1}{2}$ OF OGDEN AVENUE, AS OPENED, IN THE SUBDIVISION OF LOT 168 IN BUTTERFIELD'S ADDITION TO CHICAGO, IN THE NORTHWEST $\frac{1}{4}$ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 21:

THAT PART OF THE EAST 15 FEET OF NORTH FRONTIER STREET LYING NORTH OF THE NORTH LINE OF WEST BLACKHAWK STREET EXTENDED WEST, AND LYING

SOUTH OF THE NORTH LINE OF WEST WEED STREET (ALSO KNOWN AS ALASKA STREET), EXTENDED WEST, IN THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 22:

ALL THAT PART OF WEST WEED STREET (ALSO KNOWN AS ALASKA STREET) LYING WEST OF THE WESTERLY LINE OF NORTH OGDEN AVENUE, AS OPENED AND EAST OF THE EAST LINE OF NORTH FRONTIER STREET, EXTENDED NORTH, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 23:

THE NORTH ½ OF WEST BLACKHAWK STREET LYING EAST OF THE WEST LINE OF THE EAST 15 FEET OF NORTH FRONTIER STREET AND WEST OF NORTH LARRABEE STREET;

THE SOUTHEASTERLY ½ OF NORTH OGDEN AVENUE LYING NORTH OF WEST BLACKHAWK STREET AND SOUTH OF WEST WEED STREET;

THAT PART OF WEST WEED STREET LYING BETWEEN THE NORTHWESTERLY AND SOUTHEASTERLY LINES OF NORTH OGDEN AVENUE;

THE NORTH ½ OF VACATED WEST WEED STREET LYING EAST OF NORTH OGDEN AVENUE AND WEST OF NORTH LARRABEE STREET;

AND THAT PART OF LOT 12 IN THE SUBDIVISION OF LOT 168 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE NORTHWEST 1/4 OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EASTERLY OF A LINE DRAWN THROUGH A POINT ON THE SOUTH LINE OF ALASKA STREET, 106.39 FEET WEST OF THE WEST LINE OF LARRABEE STREET, AND THROUGH A POINT ON THE NORTH LINE OF BLACKHAWK STREET, 168.48 FEET EAST OF THE EAST LINE OF FRONTIER AVENUE, IN COOK COUNTY, ILLINOIS.

PARCEL 24:

THAT PART OF NORTH OGDEN AVENUE VACATED BY TO ORDINANCE RECORDED NOVEMBER 25, 1997 AS DOCUMENT NO. 97885164 LYING NORTHERLY OF THE NORTHEAST LINE OF NORTH CLYBOURN AVENUE, SOUTHERLY OF THE SOUTH LINE OF WEST BLACKHAWK STREET AND SOUTHEAST OF ORCHARD PARK SUBDIVISION, IN COOK COUNTY, ILLINOIS;

ALSO

THAT PART OF THE SOUTH ½ OF WEST BLACKHAWK STREET LYING EAST OF THE SOUTHEAST LINE OF ORCHARD PARK SUBDIVISION EXTENDED NORTHEASTERLY AND WEST OF THE WEST RIGHT OF WAY LINE OF NORTH LARRABEE AVENUE, IN COOK COUNTY, ILLINOIS.

ADDRESS:

1450-1500 NORTH LARRABEE
CHICAGO, ILLINOIS 60610

PINS:

17-04-106-001	LOT 17 OF PARCEL 16
17-04-106-002	LOT 16 OF PARCEL 16
17-04-106-003	LOT 15 OF PARCEL 16
17-04-106-004	LOT 14 OF PARCEL 16
17-04-106-005	LOT 13 OF PARCEL 16
17-04-106-006	LOT 12 OF PARCEL 16
17-04-106-007	LOT 11 OF PARCEL 16
17-04-106-008	LOT 10 OF PARCEL 16
17-04-106-009	LOT 9 OF PARCEL 16
17-04-106-010	A PORTION OF PARCEL 17
17-04-106-011	A PORTION OF PARCEL 17
17-04-106-012	PARCEL 18
17-04-106-013	PARCEL 19
17-04-106-014	PARCEL 20
17-04-107-005	PARCEL 12
17-04-107-006	LOT 1 OF PARCEL 11
17-04-107-007	LOT 2 OF PARCEL 11
17-04-107-008	PARCEL 13
17-04-107-009	LOTS 9 AND 10 OF PARCEL 9
17-04-107-010	LOTS 7 AND 8 PARCEL 9
17-04-107-011	LOTS 5 AND 6 PARCEL 19
17-04-107-012	LOT 4 OF PARCEL 9
17-04-107-013	LOT 1 OF PARCEL 9
17-04-107-014	LOTS 2 AND 3 OF PARCEL 9
17-04-107-015	PARCEL 10
17-04-119-001	LOT 15 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-002	LOT 14 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-003	LOT 13 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-004	LOT 12 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-005	LOT 11 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-006	LOT 10 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-007	LOT 9 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-008	LOT 8 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-009	LOT 6 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-010	LOT 7 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-011	LOT 8 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-119-012	PARCEL 15
17-04-119-013	A PORTION OF LOT 144 OF PARCEL 1
17-04-119-014	A PORTION OF LOT 144 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-119-015	LOT 1 OF PARCEL 4, AND A PORTION OF PARCEL 14
17-04-119-016	LOT 2 OF PARCEL 4, AND A PORTION OF PARCEL 14
17-04-119-017	LOT 3 OF PARCEL 4, AND A PORTION OF PARCEL 14

17-04-119-018	LOT 4 OF PARCEL 4, AND A PORTION OF PARCEL 14
17-04-119-019	A PORTION OF LOT 5 OF PARCEL 3, AND A PORTION OF PARCEL 14
17-04-119-020	A PORTION OF LOT 5 OF PARCEL 3, AND A PORTION OF PARCEL 14
17-04-119-021	LOT 6 OF PARCEL 3, AND A PORTION OF PARCEL 14
17-04-119-022	LOT 7 OF PARCEL 3, AND A PORTION OF PARCEL 14
17-04-119-023	LOT 4 OF PARCEL 2, AND A PORTION OF PARCEL 14
17-04-119-024	LOT 3 OF PARCEL 2, AND A PORTION OF PARCEL 14
17-04-119-039	PARCEL 7, AND A PORTION OF PARCEL 14
17-04-119-041	A PORTION OF PARCEL 14
17-04-120-001	LOT 16 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-120-002	LOT 17 OF PARCEL 5, AND A PORTION OF PARCEL 14
17-04-120-003	LOT 1 OF PARCEL 6
17-04-120-004	LOT 2 OF PARCEL 6
17-04-120-005	LOT 3 OF PARCEL 6
17-04-120-006	LOT 4 OF PARCEL 6
17-04-120-007	LOT 5 OF PARCEL 6
17-04-120-008	LOT 6 OF PARCEL 6
17-04-120-009	LOT 7 OF PARCEL 6
17-04-120-010	LOT 8 AND A PORTION OF LOT 9 OF PARCEL 6
17-04-120-011	A PORTION OF LOT 9 OF PARCEL 6
17-04-120-012	A PORTION OF LOT 9 OF PARCEL 6
17-04-120-013	A PORTION OF LOT 9 OF PARCEL 6
17-04-120-014	LOT 145 AND A PORTION OF LOT 143 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-120-015	A PORTION OF LOT 143 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-120-016	A PORTION OF LOT 141 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-120-017	A PORTION OF LOT 141 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-120-018	A PORTION OF LOT 141 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-120-019	A PORTION OF LOT 139 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-120-020	A PORTION OF LOT 139 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-120-021	A PORTION OF LOT 139 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-120-022	A PORTION OF LOT 139, AND A PORTION OF LOT 137 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-120-023	A PORTION OF LOT 137 OF PARCEL 1, AND A PORTION OF PARCEL 14
17-04-120-025	A PORTION OF LOT 137 OF PARCEL 1, AND A PORTION OF PARCEL 14

EXHIBIT C

IGA

(ATTACHED)

**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF CHICAGO AND
THE CHICAGO HOUSING AUTHORITY**

This Intergovernmental Agreement (the "Agreement") is entered into this ____ day of _____, 20__, by and between the City of Chicago (the "City"), a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, by and through its Department of Planning and Development, and the Chicago Housing Authority (the "CHA"), a municipal corporation of the State of Illinois.

RECITALS

WHEREAS, the City is a home rule unit of local government under the 1970 Constitution of the State of Illinois and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the CHA is engaged in the development and operation of safe, decent and sanitary housing throughout the City of Chicago for low-income families (the "CHA Housing Developments") in accordance with the United States Housing Act of 1937, 42 U.S.C. §1437 et seq., regulations promulgated by the United States Department of Housing and Urban Development ("HUD"), and the State Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances; and

WHEREAS, the City and CHA have authority to enter into intergovernmental agreements pursuant to Article VII, Section 10 of the 1970 Constitution of the State of Illinois; and

WHEREAS, the City has undertaken to assist the Board of Education of the City of Chicago (the "Board") with the construction of a new building for William Jones College Preparatory High School located at 700 South State Street, Chicago, Illinois, and to rehab the existing high school building; and

WHEREAS, the CHA has undertaken the redevelopment of the former Cabrini Green public housing site and surrounding areas into a mixed income community (the "Cabrini Redevelopment") as further set forth in its Plan for Transformation (the "Plan"); and

WHEREAS, the CHA owns the vacant block bounded by 23rd Street on the north, 24th Street on the south, Federal Street on the west and Dearborn Street on the east, as more fully described on **Exhibit A** hereto (the "CHA Property"); and

WHEREAS, the CHA Property is comprised of approximately 3.47 acres and is located in the immediate vicinity of the CHA's former Harold Ickes Homes; and

WHEREAS, the City owns, or is authorized to accept ownership of, the real property and improvements located at 1450 North Larrabee and formerly operated as Near North Career Metropolitan High School, as more fully described on **Exhibit B** hereto (the "Near North High School Property"), which contains a total land area of approximately 9.8 acres; and

WHEREAS, the City desires to (a) acquire the CHA Property from the CHA and thereafter convey such property to the Board for the construction of a new artificial turf field and running track for Jones College Prep, and (b) acquire the Near North High School Property from

the Board and thereafter convey such property to the CHA for purposes of providing additional housing and community services within the Cabrini Redevelopment in furtherance of the Plan.

NOW, THEREFORE, in consideration of the foregoing premises and the respective representations, warranties, agreements, covenants and conditions, mutual benefits and detriments herein contained, and other good and valuable consideration, the City and the CHA agree as follows:

1. Transfer of CHA Property to the City: The CHA agrees to convey by quitclaim deed, and the City agrees to accept, all of the CHA's right, title and interest in the CHA Property on or before the Closing Date as defined in Section 5 hereof and subject to the terms of this Agreement. The City agrees to accept such CHA Property "AS IS."

(i) Title: The City acknowledges that it has received a commitment for an owner's policy of title insurance for the CHA Property, File Number 40006062, with an effective date of February 06, 2013, issued by Greater Illinois Title Company. The City shall be solely responsible for and shall pay all costs associated with updating the title commitment or obtaining a new title commitment (including all search, continuation and later-date fees), and obtaining any title insurance and endorsements it deems necessary.

(ii) Survey: The City shall be responsible for obtaining a survey of the CHA Land at its sole option and expense.

(iii) Title or Survey Defects: The CHA agrees to remove the following exceptions to title identified in Schedule B of the above-referenced title insurance commitment: _____ The CHA shall have no obligation to cure any other title defects. In the event the title insurance commitment or survey discloses other matters that are unacceptable to the City, the City may elect to terminate this Agreement upon written notice to the CHA at any time prior to the Closing Date, or may elect to take the CHA Property subject to such title or survey defects (in which case all objections to any such matter shall be deemed to have been waived), without any adjustment in consideration.

(iv) Delivery of Possession: Possession of the CHA Property shall be delivered on the Closing Date.

(v) Environmental Conditions: If at any time prior to the Closing Date, the City determines, in its sole discretion, that the environmental condition of the CHA Property is unacceptable, the City may terminate this Agreement and shall have no obligation to convey the Near North High School Property or accept the CHA Property. In the event that the City elects to accept the CHA Property, then the CHA shall have no responsibility to remediate such CHA Property.

2. HUD approvals. The transfer of the CHA Property to the City is contingent upon: (i) the submission of any necessary application by CHA to HUD to dispose of all or any portion of the CHA Property, and HUD's written approval of the disposition, and (ii) HUD approval of the transfer of the Near North High School Property.

3. Transfer of Near North High School Property to CHA: The City agrees to convey by quitclaim deed, and the CHA agrees to accept, all of the City's right, title and interest in the

Near North High School Property on or before the Closing Date as defined in Section 5 hereof and subject to the terms of this Agreement. The CHA agrees to accept the Near North High School Property "AS IS."

- (i) Title: The CHA acknowledges that it has received a commitment for an owner's policy of title insurance for the Near North High School Property, File Number 40006784, with an effective date of March 13, 2013, issued by Greater Illinois Title Company. The CHA shall be solely responsible for and shall pay all costs associated with updating the title commitment or obtaining a new title commitment (including all search, continuation and later-date fees), and obtaining any title insurance and endorsements it deems necessary
- (ii) Survey: The CHA shall be responsible for obtaining a survey of the Near North High School Property at its sole option and expense.
- (iii) Title or Survey Defects: The City agrees to remove the following exceptions to title identified in Schedule B of the above-referenced title insurance commitment: _____ . The City shall have no obligation to cure any other title defects. In the event the title insurance commitment or survey discloses other matters that are unacceptable to the CHA, the CHA may elect to terminate this Agreement upon written notice to the City at any time prior to the Closing Date, or may elect to take the Near North High School Property subject to such title or survey defects (in which case all objections to any such matter shall be deemed to have been waived), without any adjustment in consideration.
- (iv) Delivery of Possession: Possession of the Near North High School Property shall be delivered on the Closing Date.
- (v) Environmental Conditions: If at any time prior to the Closing Date, the CHA determines, in its sole discretion, that the environmental conditions are unacceptable, the CHA may terminate this Agreement and shall have no obligation to convey the CHA Property or accept the Near North High School Property. In the event that the CHA elects to accept the Near North High School Property, then the City shall have no responsibility to remediate such Near North High School Property.
- (vi) Use of Athletic Fields: Jones College Prep has been using the athletic fields at the Near North High School Property for outdoor athletic programs, events and competitions. On or prior to the Closing Date, the CHA agrees to enter into a lease or other agreement, giving the Board the right to continue using the athletic fields until June 30, 2014.
- (vii) Use of Other Facilities: The Chicago Police Department, the Chicago Fire Department and other City departments and agencies have been using the Near North High School Property and its facilities (including, without limitation, the swimming pool) for training and other activities. On or prior to the Closing Date, the CHA agrees to enter into a lease or other agreement, giving the City the right to continue using such facilities until the Near North High School Property is permanently decommissioned or demolished for the Cabrini Redevelopment.

4. HUD approvals. The acquisition of the Near North High School Property by the CHA is contingent upon: (i) the submission of any necessary application by CHA to HUD to acquire all or any portion of the Near North High School Property, and HUD's written approval of the acquisition and (ii) HUD approval of the transfer of the CHA Property.

5. Closing Date: All land transfers contemplated herein will occur simultaneously on the Closing Date, unless both parties agree to separate closing dates. The Closing Date shall be a date agreed upon by the parties, but shall in any event occur on or before _____, 20__ (the "Closing Date"), or as mutually agreed to by the parties. The parties may, but shall not be obligated to, transfer the land covered by this Agreement non-simultaneously, upon schedules mutually agreeable. However, in the event a party conveys its property prior in time to the other party, nothing shall release the party who has not yet conveyed from its obligations to convey hereunder, it being understood that the consideration for this Agreement is the transfer of all parcels contemplated hereunder. Prior to the Closing Date, each party will provide the deliverables set forth above. On the Closing Date, each party will provide, or cause to be provided, their respective quitclaim deeds.

6. Right of Entry: Each party hereby grants the other party, and their contractors, a non-exclusive thirty (30) day right of entry to perform reasonable investigations and inspections of the properties covered by this Agreement no later than 45 days prior to the Closing Date, provided that no party shall have any obligation to perform such investigations under this Agreement. Prior to exercising such right of entry, the party requesting such entry (the "Grantee") shall provide, or shall require and cause its contractor(s) to provide to the party providing access (the "Grantor") (i) insurance reasonably acceptable to the respective Grantor (naming the Grantor as an additional insured and loss payee as requested) as a condition to entering the site, to protect the party granting access from losses, claims, damages, including property damages and death, arising out of or resulting from the conduct or activities of such contractor or other person at the site. Each party hereby releases the other from any claims, liabilities, costs, or expenses incurred as a result of its activities or presence on the site. The Grantee agrees that it will assure that (a) all necessary permits and licenses are obtained, maintained, and appropriately displayed, and (b) the site is restored and that any equipment or materials are removed prior to termination. The Grantee shall keep the premises free and clear from liens arising from its activities on the site. All such activities shall be conducted in compliance with applicable laws, including the environmental laws and any IEPA filings, if applicable.

7. Notices: All notices and communications concerning this Agreement shall be sent as follows:

If to the CHA:

Chicago Housing Authority
60 E. Van Buren, 12th Floor
Chicago, Illinois 60605
Attn: Chief Executive Officer

With a copy to:

Chicago Housing Authority
Office of the General Counsel
60 E. Van Buren, 12th Floor
Chicago, Illinois 60605
Attn: General Counsel

If to the City:

Department of Planning and Development

City of Chicago
121 North LaSalle Street
Room 1000, City Hall
Chicago, Illinois 60602
Attn: Commissioner

With a copy to:

City of Chicago
Department of Law
121 North LaSalle Street
Room 600, City Hall
Chicago, Illinois 60602
Attn: Deputy Corporation Counsel
Real Estate and Land Use Division

If to the Board

Chicago Board of Education
125 S. Clark Street
Chicago, Illinois 60603
Attn: Chief Operating Officer

With a copy to:

Chicago Board of Education
125 S. Clark Street
Chicago, Illinois 60603
Attn: General Counsel

Unless otherwise specified, any notice, demand, communication or request required hereunder shall be given in writing at the addresses set forth above and shall be effective (a) if given by personal service, upon delivery, (b) if sent by overnight courier, effective on the business day after delivery to such courier, or (c) if sent by registered or certified mail, return receipt requested, effective three (3) business days after mailing. The notice address for a party may be changed by giving notice in the manner in this Section.

