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**JOURNAL of the PROCEEDINGS
of the
CITY COUNCIL
of the
CITY of CHICAGO, ILLINOIS**

Regular Meeting—Thursday, April 25, 1985

at 10:00 A.M.

(Council Chamber—City Hall—Chicago, Illinois)

OFFICIAL RECORD.

HAROLD WASHINGTON
Mayor

WALTER S. KOZUBOWSKI
City Clerk

Attendance at Meeting.

Present -- Honorable Harold Washington, Mayor, and Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone.

Absent -- Aldermen Majerczyk, W. Davis, Frost.

Call to Order.

On Thursday, April 25, 1985 at 11:00 A.M. (the hour appointed for the meeting was 10:00 A.M.) Honorable Harold Washington, Mayor, called the City Council to order. Honorable Walter S. Kozubowski, City Clerk, called the roll of members and it was found that there were present at that time: Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Quorum present.

Invocation.

Reverend Wilbur N. Daniel, Antioch M. B. Church, opened the meeting with prayer.

Referred -- GOVERNOR AND GENERAL ASSEMBLY PETITIONED TO RE-EXAMINE "BUILD ILLINOIS" PROPOSAL.

Honorable Harold Washington, Mayor, on behalf of himself and all the members of the City Council, presented the following proposed resolution:

WHEREAS, Governor James R. Thompson, on February 25, 1985 declared the year of 1985 critical to the economic development of the State of Illinois; and

WHEREAS, In recognition of the need to meet the critical issues facing the State of Illinois, the Governor has proposed a program entitled "Build Illinois"; and

WHEREAS, The Reagan administration has as a matter of policy called for local governments to look at the states for support for programs and initiatives traditionally funded by the federal government; and

WHEREAS, The "Build Illinois" program is designed to address the issues of business development, the revitalization of the State's infrastructure and transportation, public education, environment and housing; and

WHEREAS, The "Build Illinois" proposal calls for the expenditure of \$2.3 billion over the next five years; and

WHEREAS, Close analysis of the Governor's proposal calls for the expenditure of a disproportionately small amount in and on behalf of the City of Chicago; and

WHEREAS, The City of Chicago is the manufacturing, business, economic and financial hub of the State of Illinois with over twenty-five percent of the State's population and providing revenues to the State far in excess of its percentage of the population; and

WHEREAS, The continued economic vitality of the City of Chicago should and must be a primary goal of the Governor, the General Assembly and the people of the State of Illinois; and

WHEREAS, We have looked at the needs not only of Chicago but of the other municipalities and have developed this program called "Municipal Agenda for Build Illinois"; now, therefore,

Be It Resolved, That the Governor and the General Assembly are hereby memorialized to re-examine the "Build Illinois" proposal; and

Be It Further Resolved, That the "Build Illinois" plan should be made responsive to the needs of the City of Chicago; and

Be It Further Resolved, That the General Assembly is further memorialized to allocate to the City of Chicago funds proportionate to its population and responsive to its needs as a major metropolitan center of the State of Illinois.

Alderman Evans moved to suspend the rules temporarily to permit immediate consideration of and action upon the foregoing proposed resolution. The motion was lost by yeas and nays as follows:

Yeas -- Aldermen Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Langford, Kelley, Sherman, Smith, D. Davis, Natarus, Oberman, Volini, Orr -- 17.

Nays -- Aldermen Roti, Huels, Madrzyk, Burke, Brady, Kellam, Sheahan, Stemberk, Krystyniak, Marzullo, Nardulli, Hagopian, Santiago, Gabinski, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, McLaughlin, Orbach, Schuler, Stone -- 25.

Thereupon, Alderman Evans moved to *Refer* the foregoing proposed resolution to the Committee on Intergovernmental Relations. The motion *Prevailed* and said proposed resolution was *Referred to the Committee on Intergovernmental Relations*.

**REPORTS AND COMMUNICATIONS
FROM CITY OFFICERS.**

***Referred* -- EXECUTION OF AGREEMENT BETWEEN CITY AND ILLINOIS
RESTAURANT ASSOCIATION FOR GRANT PARK FOOD FESTIVAL.**

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Special Events and World's Fair*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

April 25, 1985.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Director of the Office of Special Events, I transmit herewith an ordinance resolving that the City of Chicago sponsor a food festival on the streets of Grant Park from July 1, 1985 through July 7, 1985, and authorizing the Mayor of the City of Chicago to execute an agreement between the City of Chicago and the Illinois Restaurant Association, to operate and produce said food festival as agents of the City of Chicago.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

***Referred* -- CONDITIONAL APPROVAL OF INDUSTRIAL REVENUE
BOND FOR PROJECT BY BELHAVEN ASSOCIATES, LIMITED.**

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Economic Development*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

April 18, 1985.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of the Department of Economic Development, I transmit herewith an ordinance providing for the conditional approval of an industrial revenue bond in the amount of \$8,550,000 for the financing of a project by Belhaven Associates, Ltd.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

Referred-- CONDITIONAL APPROVAL OF MORTGAGE
REVENUE BONDS FOR PROJECT BY 10 WEST
ELM STREET ASSOCIATES, LIMITED.

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Economic Development:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

April 25, 1985.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of the Department of Housing, I transmit herewith an ordinance providing for the conditional approval of 103(b)(4)(A) mortgage revenue bonds in the amount of \$7,500,000 for the acquisition and rehabilitation of a residential housing project by 10 West Elm Street Associates, Ltd., said project to be located on the northwest corner of State and Elm Streets.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

Referred-- AUTHORIZATION FOR SALE OF PARCEL 3 IN
COMMERCIAL DISTRICT PROJECT CHICAGO-AUSTIN
TO ACTIVE AUTOMOTIVE, INCORPORATED.

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing and Neighborhood Development*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

April 25, 1985.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of the Department of Economic Development, I transmit herewith an ordinance providing for the sale of Parcel 3 Commercial District Project Chicago-Austin to Active Automotive, Inc.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

Referred -- AMENDMENT OF MUNICIPAL CODE
CHAPTER 200.5 CONCERNING CHICAGO
ALCOHOLIC BEVERAGE TAX.

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

April 25, 1985.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I transmit herewith an ordinance amending Chapter 200.5 of the Municipal Code of Chicago, The Chicago Alcoholic Beverage Tax.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

**City Council Informed As To Miscellaneous
Documents Filed Or Received In
City Clerk's Office.**

Honorable Walter S. Kozubowski, City Clerk, informed the City Council that documents have been filed or received in his office relating to the respective subjects designated as follows:

***Referred -- MAYORAL VETO OF ORDINANCE REPEALING
MUNICIPAL CODE CHAPTER 200.5 ENTITLED
"ALCOHOLIC BEVERAGE TAX".***

Honorable Harold Washington, Mayor, submitted the following communication, which was *Referred to the Committee on Finance*:

**OFFICE OF THE MAYOR
CITY OF CHICAGO**

April 25, 1985.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I return herewith, without my approval, an ordinance passed by the City Council on April 18, 1985 repealing Chapter 200.5 of the Municipal Code, known as the Alcoholic Beverage Tax. While I am sensitive to the problems such a tax may create for those engaged in the liquor trade in this City, I am forced to withhold my approval of the ordinance repealing this tax for a number of reasons.

This tax was passed on December 31, 1984 as part of a package of items designed to provide revenue to support the appropriations contained in the 1985 appropriations ordinance. The revenues which were projected to be collected from this tax were crucial to the passage of the 1985 appropriation ordinance. Now, nearly four months later, the Council has undertaken to repeal a tax which forms a not insignificant portion of the anticipated revenue for 1985. This would create an imbalance in our 1985 budget of nearly Ten Million Dollars. To repeal this tax, without passing an ordinance to provide an alternative form of revenue, is irresponsible from a public policy standpoint. In response to criticisms of this tax, my administration labored long and hard to put forth a compromise measure which would accomplish the necessary revenue objective but avoid unduly burdening taxpayers. These efforts were stymied in the City Council.