8. Amendment No changes, amendments, modifications or discharge of this Agreement, or any part hereof, shall be valid unless in writing and signed by the authorized officer(s) of the City and the CHA or their respective successors and assigns.

9. Assignment Except as set forth in this Agreement, neither the City nor CHA shall assign, delegate or otherwise transfer all or any part of their rights or obligations under this Agreement, or any part hereof, unless as approved in writing by the other parties. The absence of written consent shall void the attempted assignment, delegation or transfer and shall render it of no effect.

10. No Third Party Beneficiary. This Agreement is for the sole and exclusive benefit of the City, the CHA and the Board and their respective successors and assigns.

11. No Joint Venture. Nothing contained in this Agreement may be construed to create or imply any partnership, joint venture or other association between the City, the CHA and /or HUD.

12. Headings. The section headings contained herein are for convenience only and are not intended to limit, expand or modify the provisions of such sections.

13. Non-liability of Public Officials. No official, employee, agent or elected or appointed representative of the City or of the CHA shall be charged personally by the other party with any liability or expense of defense or be held personally liable under any term or provision of this Agreement or because of City's or the CHA's execution or attempted execution or because of any breach hereof.

14. Counterparts. This Agreement is comprised of two or more identical counterparts, each of which may be fully executed by the parties and, executed, will be deemed an original having identical legal effect.

15. Authority. The persons signing this Agreement certify that they have the power and authority to enter into and execute this Agreement.

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

17. Governing Law. This Agreement shall be governed by and construed in accordance with Illinois law, without regard to its conflicts of law principles.

18. Entire Agreement. This Agreement, and the exhibits attached and incorporated hereby, shall constitute the entire Agreement between the Parties and no other warranties, inducements, considerations, promises or interpretations, which are not expressly addressed herein, shall be implied or impressed upon this Agreement.

19. Authority. The mutual conveyances and acceptance of the conveyances are authorized under the Local Government Property Transfer Act and/or the Housing Cooperation Act.

20. Exempt Status. The parties acknowledge that to the extent any of the properties conveyed hereunder were exempt from property taxes on the date of transfer, the basis for such exemption may no longer apply upon transfer of title, and that the transferred land may not continue as exempt unless a new exempt application is submitted by the respective transferee and approved by the tax authorities.

21. Termination. This Agreement shall commence as of the date of execution and shall terminate on the Closing Date or, as mutually agreed, the date on which the transfer of the last property is closed (unless sooner terminated in accordance with this Agreement) upon which any contractual responsibilities to the other party shall terminate.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Intergovernmental Agreement to be made, executed and delivered as of the day and year first above written.

CITY OF CHICAGO, by and through its
Department of Planning and Development

By: _____
Andrew J. Mooney
Commissioner

CHICAGO HOUSING AUTHORITY,
an Illinois municipal corporation

By: _____
Michael R. Merchant
Chief Executive Officer

(sub) EXHIBIT A

LEGAL DESCRIPTION OF CHA PROPERTY

SEE EXHIBIT A-2 TO ORDINANCE.

(sub) EXHIBIT B

LEGAL DESCRIPTION OF NEAR NORTH HIGH SCHOOL PROPERTY

SEE EXHIBIT B-2 TO ORDINANCE.



City of Chicago



O2014-1144

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 2/5/2014

Sponsor(s): Emanuel (Mayor)

Type: Ordinance

Title: Lease agreement with Metropolitan Pier and Exposition
Authority for access to City-owned land at 3050 S. Cottage
Grove Ave

Committee(s) Assignment: Committee on Housing and Real Estate



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith ordinances authorizing the execution of lease and license agreements.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Mayor

ORDINANCE

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

SECTION 1: The Commissioner of the Department of Fleet and Facility Management is authorized to execute on behalf of the City of Chicago, as Landlord, a Lease with the Metropolitan Pier and Exposition Authority, as Tenant, governing the Metropolitan Pier and Exposition Authority's access to vacant City-owned land located at 3050 South Cottage Grove Avenue for use as outdoor bus storage; such Lease to be approved as to form and legality by the Corporation Counsel in substantially the following form:

3050 South Cottage Grove Avenue
Metropolitan Pier and Exposition Authority
Lease No. 20307

SECTION 2: This Ordinance shall be effective from and after the date of its passage and approval.

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Agreement") is made and entered into this _____ day of _____, 2014 (the "Commencement Date"), by and between the **CITY OF CHICAGO**, an Illinois Municipal Corporation and Home Rule of Government (the "City") and **METROPOLITAN PIER AND EXPOSITION AUTHORITY**, a political subdivision of the State of Illinois, unit of local government, body politic and municipal corporation (the "MPEA").

RECITALS

WHEREAS, City is the owner of a vacant parking lot of approximately 79,000 square feet located at 3050 South Cottage Grove Avenue, Chicago, Cook County, Illinois (the "Premises"); and

WHEREAS, the Premises have no present municipal use; and

WHEREAS, MPEA owns McCormick Place®, a premier facility for tradeshows, conventions, and other gatherings; and

WHEREAS, patrons and visitors use various coach buses (the "MPEA Buses") to attend tradeshows, conventions and other gatherings at McCormick Place; and

WHEREAS, the MPEA Buses are occasionally staged at a parking lot similar to the Premises (the "IDOT Parking Lot") presently located under the outbound ramp owned by the Illinois Department of Transportation ("IDOT"); and

WHEREAS, IDOT has informed MPEA that IDOT will be performing improvements to the outbound ramp and that said improvements will render the IDOT Parking Lot inaccessible for an undisclosed period of time; and

WHEREAS, MPEA has requested access to the Premises strictly for the purpose of allowing MPEA to stage MPEA Buses on the Premises during certain events being held at McCormick Place; and

WHEREAS, MPEA's proposed access to the Premises shall not interfere with the City's future development of the Premises; and

WHEREAS, the Illinois Intergovernmental Cooperation Act (5 ILCS 220 *et. seq.*) authorizes municipalities and other branches of government to collaborate jointly in the effective delivery of public services.

WHEREAS, City has agreed to provide MPEA with access to the Premises.

NOW THEREFORE, in consideration of the covenants, terms and conditions set forth herein, the parties hereto agree and covenant as follows:

SECTION 1. GRANT

1.1 Grant. City hereby provides MPEA with access to the following described Premises situated in the City of Chicago, County of Cook, State of Illinois, to wit:

Approximately 79,000 square feet of land located at 3050 South Cottage Grove Avenue, Chicago, Cook County, Illinois (PIN 17-27-407-063).

SECTION 2. TERM

2.2 Term. The term of this Agreement ("Term") shall commence on the Commencement Date and shall end on February 28, 2015, unless sooner terminated as set forth in this Agreement.

SECTION 3. RENT, TAXES, AND UTILITIES

3.1 Rent. MPEA shall pay rent for access to the Premises in the amount of:

One Dollar (\$1.00) for the entire Term the receipt and sufficiency of said sum being herewith acknowledged by both parties.

3.2 Taxes and Other Levies. MPEA shall pay when due any leasehold taxes, duties, assessments, water and sewer charges, and other levies, if any, assessed against the Premises as a result of this Agreement for use by MPEA during the Term.

3.3 Utilities. MPEA shall pay when due all charges, if any, for electricity, light, and telephone or other communication service, and all other utility services used in or supplied to the Premises for MPEA's benefit.

3.4 Accord and Satisfaction. No payment by MPEA or receipt by City of a lesser amount than any installment or payment of any amounts due hereunder shall be deemed to be other than on account of the amount due, and no endorsement of statement or any check or any letter accompanying any check or payment of rent shall be deemed an accord and satisfaction. City may accept such check or payment without prejudice as to City's right to recover the balance of such installment or payment to pursue any other remedies available to City.

SECTION 4. CONDITION AND ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS, AND SURRENDER

4.1 Covenant of Quiet Enjoyment. City represents that it is the owner of the Premises and further covenants and agrees that MPEA, upon paying the rent and upon observing and keeping the covenants, agreements, and conditions of this Agreement on its part to be kept, observed, and performed, shall lawfully and quietly hold, occupy, and enjoy the Premises (subject to the provisions of this Agreement) during the Term without hindrance or molestation by City or by any person or persons claiming under City.

4.2 Right of Access. City shall have the right of unrestricted access to the Premises in order to further any possible future development of the Premises. City shall schedule its entry so as to minimize any interference with MPEA's use of Premises.

4.3 Use of the Premises. MPEA covenants not to do or suffer any waste or damage, comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments (collectively the "Laws") which may be applicable to the Premises or to the use or manner of use of the Premises. MPEA shall not use the Premises in a manner that would violate any then-existing Laws in effect as of the Commencement Date of the Agreement. Any activities on the Premises must be limited to MPEA's staging of MPEA Buses for McCormick Place operations (the "Use"). MPEA agrees that in utilizing said Premises that MPEA shall not discriminate against any member of the public because of race, creed, color, sexual orientation, political perspective, immigration status, or national origin. MPEA shall not charge a fee for Use of the Premises.

4.4 Alterations and Additions. MPEA may not make any alterations, additions, and improvements to the Premises without the express written consent of the Commissioner of the Department of Fleet and Facility Management.

SECTION 5. ASSIGNMENT, SUBAGREEMENT, AND LIENS

5.1 Assignment and Sublease. MPEA shall not assign this Agreement in whole or in part, or sublet the Premises or any part thereof without the express written consent of the Commissioner of the Department of Fleet and Facility Management in each instance.

5.2 MPEA's Covenant against Liens. MPEA, MPEA's contractors, or MPEA's subcontractors, shall not cause or permit any lien or encumbrance, whether created by act of MPEA (or MPEA's contractors or subcontractors), operation of law or otherwise, to attach to or be placed upon City's title or interest in the Premises. All liens and encumbrances created by MPEA shall attach to MPEA's interest only.

SECTION 6. INSURANCE AND INDEMNIFICATION

6.1 Insurance. MPEA shall procure and maintain, or cause MPEA's contractors, subcontractors or consultants that are undertaking the Use to procure and maintain, at MPEA's sole expense (or the expense of its contractors or subcontractors as applicable), during the entire term of this Agreement, the types and amounts of insurance set forth below with insurance companies authorized to do business in the State of Illinois, covering any work under this Agreement, whether performed by or on behalf of MPEA.

(a) Worker's Compensation and Employer's Liability Insurance. MPEA and its contractors and subcontractors shall procure and maintain Worker's Compensation Insurance, as prescribed by applicable law, covering all employees who are to provide a service under this Agreement, and Employer's Liability Insurance with limits of not less than \$100,000 each accident or illness.

(b) Commercial General Liability Insurance (Primary and Umbrella). MPEA and its contractors and subcontractors shall procure and maintain Commercial General Liability Insurance, or equivalent, with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability; provided, however, subcontractors performing work in connection with this Agreement may maintain limits of \$1,000,000 if the subcontract amount is less than \$100,000. Coverage shall include, at a minimum, all premises and operations, products/completed operations, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago shall be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the Activity.

(c) Automobile Liability Insurance (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with the Activity, MPEA and its contractors and subcontractors shall procure and maintain Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage; provided, however, subcontractors performing work in connection with this Agreement may maintain limits of \$1,000,000 if the subcontract amount is less than \$100,000. The City of Chicago shall be named as an additional insured with respect to such coverage on a primary, non-contributory basis.

(d) Professional Liability Insurance. When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, such parties shall procure and maintain Professional Liability Insurance covering acts, errors, or omissions with limits of not less than \$1,000,000, with coverage including contractual liability. When a policy is renewed or replaced, the policy retroactive date must coincide with, or precede, the start of work under this Agreement. A claims-made policy that is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago shall be named as an additional insured with respect to such coverage on a primary, non-contributory basis.

(e) All Risk Property. MPEA and its contractors and subcontractors shall be responsible for all loss or damage to personal property (including, without limitation, material, equipment, tools and supplies), owned, rented or used by MPEA or its contractors and subcontractors.

MPEA shall deliver, or cause its contractors or subcontractors to deliver, to City certificates of insurance required hereunder. The receipt of any certificate does not constitute agreement by City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements set forth herein. The failure of City to obtain certificates or other evidence of insurance from MPEA (or its contractors or subcontractors as applicable) shall not be deemed to be a waiver by City of the insurance requirements set forth herein. MPEA shall advise all insurers of the insurance requirements set forth herein and the nature of its Use of the Premises. Non-conforming insurance, or failure to submit a Certificate of Insurance evidencing such coverages, shall not relieve MPEA of the obligation to provide insurance as specified herein. City may terminate this

Agreement for non-fulfillment of the insurance conditions, and retains the right to temporarily suspend the Use until proper evidence of insurance is provided.

MPEA (or its contractors or subcontractors as applicable) shall be responsible for any and all deductibles or self-insured retentions. MPEA agrees that insurers shall waive their rights of subrogation against City, its employees, elected officials, agents, and representatives. MPEA expressly understands and agrees that any coverages and limits furnished by it (or its contractors or subcontractors as applicable) shall in no way limit MPEA's liabilities and responsibilities specified in this Agreement or by law. MPEA expressly understands and agrees that its insurance (or that of its contractors or subcontractors as applicable) is primary and any insurance or self-insurance programs maintained by City shall not contribute with insurance provided by MPEA (or its contractors or subcontractors as applicable) under this Agreement. The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

MPEA shall require all contractors and subcontractors to maintain the above-described coverage, or MPEA may provide such coverage for its contractors and subcontractors. If MPEA or any contractor or subcontractor wants additional coverage, such party shall be responsible for the acquisition and cost of such additional protection. City shall have no responsibility to provide insurance or security for the Premises, material, supplies, or equipment to be used by MPEA or any of its contractors or subcontractors in connection with the Use.

The City of Chicago, Department of Finance, Office of Risk Management, maintains the right to modify, delete, alter or change these requirements, provided that MPEA is provided with thirty (30) days' prior written notice of such amendment.

6.2 MPEA's Indemnification. MPEA shall indemnify, defend, and hold City harmless against all third-party liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, costs, damages, and expenses (including reasonable attorney's fees, expenses, and court costs), and loss or damage to personal property suffered by MPEA, its agents, employees, invitees, contractors, subcontractors, and consultants, whether such claim is related to or arises from personal injury, property damage, or property loss which may be expended by or accrue against, be charged to, or be recovered from City or MPEA by reason of MPEA's performance of or failure to perform any of MPEA's obligations under this Agreement, or MPEA's grossly negligent acts or failure to act, or resulting from the acts or failure to act of MPEA's or any of MPEA's contractors, subcontractors, respective officers, directors, agents, employees, or invitees.

SECTION 7. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS

7.1 Conflict of Interest. No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial interest (as directed in Chapter 2-156 of the Municipal Code), either direct or indirect, in the Premises. Nor shall any such official, employee, or member participate in making or in any way attempt to use his or her position to influence any City governmental decision or action with respect to this Agreement.

7.2 Duty to Comply with Governmental Ethics Ordinance. City and MPEA shall comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics," including but not limited to section 2-156-120, which states that no payment, gratuity or offer of employment shall be made in connection with any City of Chicago contract, as an inducement for the award of a contract or order. Any contract or Agreement negotiated, entered into, or performed in violation of any of the provisions of Chapter 2-156 shall be voidable as to the City of Chicago.

SECTION 8. HOLDING OVER

8.1 Holding Over. Any holding over by MPEA shall be construed to be a tenancy from month to month beginning on March 1, 2015 and the rent shall be the same as listed in Section 3.1 of this Agreement. During such holding over all other provisions of this Agreement shall remain in full force and effect.

SECTION 9. MISCELLANEOUS

9.1 Notice. All notices, demands and requests which may be or are required to be given, demanded or requested by either party to the other shall be in writing. All notices, demands and requests by MPEA to City shall be delivered by national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid addressed to City as follows:

City of Chicago
Department of Fleet and Facility Management
Office of Real Estate Management
30 North LaSalle Street - Suite 300
Chicago, Illinois 60602

or at such other place as City may from time to time designate by written notice to MPEA. All notices, demands, and requests by City to MPEA shall be delivered by a national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to MPEA as follows:

Metropolitan Pier and Exposition Authority
301 East Cermak Road
Chicago, Illinois 60616
Attention: General Counsel

or at such other place as MPEA may from time to time designate by written notice to City. Any notice, demand or request which shall be served upon MPEA by City, or upon City by MPEA, in the manner aforesaid, shall be deemed to be sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed.

LEASE NO. 20307

9.2 Partial Invalidity. If any covenant, condition, provision, term or agreement of this Agreement shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms, and agreements of this Agreement shall not be affected thereby, but each covenant, condition, provision, term, or agreement of this Agreement shall be valid and in force to the fullest extent permitted by law.

9.3 Governing Law. This Agreement shall be construed and be enforceable in accordance with the laws of the State of Illinois.

9.4 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Agreement. This Agreement contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by the parties hereto.

9.5 Captions and Section Numbers. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Agreement nor in any way affect this Agreement.

9.6 Binding Effect of Agreement. The covenants, agreements, and obligations contained in this Agreement shall extend to, bind, and inure to the benefit of the parties hereto and their legal representatives, heirs, successors, and assigns.

9.7 Time is of the Essence. Time is of the essence of this Agreement and of each and every provision hereof.

9.8 No Principal/Agent or Partnership Relationship. Nothing contained in this Agreement shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

9.9 Authorization to Execute Agreement. The parties executing this Agreement hereby represent and warrant that they are the duly authorized and acting representatives of City and MPEA respectively and that by their execution of this Agreement, it became the binding obligation of City and MPEA respectively, subject to no contingencies or conditions except as specifically provided herein.

9.10 Termination of Agreement. City and MPEA shall have the right to terminate this Agreement for any reason without prepayment or penalty by providing thirty (30) days prior written notice at any time after the Commencement Date.

9.11 Force Majeure. When a period of time is provided in this Agreement for either party to do or perform any act or thing, the party shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, wars, governmental regulation or control, and other causes beyond the reasonable control of the party, and in any such event the time period shall be extended for the amount of time the party is so delayed.

9.12 Amendments. From time to time, the parties hereto may administratively amend this Agreement with respect to any provisions reasonably related to MPEA's use of the Premises and/or City's administration of said Agreement. Provided, however, that such amendment(s) shall not serve to extend the Agreement term hereof nor serve to otherwise materially alter the essential provisions contained herein. Such amendment(s) shall be in writing, shall establish the factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both City and MPEA. Such amendment(s) shall only take effect upon execution by both parties. Upon execution, such amendment(s) shall become a part of this Agreement and all other provisions of this Agreement shall otherwise remain in full force and effect.

SECTION 10. ADDITIONAL RESPONSIBILITIES OF MPEA

10.1 Condition upon Termination. Upon the termination of this Agreement, MPEA shall surrender the Premises to City in a comparable condition to the condition of the Premises as of the Commencement Date, with normal wear and tear taken into consideration.

10.2 Satisfaction with Condition. MPEA agrees that MPEA has inspected the Premises and all related areas and grounds and that MPEA is satisfied with the physical condition thereof. MPEA accepts the Premises in "as-is" condition and the MPEA shall undertake the Use of the Premises at MPEA's sole risk.

10.3 Maintenance. MPEA shall provide any maintenance services required for its Use of the Premises. MPEA shall keep the Premises clean and free of debris. MPEA acknowledges that City has no maintenance or custodial obligations with respect to the Premises.

10.4 Illegal Activity. MPEA, or any of its agents and employees, shall not perform or permit any practice that is injurious to the Premises or increases the rate of any applicable insurance on the Premises.

10.5 Hazardous Materials. MPEA shall keep out of Premises materials which cause a fire hazard or safety hazard. MPEA shall not destroy, deface, damage, impair, nor remove any part of the Premises or facilities, equipment or appurtenances thereto.

10.6 Alcohol and Drugs. MPEA agrees that no alcoholic beverages of any kind or illegal drugs be sold, given away, or consumed on the Premises.

10.7 Security. MPEA shall be responsible for properly securing and safeguarding the MPEA Buses, MPEA's equipment, other vehicles, or materials placed on the Premises under this Agreement. MPEA acknowledges that City shall not have any security responsibilities relative to the MPEA's Buses, MPEA's equipment, other vehicles, or materials.

10.8 Snow Removal. MPEA shall promptly remove any snow and ice from the Premises and from the sidewalks adjacent to the Premises. MPEA acknowledges that City shall not have any snow removal responsibilities to the Premises and from the sidewalks adjacent to the Premises.

LEASE NO. 20307

10.9 No Substitute for Required Permitting. MPEA must secure all permits and approvals, if any, that may be required to undertake the Use. MPEA understands that this Agreement shall not act as a substitute for any other permitting or approvals that may be required to undertake the Use.

10.10 Repairs. MPEA shall be responsible for any damage to the Premises caused by the negligence of MPEA and its agents, employees, invitees, contractors, subcontractors, and consultants.

10.11 Usage Restrictions. MPEA shall not charge a fee for use of the Premises. MPEA shall not create excessive noise, disruptions, or otherwise interfere or conflict with the residential nature of the adjacent area. MPEA shall coordinate any access issues to the Premises with City's Department of Fleet and Facility Management and with any contractors hired by City's Department of Fleet and Facility Management.

10.12 No Other Rights. This Agreement does not give MPEA any other right with respect to the Premises. Any rights not specifically granted to MPEA by and through this Agreement are reserved exclusively to City. Execution of this Agreement does not obligate City in any manner and City shall not undertake any additional duties or services.

10.13 Future Site Development. MPEA acknowledges that City's Department of Housing and Economic Development and/or its successor department(s) is actively marketing the Premises for development opportunity. MPEA understands that the development of the Premises is critical to the continued economic vibrancy of the area. In the event of such disposition, MPEA's sole remedy is to vacate the Premises within thirty (30) days of such disposition. City is under no obligation to provide MPEA with alternative locations for MPEA's operations.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

LEASE NO. 20307

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Commencement Date.

CITY:

CITY OF CHICAGO,
an Illinois Municipal Corporation and Home Rule Unit of Government
DEPARTMENT OF FLEET AND FACILITY MANAGEMENT

By: _____
Commissioner

APPROVED AS TO FORM AND LEGALITY:
BY: THE DEPARTMENT OF LAW

By: _____
Deputy Corporation Counsel
Real Estate Division

MPEA:

METROPOLITAN PIER AND EXPOSITION AUTHORITY,
an Illinois Municipal Corporation

By: _____

Name: _____

Its: _____

APPROVED AS TO FORM AND LEGALITY:

By: _____
MPEA Assistant General Counsel



City of Chicago



A2014-33

Office of the City Clerk

Document Tracking Sheet

Meeting Date:

2/5/2014

Sponsor(s):

Emanuel (Mayor)

Type:

Appointment

Title:

Appointment of Maurice Green as member of Special
Service Area No. 47, 47th Street and Cottage Grove
Commission

Committee(s) Assignment:

Committee on Finance

FIN.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

I have appointed Maurice Green as a member of Special Service Area No. 47, the 47th Street and Cottage Grove Commission, for a term effective immediately and expiring September 9, 2015, to succeed Lamont J. Robinson, whose term has expired.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

Mayor



City of Chicago



A2014-35

Office of the City Clerk

Document Tracking Sheet

Meeting Date:

2/5/2014

Sponsor(s):

Emanuel (Mayor)

Type:

Appointment

Title:

Appointment of Stephanie D. Fishel and Andrew S. Levin as
members of Special Service Area No. 60, Albany Park
Commission

Committee(s) Assignment:

Committee on Finance

FIN



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

I have appointed Stephanie D. Fishel and Andrew S. Levin as members of Special Service Area No. 60, the Albany Park Commission, for terms effective immediately and expiring January 15, 2017.

Your favorable consideration of these appointments will be appreciated.

Very truly yours,

Mayor



City of Chicago



A2014-36

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	2/5/2014
Sponsor(s):	Emanuel (Mayor)
Type:	Appointment
Title:	Appointment of Timothy Hughes as member of Chicago Community Land Trust Board
Committee(s) Assignment:	Committee on Housing and Real Estate



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

I have appointed Timothy Hughes as a member of the Chicago Community Land Trust Board for a term effective immediately and expiring February 1, 2015, to succeed Alicia M. Berg, whose term has expired.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

Mayor



City of Chicago



A2014-38

Office of the City Clerk

Document Tracking Sheet

Meeting Date:

2/5/2014

Sponsor(s):

Emanuel (Mayor)

Type:

Appointment

Title:

Appointment of Denise B. Gardner as member of Chicago Public Library Board

Committee(s) Assignment:

Committee on Budget and Government Operations



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

I have appointed Denise B. Gardner as a member of the Chicago Public Library Board for a term effective immediately and expiring June 30, 2015, to complete the unexpired term of Israel Idonije, who has resigned.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

Mayor



City of Chicago



O2014-838

Office of the City Clerk

Document Tracking Sheet

Meeting Date:

2/5/2014

Sponsor(s):

Emanuel (Mayor)

Type:

Ordinance

Title:

Amendment of 2014 Annual Appropriation Ordinance within Fund No. 925 for Mayor's Office and Chicago Department of Transportation

Committee(s) Assignment:

Committee on Budget and Government Operations

BVDG



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

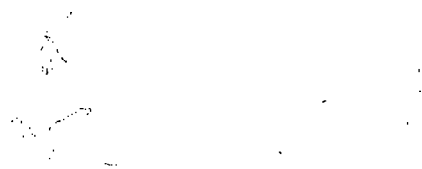
Ladies and Gentlemen:

At the request of the Budget Director, I transmit herewith a Fund 925 Amendment.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor



ORDINANCE

WHEREAS, the Annual Appropriation Ordinance for the year 2014 of the City of Chicago (the "City") contains estimates of revenues receivable as grants from agencies of the state and federal governments and public and private agencies; and

WHEREAS, in accordance with Section 8 of the Annual Appropriation Ordinance, the heads of various departments and agencies of the City have applied to agencies of the state and federal governments and public and private agencies for grants to the City for various purposes; and

WHEREAS, the City through its Mayor's Office has been awarded private grant funds in the amount of \$155,000 by Illinois Science & Energy Innovation Foundation which shall be used for the Smart Grid/Energy Efficiency Consumer Education Program; and

WHEREAS, the City through its Department of Transportation has been awarded public grant funds in the amount of \$1,170,000 by the Metropolitan Water Reclamation District of Greater Chicago which shall be used for the Albany Park Stormwater Diversion Tunnel Program; now, therefore,

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

SECTION 1. The sum of \$1,325,000 not previously appropriated, representing increased grant awards is hereby appropriated from Fund 925 - Grant Funds for the year 2014. The Annual Appropriation Ordinance is hereby further amended by striking the words and figures and adding the words and figures indicated in the attached Exhibit A which is hereby made a part hereof.

SECTION 2. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 3. This ordinance shall be in full force and effect upon its passage and approval.

**EXHIBIT A
AMENDMENT TO THE 2014 APPROPRIATION ORDINANCE**

CODE DEPARTMENT AND ITEM
ESTIMATE OF GRANT REVENUE FOR 2014

STRIKE ADD
AMOUNT AMOUNT

Awards from Public and Private Agencies \$ 24,989,000 \$ 26,314,000

925 - Grant Funds

STRIKE AMOUNT	ADD AMOUNT	STRIKE AMOUNT	ADD AMOUNT	STRIKE AMOUNT	ADD AMOUNT
2014 Anticip'd Grant	2014 Anticip'd Grant	2014 Carryover	2014 Carryover	2014 Total	2014 Total

1 Mayor's Office:

Smart Grid/Energy Efficiency Consumer Education

\$ 155,000

\$ 155,000

84 Chicago Department of Transportation:

Albany Park Stormwater Diversion Tunnel

1,170,000

1,170,000



City of Chicago



O2014-1367

Office of the City Clerk

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Meeting Date:

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Sponsor(s):

Emanuel (Mayor)

Mitts (37)

Type:

Ordinance

Title:

Amendment of Title 9 by adding new Chapter 9-115
establishing transportation network provider license

Committee(s) Assignment:

Committee on License and Consumer Protection



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Business Affairs and Consumer Protection, I transmit herewith, together with Alderman Mitts, an ordinance establishing a transportation network provider license.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

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

SECTION I. Title 9 of the Municipal Code of Chicago is hereby amended by adding a new Chapter 9-115, as follows:

Chapter 9-115 TRANSPORTATION NETWORK PROVIDERS

9-115-010 Definitions.

For purposes of this chapter the following definitions shall apply:

"Commissioner" means the city's commissioner of business affairs and consumer protection.

"Compensation" means any payment or donation received, or economic or business benefit obtained, for providing a transportation network service.

"Department" means the city's department of business affairs and consumer protection.

"Licensee" or "transportation network licensee" means the holder of, or a person that is required to hold, a transportation network provider license issued pursuant to this chapter.

"License" means a transportation network provider license.

"Operation of a transportation network vehicle" or "operating a transportation network vehicle" means offering, making available, or using a transportation network vehicle to provide a transportation network service, including any time when a driver is logged onto the transportation network provider's Internet-enabled application or digital platform showing that the driver is available to pick up passengers; when a passenger is in the vehicle; when the provider's dispatch records show that the vehicle is dispatched; or when the driver has accepted a dispatch and is enroute to provide a transportation network service to a passenger.

"Prenarranged transportation service" means a transportation service that is offered and accepted through a licensee's Internet-enabled application or digital platform before the transportation commences.

"Place of business in the City of Chicago" means a location where (1) the city may send, and the licensee shall accept, notices of hearing or other notices from the city; and (2) the licensee maintains its business and financial records relating to its license.

"Transportation network driver" or "driver" means an individual affiliated with a transportation network provider or with a person who is affiliated with a provider to transport passengers for compensation using a transportation network vehicle.

"Transportation network provider" or "provider" means a person that offers or provides a transportation network service.

"Transportation network service" or "service" means a prearranged transportation service offered or provided for compensation using an Internet-enabled application or digital platform to connect potential passengers with transportation network drivers. The term

“transportation network service” does not include a “ridesharing arrangement” as that term is defined in section 2 of the Illinois Ridesharing Arrangements Act, codified at 625 ILCS 30/2.

“Transportation network vehicle” means any vehicle used to provide a transportation network service.

“Wheelchair accessible transportation network vehicle” means a transportation network vehicle that a person in a wheelchair may enter and exit independently or with assistance while seated in a wheelchair. A wheelchair accessible transportation network vehicle shall safely secure and restrain the wheelchair, and shall comply with all applicable standards provided by law for wheelchair accessible vehicles.

9-115-020 Transportation network provider license – Required.

(a) No person shall engage in a transportation network provider business in the city without a transportation network provider license issued pursuant to this Chapter.

(b) No vehicle shall be used as a transportation network vehicle in the city except by a driver affiliated with a transportation network provider licensed pursuant to this chapter.

(c) It shall be unlawful for any transportation network provider licensed by another jurisdiction to provide a transportation network service within the corporate boundaries of the city, except where the passengers have as their destination the community in which such provider is licensed.

(d) A transportation network vehicle operated by a driver affiliated with a provider licensed by another jurisdiction may come into the city to discharge passengers whose trip originated outside of the city.

9-115-030 Transportation network provider license – Fee and license term.

(a) The annual fee for the issuance or renewal of a transportation network provider license shall be \$25,000.00 plus \$25 for each transportation network driver registered with the applicant on the day of application. A licensee shall pay, as provided by the commissioner, any license fee remained unpaid as a result of registering additional drivers during the term of the license. The license fee shall be paid as a precondition to issuance or renewal of the license and shall not be prorated.

(b) Except for the initial license period, a transportation network provider license shall be issued or renewed for a one-year license term starting on April 1.

(c) Nothing in this section shall affect the rights of the city to impose or collect any other applicable tax upon the use or operation of a transportation network vehicle in addition to the license fee specified in this section.

(d) A transportation network provider license is non-transferable.

9-115-040 Transportation network provider license – Application.

Application for the issuance or renewal of a transportation network provider license shall be made in writing to the department on a form provided by the department and signed and sworn to by the applicant or, if the applicant is a corporation, limited liability company, or partnership, by its authorized agent. Each application, in addition to any other information that the commissioner may reasonably require in connection with issuance or renewal of a license, shall contain at a minimum:

(1) If the license applicant is an individual:

- (i) The individual's full name, social security number, residence address, business address, business e-mail address and business telephone number;
 - (ii) Proof that the applicant is at least 18 years of age;
- (2) If the license applicant is a corporation:
 - (i) The corporate name, business address and telephone number of the applicant;
 - (ii) The date and state of incorporation;
 - (iii) The full names, titles, social security numbers, residence addresses, e-mail addresses and residence telephone numbers of its corporate officers, and of those stockholders who own 25 percent or more of its voting shares, and of its authorized agent;
 - (iv) Proof that all corporate officers are at least 18 years of age; and
 - (v) Proof that the corporation is in good standing under the laws of the State of Illinois.
- (3) If the license applicant is a partnership or limited liability company:
 - (i) The name, business address or principal office address and telephone number of the applicant;
 - (ii) The full names, social security numbers, residence addresses, e-mail addresses and residence telephone numbers of (a) the three members who own the highest percentage interests in such partnership or limited liability company, (b) the general partner of a partnership, (c) the managing member of a limited liability company, (d) the applicant's authorized agent, and (e) any other member who owns a 25 percent or more interest therein;
 - (iii) The full name, address, e-mail address and telephone number of a person authorized to receive notices issued pursuant to this chapter; and
 - (iv) Proof that all persons, partners, managers, managing members and members, as applicable, are at least 18 years of age.

9-115-050 Transportation network provider license – Qualifications for license.

- (a) In order to qualify for a transportation network provider license, whether upon initial application or upon application for renewal of a license:
 - (1) an applicant shall be in compliance with all applicable city, State of Illinois and federal laws;
 - (2) an applicant shall have a place of business in the City of Chicago:
 - (i) with respect to any corporate or limited liability company applicant, the company shall be organized or qualified to do business under the laws of the State of Illinois and have a place of business in the City of Chicago; or

- (ii) with respect to any partnership applicant, the partnership shall have a place of business in the City of Chicago; or
- (iii) with respect to any individual applicant, the applicant shall be a citizen or legal resident of the United States, residing and domiciled in the City of Chicago.

(b) In determining whether an applicant is qualified for a transportation network provider license, or the renewal thereof, the commissioner shall take into consideration:

(1) The character and reputation of the applicant or its members, officers or directors, including, if applicable, the disciplinary record of the applicant, or of any officer or director of a corporate applicant, as a city license holder;

(2) The applicant's ability to provide lawful, safe, suitable and comfortable service and the applicant's ability to engage qualified transportation network drivers and eligible transportation network vehicles;

(3) The applicant's ability to maintain mandated insurance for the payment of personal injury, death, property damage, and other insurable claims; and

(4) The applicant's financial ability to pay all judgments and awards which may be rendered for any cause arising out of the operation of a transportation network provider business.