Furthermore, the repeal of the Alcoholic Beverage Tax at this point in the year without providing any substitute source of revenue will send an ominous message to the financial community in this City. It may indicate to the business people of Chicago that the City Council does not care whether the City's budget is in balance or not. It is clear that we need revenue to balance our 1985 budget. If the Chicago Alcoholic Beverage Tax is not an appropriate measure with which to accomplish that objective, then we must act responsibly

to identify alternative revenue sources. Merely repealing the Chicago Alcoholic Beverage Tax is not the answer. As a consequence, I must withhold my approval of the ordinance passed by this Council on April 18 repealing Chapter 200.5 of the Municipal Code until such time as an alternative revenue source can be found.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

On motion of Alderman Burke and Alderman Roti, the foregoing veto was *Referred to the Committee on Finance.*

Placed on File -- MAYORAL VETO OF ORDINANCE DESIGNATING
CHICAGO POLICE SERGEANTS', LIEUTENANTS' AND
CAPTAINS' ASSOCIATIONS AS EXCLUSIVE
COLLECTIVE BARGAINING AGENTS FOR
RESPECTIVE MEMBERSHIP RANKS.

Honorable Harold Washington, Mayor, submitted the following communication, which was
Placed on File:

OFFICE OF THE MAYOR
CITY OF CHICAGO

April 25, 1985.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I return herewith, without my approval, an ordinance passed by the City Council on April 18, 1985 which would impose collective bargaining procedures on police department sergeants, lieutenants, and captains and recognize the Chicago Police Sergeants' Association, the Chicago Police Lieutenants' Association and the Chicago Police Captains' Association as exclusive representatives for purposes of collective bargaining. While I vigorously support the concept of collective bargaining with respect to City employees, I am forced to withhold my approval of this ordinance for several reasons.

This ordinance would have the undesirable effect of requiring collective bargaining with respect to managerial and supervisory personnel, contrary to traditional labor relations practices which have existed in this country for close to forty years. As the on-the-job representatives of management in labor relations settings, supervisors are responsible for enforcing management policies and directives and may be called upon to speak for management in critical situations. Those individuals who are in management positions must recognize that their first duty is to administer management policies and supervise personnel in the Police Department. To impose collective bargaining procedures upon such persons would be to risk divided loyalties and, perhaps, greater costs for the City of Chicago. The vast majority of police personnel are represented for the purpose of collective bargaining. Under the ordinance passed by the Council on April 18, fewer than 1% of the

City's sworn police personnel would be omitted from collective bargaining and thus be free of potentially divided loyalties.

There are, additionally, other provisions of this ordinance which would seriously compromise the City's position in this area:

--The ordinance would create three new bargaining units and thus bring about a proliferation of separate bargaining units, a result which we have consistently sought to avoid. To combine the three, however, would unwisely place subordinates and their superiors in the same unit.

--The ordinance would create time limits and deadlines for negotiations which could be self-defeating for the City and unnecessarily tie the hands of City negotiators.

--The ordinance would provide a binding grievance arbitration procedure dangerously broader than any now in effect between the City and any labor organizations and broader than procedures common elsewhere. Under the proposed procedure, even basic necessary management rights or other matters beyond the scope of the terms of any collective bargaining agreement could be forced to binding review before an independent arbitrator.

--The ordinance would require arbitration to resolve the terms of a collective bargaining agreement in the event of an impasse. Unlike the contract now covering non-probationary sworn police officers below the rank of Sergeant, however, this ordinance would make no provision for City Council approval or rejection of the interest arbitrator's award. The provisions of the ordinance concerning such interest arbitration are completely contrary to the interest arbitration provisions of the Illinois Public Labor Relations Act which applies to other employees of this City and to public employees throughout the State of Illinois.

The ordinance also contains a provision granting certain wages and benefits to sergeants, lieutenants and captains. This provision is unnecessary because such wages and benefits have already been granted to these individuals pursuant to the Annual Appropriation Ordinance for 1985. Under Section 8 of the appropriation ordinance, certain benefits granted to sworn police officers below the rank of sergeant are extended to sergeants, lieutenants and captains.

For the foregoing reasons, I must reluctantly withhold my approval of the ordinance passed by this City Council on April 18, 1985.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

ACCEPTANCES UNDER ORDINANCES.

Acceptances under ordinances as follows:

Digi-Net, Inc.: Acceptance under an ordinance passed on January 23, 1985 (communication cable); filed on April 24, 1985;

GTE Sprint Communications Corporation: Acceptance under an ordinance passed on December 28, 1983 (telephone conduit system); filed on April 24, 1985.

City Council Informed As To Publication Of Journal.

The City Clerk informed the City Council that all those ordinances, etc. which were passed by the City Council on April 18, 1985, and which were required by statute to be published in book or pamphlet form or in one or more newspapers, were published in pamphlet form on April 25, 1985, by being printed in full text in printed pamphlet copies of the Journal of the Proceedings of the City Council of the regular meeting held on April 18, 1985, published by authority of the City Council in accordance with the provisions of Section 5-5 of the Municipal Code of Chicago, as passed on December 22, 1947.

Miscellaneous Communications, Reports, Etc., Requiring Council Action (Transmitted To City Council By City Clerk).

The City Clerk transmitted communications, reports, etc., relating to the respective subjects listed below, which were acted upon by the City Council in each case in the manner noted, as follows:

CITY COMPTROLLER'S QUARTERLY REPORTS FOR PERIOD ENDED MARCH 31, 1985.

The following documents received in the City Clerk's office from Walter K. Knorr, City Comptroller, which were *Placed on File*:

City of Chicago-Statement of Funded Debt as at March 31, 1985;

City of Chicago Corporate Fund-Statement of Floating Debt as at March 31, 1985.

ZONING RECLASSIFICATIONS OF PARTICULAR AREAS.

Also applications (in triplicate) together with the proposed ordinances for amendment of the Chicago Zoning Ordinance, as amended, for the purpose of reclassifying particular areas, which were *Referred to the Committee on Zoning*, as follows:

Maxant Division of Eleco, Inc. -- to classify as a C2-2 General Commercial District instead of C1-2 Restricted Commercial and R3 General Residence Districts the area shown on Map No. 5-H bounded by

a line 247.87 feet north of and parallel to the center line of West Cortland Street; the center line of North Paulina Street; the center line of West Cortland Street; and the center line of North Hermitage Avenue;

Spectradyn, Inc. -- to classify as a Communications Planned Development by supplementing all the B4-3 Restricted Service District symbols and indications shown on Map No. 12-C in the area of

4900 S. Lake Shore Drive.

***Referred -- STATUTORY PROTEST BY REAL ESTATE AGENTS
AGAINST PENDING ZONING RECLASSIFICATION OF
PROPERTY AT 1645 EAST 53RD STREET.***

Also, a statutory protest filed in the City Clerk's office on April 23, 1985, by Graff and Check, Real Estate Agents, concerning a proposed re-zoning of the area of 1645 E. 53rd Street from B4-4 Restricted Service and R6 General Residence Districts to a General Service District, which was *Referred to the Committee on Zoning*.