(c) No applicant is eligible for a license if any transportation network provider license held by the applicant, or by any officer or director of a corporate applicant or partner of a partnership applicant, has been revoked within the previous five years, or if the applicant, or any officer or director of a corporate applicant or partner in a partnership applicant, within the five years immediately preceding the date of his application, has been either convicted, or in custody, under parole or under any other noncustodial supervision resulting from a conviction in a court of any jurisdiction for the commission of any felony as defined by Article 2 of the Illinois Criminal Code of 2012, codified at 720 ILCS 5/2-0.5 et seq., or its equivalent under federal or other jurisdictional law.

9-115-060 Transportation network provider license – Investigation and issuance.

(a) Upon receipt of an application for the issuance or renewal of a transportation network provider license, the commissioner may investigate the applicant for compliance with all applicable provisions of this Code, including but not limited to, the applicant's compliance or ability to comply with the license qualification requirements specified in Section 9-115-050.

(b) Every individual applicant shall be required to submit to fingerprinting and shall provide photos of the applicant as required by the commissioner. The authorized agent of every corporate, limited liability company, or partnership applicant shall be required to submit to fingerprinting and shall provide photos of the authorized agent as required by the commissioner. Applicants shall be responsible for the costs of fingerprinting and photos.

(c) As part of the application process, fees sufficient to cover the costs of processing fingerprints and photos will be assessed in addition to the license fees set forth in this Code. The fingerprinting and photo fees will be assessed regardless of whether the license applied for

is issued or denied. The amount of the fees shall be set forth by rules and regulations promulgated by the commissioner.

(d) If an application for the issuance or renewal of a license is denied, the applicant may within ten days of the mailing of notice of the denial make a written demand upon the commissioner for a hearing. Upon receipt of a timely written demand for a hearing the commissioner shall within 30 days conduct a hearing. If at such a hearing the applicant establishes through competent evidence that the denial was based upon incorrect findings the commissioner shall issue the license. If at such a hearing the denial is found to have been based upon correct findings, the denial shall become final. After entry of a final denial, the applicant shall be ineligible to make a new application for a period of 18 months.

9-115-070 Transportation network provider license – Rescission.

The commissioner shall have the power to rescind, pursuant to this section, any transportation network provider license erroneously or illegally issued or renewed pursuant to this section. In order for such a rescission to be effective, the commissioner shall notify the licensee of the date the rescission will take effect. The notice shall be provided by first-class mail or in person. The commissioner shall indicate in such notice the basis for the rescission and shall also indicate a date and time, prior to the proposed rescission date, upon which the licensee may appear before the commissioner, or his or her designee, to contest the proposed rescission. The licensee shall also be informed that he or she shall be entitled to present to the commissioner or his or her designee any document, including affidavits, relating to the proposed rescission. Following the appearance of the licensee before the commissioner, the commissioner may affirm or reverse the rescission decision based upon the evidence presented by the licensee. The commissioner's decision shall be in writing and shall be mailed to the licensee at least five days before a license rescission is effective. A licensee may appeal the commissioner's decision to any court of competent jurisdiction.

9-115-080 Transportation network provider license – Insurance required.

(a) Every licensee and transportation network driver shall comply with all applicable insurance requirements mandated by federal, State of Illinois, and city laws.

(b) Each applicant for the issuance or renewal of a transportation network provider license shall provide proof that the applicant has commercial general liability insurance and commercial automobile liability insurance, issued by an insurer authorized to insure in Illinois, to secure payment by the applicant of any final judgment or settlement of any claim against the applicant, the drivers, or employees of the applicant's transportation network provider business resulting from any occurrence arising out of or caused by the operation of a transportation network vehicle. Such insurance shall be primary and noncontributory.

(c) Such insurance policies shall provide at least the following minimum coverage: (1) commercial general liability insurance with limits of not less than \$1,000,000.00 per occurrence, for bodily injury, personal injury, and property damage; (2) commercial automobile liability insurance with a combined single limit for bodily injury and property damage of \$1,000,000.00 per occurrence, covering liability resulting from any occurrence arising out of or caused by the operation of a transportation network vehicle (including owned, hired, and non-owned vehicles).

(d) The insurance policies required in this section shall be (i) available to cover claims as specified in this section regardless of whether a driver maintains insurance adequate to cover any portion of the claim; (ii) disclosed on the licensee's Internet-enabled application and website, and (iii) maintained in force at all times that the transportation network provider offers or provides transportation network service.

(e) No transportation network provider license shall be issued unless the applicant first provides certified copies of the insurance policies required in this section to the commissioner.

(f) Any driver shall provide to any authorized law enforcement officer, in addition to any applicable insurance, proof of the insurance policies required by this section in case of an accident involving a transportation network vehicle while he is operating a transportation network vehicle.

9-115-090 Transportation network vehicles – Ownership and standards..

(a) No licensee shall own, provide financing for the obtaining, leasing, or ownership of, or have a beneficial interest in transportation network vehicles.

(b) In addition to all other applicable legal requirements, it shall be unlawful for any person to operate or cause to be operated any transportation network vehicle unless such vehicle:

- (1) has a manufacturer's rated seating capacity of less than ten persons, including the transportation network driver;
- (2) has at least two doors and meets applicable Federal Motor Vehicle Safety Standards for vehicles of its size, type and proposed use;
- (3) is a coupe, sedan, or light-duty vehicle, including a van, minivan, sport utility vehicle, pickup truck, hatchback or convertible; and
- (4) has not been issued the title class of "salvage," "rebuilt," "junk," "total loss," or any equivalent classification in any jurisdiction.

(c) No vehicle licensed as a taxi or public transportation vehicle in any jurisdiction shall be operated as a transportation network vehicle. However, nothing provided in this subsection shall be construed to prohibit or limit the provision of prearranged ride services by taxicabs or other public transportation vehicles pursuant to Chapters 9-112 and 9-114.

(d) The licensee and the licensee's driver shall be jointly and severally liable if the licensee permits the licensee's driver to use a vehicle that does not meet the requirements for a transportation network vehicle.

9-115-100 Transportation network Vehicles – Inspections.

(a) Prior to using any transportation network vehicle, and annually thereafter, a licensee or a transportation network driver shall have the vehicle inspected at a city-licensed motor vehicle repair shop or at a facility designated by the commissioner, and maintain complete documentation of such inspections in the vehicle at all times, and a written copy of such documentation shall be provided to the commissioner upon request. To pass such inspection, a transportation network vehicle shall, at a minimum, be rust-free and shall pass the following inspections:

1. Foot brakes;
2. Emergency brakes;
3. Steering mechanism;
4. Windshield;
5. Rear window and other glass;
6. Windshield wipers;

7. Headlights;
8. Tail lights;
9. Turn indicator lights;
10. Stop lights;
11. Front seat adjustment mechanism;
12. Doors (open, close, lock);
13. Horn;
14. Speedometer;
15. Bumpers;
16. Muffler and exhaust system;
17. Condition of tires, including tread depth;
18. Interior and exterior rear view mirrors;
19. Safety belts for driver and passenger(s);
20. Drivetrain, including the transmission and universal joints; and
21. Axles and wheels, including ball joints.

(b) The licensee and the licensee's driver shall be jointly and severally liable for any violation of this section.

9-115-110 Transportation network vehicles – Distinctive signage and emblem.

(a) A transportation network vehicle shall display, as provided by rule, consistent and distinctive signage at all times while being used to provide transportation network services. The distinctive signage shall be sufficiently large and color contrasted (i) as to be readable during daylight hours at a distance of at least 50 feet, and (ii) to identify a particular vehicle associated with a particular licensee. Acceptable forms of distinctive signage include, but are not limited to, symbols or signs on vehicle doors, roofs, or grilles. Magnetic or other removable distinctive signage is acceptable. Licensees shall file an illustration of their distinctive signage with the commissioner.

(b) A transportation network vehicle shall display a consistent and distinctive emblem at all times while being used to provide transportation network services. The commissioner is authorized to specify, by rule, the manner of display, method of issuance, design and contents of such emblem.

9-115-120 Transportation network vehicles – Commercial advertisements prohibited.

Commercial advertisements shall not be displayed on the exterior or in the interior of a transportation network vehicle.

9-115-130 Transportation network drivers – Requirements.

(a) No licensee shall engage any person as a transportation network driver unless the person:

- (1) possesses and has possessed a valid Illinois State driver's license, or a valid driver's license of another state, district or territory of the United

States, for at least one year prior to applying to become a transportation network driver;

- (2) is at least 21 years of age;
- (3) has not been convicted of reckless driving, driving under the influence, hit and run, or driving with a suspended or revoked license; and has not been convicted of or placed on supervision for two or more offenses involving traffic regulations governing the movement of vehicles, or whose Illinois driver's license has not been suspended or revoked pursuant to Section 6-206 of the Illinois Vehicle Code, codified at 625 ILCS 5/6-206, within the 12 months immediately prior to applying to become a transportation network driver;
- (4) has taken and passed a test, conducted by authorities approved by the commissioner, for the presence of illegal drugs in the body;
- (5) has successfully completed a transportation network driver's training program approved by the commissioner and conducted by the licensee or other authorities approved by the commissioner;
- (6) has not, within the five years immediately preceding his application to be a driver, been either found guilty by a court of any jurisdiction, in custody, on parole, or under any other non-custodial supervision resulting from a finding or determination of guilt by a court of any jurisdiction for (i) the commission of any felony as defined by Article 2 of the Illinois Criminal Code of 2012, codified at 720 ILCS 5/2-0.5 et seq., (ii) any crime involving moral turpitude, (iii) the illegal sale or possession of any controlled substance, (iv) indecent solicitation of a child or any criminal sexual abuse or similar crime, or (v) operating a motor vehicle while under the influence of alcohol or narcotic drugs; and
- (7) has not had a public chauffeur license or restricted public chauffeur license suspended, revoked or non-renewed by the city within the five years immediately preceding his application to be a driver.

(b) Any licensee shall perform a criminal background check on each transportation network driver applicant before engaging such applicant. Any licensee shall also obtain each transportation network driver applicant's driving record before engaging such applicant.

(c) One year after engaging a driver, and annually thereafter, each licensee shall verify that the driver is still eligible to be a transportation network driver by verifying that the driver meets all of the requirements specified in this section, including the drug test and criminal background check requirements, and shall keep records of such verification for a period of three years and shall submit such records to the commissioner upon request.

(d) If a licensee engages an ineligible driver or fails to annually ascertain the eligibility of each driver such licensee engages, the licensee shall be liable for the violation of this section and shall also be jointly and severally liable with the ineligible driver for any violation of this Chapter by the ineligible driver.

9-115-140 Transportation network driver – Intoxicating substance policy.

(a) In addition to the prohibitions set forth in section 9-115-160(b), any licensee shall include on its website, mobile application and riders' receipts, a notice or information on the licensee's zero-tolerance policy for intoxicating substances and the methods to report a

transportation network driver whom the rider reasonably suspects was under the influence of drugs or alcohol during the ride. The website and mobile application shall include a phone number or mobile application call function and email address to report the zero-tolerance complaint. Promptly after a zero-tolerance complaint is filed, the licensee shall suspend the transportation network driver for further investigation. The website and mobile application shall also include the phone number and email address of the department's public passenger vehicle division.

(b) Any person who knowingly makes a false zero-tolerance complaint shall be in violation of Chapter 1-21 of this Code.

(c) A licensee that does not immediately suspend a driver after a zero-tolerance complaint shall be in violation of this section.

9-115-150 Driver -- Identification card.

The licensee shall issue an identification card to drivers that such licensee engages. Such identification card shall have the name of the driver and a photograph permanently attached to the identification card. Any transportation network driver shall wear the identification card at all times while operating a transportation network vehicle.

9-115-160 Operating regulations.

(a) In addition to all other applicable requirements provided by law, it shall be unlawful for any person:

- (1) Who is under the age of twenty-one years to operate a transportation network vehicle;
- (2) To operate a transportation network vehicle while under the influence of alcoholic beverages or controlled substances other than medication prescribed by a physician, provided that such prescribed medication does not warn that the user not operate machinery while taking the medication;
- (3) To operate, or cause to be operated, a transportation network vehicle in any area where the operation of such vehicle is prohibited by applicable law;
- (4) To operate a transportation network vehicle within the city while not in possession of a valid driver's license issued by a state, district or territory of the United States;
- (5) To operate, or cause to be operated, a transportation network vehicle that does not meet the requirements of Sections 9-115-090 and 9-115-100 of this chapter; or
- (6) To transport or cause to be transported more than seven passengers on any given ride in a vehicle.

(b) No transportation network driver shall pick up or discharge a passenger on any portion of (1) O'Hare International Airport, Midway International Airport or McCormick Place; and (2) designated taxicab stands or loading zones.

(c) No person may drink any alcoholic liquor while such person is operating or being transported by a transportation network vehicle, nor may any person transport, carry, possess or have any alcoholic liquor while being transported by a transportation network vehicle, except in the original package with the seal unbroken. For purposes of this subsection the term "alcoholic liquor" has the meaning ascribed to that term in Section 4-64-010.

(d) No licensee or transportation network driver shall solicit potential passengers. Transportation network vehicles may only be used to provide prearranged transportation service. For purposes of this subsection, the term "solicit" means an appeal by words or gestures for immediate patronage of a transportation network vehicle by a licensee or a transportation network driver upon the public way attempting to direct people to a transportation network vehicle that is parked, stopped, standing or moving upon the public way.

(e) No transportation network driver shall accept or respond to passengers' or potential passengers' requests for service via traditional street hail, including hand gestures and verbal statements.

(f) No transportation network vehicle shall be parked on any public way for a time longer than is reasonably necessary to accept passengers in answer to a prearranged transportation service and no passenger shall be accepted except as provided in subsection (d) of this section.

(g) The Internet-enabled application or digital platform used by a licensee to connect drivers and passengers shall display for a passenger: (1) the identification card of the transportation network driver, (2) a picture of the transportation network vehicle the driver is approved to use, including the license plate number of the vehicle; and (3) the city's 311 service center number the passenger may use to report complaints. In addition, any licensee shall make any information displayed in the licensee's Internet-enabled application or digital platform also available on such licensee's website.

(h) Any licensee shall clearly disclose, on the licensee's on-line enabled application or digital platform and website, that the licensee is a transportation network provider. Additionally, the disclosure shall state that each licensee is required to maintain insurance policies as specified in Section 9-115-080.

(i) Any licensee shall provide proof of insurance policies required in Section 9-115-080 to each transportation network driver before the driver begins providing service and for as long as the driver remains available to provide service.

(j) Any licensee shall provide passengers an opportunity to indicate whether they require a wheelchair-accessible transportation network vehicle. If a licensee cannot provide a wheelchair-accessible transportation network vehicle, it shall direct the request to the city's centralized wheelchair accessible dispatch system.

(k) Any licensee shall have an affirmative duty to respond to requests for service and shall be responsible for the actions of any of its employees, transportation network drivers, or other person that reports to, or acts as an agent of, the licensee, for any failure to respond to a request for service.

(l) Any transportation network driver shall, in the transportation network vehicle at all times: (1) carry proof of the insurance policies required in Section 9-115-080 covering the vehicle; (2) carry an electronic or paper copy of the agreement or terms of service between the driver and the transportation network provider; and (3) display (i) a copy of the city's ground transportation tax registration emblem for the vehicle, and (ii) the vehicle's distinctive emblem issued pursuant to section 9-115-110.

(m) Any terms or conditions in the agreement between the licensee and the transportation network driver, or between the licensee and any customer, that would act as a waiver of the licensee's liability to the driver, the customer, or to the public, are declared to be contrary to public policy, null, void and unenforceable.

9-115-170 Service charges and fare rates.

(a) Licensees may charge compensation for service based on distance travelled or time elapsed during service, or a flat prearranged fare, or a suggested donation. Licensees shall not use a combination of distance travelled and time elapsed during service to charge for service.

(b) Any licensee shall display the licensee's fare rate on such licensee's website and Internet-enabled application or digital platform used by the licensee to connect drivers and passengers.

(c) It is unlawful for a licensee or transportation network driver to charge passengers a fare greater than (i) the fare rate shown on the licensee's on-line enabled application or digital platform or (ii) the fare agreed to at the time that the transportation network service was engaged.

9-115-180 Records and reports.

(a) Every licensee shall keep accurate books and records of account of the licensee's operations at the licensee's place of business in the city for a minimum of three years. Such records shall be submitted for inspection upon the request of the commissioner. Such records shall also be maintained in accordance with section 3-4-170 of this Code, and shall be produced in an electronic format or any other format required by the city.

(b) Each licensee shall provide the following data to commissioner, at such times and in a format and manner prescribed by the commissioner in rules and regulations:

(1) the number and percentage of the licensee's customers within the city who requested wheelchair accessible vehicles, and how often the licensee referred such customers to the city's centralized wheelchair accessible dispatch system;

(2) the number of rides requested and accepted by the licensee's drivers within each zip code within the city; and the number of rides that were requested but not accepted by the licensee within each zip code;

(3) information on any of the licensee's drivers who were alleged to have committed a violation of this chapter or their terms of service or who have been suspended or banned from driving for the licensee, including any zero-tolerance complaints and the outcome of the investigation into those complaints;

(4) information on any accident or other incident that involved the licensee's driver and that was reported to the licensee, the cause of the incident, and the amount paid, if any, for compensation to any party in each incident. The report will contain information as to the date of the incident, the time of the incident, and the amount that was paid pursuant to the driver's insurance policy, the licensee's insurance policy, or any other source. Also, the report will provide the total number of incidents involving the licensee's driver during the year;

(5) the average and mean number of hours and miles each of the licensee's drivers spent driving for the licensee; and

(6) real-time tracking of the licensee's drivers and vehicles, including access to the driver's identifying information, GPS location data, and whether or not the driver is engaged with a passenger. If specialized hardware or software is required for real-time tracking, the licensee shall provide the specialized hardware or software to the City.

9-115-190 License – Suspension or revocation.

(a) The commissioner may seek all applicable penalties, including but not limited to fines, license suspension, and license revocation in addition to restitution or other equitable relief against any licensee that violates this chapter or any rules or regulations adopted pursuant to this chapter.