***Referred -- STATUTORY PROTEST BY ATTORNEYS AGAINST
PENDING ZONING RECLASSIFICATION OF PROPERTY
AT 1645 EAST 53RD STREET.***

Also, a statutory protest filed in the City Clerk's office on April 24, 1985, by Levy and Erens, attorneys, transmitting a petition concerning a proposed re-zoning of the area of 1645 E. 53rd Street from B4-4 Restricted Service and R6 General Residence Districts to a General Service District, which was *Referred to the Committee on Zoning*.

CLAIMS AGAINST CITY OF CHICAGO.

Also, claims against the City of Chicago, which were *Referred to the Committee on Claims and Liabilities*, filed by the following:

Abrego Mrs. Elena, Acarbulut Salih, Adorne Studio, Aleman Anthony, Allstate Ins. Co.
(4) Samuel Alvarez, M.B. and Reese Butler, James Feeley, and Andrew and E. Tolbert,
American Family Ins. Group (2) Thomas Bevans and Conrad Delatour;

Barnes Benjamin, Barone Cormela, Bogot Herman and Co., Budz Edwin;

Cirignani Daniel, Clark Louise, Costello Arthur;
Disalvo Michael, Dixon Ruth;
Epsteen Earl D. and Co., Ellis Andrew, Enenbach Mark;
Feder Robin E., Fireman's Fund Ins. and Robert Stuart, Flores Anthony, Fullerton Court Apartments;
Galindo Samuel, Gillen James, Golden Rule Realty, Goldenbert Brad;
Holt Colette, Holtzclaw Michael, Hyde Anne;
Irwin Michael E.;
Jackson Alice W., Jacobs Merle, Jordan Jesse;
Kantowski Ted, Kurdts John;
Lampert Burnie, Loretto Arthur, Lowers James E., Lubin Nathan;
Matson Phillip, Mitri Grocery, Inc., Montgomery Ward Ins. Co. and Lovell McDaniels;
McCotter Michael, McLendon Leonard;
NSC Corp.;
Ohlin Kurt, O'Reilly Eugene;
Packer Robin, P. E. Worthy Realty;
Recovery Services Int'l. and Walter Oakden, Richardson Isaac J.;
Sandoval Abel, Scheer Lloyd; State Farm Ins. (2) Sidney M. Courts and Karen James, Stevenson John, Sutton Lee;
Tate Jesse, Thurman James, Travelers Ins. Co. and Gina Navarro, Trinz Bundy;
Walton Isom (2), Weil Steven, Williams Janine E., Wojcik Mary Lou.

Referred -- REQUEST FOR ADVISORY REFERENDUM
CONCERNING USE OF PUBLIC FUNDS FOR
1992 WORLD'S FAIR.

Also, a communication from Patrick Quinn transmitting a proposed ordinance requesting that an advisory referendum be placed on the March 18, 1986 ballot asking whether public

funds should be used to finance the 1992 World's Fair, which was *Referred to the Committee on Special Events and World's Fair*.

Referred -- REQUEST FOR ESTABLISHMENT OF LOADING
ZONE AT SPECIFIED LOCATION.

Also, a communication from Joe Carlucci, received in the Office of the City Clerk, requesting a loading zone on North Halsted Street from a point 110 feet north of West Webster Street to a point 60 feet north thereof, from 10:00 A.M. to 2:00 A.M., no exceptions, which was *Referred to the Committee on Traffic Control and Safety*.

REPORTS OF COMMITTEES.

COMMITTEE ON FINANCE.

**AUTHORITY GRANTED FOR AMENDMENT OF CITY
PARKING LOT FEE FOR FACILITY LOCATED
AT 95TH AND PLEASANT AVENUE.**

The Committee on Finance submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the City of Chicago parking lot located on the northwest corner of 95th and Pleasant, hereby change the fee for the last 3 rows from \$3.00 to \$1.00 with the front row remaining at the \$3.00 fee.

SECTION 2. This ordinance shall be in full force and effect from and after its date of passage.

On motion of Alderman Burke, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

AUTHORITY GRANTED FOR AMENDMENT TO YEAR X
COMMUNITY DEVELOPMENT BLOCK GRANT
CONCERNING MODEL BLOCKS
PROGRAM.

The Committee on Finance submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith:

WHEREAS, The Year X Community Development Block Grant Ordinance contained a list of blocks in the Model Blocks and Residential Street Resurfacing Planned Sites; and

WHEREAS, One of the blocks, East 72nd Street, East End to Constance is an unimproved street and does not qualify for the Model Block Program; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The substitute ordinance authorizing the submission of Final Statement of Objectives and Projected Use of Funds for the Community Development Entitlement to the U. S. Department of Housing and Urban Development for Year X shall be amended by deleting the language bracketed and adding the language in italics as follows:

Model Block and Residential Street Resurfacing Planned Sites

[East 72nd Street] *South Ridgeland, 71st Street to 72nd Street; East 71st Place, Ridgeland to Constance; South East End Avenue, 72nd to 73rd Street.*

SECTION 2. This ordinance shall take effect immediately upon its passage.

On motion of Alderman Burke, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

AUTHORITY GRANTED FOR EXECUTION OF LOAN AND SECURITY
AGREEMENT WITH REDEX, INCORPORATED.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith, authorizing the execution of a loan and security agreement with Redex, Incorporated.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The Department of Economic Development of the City of Chicago has as its primary purpose the creation of additional employment opportunities in the City of Chicago through the attraction and expansion of economic development activity in the City; and

WHEREAS, The United States Department of Housing and Urban Development has made available to the City of Chicago, through the federal Community Development Block Grant Program, a grant in the amount of \$1,500,000 to be used to make low interest loans to start-up and expanding businesses; and

WHEREAS, Redex, Inc., an Illinois corporation has made application to the Department of Economic Development to borrow \$200,000 for leasehold improvements and working capital, which will result, among other things, in the creation of an estimated 20 new permanent job opportunities for low and moderate income persons residing in the City; and

WHEREAS, The Economic Development Commission has approved the application of Redex, Inc.; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Commissioner of Economic Development is authorized to enter into and execute, subject to review as to form and legality by the Corporation Counsel, a Loan and Security Agreement with Redex, Inc., pursuant to which the City will loan \$200,000 to Redex, Inc., to assist Redex, Inc. to expand its plastic manufacturing operations, said Loan and Security Agreement to be substantially in the form attached hereto as Exhibit A.

SECTION 2. The Commissioner of Economic Development is further authorized to enter into and execute such other documents as may be necessary and proper to implement the terms of the Loan and Security Agreement.

SECTION 3. This ordinance shall be effective by and from the date of its passage. Exhibit A attached to this ordinance reads as follows:

Exhibit A

Security and Loan Agreement.

This Agreement is entered into and executed as of _____ this _____ day of _____, 19____, by and between the City of Chicago, Illinois, an Illinois municipal corporation ("Lender"), by and through its Department of Economic Development ("DED"), having its offices at 20 North Clark Street, Chicago, Illinois and Redex, Inc., an Illinois corporation, with principal offices at 835 North Wood Street, Chicago, Illinois ("Borrower").

Recitals:

Whereas, DED was established on 10 February, 1982 by ordinance of the City Council of the City of Chicago; and

Whereas, DED has as its primary purpose the creation of additional employment opportunities in the City of Chicago through the attraction and expansion of industrial and commercial development in the City; and

Whereas, DED has funds available to it (through the Community Development Block Grant Program of the U. S. Department of Housing and Urban Development) in the amount of \$1,500,000; and

Whereas, Borrower desires to borrow and Lender desires to lend the sum of \$200,000 ("Loan") for the purpose of working capital for business expansion.

Now, Therefore, in consideration of the mutual covenants contained herein and for other good and valuable consideration receipt of which is hereby acknowledged, the parties agree as follows:

Section 1. The above recitals are incorporated herein and made a part hereof by reference.

Section 2. Definitions.

2.01. "Borrower's Liabilities" shall mean all obligations and liabilities of Borrower to Lender (including without limitation all debts, claims and indebtedness) whether primary, secondary, direct, contingent, fixed or otherwise heretofore, now and/or from time to time hereafter owing, due or payable, however evidenced, created, incurred, acquired or owing and however arising whether under this Agreement or the "Other Agreements" (hereinafter defined).

2.02. "Charges" shall mean all national, federal, state, county, city, municipal and/or other governmental (or any instrumentality, division, agency, body or department thereof), taxes, levies, assessments, charges, liens, claims or encumbrances upon and/or relating to the "Collateral" (hereinafter defined), Borrower's Liabilities, Borrower's business, Borrower's ownership and/or use of any of its assets, and/or Borrower's income and/or gross receipts.

2.03. "Collateral" shall mean those assets of Borrower (individually or collectively), now owned or hereafter acquired in which Borrower has granted Lender a security interest as set forth in Section 4 of this Agreement as security for the Loan.

2.04. "Financials" shall mean those financial statements provided to DED at the time of application for the Loan and financial statements hereinafter provided to DED pursuant to the terms of this Agreement.

2.05. "Indebtedness" shall mean all obligations and liabilities of Borrower to any Person (other than Lender), heretofore, now and/or from time to time hereafter owed, whether under written or oral agreement, operation of law, or otherwise.

2.06. "Other Agreements" shall mean all agreements, instruments and documents heretofore, now and/or from time to time hereafter executed by and/or on behalf of Borrower and delivered to Lender by Borrower.

2.07. "Property" shall mean that certain real estate located at 835 North Wood Street, Chicago, Illinois, and all buildings, facilities and structures now existing or hereafter erected thereon.

2.08. "Project" shall mean all activities of Borrower on the Property using the proceeds of the Loan or other Indebtedness.

2.09. "Senior Lender" shall mean The Avenue Bank and Trust of Oak Park.

Section 3. Loan.

The Loan shall be made upon the following terms and conditions:

3.01. The principal sum of the Loan shall be \$200,000.

3.02. The term of the Loan shall be 5 years.

3.03 The rate of interest charged on the Loan, per annum, shall be seventy-five percent (75%) of that rate of interest charged by First National Bank of Chicago to its most credit-worthy customers upon ninety (90) day unsecured loans, in effect from time to time ("Prime Rate"), payable in equal monthly installments in the amount set forth on [Lender statement(s) provided Borrower on or before the 10th day of January, April, July and October of each year the Loan remains outstanding. The aforesaid interest rate shall be established as of the date of this Agreement is executed and shall be adjusted as of the first day of January, April, July and October of each year the Loan remains outstanding. The first such interest adjustment shall be 1 July, 1985. The schedule of payments provided by Lender not less than two weeks prior to the first payment date.]

3.04 Repayment of the Loan shall be in 60 equal monthly installments of principal (plus interest thereon as adjusted from time to time pursuant to Paragraph 3.03 above). Payments shall be made on or before the 10th day of the month commencing on the 10th day of the first full month after disbursement of the Loan proceeds in the amount(s) set

forth on Lender's statement to Borrower) (together with interest thereon at the rate set forth in Paragraph 3.03 above).

3.05 Borrower expressly agrees that Loan proceeds shall be used only in amounts and for purposes as follows: of working capital and only at the Property; and that in occupying the Property, Borrower is not relocating from another labor area, nor has Borrower discontinued, liquidated or curtailed during the past 24 months any production unit similar to that which will be located at the above address except as part of a consolidation pursuant to the Project.

Section 4. Grant of Security Interest.

To secure the prompt payment to Lender of and the prompt, full and faithful performance of Borrower's Liabilities, Borrower grants to Lender a security interest in and to:

4.01 The Property;

4.02 Inventory;

4.03 Goods (other than inventory) equipment, vehicles and fixtures, including all replacements, additions, accessions, and/or substitutions thereto and therefore; all products and proceeds of the foregoing, including without limitation proceeds of insurance policies insuring the Collateral.

4.04 Borrower at its sole cost and expense, shall keep and maintain the Collateral insured for its full replacement value against loss or damage by fire, theft, explosion, floods and all other hazards and risks ordinarily insured against by other owners or users of such properties in similar businesses with insurers and in amounts as may be reasonably satisfactory to Lender. Borrower shall deliver to Lender an original copy of each policy of insurance, and evidence of payment of all premiums therefor so long as the Loan is outstanding. Such policies of insurance shall contain an endorsement showing Lender as an additional insured as its interests may appear. In addition, such policies and/or endorsement shall provide that the insurers shall give Lender not less than 30 days written notice of any alteration or cancellation thereof. In the event Borrower at any time or times hereafter shall fail to obtain or maintain any of the policies of insurance required under this Agreement or to pay any premium in whole or in part when due, then Lender without waiving or releasing any obligation or default by Borrower hereunder, may at any time or times thereafter (but shall be under no obligation to do so) obtain and maintain such policies of insurance and pay such premium and take any other action with respect thereto which Lender deems advisable to protect its interest in the Loan. All sums so disbursed by Lender, including reasonable attorney's fees, court costs, expenses and other charges relating thereto, shall be payable by Borrower to Lender.

4.05 Borrower shall execute such financing statements and security agreements as Lender may request to assure Lender's security interest in the Collateral is perfected, which statements and agreements shall be recorded with the Cook County Recorder of Deeds, the Secretary of State of Illinois, and such other locations as Lender may demand to perfect its security interest in the Collateral.

4.06 All Borrower's Liabilities shall constitute one loan secured by Lender's security in the Collateral and by all other security interest, liens, claims and encumbrances now and/or from time to time hereafter granted by Borrower to Lender; provided however, that the Loan may be subordinated to the loan of the Senior Lender and only the Senior Lender in an amount not to exceed \$300,000.

4.07 Borrower agrees that Ihor Wyslowsky shall personally guaranty the Loan.

Section 5. Conditions Precedent.

The following shall be required of Borrower as Conditions Precedent to disbursement of loan proceeds:

5.01 Borrower shall certify to City that Borrower has sufficient funds on hand or irrevocably available to it to complete its obligations under the Agreement and has identified the sources of such funds;

5.02 Borrower shall have furnished to City, duly executed financial statements to be filed by the City, with the Secretary of State of Illinois and Cook County Recorder of Deeds, respectively;

5.03 Borrower shall have furnished to City insurance policies indicating that Borrower, at its sole cost and expense, shall keep and maintain the Collateral insured for the full replacement value against loss or damage by fire, theft, explosion, sprinklers and all other hazards and risks ordinarily insured against by other owners or users of such properties in similar businesses. Said policy or policies shall be duly endorsed identifying the City as a loss payee, as its interests appear;

5.04 Personal Guarantee of repayment of the Loan.

5.05 Consent of Senior Lender to DED's Loan and Borrower's grant of security interest as security therefore.

Section 6. Warranties, Representations and Covenants.

Borrower warrants, represents and covenants to Lender as follows:

6.01 All representations and warranties of Borrower contained in this Agreement and the Other Agreements shall be true at the time of Borrower's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto.