(b) The commissioner shall promulgate rules and regulations regarding the lengths of suspension and the amounts of fines to be imposed, and the types of equitable relief to be ordered, for specific violations or license types. Before any suspension or revocation or fine is imposed, or equitable relief is ordered, the licensee shall be notified of the specific charges against him and of his right to a hearing in accordance with Chapter 2-14 of the Code.

(c) If the commissioner has information provided by a law enforcement agency or any court of law that a licensee has been charged with the commission of a felony, as defined in Article 2 of the Illinois Criminal Code of 2012, codified at 720 ILCS 5/2-0.5 et seq., arising in connection with the transportation network provider business, the commissioner shall immediately suspend all licenses of the licensee until final adjudication is made with respect to such charges.

(d) Any person whose transportation network provider license is revoked under this chapter shall be ineligible to receive another transportation network provider license under the same or a different name for a period of five years following revocation.

(e) In addition to the powers authorized in this section, the commissioner may suspend, revoke or non-renew a provider's license in accordance with other applicable sections of this Code, including sections 4-4-084 and 4-4-150.

9-115-200 Violation – Penalty.

(a) Any licensee who violates this chapter or any rule or regulation promulgated hereunder shall be subject to a fine of not less than \$500.00 and not more than \$10,000.00 for each such violation. Each day that any violation shall continue shall be deemed a separate and distinct offense.

(b) Any person other than a licensee who violates any of the provisions of this chapter or any rule or regulation promulgated hereunder, shall be subject to a fine of not less than \$500.00 and not more than \$1,000.00 for each such violation. Each day that any violation shall continue shall be deemed a separate and distinct offense.

(c) In addition to fines, penalties for any violation of this chapter, as applicable, may include license suspension, rescission, non-renewal, revocation or vehicle impoundment.

9-115-210 Impoundment of vehicle – Notification of owner – Penalty.

(a) In addition to any other applicable penalty, the owner of record of any motor vehicle that is used for the transportation or the solicitation for the transportation of passengers for compensation in violation of section 9-115-020 shall be liable to the city for an administrative penalty of \$2,000.00 plus any towing and storage fees applicable under Section 9-92-080. Any such vehicle shall be subject to seizure and impoundment pursuant to this section. This subsection shall not apply if the vehicle used in the violation was stolen at that time and the theft was reported to the appropriate police authorities within 24 hours after the theft was discovered or reasonably should have been discovered.

(b) Whenever a police officer has probable cause to believe that a vehicle is subject to seizure and impoundment pursuant to this section, the police officer shall provide for the towing of the vehicle to a facility controlled by the city or its agents. Before or at the time the

vehicle is towed, the police officer shall notify any person identifying himself as the owner of the vehicle or any person who is found to be in control of the vehicle at the time of the alleged violations, of the fact of the seizure and of the vehicle owner's right to request a vehicle impoundment hearing to be conducted under Section 2-14-132 of this Code.

(c) Section 2-14-132 shall apply whenever a motor vehicle is seized and impounded pursuant to this section.

9-150-220 Enforcement -- Rules and regulations.

(a) Upon request, a driver shall display to the commissioner, or other person authorized to enforce this chapter, a physical or electronic record of a ride in progress sufficient to establish that it was a prearranged transportation service. To the extent that trip records are contained on electronic devices, drivers are not required to relinquish custody of the devices in order to make the required display.

(b) If a passenger files a complaint against a licensee or driver with the commissioner, in addition to all other powers and remedies provided under this Code, the commissioner's authorized staff shall have the right to inspect the licensee's records and transportation network vehicles associated with the licensee as necessary to investigate and resolve the complaint to the same extent the commissioner and the commissioner's authorized staff is permitted to inspect all other public passenger vehicles.

(c) The commissioner is authorized to enforce this chapter, and to adopt rules and regulations for the proper administration and enforcement of this chapter.

(d) Any fees imposed pursuant to rules authorized by this chapter shall be reasonably related to the City's cost of administration, and shall be effective, or amended, only after a 10-day notice and comment period.

SECTION II. Chapter 2-14 of the Municipal Code of Chicago is amended by deleting the language struck through and by inserting the language underscored, as follows:

2-14-130 Other provisions not limiting.

(a) Notwithstanding any other provision of the Municipal Code, all provisions of the code, except for those specified in Section 2-14-190(a), may be enforced by instituting an administrative adjudication proceeding with the department of administrative hearings as provided in this chapter.

(b) Notwithstanding any other provision of the Municipal Code, any enforcement action which may be exercised by another department or agency of the city may also be exercised by the department of administrative hearings; provided, however, that the department shall not have authority to revoke or suspend any city license except those issued pursuant to Chapters 9-104, 9-108, and 9-112, 9-114, and 9-115 of this Code.

(c) Nothing in this chapter shall affect the jurisdiction of the Department of Business Affairs and Consumer Protection, the Chicago Commission on Human Relations, the zoning board of appeals, the human resources board, the board of ethics, the police board, or the Commission on Chicago Landmarks.

2-14-132 Impoundment.

(1) Whenever the owner of a vehicle seized and impounded pursuant to Sections 3-46-076, 3-56-155, 4-68-195, 9-80-220, 9-112-640, or 9-114-420 or 9-115-210 of this Code (for purposes of this section, the "status-related offense sections"), or Sections 7-24-225, 7-24-226,

7-28-390, 7-28-440, 7-38-115(c-5), 8-4-130, 8-8-060, 8-20-070, 9-12-090, 9-76-145, 9-80-225, 9-80-240, 9-92-035, 10-8-480(c), 11-4-1410, 11-4-1500 or 15-20-270 of this Code (for purposes of this section, the “use-related offense sections”) requests a preliminary hearing in person and in writing at the department of administrative hearings, within 15 days after the vehicle is seized and impounded, an administrative law officer of the department of administrative hearings shall conduct such preliminary hearing within 48 hours of request, excluding Saturdays, Sundays and legal holidays, unless the vehicle was seized and impounded pursuant to Section 7-24-225 and the department of police determines that it must retain custody of the vehicle under the applicable state or federal forfeiture law. If, after the hearing, the administrative law officer determines that there is probable cause to believe that the vehicle was used in a violation of this Code for which seizure and impoundment applies, or, if the impoundment is pursuant to Section 9-92-035, that the subject vehicle is eligible for impoundment under that section, the administrative law officer shall order the continued impoundment of the vehicle as provided in this section unless the owner of the vehicle pays to the city the amount of the administrative penalty prescribed for the code violation plus fees for towing and storing the vehicle. If the vehicle is also subject to immobilization for unpaid parking and/or compliance violations, the owner of the vehicle must also pay the amounts due for all such outstanding violations prior to the release of the vehicle. If the administrative law officer determines there is no such probable cause, or, if the impoundment is pursuant to Section 9-92-035, that the subject vehicle has previously been determined not to be eligible for impoundment under that section, the vehicle will be returned without penalty or other fees.

(Omitted text is unaffected by this ordinance)

SECTION III. Chapter 3-46 of the Municipal Code of Chicago is amended by adding a new section 3-46-035, by deleting the language struck through and by inserting the language underscored, as follows:

3-46-020 Definitions.

When any of the following words or terms are used in this chapter, they shall have the meaning set forth below:

(Omitted text is unaffected by this ordinance)

D. “Ground transportation vehicle” means any for-hire vehicle used to provide transportation for a charge or other consideration to passengers, regardless of whether the consideration is paid by the passengers or by any other person. This term includes, but is not limited to, water taxis, as defined in Section 4-250-010 of this Code, horse-drawn carriages and taxicabs and all automobiles, limousines, buses and other vehicles used to provide transportation to passengers for a charge, whether or not licensed by the city or registered or titled with the State of Illinois. For purposes of this chapter, the phrase “for-hire vehicle used to provide transportation for a charge or other consideration” shall include a transportation network vehicle, and the term “charge or other consideration” shall include a suggested donation transferred in connection with the receipt of transportation network services.

The term “ground transportation vehicle” does not include vehicles operated by a government transportation agency or on behalf of a government transportation agency pursuant

to a contract or a grant, vehicles devoted exclusively to funeral use, or vehicles used as ambulances.

E. ~~"License holder of a ground transportation vehicle" or "license holder"~~ means any person holding a license issued by the city under Chapter 9-108, ~~or 9-112, or 9-114~~ of this Code, as amended, or any person who has registered or titled a vehicle with any state or the District of Columbia if the vehicle is used to provide ground transportation to passengers. For purposes of this chapter, the phrase "person who has registered or titled a vehicle with any state or the District of Columbia if the vehicle is used to provide ground transportation to passengers" shall include a transportation network vehicle owner.

(Omitted text is unaffected by this ordinance)

I. "Transportation network driver", "transportation network licensee", "transportation network provider", "transportation network service", and "transportation network vehicle" have the meanings ascribed to these terms in Section 9-115-010 of this Code.

J. "Transportation network vehicle owner" means any person who has registered or titled a vehicle with any state or the District of Columbia if the vehicle is used to provide transportation network service.

3-46-030 Tax imposed.

A. Pursuant to the authority granted by Section 11-42-6 of the Illinois Municipal Code, as amended, 65 ILCS § 5/11-42-6, a tax is imposed on all persons engaged in the occupation of providing ground transportation vehicles for use in the city. The incidence of the tax and the obligation to pay the tax are on the license holder ~~of any ground transportation vehicle which is used in the city or on any the person operating a ground transportation vehicle for use in the city~~ who is required to be, but is not, a license holder.

(Omitted text is unaffected by this ordinance)

C. (1) To prevent multiple taxation, any person who is licensed, or who is required to be licensed, to operate a ground transportation vehicle used in another municipality may claim a credit against the tax imposed by this chapter equal to any similar occupation tax imposed on the person by the other municipality with respect to such ground transportation vehicle, but only to the extent of the amount of tax properly due and actually paid to the other municipality. The credit may not exceed the amount of the tax imposed by this chapter that otherwise would be due.

(2) This subsection 3-46-030(C) shall not apply in the case of any person who is licensed, or who is required to be licensed, under Chapter 9-108, ~~or 9-112, 9-114 or 9-115~~ of this Code.

D. Nothing in this chapter shall be construed to impose the tax on any person or activity which, under the constitutions of the United States or the State of Illinois, may not be taxed by the city.

3-46-035 Collection and remittance responsibilities of transportation network providers.

A. It shall be the duty of each transportation network provider to collect the tax imposed by this chapter from the transportation network vehicle owner and to remit the tax to the department in accordance with Section 3-46-040 of this chapter. In the event that a transportation network provider fails to collect or remit the tax required to be collected by this section, the transportation network provider shall be liable to the city for the amount of such tax, plus any attendant penalties and interest.

B. If a transportation network provider fails to collect the tax imposed by this chapter from a transportation network vehicle owner, then the transportation network vehicle owner shall file a return and pay the tax directly to the department on or before the date required by subsection 3-46-040.

3-46-040 Paying, collecting, and remitting the tax and filing returns.

A. On or before the last day of each calendar month, every person required to pay or collect and remit the tax imposed by this chapter shall file with the department a tax return and pay or remit all applicable tax attributable to the immediately preceding calendar month. The taxpayer or tax collector shall file the required return on a form prescribed by the comptroller and shall provide such information as the comptroller may reasonably require.

(Omitted text is unaffected by this ordinance)

3-46-050 Applicability of Motor Vehicle Lessor Tax and Chicago Transaction Tax.

A. Any person who is subject to the tax imposed by this chapter, except a transportation network provider, transportation network driver, or transportation network vehicle owner, and who is either the lessor or lessee of a ground transportation vehicle, shall not be subject to the Motor Vehicle Lessor Tax, Chapter 3-48 of this Code, with respect to such vehicle.

B. Any person leasing a ground transportation vehicle from a license holder who is subject to the tax imposed by this chapter, except a transportation network provider, transportation network driver, or transportation network vehicle owner, shall not be subject to the Chicago Personal Property Lease Transaction Tax, Chapter 3-32 of this Code, on the lease, rental or use of such vehicle for the purpose of providing ground transportation.

3-46-065 Underserved areas.

(Omitted text is not affected by this ordinance)

C. A Any license holder, except a transportation network vehicle owner, may claim a credit against the tax imposed by this chapter if during a calendar month one or more of its

ground transportation vehicles is used to provide service to or from areas designated as underserved areas under subsection B. The monthly tax credit shall be calculated by multiplying the monthly tax otherwise due for that month by a fraction, the numerator of which shall be the number of taxable trips to or from designated underserved areas during the month, and the denominator of which shall be the total number of taxable trips during the month. The credit authorized by this section shall not exceed 50 percent of the total tax otherwise due for a month.

(Omitted text is not affected by this ordinance)

F. The credit available under this section shall apply beginning on the first day of the calendar month following the calendar month in which the commissioner of business affairs and consumer protection designates underserved areas under subsection (B).

3-46-070 Registration.

A. Every license holder of a ground transportation vehicle who is required to pay the tax imposed by this chapter and every transportation network provider shall register with the department of business affairs and consumer protection, on a form prescribed by the commissioner of business affairs and consumer protection, at least ten days before the ground transportation vehicle is used in the city.

B. Any license holder that has registered in accordance with the Metropolitan Pier and Exposition Authority Airport Departure Tax Ordinance § 1-10(A) (1992) or any person who has been issued a license pursuant to Chapter 9-108, or 9-112, 9-114 or 9-115 of this Code shall be regarded as registered in accordance with subsection (A) of this section.

C. If any information provided by ~~a license holder~~ on a registration form ceases to be accurate, then the license holder or transportation network provider shall file a corrected form with the department of business affairs and consumer protection within 60 days.

3-46-073 Registration emblems.

A. The department of business affairs and consumer protection shall issue to every license holder and to every transportation network provider registered in accordance with Section 3-46-070 of this chapter an annual registration emblem for every ground transportation vehicle that the license holder or transportation network provider provides or engages for use in the city, other than vehicles having a seating capacity of more than 24 passengers or vehicles required to display a sticker license emblem or a metal plate pursuant to Chapter 9-108, or 9-112, 9-114 or 9-115 of this Code. The emblems shall be issued on or before April 1st of each calendar year to license holders of taxicabs, ~~and liveries~~ and transportation network providers, and on or before August 1st of each calendar year to license holders of all other ground transportation vehicles. Emblems shall also be issued within ten days of initial registration in accordance with Section 3-46-070 of this chapter.

B. Every license holder that is required to pay the tax imposed by this chapter and every transportation network provider shall affix a registration emblem issued by the department

of business affairs and consumer protection on the front windshield of every ground transportation vehicle that is used in the city, other than vehicles having a seating capacity of more than 24 passengers or vehicles that are required to display a sticker license emblem, a metal plate pursuant to Chapter 9-108, ~~or~~ 9-112, 9-114 or 9-115 of this Code. If a ground transportation vehicle does not display a registration emblem as required by this subsection, then the license holder of the vehicle and the transportation network provider shall be prohibited from using or permitting the use of the vehicle as a ground transportation vehicle in the city.

C. The department of business affairs and consumer protection shall not issue a registration emblem to a license holder or transportation network provider if the license holder or transportation network provider has failed to file with the department a tax return for any month that it was required to pay or collect and remit the tax imposed by this chapter, or if the license holder or transportation network provider has failed to pay any tax, interest or penalty that has been assessed by the department, unless:

(1) The license holder or transportation network provider is contesting liability for the tax in a pending administrative or judicial proceeding; or

(2) The license holder or transportation network provider has filed a petition in bankruptcy and the full amount of the tax due to the city is dischargeable in bankruptcy; or

(3) The license holder or transportation network provider has entered into an agreement with the department for the payment of all the tax, interest and penalty, and the license holder or transportation network provider is in compliance with the agreement.

D. Immediately upon the sale of any ground transportation vehicle, the seller or the purchaser shall remove the registration emblem from the vehicle. It shall be unlawful for the purchaser to use the vehicle unless the registration emblem has been removed.

E. Except as provided in subsection (C) of this section, any license holder or transportation network provider that has registered in accordance with Section 3-46-070 of this chapter may request the department of business affairs and consumer protection to issue a registration emblem if the license holder or transportation network provider acquires or engages for use a new, used or additional ground transportation vehicle.

3-46-080 Books and records.

A. Every person required to pay or collect and remit the tax imposed by this chapter shall keep accurate books and records of its business or activity, including original source documents and books of entry denoting the transaction that gave rise, or may have given rise, to the tax liability or any exemption that may be claimed and the days that such person's ground transportation vehicles were used in the city. All such books and records shall be kept in the English language and, at all times during business hours of the day, shall be subject to and available for inspection by the department.

B. It shall be presumed that a ground transportation vehicle which is licensed pursuant to Chapter 9-108, ~~or~~ 9-112, 9-114 or 9-115 of this Code was used in the city on every

day of any period for which no accurate books and records required by subsection (A) of this section were kept.

SECTION IV. Sections 9-112-020, 9-114-010, and 9-114-020 of the Municipal Code of Chicago are amended by deleting the language struck through and by inserting the language underscored, as follows:

9-112-020 License required.

(a) It is unlawful for any person to operate a motor vehicle, or for the registered owner thereof to permit it to be operated, for the transportation of passengers for hire within the city unless it is licensed by the city as a taxicab pursuant to this chapter, or as a public passenger vehicle pursuant to Chapter 9-114, or used to provide a transportation network service pursuant to Chapter 9-115.

(Omitted text is not affected by this ordinance)

9-114-010 Definitions.