6.02 Except as disclosed in the Financials, (a) Borrower is now and at all times hereafter, (an Illinois corporation) duly organized and existing and in good standing under the laws of the state of its (incorporation) as represented at the beginning of this Agreement, (and qualified or licensed to do business in all other states in which the laws thereof require Borrower to be so qualified and/or licensed); (b) Borrower has the right and power and is duly authorized and empowered to enter into, execute, deliver and perform this Agreement; (c) the execution, delivery and performance by Borrower of this Agreement shall not, by the

lapse of time, the giving of notice or otherwise, constitute a violation of any applicable law or breach of any provision contained in Borrower's (Articles of Incorporation or By-laws) or contained in any agreement, instrument or document to which Borrower is now or hereafter a party or by which it is or may become bound; (d) Borrower has and at all times hereafter shall have good, indefeasible and merchantable title to and ownership of the Collateral (as hereinafter defined), free and clear of all liens, claims, security interests and encumbrances except those of Lender and as permitted pursuant to Section 4 of this Agreement; (e) Borrower is now and at all times hereafter shall be solvent and able to pay its debts as they mature; (f) there are no actions or proceedings which are pending or threatened against Borrower (except as may be set forth in Borrower's application for the Loan), which might result in any material and adverse change to Borrower's financial condition, or materially affect Borrower's assets or the Collateral as of the date of this Agreement; (g) Borrower has and is in good standing with respect to all government permits, certificates, consents (including without limitation appropriate environmental clearances and approvals) and franchises necessary to continue to conduct its business as previously conducted by it and to own or lease and operate its properties (including but not limited to the Property) as now owned or leased by it; (h) Borrower is not in default with respect to any indenture, loan agreement, mortgage, deed or other similar agreement relating to the borrowing of monies to which it is a party or by which it is bound; (i) the Financials fairly and accurately present the assets, liabilities and financial conditions and results of operations of Borrower as of the date of application for the Loan and for the fiscal year immediately preceding the date of Financials submitted thereafter; and (j) there has been no material and adverse change in the assets, liabilities or financial condition of Borrower since the dates of the aforesaid Financials.

6.03 Borrower shall cause all current outstanding loans and/or liens to be subordinated to this Loan if such subordination is necessary to assure that Lender occupies no less than a (first) (second) secured lien position on all of the Collateral. Borrower shall furnish Lender documents satisfactory to Lender which evidence Borrower's compliance with this Paragraph 6.03.

6.04 Except as permitted under Section 4 hereof, Borrower shall not, without Lender's prior written consent thereto, which Lender may or may not give in its sole discretion, concurrently or hereafter (a) grant a security interest in, assign, sell or transfer any of the Collateral to any person, or permit, grant, or suffer or permit a lien, claim or encumbrance upon any of the Collateral; (b) permit or suffer any levy, attachment or restraint to be made affecting any of the Collateral; (c) enter into any transaction not in the ordinary course of its business which materially and adversely affects Borrower's ability to repay Borrower's Liabilities or Indebtedness; or (d) permit the Tangible Net Worth, as measured in the annual financial statements of Borrower to decrease more than 15% in any calendar year subsequent to the date of this Agreement from the Tangible Net Worth of Borrower for the immediately prior financial year (as shown in the financial statements).

6.05 Borrower shall pay promptly when due, all of the Charges. In the event Borrower, at any time or times hereafter, shall fail to pay the Charges or to obtain discharges of the same, Borrower shall so advise Lender thereof in writing at which time Lender may, without waiving or releasing any obligation or liability of Borrower under this Agreement, in its sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which Lender deems advisable. All sums so paid

by Lender and any expenses, including reasonable attorney's fees, court costs, expenses and other charges relating thereto, shall be payable by Borrower to Lender. Notwithstanding anything herein to the contrary, Borrower may permit or suffer Charges to attach to its assets and may dispute the same without prior payment thereof, provided that Borrower, in good faith shall be contesting said Charges in an appropriate proceeding and the same are not in excess of \$5,000, and Borrower has given such additional collateral and/or assurances as Lender in its sole discretion, deems necessary under the circumstances.

6.06 Borrower shall maintain financial records prepared not less frequently than annually, in accordance with generally accepted accounting principles consistently applied by a certified public accountant and certified to by the chief executive officer of Borrower. Within 90 days following the close of each fiscal year of Borrower, Borrower shall provide a copy of the aforesaid annual financial statement(s) to Lender. In addition, upon request by D.E.D., Borrower shall submit to D.E.D. no more frequently than once per calendar quarter, statements of Borrower's employment profile and financial condition prepared in accordance with generally accepted accounting principles consistently applied.

6.07 Borrower shall immediately notify Lender of any and all events or actions which may materially affect Borrower's abilities to carry on its operations or perform all its obligations under this Agreement or any other agreements whether senior or junior to the Loan, and whether now existing or hereafter entered into by Borrower so long as any of Borrower's Liabilities remain unsatisfied.

Section 7. Maintaining Records/Right To Inspect.

7.01 Borrower shall keep and maintain such books, records and other documents as shall be required by Lender and/or (the U. S. Department of Housing and Urban Development ("H.U.D.)) necessary to reflect and disclose fully the amount and disposition of the Loan proceeds, the total cost of the activities paid for, in whole or in part, with Loan proceeds, and the nature of all activities which are supplied or to be supplied by other sources. All such books, records and other documents shall be available at the offices of Borrower for inspection, copying, audit and examination at all reasonable times by any duly authorized representative of the Lender and (H.U.D.).

7.02 Any duly authorized representative of the Lender or (H.U.D.) shall, at all reasonable times, have access to all portions of the Project.

7.03 The rights of access and inspection provided in this Section 7 shall continue until the completion of all close-out procedures respecting the Loan and until the final settlement and conclusion of all issues arising out of the Loan.

Section 8. Jobs.

8.01 Borrower shall use its best efforts to maintain approximately 5 present full-time jobs; and shall use its best efforts to create approximately 15 new, permanent jobs within 12 months after execution of this Agreement.

8.02 Borrower shall report in writing to D.E.D. as D.E.D. may from time to time request, the numbers and kinds of jobs maintained, created and filled.

Section 9. Events of Default.

Borrower shall be in default under this Agreement upon the occurrence of any of the following Event(s) of Default or conditions, namely: (a) default in the payment or performance of any obligations or of any covenants or liabilities contained or referred to herein which default shall continue for a period of ten (10) days following notice thereof to Borrower; (b) any warranty, representation or statement made or furnished to Lender by or on behalf of Borrower proving to have been false in any material respect when made or furnished; (c) loss, theft, substantial damage, destruction, sale or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon except as expressly otherwise permitted under this Agreement; (d) death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the assets of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the Borrower or any guarantor or surety of Borrower and for (b) through (d) of this Section 9, continuing for a period of sixty (60) days after notice thereof to Borrower; or (e) any default to the Senior Lender which would permit Senior Lender, after the expiration of any applicable cure period thereunder, to accelerate its loan.

Section 10. Remedies.

Upon such default (regardless of whether the Uniform Commercial Code as applicable has been enacted in the jurisdiction where rights or remedies are asserted), and at any time thereafter (such default not having previously been cured as set forth in Section 9 above), Lender, at its option, may declare all Borrower's Liabilities secured hereby immediately due and payable and shall have the remedies of a secured party under the Uniform Commercial Code as adopted in Illinois ("Code") (and the foreclosure provisions of Ill. Rev. Stat., Chapter 110, Section 15-101 et. seq.), including without limitation, the right to take immediate and exclusive possession of Collateral, or any part thereof, and for that purpose may, so far as Borrower can give authority therefor, with or without judicial process, enter (if this can be done without breach of the peace), upon any premises on which the Collateral or any part thereof may be situated and remove the same therefrom (provided that if the Collateral is affixed to real estate, such removal shall be subject to the conditions of the Code) and Lender shall be entitled to hold, maintain, preserve and prepare the Collateral for sale, subject to Borrower's right to redemption, in satisfaction of Borrower's Liabilities as provided in the Code. To this end, Lender may require Borrower to assemble the Collateral and make it available to Lender for possession at a place to be designated by Lender which is reasonably convenient to both parties. Unless the Collateral is perishable or threatens to decline rapidly in value or is of a type customarily sold on a recognized market, Lender will give Borrower at least five (5) days notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Borrower shown in the beginning of this Agreement at least five (5) days before the time of the sale or disposition. Lender may buy at any public sale, and if the Collateral is of a type customarily sold on a recognized market or is of a type which is the subject of a widely distributed standard price quotations, it may buy at private sale. The net proceeds realized upon any such disposition, after deduction for the expenses or retaking, holding, preparing for sale, selling or the like, and

reasonable attorney's fees and legal expenses incurred by Lender in connection therewith, shall be applied in satisfaction of Borrower's Liabilities secured hereby. Lender will account to Borrower for any surplus realized on such disposition and Borrower shall remain liable for any deficiency.

The remedies of Lender hereunder are cumulative and the exercise of any one or more of the remedies provided for herein or under the Code shall not be construed as a waiver of any of the other remedies of Lender so long as any part of Borrower's Liabilities remain unsatisfied.

Section 11. No Waiver by Lender.

Lender's failure at any time or times hereafter to require strict performance by Borrower of any provision of this Agreement shall not waive, affect or diminish any right of Lender thereafter to demand strict compliance and performance therewith, nor shall any waiver by Lender of a Borrower's Event of Default waive, suspend or affect any other Event of Default under this Agreement, whether the same is prior or subsequent thereto, and whether of the same or of a different type.

Lender's delay in instituting or prosecuting any action or proceeding or otherwise asserting its rights hereunder, shall not operate as a waiver of such rights or limit them in any way so long as an Event of Default shall be continuing.

Section 12. Prepayment.

This loan may be prepaid at anytime without premium or penalty.

Section 13. Equal Employment.

Borrower and its successors and assigns, agree that during the term of the Loan:

13.1 Borrower will not discriminate against any employee or applicant for employment on account of race, religion, color, sex or national origin. Borrower will take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: (a) employment upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation and selection for training, including apprenticeship. Borrower agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

13.2 Borrower will in all solicitations of, or advertisements for employees, placed by or on its behalf, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex or national origin.

13.3 Discrimination as used herein shall be interpreted in accordance with federal law as construed by court decisions. This covenant may be enforced solely by the City and solely against the party who breaches this covenant.

Section 14. Disclaimer of Relationship.

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

Section 15. Conflict of Interest.

No member, official or employee of Lender shall have any personal interest, direct or indirect, in the Borrower's business; nor shall any such member, official or employee participate in any decision relating to Borrower's business which affects his/her personal interests or the interests of any corporation, partnership or association in which he/she is directly interested.

Section 16. Limitation of Liability.

Borrower expressly agrees that no member, official, employee or agent of Lender shall be individually or personally liable to Borrower, its successors or assigns in the event of any default or breach by Lender under this Agreement.

Section 17. Non-Assignability.

17.01 Borrower may not sell, assign or transfer this Agreement.

17.02 Borrower consents to Lender's sale, assignment, transfer or other disposition, at any time and from time to time hereafter, of this Agreement, in whole or in part.

Section 18. Additional Provisions.

18.01 This Agreement may not be altered or amended except by written instrument signed by all parties hereto.

18.02 All notices, certificates or other communications required or given hereunder shall be in writing and placed in the United States mails, registered or certified, return receipt requested, first class postage, prepaid and addressed as follows:

If To Lender:

Department of Economic Development
of the City of Chicago
Room 2800
20 North Clark Street
Chicago, Illinois 60602
Attention: Commissioner

If To Borrower:

Redex, Inc.
835 North Wood Street
Chicago, Illinois 60622
Attention: Ihor Wyslotsky

With Copies To:

Corporation Counsel of the City of Chicago
Room 511 - City Hall
121 North LaSalle Street
Chicago, Illinois 60602

The parties may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

18.03 If any provision hereof is held invalid or unenforceable by any court of competent jurisdiction, such provision shall be deemed severed from this Agreement to the extent of such invalidity or unenforceability, and the remainder hereof will not be affected thereby, each of the provisions hereof being severable in any such instance.

18.04 This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

In Witness Whereof, Lender and Borrower have caused this Agreement to be duly executed and delivered as of the date first above written.

[Signature forms omitted for printing purposes.]

AUTHORITY GRANTED FOR CONDITIONAL APPROVAL OF
MORTGAGE REVENUE BONDS FOR ACQUISITION AND
REHABILITATION OF RESIDENTIAL HOUSING
PROJECT BY KACY PARTNERSHIP.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith, authorizing the conditional approval of mortgage revenue bonds in the amount of \$21,500,000.00 for acquisition and rehabilitation of a residential housing project by the Kacy Partnership.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

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

WHEREAS, As a home rule unit of government, the City has the power to adopt ordinances related to its government and affairs; and

WHEREAS, The City Council of the City has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe and sanitary housing which persons of low and moderate income, including but not limited to elderly and handicapped persons, can afford and that such housing shortage is harmful to the health, prosperity, economic stability and general welfare of the City and adversely affects that tax base; and

WHEREAS, Kacy Partnership, an Illinois limited partnership to be formed (the "Partnership") the general partner of which is Jerome J. Karp, wishes to secure financing for the acquisition, rehabilitation and equipping of a residential rental housing facility to be located on the southwest corner of Wabash Avenue and Eight Street at 822 South Wabash Avenue (the "Project"), and has requested the City to issue its revenue bonds to provide funds for the acquisition, rehabilitation and equipping of such Project; and

WHEREAS, It is considered desirable in order to increase the supply of decent, safe and sanitary housing within the corporate limits of the City and for the enhancement of the tax base and the general welfare of the City and its inhabitants to finance the acquisition, rehabilitation and equipping of the Project located within the City; and

WHEREAS, Such revenue bonds, when issued, shall not be a charge against the general revenues nor the taxing powers of the City, but shall be payable solely and only from the proceeds of the Bonds and the earnings thereon and revenues derived from the Project and/or the financing thereof; and

WHEREAS, A Memorandum of Agreement with respect to the proposed issuance of such revenue bonds has been presented to the City; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. This City Council hereby determines that the assistance of the Partnership through the issuance of revenue bonds, the proceeds of which will be used for the acquisition, rehabilitation and equipping of the Project, is an appropriate exercise of the home rule powers of the City.

SECTION 2. It is hereby determined that the execution of a Memorandum of Agreement in substantially the form presented to this City Council is proper and its execution by the Mayor, the City Comptroller or the City Clerk is hereby authorized. Upon the fulfillment of the conditions stated in the Memorandum of Agreement, as executed, the City will take such actions as may be necessary to issue its revenue bonds in an amount of approximately \$21,500,000 for the aforementioned purpose.

SECTION 3. The Chairman of the Finance Committee is hereby directed to cause the Finance Committee or any subcommittee thereof, or in lieu thereof and with the consent of

the Chairman of the Finance Committee, the Commissioner of the Department of Housing or her designee, to hold a hearing on the Project in compliance with Section 103 of the Internal Revenue Code of 1954, as amended and particularly as amended by the Tax Equity and Fiscal Responsibility Act of 1982.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

Memorandum of Agreement attached to this ordinance reads as follows:

Memorandum of Agreement.

This Memorandum of Agreement (the "Agreement") is by and between the City of Chicago (the "City") and Kacy Partnership, an Illinois limited partnership to be formed (the "Partnership"), the general partner of which is Jerome J. Karp.