The following definitions shall apply for purposes of this chapter:

(Omitted text is not affected by this ordinance)

“Public passenger vehicle” means a motor vehicle, as defined in the motor vehicle law of the State of Illinois, which is used for the transportation of passengers for hire, excepting those (1) devoted exclusively for funeral use; (2) in operation of a metropolitan transit authority; (3) interstate carriers licensed for the transportation of passengers by the Interstate Commerce Commission to the extent that regulation of such vehicles by the city is prohibited by federal law; (4) interstate carriers operating pursuant to and in conformity with a certificate of authority issued by the Illinois Commerce Commission; and (5) taxicabs regulated pursuant to Chapter 9-112 of this Code; and (6) vehicles used to provide a transportation network service pursuant to Chapter 9-115. Public passenger vehicles included in the provisions of this chapter include, but are not limited to, livery vehicles, charter/sightseeing vehicles, neighborhood electric vehicles, jitney car services, and medical carrier vehicles.

(Omitted text is not affected by this ordinance)

9-114-020 License required.

(a) It is unlawful for any person to operate a motor vehicle, or for the registered owner thereof to permit it to be operated, for the transportation of passengers for hire within the city unless it is licensed by the city as a public passenger vehicle pursuant to this chapter, or as a taxicab pursuant to Chapter 9-112, or used to provide a transportation network service pursuant to Chapter 9-115.

(Omitted text is not affected by this ordinance)

SECTION V. This ordinance shall take effect 90 days after passage and approval.



City of Chicago



O2014-1271

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	2/5/2014
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Expenditure of open space impact fee funds for Limas Park and Beilfuss Park
Committee(s) Assignment:	Committee on Special Events, Cultural Affairs and Recreation



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith ordinances authorizing the expenditure of Open Space Impact Fee Funds.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Mayor

ORDINANCE

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

WHEREAS, the City is authorized under its home rule powers to regulate the use and development of land; and

WHEREAS, it is a reasonable condition of development approval to ensure that adequate open space and recreational facilities exist within the City; and

WHEREAS, on April 1, 1998, the City Council adopted the Open Space Impact Fee Ordinance codified at Chapter 18 of Title 16 (the "Open Space Ordinance") of the Municipal Code of Chicago (the "Code") to address the need for additional public space and recreational facilities for the benefit of the residents of newly created residential developments in the City; and

WHEREAS, the Open Space Ordinance authorizes, among other things, the collection of fees from residential developments that create new dwelling units without contributing a proportionate share of open space and recreational facilities for the benefit of their residents as part of the overall development (the "Fee-Paying Developments"); and

WHEREAS, pursuant to the Open Space Ordinance, the Department of Finance ("DOF") has collected fees derived from the Fee-Paying Developments (the "Open Space Fees") and has deposited those fees in separate funds, each fund corresponding to the Community Area (as defined in the Open Space Ordinance), in which each of the Fee-Paying Developments is located and from which the Open Space Fees were collected; and

WHEREAS, the Open Space Ordinance requires that the Open Space Fees: (i) be used for open space acquisition or capital improvements, or both, which provide a direct and material benefit to the new development from which the fees are collected, and (ii) be expended within the same or a contiguous Community Area from which they were collected after a legislative finding by the City Council that the expenditure of the Open Space Fees will directly and materially benefit the developments from which the Open Space Fees were collected; and

WHEREAS, the Department of Planning and Development ("DPD") has determined that the Fee-Paying Developments built in the Community Areas have deepened the already significant deficit of open space in the Community Areas, which deficit was documented in the comprehensive plan entitled "The CitySpace Plan," adopted by the Chicago Plan Commission on September 11, 1997 and adopted by the City Council on May 20, 1998; and

WHEREAS, the Chicago Park District, a municipal corporation (the "Park District"), owns or will acquire a certain parcel ("the Expansion Parcel") which is approximately .08 acres and adjacent to Limas Park, located at 2410 S. Trumbull, Chicago, Illinois (together with the Expansion Parcel, the "Limas Park Property"), as legally described on Exhibit A of the IGA (as defined below); and

WHEREAS, the Park District is the owner or lessee of certain parcels of land at Beilfuss Park, located at 1725 N. Springfield, Chicago, Illinois, as described on Exhibit A to the IGA, (the "Beilfuss Park Property," and together with the Limas Park Property, the "Property"); and

WHEREAS, the City and Park District desire to pay for the acquisition of the Expansion Parcel to create open spaces and recreational facilities in the South Lawndale Community Area and to construct park improvements on the Beilfuss Park Property in the Humboldt Park Community Area (collectively, the "Project") for the benefit and use of the general public and the respective communities; and

WHEREAS, DPD has determined that the use of the Open Space Fees to assist with the Project will provide a direct and material benefit to each of the Fee-Paying Developments from which the Open Space Fees were collected in that the Open Space Fees used for the Project will come from the specific fund set up by DOF for the Community Area in which a Fee-Paying Development is located and from which the Open Space Fees were collected; and

WHEREAS, DPD wishes to make available to the Park District proceeds from the Open Space Fees collected by DOF in an aggregate amount not to exceed \$47,289 for the purpose of funding the Project; and

WHEREAS, the Park District has agreed to use the proceeds from the Open Space Fees for capital improvements relating to the Project subject to the terms and conditions specified in the intergovernmental agreement ("IGA") attached hereto as Exhibit A; and

WHEREAS, DPD has recommended that the City Council approve the use of the Open Space Fees for the Project; and

WHEREAS, DPD has recommended that the City Council make a finding that the expenditure of the Open Space Fees as described herein will directly and materially benefit the Fee-Paying Developments from which the Open Space Fees were collected; and

WHEREAS, DPD has also recommended that the City enter into the IGA with the Park District, in substantially the form attached hereto as Exhibit A; now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made part of this ordinance as though fully set forth herein.

SECTION 2. The City Council hereby finds that the expenditure of the Open Space Fees for the purpose of funding the Project will directly and materially benefit the residents of those Fee-Paying Developments from which the Open Space Fees were collected and approves the use of the Open Space Fees for the Project.

SECTION 3. The Commissioner of HED or his designee (the "Commissioner") is hereby authorized to provide Open Space Fee proceeds to the Park District in an amount not to exceed \$9,393 from Fund No. PS30 131 54 5030 2604 and \$37,896 from Fund No. PS23 131 54 5023 2604 to pay for expenses permitted under the Open Space Ordinance.

SECTION 4. The Commissioner is authorized to execute any and all documents and take any and all action as may be necessary or appropriate to effectuate the development and maintenance of the Project, subject to the approval of the Corporation Counsel.

SECTION 5. To the extent that any ordinance, resolution, rule, order or provision of the Code, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this

ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 7. This ordinance shall take effect immediately upon its passage.

EXHIBIT A

Intergovernmental Agreement

See Attached

**AGREEMENT BETWEEN
THE CITY OF CHICAGO
AND THE CHICAGO PARK DISTRICT**

This Agreement is entered into this ____ day of _____, 20__, between the City of Chicago (the "City"), a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, by and through its Department of Planning and Development ("DPD") and the Chicago Park District (the "Park District"), a body politic and corporate and a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois.

RECITALS

WHEREAS, the Park District has acquired or will acquire a certain parcel ("the Expansion Parcel") which is approximately .08 acres and adjacent to Limas Park, located at 2410 S. Trumbull, Chicago, Illinois, as legally described on Exhibit A, attached hereto (together with the Expansion Parcel, the "Limas Park Property"); and

WHEREAS, the Park District is the owner of certain parcels of land at Beilfuss Park, located at 1725 N. Springfield, Chicago, Illinois, as legally described on Exhibit A, attached hereto (the "Beilfuss Park Property," and together with the Limas Park Property, the "Property"); and

WHEREAS, the City and Park District desire to construct park improvements on the Expansion Parcel to create open spaces and recreational facilities in the South Lawndale Community Area and to rehabilitate the park improvements on the Beilfuss Park Property in the Humboldt Park Community Area (collectively, the "Project") for the benefit and use of the general public and the respective communities; and

WHEREAS, the Open Space Impact Fee Ordinance, Chapter 18 of Title 16 of the Municipal Code of Chicago (the "Code"), authorizes collection of fees as a condition of issuance of a building permit for proposed new dwelling units to ensure that adequate open space and recreational facilities are available to serve residents of new developments in the City (the "Open Space Fees"); and

WHEREAS, the Department of Finance has collected Open Space Fees for new dwelling units built in the South Lawndale Community and contiguous communities (the "South Lawndale Proceeds") and has deposited such South Lawndale Proceeds in Fund No. PS30 131 54 5030 2604; and

WHEREAS, the Department of Finance has collected Open Space Fees for new dwelling units built in the Humboldt Park Community and contiguous communities (the "Humboldt Park Proceeds") and has deposited such Humboldt Park Proceeds in Fund No. PS23 131 54 5023 2604; and

WHEREAS, on _____, the City Council of the City adopted an ordinance published in the Journal of the Proceedings of the City Council for said date at pages _____ to _____, (the "Authorizing Ordinance") among other things, (i) finding that the Project would provide a direct and material benefit to the residents of the new developments originating the Open Space Fees; and (ii) authorizing the transfer of a portion of the South Lawndale

Proceeds in an amount not to exceed \$9,393, and a portion of the Humboldt Park Proceeds in an amount not to exceed \$37,896 (collectively, the "Project Assistance") to the Park District as a contribution towards the costs of the Project; and

WHEREAS, the Park District, pursuant to an ordinance passed by CPD's Board of Commissioners dated January 15, 2014 (the "Order"), is authorized to enter into an intergovernmental agreement with the City for the construction of the Project;

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

SECTION 1. THE GRANT

1.1. Subject to the provisions set forth in this Agreement, the City will disburse the Grant to reimburse Park District for all or part of the cost of completing the Project in accordance with the budget attached to this Agreement as Exhibit B (the "Budget"), which budget is hereby approved by DPD, and only after Park District has submitted Certificate(s) of Expenditure to DPD (as defined below) along with such supporting documentation as the City may reasonably require.

1.2 Park District may request that certificate(s) of expenditure substantially in the form attached hereto ("Certificates of Expenditure") as Exhibit E be processed and executed periodically. The City will not execute Certificates of Expenditure in the aggregate in excess of the actual cost of the Project. Prior to each execution of a Certificate of Expenditure by the City, Park District must submit documentation regarding the applicable expenditures to DPD. Delivery by Park District to DPD of any request for execution by the City of a Certificate of Expenditure hereunder will, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that,

(a) the total amount of the request for the Certificates of Expenditure represents the actual amount payable to (or paid to) the general contractor, subcontractors, and other parties who have performed work on or otherwise provided goods or services in connection with the Project, and/or their payees;

(b) all amounts shown as previous payments on the current request for a Certificate of Expenditure have been paid to parties entitled to such payment;

(c) Park District has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Drawings (hereinafter defined); and

(d) Park District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

1.3. Park District hereby acknowledges and agrees that the Grant must be used exclusively for the Project. If the Grant should exceed the costs of the Project, Park District must repay to the City any such excess Grant funds received by Park District.

1.4. Park District is solely responsible for any fees, costs and expenses of the Project in excess of the amount of the Grant and will hold the City harmless from all such excess fees, costs and expenses. Notwithstanding anything to the contrary in this Agreement, in no event will the City or Park District be responsible for any cost or expenses of the Project exceeding the Budget. In the event that either party believes that the Budget may not provide sufficient funds for the construction of the Project, such party must notify the other party and the parties must cooperate to modify the Project so that it can be completed in accordance with the Budget.

1.5. The source of funds for the City's obligations under this Agreement are funds identified by Fund No. PS30 131 54 5030 2604 and Fund No. PS23 131 54 5023 2604. Park District hereby acknowledges and agrees that the City's obligations hereunder are subject in every respect to the availability of funds as described in and limited by this Section 1.5. If no funds or insufficient funds are appropriated and budgeted in any fiscal period of the City for disbursements of the Grant, then the City will notify Park District in writing of that occurrence, and Park District will have the right, but not the obligation to terminate this Agreement by written notice to the City.

SECTION 2. DEVELOPMENT AND CONSTRUCTION OF THE PROJECT

2.1. **Title Commitment and Insurance; Survey.** Park District must be responsible for obtaining, at its own expense, any title commitment or title policy and survey with respect to the Property that it deems necessary.

2.2. **Construction Documents and Landscape Plan.** Park District has developed the construction documents and a plan for the Project (the "Drawings") as shown on Exhibit C. No material deviation from the Drawings will be made without the prior written approval of DPD, which approval will not be unreasonably withheld, conditioned or delayed. The approval of the Drawings by DPD are for the purposes of this Agreement only and other than as set forth in the Drawings, no structures or improvements are to be constructed on the Property by Park District without the prior written approval of DPD, which approval will not be unreasonably withheld, conditioned or delayed and will not constitute the approval required by the City's Department of Buildings, or any other Department of the City.

2.3. **Schedule.** Park District has prepared a preliminary schedule for the development and construction of the Project as set forth on Exhibit D (the "Schedule"). No material deviation from the Schedule will be made without the prior written approval of DPD, which approval will not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, in no event will the approval of DPD be required for any changes to the Schedule required because of the City's failure to approve and pay any Certificate of Expenditure, or required in connection with any force majeure event.

2.4. **Use.** The Project must be utilized as open space for use by the public for and on behalf of the City. This Agreement does not confer any special rights upon Park District or any other person or entity to use the Project for private parties or events.

2.5. **Certification.** Park District must submit a payment certification form as attached as Exhibit E prior to any Grant funds being released.

SECTION 3. TERM OF AGREEMENT

Term of Agreement The term of this Agreement will commence as of the Closing Date and, unless otherwise terminated as provided in this Agreement, will expire on the second anniversary of the Closing Date. Notwithstanding the foregoing, if Park District modifies the Schedule pursuant to Section 2(c) of this Agreement and such modification extends beyond the term, the term will be adjusted accordingly.

SECTION 4. COVENANTS AND REPRESENTATIONS

Park District hereby warrants, represents and/or covenants to the City that:

4.1. Park District will use the Grant solely for the Project and to pay for eligible costs as determined in the sole discretion of the City and outlined on Exhibit B.

4.2. Park District will comply with all applicable federal, state, and local statutes, laws, ordinances, rules, regulations and executive orders that are in effect from time to time that pertain to or affect the Project, Park District, or the Grant. Upon the City's request, Park District will provide evidence of such compliance satisfactory to the City.

4.3. Park District agrees that provisions required to be inserted in this Agreement by laws, ordinances, rules, regulations or executive orders are deemed inserted whether or not they appear in this Agreement and that in no event will the failure to insert such provisions prevent the enforcement of this Agreement.

4.4. Park District has full power and authority to enter into and perform its obligations under this Agreement, and the signing and delivery of this Agreement and the performance of its obligations under this Agreement have been duly authorized by all requisite corporate action.

4.5. Signing, delivery and performance by Park District of this Agreement does not violate its bylaws, articles of incorporation, resolutions or any applicable provision of law, or constitute a material breach of, default under or require any consent under, any agreement, instrument or document, including any related to borrowing monies, to which Park District is party or by which it is bound.

4.6. There are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting Park District that would materially impair its ability to perform under this Agreement.

4.7. Park District is not in default on any loan or borrowing that may materially affect its ability to perform under this Agreement.

4.8. If the Grant, or a portion thereof, is used for construction, Park District and all its contractors and subcontractors must meet labor standards and prevailing wage standards required by federal, state and City laws, regulations and ordinances.

4.9. Park District must maintain and keep in force, at its sole cost and expense, at all times during the term of this Agreement, insurance in such amounts and of such type as set forth in Section 6 below.

4.10. Park District must at all times perform its work in fulfilling its corporate mission with the utmost care, skill and diligence in accordance with the applicable standards currently recognized in the community.

4.11. Intentionally Omitted

4.12. Intentionally Omitted

4.13. The Parties agree that the Park District will maintain the Project improvements on the Property in a condition and manner acceptable to the City.

4.14. It is the duty of Park District and any bidder, proposer, subcontractor and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of Park District and any such bidder, proposer, subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. Park District represents that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code and that it will inform all contractors and subcontractors hired by Park District in connection with this Agreement of this provision in writing and require their compliance.

It is the duty of the Park District and any bidder, proposer, subcontractor and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of Park District and any such bidder, proposer, subcontractor or such applicant to cooperate with the Legislative Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-55 of the Municipal Code. Park District represents that it understands and will abide by all provisions of Chapter 2-55 of the Municipal Code and that it will inform all contractors and subcontractors hired by Park District in connection with this Agreement of this provision in writing and require their compliance.

4.15 Failure by Park District or any controlling person (as defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City as required by Section 1-23-030 of the Municipal Code will be grounds for termination of this Agreement and the transactions contemplated hereby.

4.16 Independent Contractor

(a) The Park District shall perform under this Agreement as an independent contractor to the City and not as a representative, employee, agent or partner of the City.

(b) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "**Shakman Accord**") and June 24, 2011 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United State District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(c) Park District is aware that City policy prohibits City employees from directing any individual to apply for a position with Park District, either as an employee or as a subcontractor, and from directing Park District to hire an individual as an employee or as a subcontractor. Accordingly,

Park District must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Park District under this Agreement are employees or subcontractors of Park District, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Park District.

(d) Park District will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(e) In the event of any communication to Park District by a City employee or City official in violation of Section (c) above, or advocating a violation of Section (d) above, Park District will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight") and also to the head of DPD. Park District will also cooperate with any inquiries by IGO Hiring Oversight or the Shakman Monitor's Office related to this Agreement.

4.17 FOIA and Local Records Act Compliance

(a) **FOIA.** Park District acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If Park District receives a request from the City to produce records within the scope of FOIA, then Park District covenants to comply with such request within 48 hours of the date of such request. Failure by Park District to timely comply with such request will be a breach of this Agreement.

(b) **Exempt Information.** Documents that Park District submits to the City during the term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by Park District to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Park District mark any such documents as "proprietary, privileged or confidential." If Park District marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) **Local Records Act.** Park District acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq., as amended (the "**Local Records Act**"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, Park District covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act concerning records arising under or in connection with this Agreement and the transactions contemplated in the Agreement.

SECTION 5. ENVIRONMENTAL MATTERS

5.1. It will be the responsibility of Park District to investigate and determine the soil and environmental condition of the Property, if deemed necessary, including obtaining phase I and, if applicable, phase II environmental audits for the Property. The City makes no covenant, representation or warranty as to the environmental condition of the Property or the suitability of the Property for any use whatsoever.