1. Preliminary Statement. Among the matters of mutual inducement which have resulted in this Agreement are the following:

(a) The City of Chicago is a home rule unit of government under Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois with power to adopt ordinances and take actions relating to its government and affairs and it has been determined that assisting in the acquisition, construction, rehabilitation and equipping of the hereinafter described Project is a proper exercise of the home rule powers of the City.

(b) It is proposed that the Partnership acquire, rehabilitate and equip a residential housing project located at 822 South Wabash Street (the "Project"). Upon completion of the rehabilitation, the Project will provide approximately two hundred ninety-one (291) residential rental dwelling units, together with some commercial space. It is presently contemplated that the Project will be owned by the trustee of an Illinois land trust (the "Owner") under which the Partnership will be the sole beneficiary. The undersigned, on behalf of the Partnership, wishes to obtain satisfactory assurance from the City that the proceeds from the sale of revenue bonds of the City will be made available to finance the cost of the Project.

(c) Subject to due compliance with all requirements of law, the City will proceed to take such action as may be necessary to cause to be prepared such agreements, indentures or such other documents as may be required to permit the City, by virtue of its authority as a home rule unit of government to sell and issue its revenue bonds in an amount of approximately \$21,500,000 (the "Bonds") to pay costs of the Project and costs incidental to the issuance of the Bonds.

(d) The City considers that its financing of the cost of the Project on behalf of the Partnership will promote and further the affairs and welfare of the City and its inhabitants.

(e) The revenue Bonds to be issued by the City shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory provision, and such fact shall be plainly stated on the face of each of said Bonds. No holder

or owner of any of said Bonds shall ever have the right to compel any exercise of the taxing power of the City to pay said Bonds or the interest thereon. The principal of, premium, if any, and interest on said Bonds to be issued to finance the cost of the Project shall be secured by a pledge to a trustee acting under an indenture of trust for the benefit of the holders of said revenue Bonds, or by a pledge directly to the holders and owners of said Bonds, of the revenues and income to be derived by the City from the Project; and may be further secured by a mortgage on the Project.

2. Undertakings on the Part of the City. Subject to the conditions above stated, the City agrees as follows:

(a) That it will begin the proceedings necessary on its part to cause the City Council to authorize the issuance and sale of the Bonds, pursuant to terms mutually acceptable to the City, the Partnership and potential purchasers of the Bonds.

(b) That it will cooperate with the Partnership in finding a purchaser or purchasers for the Bonds, will permit the Bonds to be sold or placed by such underwriter or underwriters as are selected by the Partnership and approved by the City Comptroller and the Commissioner of the Department of Housing, and, if satisfactory purchase arrangements can be made, the City will adopt such proceedings authorizing the execution of such documents as may be necessary or advisable for the authorization, issuance and sale of the Bonds and the financing of the Project, all as shall be authorized in an ordinance of the City Council and mutually satisfactory to the City, the Partnership and potential purchasers of the Bonds.

(c) That, if the City issues and sells the Bonds, the financing instruments will provide (i) that the City will lend the proceeds of the Bonds (A) to the Partnership, or (B) to the Owner for the benefit of the Partnership, or (C) to a lending institution acceptable to the City and the Partnership (the "Project Lender") to relend to the Partnership or the Owner, to be used to finance the Project and (ii) that the aggregate amounts (i.e., the repayments to be made by the Partnership or the Owner or the Project Lender upon such loan and used by the City to pay the principal of, interest and redemption premium, if any, on the Bonds), payable under the instruments whereby the Project shall be financed, shall be such sums as shall be sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds as and when the same shall become due and payable.

(d) That it will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3. Undertakings on the Part of the Partnership. Subject to the conditions above stated, the Partnership agrees as follows:

(a) The Partnership will use all reasonable efforts to find one or more purchasers for the Bonds.

(b) The Partnership will take all actions which may be necessary in order for the City to market, sell and deliver the Bonds in a manner which will enable the Partnership to secure a Mortgage Loan at an interest rate not to exceed 10% or such higher rate as may be acceptable to the Partnership and the City, both during construction and as the permanent loan rate. Such stated rate of interest shall not include the amounts necessary to provide for payment of costs in connection with the Mortgage Loan, including administrative expenses of the City, trustee's fees and expenses and servicing fees of a mortgage servicer mutually acceptable to the Partnership and the City, which costs shall be paid by the Partnership in addition to the interest on the Mortgage Loan. Without limiting the generality of the foregoing, the undersigned on behalf of the Partnership agrees to (i) obtain other security for the Mortgage Loan sufficient in nature for the City to market, sell and deliver the Bonds and the Partnership to achieve the desired interest rate on the Mortgage Loan; (ii) take such actions as may be necessary to obtain at least an A rating for the Bonds from a nationally recognized rating agency; and (iii) pay costs, fees, expenses, underwriting and bond discounts and such other payments and/or deposits (in an aggregate amount not to exceed 10% of the Mortgage Loan, including any financing fees permitted to be paid from Mortgage Loan proceeds) as the City shall determine to be necessary to market and sell the Bonds and achieve the desired interest on the Mortgage Loan.

(c) That contemporaneously with the issuance of the Bonds, the Partnership, the Owner and/or the Project Lender, as applicable, will enter into a financing agreement with the City under the terms of which the Partnership or the owner or the Project Lender will be obligated to pay to the City sums sufficient in the aggregate to pay the principal of, interest and redemption premium, if any, on the Bonds as and when the same shall become due and payable, such financing agreement to be in form and substance and secured in a manner satisfactory to the City, the Partnership and the purchasers of the Bonds. Said financing agreement shall include without limitation, customary provisions whereby the Partnership shall indemnify the City from and against any losses, claims, liabilities or costs arising from the Bond transaction other than those losses attributable to the City's own acts of negligence.

(d) That during the period beginning on the date of the sale and delivery of the Bonds by the City to the purchasers thereof and continuing for at least the period required by Section 103(b) (4) (A) of the Internal Revenue Code of 1954, as amended (i) the Project will be maintained and operated as a "residential rental property" as defined in said Section of the Code, (ii) any duly authorized agent of the City will be permitted to enter upon and inspect the Project during regular business hours, and to examine and copy at the principal office of the Partnership located within the City of Chicago, Illinois, during regular business hours, all books, records, and other documents of the Partnership relating to expenditures from the Bond proceeds for the Project, the rental of units within the Project and the revenues therefrom and (iii) the Partnership will furnish such evidence of compliance as may be reasonably requested by the City.

(e) That the Partnership will comply with all provisions of the "Tax Exempt Multifamily Property Opportunities" guidelines (the "Tempo Guidelines") said Tempo Guidelines having been published by the Department of Housing and effective as of February 1, 1985.

(f) That the Partnership will take such further action and adopt such further proceedings as may be required to implement the aforesaid undertakings or as they may deem appropriate in pursuance thereof.

4. City Financing and Monitoring Fees. The City requires that all developers who receive below-market rate financing for multi-unit rental project developments pay certain developer fees to meet City administrative and monitoring costs. Such fees shall be paid by the Partnership in accordance with the "Fee Schedule" published in the Tempo Guidelines. All such fees are subject to such adjustment as may be necessary to maintain the tax exempt nature of interest paid on the Bonds under the "arbitrage regulations" of the Internal Revenue Code of 1954, as amended.

5. Time Limitation on Issuance of Bonds. Any Bonds issued by the City for the benefit of the Project must be issued within one (1) year from the date of passage by the City Council of the ordinance authorizing the execution of this Memorandum of Agreement. All obligations, rights and duties of the respective parties and their successors and assigns to this Agreement shall be void upon the expiration of the one (1) year period.