5.2. Park District agrees to carefully inspect the Property and all easements or other agreements recorded against the Property prior to commencement of any activity on the Property to ensure that such activity will not damage surrounding property, structures, utility lines or any subsurface lines or cables. Park District must be solely responsible for the safety and protection of the public on the portions of the Property affected by the Project, until the portion of the Project on each portion of the Property is completed. The City reserves the right to inspect the work being done on the Property. Park District agrees to keep the Property free from all liens and encumbrances arising out of any work performed, materials supplied or obligations incurred by or for Park District.

5.3. Prior to inspecting the Property, Park District or its subcontractors, if any, must obtain insurance in accordance with Section 6 below, all necessary permits and, if applicable, a right of entry.

SECTION 6. INSURANCE

6.1 Park District must provide and maintain at Park District's own expense, or cause to be provided during the term of this Agreement, the insurance coverages and requirements specified below, as applicable, insuring all operations related to this Agreement.

INSURANCE TO BE PROVIDED

6.1.1. Workers Compensation and Employers Liability. Workers Compensation Insurance, as prescribed by applicable law, covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.

6.1.2. Commercial General Liability (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent). The City is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work or services.

Subcontractors performing work or services for Park District must maintain limits of not less than \$1,000,000 with the same terms in this subsection.

6.1.3. Automobile Liability (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with the services to be performed, Park District must

provide or cause to be provided, Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage. The City is to be named as an additional insured on a primary, non-contributory basis.

6.1.4. Professional Liability. When any architects, engineers, or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained or caused to be maintained, with limits of not less than \$1,000,000. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

6.1.5 Self Insurance. To the extent permitted by applicable law, the Park District may self insure for the insurance requirements specified above, it being expressly understood and agreed that, if the Park District does self insure for any such insurance requirements, the Park District must bear all risk of loss for any loss which would otherwise be covered by insurance policies, and the self insurance program must comply with at least such insurance requirements as stipulated above.

6.2. **ADDITIONAL REQUIREMENTS.** Park District must furnish the City of Chicago, Department of Planning and Development, 121 N. LaSalle Street, Room 905, Chicago, Illinois 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. Park District must submit evidence of insurance on the City's Insurance Certificate Form (copy attached as Exhibit E) or equivalent prior to execution of the Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Park District is not a waiver by the City of any requirements for Park District to obtain and maintain the specified coverages. Park District must advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance does not relieve Park District of the obligation to provide insurance as specified in this Agreement. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

The insurance must provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Park District.

Park District agrees that insurers waive their rights of subrogation against the City, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Park District in no way limit Park District's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self-insurance programs maintained by the City do not contribute with insurance provided by Park District under this Agreement.

The required insurance to be carried out is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

Park District must require all subcontractors to provide insurance required in this Agreement, or Park District may provide the coverages for subcontractors. All subcontractors are subject to the same insurance requirements of Park District unless otherwise specified in this Agreement.

If Park District or its subcontractors desire additional coverages, the party desiring additional coverages is responsible for the acquisition and cost.

Notwithstanding any provision in the Agreement to the contrary, the City's Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 7. INDEMNIFICATION

Park District will indemnify and defend the City, its officials, agents and employees (the "City Indemnitees") against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, attorneys' and expert witnesses' fees and court costs) the City Indemnitees suffer or incur arising from or in connection with the actions or omissions of Park District and/or any contractors or subcontractors in implementing the Project, if any, or Park District's breach of this Agreement. This defense and indemnification obligation survives any termination or expiration of this Agreement.

SECTION 8. NO LIABILITY OF OFFICIALS

No elected or appointed official or member or employee or agent of the City will be charged personally by Park District or by an assignee or subcontractor, with any liability or expenses of defense or be held personally liable under any term or provision of this Agreement because of their execution or attempted execution or because of any breach hereof.

SECTION 9. DEFAULT AND REMEDIES

9.1. If Park District, without the City's written consent (which consent will not be unreasonably withheld, conditioned or delayed) defaults by failing to perform any of its obligations under this Agreement then the City may terminate this Agreement if such default is not cured as provided in Section 9.2 below.

9.2. Prior to termination, the City will give Park District 30 days' advance written notice of the City's intent to terminate stating the nature of the default. If Park District does not cure the default within the 30-day period, the termination will become effective at the end of the period. With respect to those defaults that are not capable of being cured within the 30-day period, Park District will not be deemed to be in default if it has begun to cure the default within the 30-day period and thereafter diligently and continuously prosecutes the cure of the default until cured.

9.3. Either Party may, in any court of competent jurisdiction, by any proceeding at law or in equity, seek the specific performance of this Agreement, or damages for failure of performance, or both.

SECTION 10. NO BUSINESS RELATIONSHIPS WITH ELECTED OFFICIALS

10.1. Pursuant to Section 2-156-030(b) of the Code, it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a business relationship, or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a business relationship. Violation of Section 2-156-030(b) by any elected official with respect to this Agreement will be grounds for termination of this Agreement. The term business relationship is defined in Section 2-156-080 of the Code.

10.2. Section 2-156-080 of the Code defines a "business relationship" as any contractual or other private business dealing of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a financial interest, with a person or entity which entitles an official to compensation or payment in the amount of \$2,500 or more in a calendar year; provided, however, a financial interest will not include: (i) any ownership through purchase at fair market value or inheritance of less than 1 percent of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" will not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

SECTION 11. GENERAL CONDITIONS

11.1. Assignment. This Agreement, or any portion thereof, will not be assigned by either Party without the express prior written consent of the other Party which consent will not be unreasonably withheld, conditioned or delayed.

11.2. Construction of Words. As used in this Agreement, the singular of any word will include the plural, and vice versa. Masculine, feminine and neuter pronouns will be fully interchangeable, where the context so requires.

11.3. Counterparts. This Agreement may be executed in counterparts and by different Parties in separate counterparts, with the same effect as if all Parties had signed the same document. All such counterparts will be deemed an original, will be construed together and will constitute one and the same instrument.

11.4. Entire Agreement. This Agreement contains the entire agreement between the City and Park District and supersedes all prior agreements, negotiation and discussion between them with respect to the Project.

11.5. Exhibits. Any exhibits to this Agreement will be construed to be an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

11.6. Governing Law, Venue and Consent to Jurisdiction. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its principles of conflicts of law. If there is a lawsuit under this Agreement, each Party agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

11.7. Inspection and Records. Park District must provide the City with reasonable access to its books and records relating to the Project and the Grant as will be required by the City and necessary to reflect and disclose fully the amount and disposition of the Grant. Any duly authorized representative of the City will, at all reasonable times, have access to all such books and records which right of access will continue until the date that is five years after the expiration or termination of this Agreement.

11.8. Modification. This Agreement may not be modified or amended except by an agreement in writing signed by both Parties.

11.9. Notice. Any notice, demand or communication required or permitted to be given hereunder will be given in writing at the address set forth below by any of the following means: (a) personal service; (b) electronic communication, whether by electronic mail or fax; (c) overnight courier; or (d) registered or certified first class mail postage prepaid, return receipt requested.

To the City:

City of Chicago
Department of Planning and Development
Attention: Commissioner
City Hall, Room 1000
121 N. LaSalle Street
Chicago, Illinois 60602
(312) 744-4190
(312) 744-2271 (Fax)

With copies to:

City of Chicago
Department of Law
Attention: Finance and Economic Development
Division
City Hall, Room 600
121 N. LaSalle Street
Chicago, Illinois 60602
(312) 744-0200
(312) 744-8538 (Fax)

To the Park District:

Chicago Park District
Attention: General Superintendent
541 North Fairbanks Court
Chicago, Illinois 60611
(312) 742-7529
(312) 742-5328 (Fax)

With copies to:

Chicago Park District
Department of Law
541 North Fairbanks Court
Chicago, Illinois 60611
(312) 742-7529
(312) 742-5328 (Fax)

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof will be deemed received upon such personal service or upon dispatch by electronic means, respectively. Any notice, demand or communication given pursuant to clause (c) hereof will be deemed received on the day immediately following deposit with the overnight courier. Any notice, demand or communication given pursuant to clause (d) hereof will be deemed received three business days after mailing. The Parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications will be given.

11.10. Parties' Interest / No Third Party Beneficiaries. The terms and provisions of this Agreement will be binding upon and inure to the benefit of, and be enforceable by, the respective successors and permitted assigns of the Parties. This Agreement will not run to the benefit of, or be enforceable by, any person or entity other than a Party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Agreement, nor any act of the City or Park District, will be deemed or construed by any of the Parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City or Park District.

11.11. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, will be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances will remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms will provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

11.12. Titles and Headings. Titles and headings in this Agreement are inserted for convenience and are not intended to be part of or affect the meaning or interpretation of this Agreement.

11.13. Waiver. Waiver by either party with respect to the breach of this Agreement will not be considered or treated as a waiver of the rights of such party with respect to any other default or with respect to any particular default except to the extent specifically waived by such party in writing.

11.14. Foreign Assets Control Lists. Neither Park District, nor any affiliate thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For the purposes of this paragraph "Affiliate," when used to indicate a relationship with a specified person or entity, will mean a person or entity that, directly or indirectly, through one or more

intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity will be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

11.15. Further Actions. Park District and the City agree to do, execute, acknowledge and deliver all agreements and other documents and to take all actions reasonably necessary or desirable to comply with the provisions of this Agreement and the intent thereof.

*[The remainder of this page is intentionally blank.
Signatures appear on the following page.]*

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered as of the Closing Date.

CITY OF CHICAGO, an Illinois municipal corporation, acting by and through its Department of Planning and Development

By: _____
Andrew J. Mooney
Commissioner

CHICAGO PARK DISTRICT, a body politic and Corporate of the State of Illinois

By: _____
Michael P. Kelly
General Superintendent and CEO

Attest:

Kantrice Ogletree
Secretary

Exhibit A

Limas Park Legal Description

Expansion Parcel

Limas Park

ADDRESS: 2422 S. TRUMBULL

PIN NUMBERS: 16-26-218-26

LEGAL DESCRIPTION:

LOTS 1 IN MARY GRACE OLIVER'S SUBDIVISION OF 13 TO 17 IN IN MOODY'S SUBDIVISION OF LOTS 47 AND 50 OF CHAS. C. MOWRY'S AND OTHERS SUBDIVISION OF THE EAST HALF OF THE NORTHWEST QUARTER AND THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

AREA: APPROXIMATELY .09 ACRE

BEILFUSS PARK

ADDRESS: ~~1725 N.~~ SPRINGFIELD, CHICAGO, IL

PINS: 13-15-317-001

LEGAL DESCRIPTION:

[TO BE ATTACHED AT CLOSING]

EXHIBIT B

PROJECT ASSISTANCE BUDGET*

Limas Park	
Item	
Acquisition of Expansion Parcel	\$9,393
TOTAL Open Space Impact Fee Assistance	\$9,393

Beilfuss Park	
Item	
Fencing	\$11,740
Clean, grub and rough grade	\$10,000
Landscaping	\$13,280
Drainage	\$20,000
Contingency	\$10,400
TOTAL	\$65,420
Open Space Impact Fee Assistance	\$37,896

*The Commissioner may approve changes to the preliminary budget, but may not increase the amount of Project Assistance.

EXHIBIT C

Drawings

[To be attached at Closing]

EXHIBIT D

Project Schedule

[To be attached at Closing]

EXHIBIT E

Certificate of Expenditure

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The affiant, Chicago Park District, a body politic and Corporate of the State of Illinois, hereby certifies that with respect to that certain Intergovernmental Agreement between Park District and the City of Chicago dated _____, ____ (the "Agreement"):

- A. Expenditures for the Project, in the total amount of \$ _____, have been made:
- B. This paragraph B sets forth and is a true and complete statement of all costs of Open Space Impact Fee-Funded Improvements for the Project reimbursed by the City to date: \$ _____
- C. Park District requests reimbursement for the following cost of Open Space Impact Fee-Funded Improvements: \$ _____
- D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.
- E. Park District hereby certifies to the City that, as of the date hereof:
 - 1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and Park District is in compliance with all applicable covenants contained herein.
 - 2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute a Default, exists or has occurred.
 - 3. Park District has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Plans and Specifications.
 - 4. Park District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or Park District as related thereto.

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

By: _____

Name

Title: _____

Subscribed and sworn before me this ____ day of _____, ____.

My commission expires: _____

Agreed and accepted:

Name

Title: _____

City of Chicago

Department of Planning and Development

Meg Gustafson
Department of Planning and
Development
City Hall, Room 905
312.744.0524

EXHIBIT F

Insurance Form

[To be attached at Closing]



City of Chicago



O2014-910

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	2/5/2014
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Acquisition of property from Illinois Department of Transportation for jurisdictional transfer from State to City and adding Parcel to municipal street system
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Water Management, I transmit herewith an ordinance authorizing an acquisition of property from the Illinois Department of Transportation.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a home-rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois and may exercise any power and perform any function pertaining to its local government and affairs; and

WHEREAS, pursuant to Section 4-409 of the Illinois Highway Code (605 ILCS 5/4-409), the State of Illinois, through the Illinois Department of Transportation (the "State"), is authorized to enter into written agreements with the City for the jurisdiction, maintenance, administration, engineering or improvement of any highway or portion thereof; and

WHEREAS, pursuant to Section 2-101 of the Illinois Highway Code (605 ILCS 5/2-201), the State has authority to make changes in the State Highway System; and

WHEREAS, pursuant to Section 7-101 of the Illinois Highway Code (605 ILCS 5/7-101), municipalities are authorized to add streets or portions thereof to their municipal street system; and

WHEREAS, in 1955, the City acquired certain property, including a parcel 40 feet by approximately 140 feet and located immediately to the south of the City's Cermak Avenue Pumping Station (the "Station"), which parcel is depicted in Exhibit A attached hereto (such parcel, the "Parcel"); and

WHEREAS, the State has jurisdictional authority over the Parcel for highway purposes; and

WHEREAS, the State does not use the Parcel; and

WHEREAS, the City desires to utilize the Parcel for City home-rule unit of government purposes, including but not limited to, the installation of permanent standby generators, as part of the improvement plans for the Station; and

WHEREAS, it is necessary, desirable and in the best interests of the City and the State that the jurisdiction of the Parcel be transferred from the State to the City; now therefore,

Be it Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Commissioners of the City's Department of Water Management and the Department of Transportation (together, the "Commissioners", or individually the "Commissioner") or a designee of the respective Commissioners are each authorized to execute, subject to the approval of the Corporation Counsel as to form and legality, one or more agreements with the State for the jurisdictional transfer of the Parcel from the State to the City and adding the Parcel to the municipal street system.

SECTION 3. This ordinance shall take effect upon its passage and approval.



City of Chicago



A2014-34

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 2/5/2014

Sponsor(s): Emanuel (Mayor)

Type: Appointment

Title: Reappointment of Bruce D. Longanecker, Sr. as member of
Special Service Area No. 23, Clark Street-Lincoln Park
Commission

Committee(s) Assignment: Committee on Finance

FW.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

I have reappointed Bruce D. Longanecker, Sr. as a member of Special Service Area No. 23, the Clark Street-Lincoln Park Commission, for a term effective immediately and expiring May 13, 2015.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

Mayor



City of Chicago



A2014-37

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	2/5/2014
Sponsor(s):	Emanuel (Mayor)
Type:	Appointment
Title:	Reappointment of Christopher P. Valenti as member of Chicago Public Library Board
Committee(s) Assignment:	Committee on Budget and Government Operations



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

I have reappointed Christopher P. Valenti as a member of the Chicago Public Library Board for a term effective immediately and expiring June 30, 2016.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

Mayor



City of Chicago



O2014-1096

Office of the City Clerk Document Tracking Sheet

Meeting Date:	2/5/2014
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	2014 Special Events Ordinance
Committee(s) Assignment:	Committee on Special Events, Cultural Affairs and Recreation

SP. EV.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Cultural Affairs and Special Events, I transmit herewith the 2014 Special Events Ordinance.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a home rule unit of government as defined in Section 6(a), Article VII of the 1970 Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City, through the Department of Cultural Affairs and Special Events ("DCASE"), sponsors and conducts unparalleled exhibits, programs, festivals and cultural and entertainment events as further described by this ordinance (collectively "Events") in City facilities managed by DCASE and other City departments and throughout the City's streets, parks and neighborhoods; and

WHEREAS, the Events promote the public interest by providing vital recreation for the citizens of the City and from around the world, enhancing the cultural life of the City, and bringing together large numbers of people from every segment of society to meet and share in common social experiences in celebration of the City; and

WHEREAS, the City Council wishes to confer supplemental authority relating to the management and execution of Events, and also to vest the Commissioner with contracting authority important to the functioning of DCASE, including the operation of retail shops at DCASE's facilities, and the authority to buy, maintain, and restore art, all as specified in this ordinance; now, therefore,

Be it Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals are made a part of this ordinance as though fully set forth herein.

SECTION 2. DCASE is authorized to sponsor and produce the Events set forth in Exhibit A attached to this ordinance. Subject to the availability of funds, DCASE may add additional programs, exhibits, festivals, cultural and/or entertainment events to Exhibit A.

SECTION 3. Those revenues that the Events may generate in 2014 in excess of revenues that have been appropriated in the 2014 Annual Appropriation Ordinance, as well as all City revenues collected in connection with concession agreements entered pursuant to this ordinance, must be deposited into Fund Number 355, and are subject to appropriation. All agreements and extensions authorized in this ordinance shall: (1) be made subject to the availability of duly appropriated funds, (2) contain such other terms and conditions as the commissioner deems reasonable and appropriate, and (3) be subject to the approval of the Comptroller and the Corporation Counsel.

SECTION 4.

- (a) DCASE is authorized to operate concessions at the Events, including through third parties, selling items of interest to the public.
- (b) The Commissioner is authorized to execute agreements with theater groups, performers,

artists, entities promoting the arts, and art organizations selected by the Commissioner, which may include rights to use City space for performances or art exhibits in facilities that DCASE manages for free or reduced rent, provided that such uses are consistent with and further the mission of DCASE. Such agreements may authorize such entities to sell works of art or tickets to performances or exhibitions and to keep the proceeds, and may also provide for the City to give financial or promotional support to the entity.

SECTION 5(a). DCASE is authorized to impose application fees and/or registration fees in connection with certain Events, as follows: (i) Race to Taste (the "Race") -- an application fee of up to Thirty-five and no/100 Dollars (\$35.00) on all participants in the Race; (ii) Online talent submissions to perform at Events -- a fee of not more than Ten and no/100 Dollars (\$10.00); and (iii) any other Event where, based on the location of the Event, the estimated number of participants in the Event, the duration of the Event or any other relevant factor set forth in duly promulgated rules and regulations, DCASE determines that an application fee and/or registration fee is required for such Event. Provided, however, that if an application fee and/or registration fee is assessed under this item (iii), such fee shall not exceed \$100.00 and shall be reasonably related to the costs incurred by DCASE in connection with the administration of such Event. Any balance remaining from the application fees and/or registration fees after payment of the costs of the respective Event must be applied to the costs incurred by the City with respect to various other Events.

(b) DCASE is authorized to sell tickets for admittance to concerts that take place during the Taste of Chicago. The number of tickets sold shall not exceed 15% of the total capacity of the concert venue; 85% of the venue shall remain free. The average cost per ticket sold to these concerts shall not exceed \$25 and the cost of no ticket shall exceed \$50. In addition, DCASE is authorized to sell tickets for admittance to events held at the Chef of the Day Pavilion and other food or beverage specialty pavilions during the Taste of Chicago. Any balance remaining from the sale of tickets after payment of the costs of the Taste of Chicago shall be applied to the costs incurred by the City with respect to various other Events. Notwithstanding Section 18, the Commissioner is authorized to enter into and execute agreements with one or more entities to provide ticket selling services for the tickets referenced in this subsection, provided that any such agreement shall expire no later than December 31, 2014.

SECTION 6. DCASE must impose a service charge of \$2.50 on the purchase of each strip, sheet or other group of twelve (12) coupons redeemable for food and beverage at Taste of Chicago, Chicago Blues Festival, Chicago Jazz Festival, and Gospel Music Festival. DCASE may also sell coupons in electronic and other formats and at quantities greater or less than 12. The service charge for an individual coupon must not be greater than 1/12 of \$2.50. The service charge will be applied to the City's costs for these Events, which include, without limitation: security; entertainment; programming; production and marketing; maintenance operation; restroom facilities; inclusion of dining areas and picnic tables; and public relations efforts regionally, nationally and internationally. Any balance remaining from the service charge revenues after payment of these costs must be applied to the costs incurred by the City with respect to various other Events.

SECTION 7. On behalf of the City, DCASE may donate the amount of one percent (1 %) of the total ticket sales, less service charge revenues and sales tax, generated from Taste of Chicago for

the relief of malnutrition to not-for-profit organizations and/or for job training in the culinary arts industry in the City as directed by the Commissioner in consultation with the Commissioner of Family and Support Services (the "DFSS Commissioner").

SECTION 8. The Commissioner is authorized to charge festival and event organizers for costs incurred by the City in connection with a Special Event, as such term is defined in Section 10-8-335(a) of the Municipal Code of Chicago, or a Parade or Athletic Event, as such terms are defined in Sections 10-8-330(a) and 10-8-332, or such other events for which the City provides special services of the type described in Section 10-8-335(a)(1)(B). The Commissioner is authorized to promulgate such rules and regulations, subject to the approval of the Corporation Counsel, as he or she determines are necessary or desirable for the implementation of this section by posting these at the DCASE main offices. The Commissioner is authorized to collect payments from festival and event organizers for such costs for deposit in Fund Number 355. The funds collected by the City pursuant to this section will be used only to reimburse various funds described in the 2014 Annual Appropriation Ordinance for the costs referenced above.

SECTION 9. DCASE is authorized from time to time to sell at auction or otherwise any excess quantities of events and sports-related banners, posters and related memorabilia. The Commissioner, in consultation with the Commissioner of Family and Support Services, may use any balance remaining after applying the proceeds to the costs of the sales: (i) to donate to not-for-profit organizations devoted to the relief of malnutrition in the City or (ii) to purchase holiday gifts and provide holiday entertainment for needy Chicago children.

SECTION 10. The Commissioner is authorized to enter into and execute agreements for a term of up to two (2) years with vendors, contractors, and consultants for goods or services in connection with the Events, including but not limited to: souvenir vendors, art vendors, providers of amusement games and rides and for hospitality, supply of signage, protocol gift and floral services, maintenance services, security services, and fireworks for Events; provided, however, that the Commissioner or designees shall select the vendors, contractors and consultants by evaluating their qualifications and proposals submitted in response to publicly advertised solicitations. Public advertisements must consist of publishing an advertisement either in a newspaper of general circulation or on the City of Chicago website. When evaluating responses to a solicitation, the Commissioner will consider such facts as the firms' cost proposals, compliance with the requirements of the solicitation, qualifications to perform or provide the required service, experience in performing or providing the service, ability to exercise flexibility to meet the City's needs, ability to address issues relating to health, safety and sanitation, and other factors the Commissioner deems important for the successful operation of the Events. Agreements entered into under this section shall provide the City the right to terminate such agreements early, and may permit the extension of such agreements up to a maximum of two (2) years under terms and conditions consistent with the terms of the publicly advertised solicitation.

SECTION 11. (a) The Commissioner is authorized, after evaluation of qualifications and proposals submitted in response to a publicly advertised solicitation or otherwise publicly disseminated solicitation, such as the mailing of applications to qualified entities or posting on the City of Chicago website, as determined in the Commissioner's discretion, to enter into and execute agreements for up to one (1) year with food and beverage vendors. When evaluating responses to a

solicitation, the Commissioner will consider such facts as the firms' cost proposals, compliance with the requirements of the solicitation, qualifications to perform or provide the required service, experience in performing or providing the service, ability to exercise flexibility to meet the City's needs, ability to address issues relating to health, safety and sanitation, and other factors the Commissioner deems important for the successful operation of the Events.

All agreements entered into under this section shall provide the City the right to terminate such agreements early. Such agreements may also require food and beverage vendors to tender security deposits or allow the Commissioner to collect liquidated damages to ensure compliance with rules and regulations that she may promulgate pertaining to food and beverage vendors.

(b) The Commissioner is authorized to enter into and execute agreements with (i) such persons (as that term is defined in Municipal Code Section 1-4-090) whom the Commissioner reasonably deems to be Renowned Food and Beverage Vendors (as defined below), (ii) persons who prepare and sell items at an Event based upon the recipes of and with the express written permission of a Renowned Food and Beverage Vendor, and (iii) food service industry organizations representing Renowned Food and Beverage Vendors. "Renowned Food and Beverage Vendor" shall mean a person renowned for the degree of culinary expertise possessed by the person if an individual, or the head chef of the person, if an entity. Such food and beverage vending agreements will not be subject to the public solicitation requirement set forth in section (a) above.

SECTION 12. The Commissioner is authorized to enter into and execute agreements for up to two (2) years with one or more firms to design, assemble, install, transport, mount, erect, dismantle, refurbish, store or manage the storage of temporary displays, booths, or other event-related materials at Events or provide Event production, preparation, management, coordination or supervision, and to extend the terms of such agreements for up to two (2) years.

SECTION 13. For purposes of this Section 13, "Performer and Exhibition Agreements" means agreements with performers, caterers, announcers, musicians, artists, panelists, grant reviewers, guest curators and exhibitors. Performer and Exhibition Agreements are required to contain only those provisions deriving from State law that preempt the city's home rule authority.

SECTION 14. The Commissioner is authorized to enter into and execute intergovernmental cooperation agreements to sponsor and/or produce the Events, which may include, without limitation, terms relating to exchange of any consideration, insurance and indemnification between the City and those governmental units. The intergovernmental cooperation agreements may be with any necessary or appropriate federal, state or local government unit, including, without limitation, the Chicago Park District with respect to use of any Park District property and the United States Army Corps of Engineers with respect to the use of the Monroe Harbor Breakwater.

SECTION 15. The Commissioner is authorized to enter into and execute agreements with Sponsors of the Events or their agents, including, without limitation, commercial or other business sponsors and media sponsors, which may include, without limitation, terms allowing sponsors to promote, distribute samples of, or sell, food, goods and/or services, for up to three (3) years, and to extend the terms of such agreements for up to two (2) years. For those sponsorship agreements in which the sponsor provides in-kind contributions, those in-kind contributions shall be used in connection with the Events. All sponsorship agreements shall provide the City the right to

terminate such agreements early.

SECTION 16. The Commissioner is authorized to enter into and execute short term lease agreements with persons that are the lessors of the sites at which the Events may be held, which may include, without limitation, terms relating to exchange of any consideration, insurance and indemnification by the City to the lessors.

SECTION 17. The Commissioner is authorized to enter into and execute agreements for up to two (2) years to commission works by or provide visual, performance or other artists, caterers, announcers, musicians, panelists, grant reviewers, and guest curators, other entertainment and production or operations staff at the Events, and to extend the terms of such agreements for up to two (2) years.

SECTION 18. The Commissioner is authorized to enter into and execute an agreement for a term of one (1) year with an entity selected by the Commissioner through a request for proposals issued pursuant to Section 10 hereof, for beverage and food management, which may include, without limitation, providing services such as ticket selling, purchasing supplies and renting equipment, at such Events as determined by the Commissioner, including, but not limited to, Events in Grant Park. The agreements may include, without limitation, terms providing the City with the option to make advance payments to the contractor, as determined solely by the Commissioner. The Commissioner is authorized to extend the term of such agreement for up to two (2) years.

SECTION 19. The Commissioner is authorized to enter into contracts with providers of recreational inflatables, for a term not to exceed 5 years. Such contractors shall be selected pursuant to the process outlined for contracts in Section 10 hereof. The Commissioner is authorized to establish criteria for a grant program to communities for such recreational inflatables in rules and regulations, and to make grants of such recreational inflatables to such communities pursuant to the terms of such regulations.

SECTION 20. The Commissioner is authorized to enter into contracts with entities to operate retail shops in facilities managed by DCASE, including the Chicago Cultural Center Café, the Farmstand at 66 E. Randolph, and the Gift Shop at the Chicago Cultural Center. Such contractors shall be selected pursuant to the process outlined for contracts in Section 10 hereof.

SECTION 21. (a) The Commissioner is authorized to enter into contracts with individuals or public or private entities to commission, create, or produce (which shall include procuring temporary rights to, installing, and maintaining) temporary art exhibitions and exhibitions of other items of public interest. "Temporary art exhibition" shall mean an exhibition that extends for a maximum of twelve months. The Commissioner shall have the authority to establish selection guidelines for the temporary art exhibits, including determining whether any selection will be made by open competition, limited entry (invitational) or direct selection, and the authority to make final selection of the artwork to be exhibited. (b) The Commissioner is authorized to enter into contracts with individuals or entities to restore, install, and maintain artwork. (c) All contracts described in this Section may include, without limitation, the provision of insurance and indemnification by the City to such contractors.

SECTION 22. The Commissioner is authorized to enter into contracts with entities to provide tourism services, including without limitation marketing and programming. Such contractors shall be selected pursuant to the process outlined in Section 10.

SECTION 23. The Commissioner is authorized to execute other documents ancillary to the agreements described in this ordinance, including certifications and assurances that are required in connection with the sponsorship and/or production of the Events.

SECTION 24. The Commissioner is authorized to enter into and execute agreements for up to three (3) years, for the production, distribution and sale of souvenir program books and other promotional materials, to be produced at no cost to the City, and to extend the terms of such agreements for up to two (2) years. These agreements may contain terms that permit the contractor to sell advertising within the souvenir program book, vend the souvenir program book and retain all or part of the proceeds from these activities. Such agreements shall provide the City the right to terminate the agreement early.

SECTION 25. The Commissioner is authorized to enter into and execute an agreement for a term of up to two (2) years with a contractor to provide LED screen(s) and associated labor and equipment in connection with Events, and to extend the term of such agreement for up to two (2) years. This agreement may contain terms that permit the contractor to sell advertising to third parties to be displayed on the LED screen (subject to prior approval by DCASE of the proposed advertising) during Events, and to retain all or part of the proceeds from the advertising. Any such agreement shall permit the City to terminate the agreement early.

SECTION 26. The Commissioner is authorized to enter into and execute agreements for a term of up to two (2) years with contractors to provide an advertising system with respect to portable toilets and/or refuse carts in connection with Events, and to extend the term of such agreements for up to two (2) years. These agreements may contain terms that permit the contractor to sell advertising to third parties to be displayed using the system (subject to prior approval by Commissioner of the proposed advertising) during Events, and to retain all or part of the proceeds from the advertising. Any such agreement shall permit the City to terminate the agreement early.

SECTION 27. The Commissioner is authorized to enter into and execute grant agreements to support the Department and its programs. Funding from these grant agreements are subject to appropriation. The Commissioner is also authorized to enter into and execute grant agreements for in-kind services including, without limitation, consultation, loans or grants of personal property, and intellectual property.

SECTION 28. The invalidity of any one or more phrases, sentences, clauses or sections contained in this ordinance does not affect the remaining portions of the ordinance.

SECTION 29. This ordinance takes effect immediately upon its passage and approval as provided by law.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
EVENTS

- Air and Water Show
- Chicago Blues Festival
- Chicago Gospel Music Festival
- Taste of Chicago (or other citywide food festivals)
- Chicago Jazz Festival
- World Music Festival
- International Theater Festival
- Chicago SummerDance
- Public art Projects, including Percent for Art
- Recreational Inflatables
- Farmers Markets
- Halloween Festivities and Display(s)
- Maxwell Street Market Events
- Extreme Sporting Events
- Bike Chicago
- Hosting National and International Touring Sports Events
- Kids and Kites Festival
- Co-sponsored Neighborhood Festivals
- Parades
- Mayoral Receptions
- Holiday Decorating and Programming throughout Downtown Business District
- Performances, programs, events and exhibitions in the Chicago Cultural Center, Millennium Park, Grant Park, Gallery 37 Center for the Arts, 72 East Randolph, Clarke House Museum and the Women's Park and Gardens, The City Gallery at the Historic Water Tower, the Water Works Visitor Information Center, Maxim's: The Nancy Goldberg International Center, and Daley Center Plaza and other venues throughout the City
- Citywide Seasonal or other Public, Cultural memorial and Entertainment Events
- Entertainment Events around the City's Waterways
- Creative Chicago Expo
- At Work Forums
- Programs, Exhibitions and Seminars supporting Chicago's Creative Industries
- Promotional/Preview events in conjunction with Events listed in this Exhibit A
- Sponsorship and Fundraising Events to benefit the Department of Cultural Affairs and Special Events

Cultural Grants Program



City of Chicago



R2014-71

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	2/5/2014
Sponsor(s):	Emanuel (Mayor) Mitts (37) Burns (4) Thompson (16) Pawar (47)
Type:	Resolution
Title:	Support of proposal by President Barack Obama to raise minimum wage and call for City Council Committee on Workforce Development to hold hearing on issue
Committee(s) Assignment:	Committee on Budget and Government Operations

BUDG.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 5, 2014

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

I transmit herewith, together with Aldermen Mitts, Burns, Thompson and Pawar, a resolution concerning the minimum wage.

Your favorable consideration of this resolution will be appreciated.

Very truly yours,

Mayor

R E S O L U T I O N

WHEREAS, Congress has raised the federal minimum wage only two times in the last 20 years, most recently in 2009; and

WHEREAS, The value of the minimum wage, adjusted for inflation, has declined from its peak of \$10.72 in 1968 to \$7.25 today – a 33% decrease in spending power; and

WHEREAS, In his State of the Union address last month, President Obama expressed strong support for a bill pending in Congress that gradually raises the federal minimum wage over three years to \$10.10 an hour and mandates automatic adjustments for inflation; and

WHEREAS, The White House estimates that, if enacted, the legislation would immediately boost the wages of about 15 million low-income workers; and

WHEREAS, According to the United States Bureau of Labor Statistics, more than 85,000 persons in Illinois, a large percentage of whom live and work in Chicago, hold minimum-wage jobs; and

WHEREAS, The majority of those who would benefit from a minimum wage increase are adult, full-time workers who are supporting their families in moderate- to low-income households; and

WHEREAS, Full-time minimum-wage workers in Illinois earn approximately \$17,160 per year before taxes, which is barely above the poverty threshold for households of two people, and well below it for households of three or more; and

WHEREAS, The bulk of reputable research on the subject shows that raising the minimum wage has little or no adverse impact on employment and prices – to the contrary, according to the Economic Policy Institute, raising the minimum wage to \$10.10 an hour would help the economy at large, because the increased spending power of workers would increase our nation's gross domestic product by about \$33 billion and create approximately 140,000 jobs; and

WHEREAS, A 2012 poll by Lake Research shows that at least 73% of Americans favor an increase in the minimum wage, including 74% of independents and 50% of Republicans, crossing all demographic, regional, and political categories, and polls in 2013 by Gallup and the Pew Research Center reached similar results; now, therefore,

BE IT RESOLVED, That we, the Mayor and Members of the City Council of the City of Chicago, assembled this fifth day of February, 2014, do hereby express our wholehearted support for President Obama's proposal to raise the minimum wage, and call upon the City Council's Committee on Workforce Development to hold a hearing to consider this issue of importance to hardworking people in Chicago and throughout the nation; and

BE IT FURTHER RESOLVED, That suitable copies of this resolution be presented to the Illinois Delegation to the United States Congress as a sign of our dedication to and support of this important issue.