6. Successors and Assigns. This Agreement is binding on and inurs to the benefit of the parties thereto and their respective successors and assigns. Without limiting the generality of the foregoing, the Partnership may, with the prior written approval of the Commissioner of the Department of Housing, assign its interest herein and the assignee, following assignment, shall possess all rights and assume all obligations of the Partnership and all references to the Partnership herein shall refer to the assignee.

In Witness Whereof, the parties hereto have entered into this Agreement by their officers thereunto duly authorized as of this _____ day of _____, 1985.

[Signature forms omitted for printing purposes.]

AUTHORITY GRANTED FOR RE-SUBMISSION OF APPLICATION
FOR HOUSING DEVELOPMENT ACTION GRANT AND
CONDITIONAL APPROVAL OF REVENUE BONDS
FOR CHICAGO BEACH APARTMENTS
HOUSING PROJECT.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith, authorizing the re-submission of an application to the U. S. Department of Housing and Urban Development for a housing development action grant and the conditional approval of revenue bonds for the Chicago Beach Apartments housing project.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, In order to develop viable urban communities, meet special housing needs and advance neighborhood preservation purposes, Section 17 of the Housing Act of 1937, as amended, provides that Housing Development Grants may be made available to cities to support the new construction or substantial rehabilitation of real property to be used primarily for residential rental purposes; and

WHEREAS, The 5100 Cornell Partners, an Illinois limited partnership to be formed, of which Ellen L. Barnes, Sara Lindholm, Perry J. Snyderman and Sheldon H. Ginsburg will be the general partners, propose to renovate 95 units of rental housing located at 5100 South Cornell Avenue, Chicago, Illinois, of which 19 units (or 20%) shall be set aside for low income persons, said project to be known as the Chicago Beach Apartments Project ("Project"); and

WHEREAS, 5100 Cornell Partners has estimated that the Project will cost approximately \$6,900,000; and

WHEREAS, As part of its effort to secure the requisite financing to develop the Project, 5100 Cornell Partners has requested the City of Chicago to:

- (i) issue Multi-Family Mortgage Revenue Bonds in an amount not to exceed \$6,000,000, and
- (ii) to prepare and submit an application to the U. S. Department of Housing and Urban Development for a Housing Development Action Grant in the amount of \$816,463,

said funds to be combined with not less than \$486,600 in equity from 5100 Cornell Partners for development of the Project; and

WHEREAS, The City of Chicago through the Department of Housing has prepared an application for a Housing Development Action Grant in the amount of \$816,463; and

WHEREAS, The aforesaid Multi-Family Mortgage Revenue Bonds, when issued shall not be a charge against the general revenues nor taxing powers of the City of Chicago, but shall be payable solely and only from the proceeds of said bonds and the earnings thereon, and revenue derived from the Project and/or the financing thereof; and

WHEREAS, It is in the public interest to increase the supply of decent, safe and sanitary housing within the corporate limits of the City which will enhance the tax base of the City and the general welfare of the inhabitants thereof, by, among other things, providing financial assistance for proposals such as the Project; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Mayor of the City of Chicago is hereby authorized to submit an application on behalf of the City, for a Housing Development Action Grant in the amount of \$816,463, to the U. S. Department of Housing and Urban Development for the Chicago Beach Apartments Project ("Project").

SECTION 2. The Mayor and/or the Commissioner of Housing is further authorized to give such assurances and provide such additional information as may be required by the U. S. Department of Housing and Urban Development in connection with the aforesaid application.

SECTION 3. In the event the application is approved, the Mayor or the Commissioner of Housing is further authorized to enter into and execute on behalf of the City of Chicago, a Housing Development Action Grant Agreement with the U. S. Department of Housing and Urban Development for the Project.

SECTION 4. The City Council has determined that assisting 5100 Cornell Partners ("Partners") through the issuance of Multi-Family Mortgage Revenue Bonds ("Bonds"), the proceeds of which will be used for the development of the Project, is an appropriate exercise of the home rule powers of the City of Chicago pursuant to Article VII of the Constitution of 1970 of the State of Illinois.

SECTION 5. The Mayor or the Comptroller of the City of Chicago is authorized to enter into and execute on behalf of the City, a Memorandum of Agreement ("Memorandum"), substantially in the form attached hereto as Exhibit A, concerning the issuance by the City of not more than \$6,000,000 in Bonds for use by the Partners to implement the Project, which execution by either of the aforesaid City officials is proper, and upon fulfillment of the conditions stated therein, will cause the City to take such actions as may be necessary to issue its Bonds in an amount not to exceed \$6,000,000 for the purposes of assisting the development of the Project.

SECTION 6. The Chairman of the Finance Committee of the City Council of the City of Chicago is hereby directed to cause the Finance Committee, or any subcommittee thereof, or in lieu thereof, and with the written consent of the Chairman of the Finance Committee, to cause the Commissioner of Housing or her designee, to hold a hearing on the Project pursuant to and in compliance with Section 103 of the Internal Revenue Code of 1954, as amended, and particularly as amended by the Tax Equity and Fiscal Responsibility Act of 1982.

SECTION 7. This ordinance shall be in full force and effect by and from the date of its passage.

Exhibit A attached to this ordinance reads as follows:

*Exhibit A.**Memorandum of Agreement
103(b) Mortgage Revenue Bonds.*

This Memorandum of Agreement (the "Agreement") is by and between the City of Chicago (the "City") and the 5100 Cornell Partners, an Illinois general partnership to be formed for which Ellen Barnes, Sara Lindholm, Perry Snyderman, and Sheldon H. Ginsburg will be general partners (the "Partnership").

1. Preliminary Statement. Among the matters of mutual inducement which have resulted in this Agreement are the following:

(a) The City of Chicago is a home rule unit of government under Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois with power to adopt ordinances and take actions relating to its government and affairs and it has been determined that assisting in the acquisition, rehabilitation, and equipping of the hereinafter described Project is a proper exercise of the home rule powers of the City.

(b) It is proposed that the Partnership acquire, rehabilitate and equip a residential housing project located at the southwest corner of East 51st Street and Cornell, in the City (the "Project"). After completion of construction the Project will provide approximately 95 residential rental dwelling units. The undersigned on behalf of the Partnership wishes to obtain satisfactory assurance from the City that the proceeds from the sale of revenue bonds of the City will be made available to finance the cost of the Project.

(c) Subject to due compliance with all requirements of law, the City will proceed to take such action as may be necessary to cause to be prepared such agreements, indentures or such other documents as may be required to permit the City, by virtue of its authority as a home rule unit of government to sell and issue its revenue bonds in an amount not to exceed \$6,000,000 (the "Bonds") to any costs of the Project and costs incidental to the issuance of the Bonds.

(d) The City considers that its financing of the cost of the Project on behalf of the Partnership will promote and further the affairs and welfare of the City and its inhabitants.

(e) The Bonds to be issued by the City shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory provision, and such fact shall be plainly stated on the face of each of said Bonds. No holder or owner of any said Bonds shall ever have the right to compel any exercise of the taxing power of the City to pay said bonds or the interest thereon. The principal of, premium, if any, and interest on said Bonds to be issued to finance the cost of the Project shall be secured by a pledge to a trustee acting under an indenture of trust for the benefit of the holders of said revenue bonds, or by a pledge directly to the holders and owners of said Bonds, of the revenues and income to be derived by the City from the Project; and shall be further secured by a mortgage on the Project. The Partnership covenants and agrees to obtain mortgage insurance satisfactory in all respects to the City, to secure advances of Bond proceeds to fund the mortgage loan. To the extent the cost of the Project exceeds the amount of

available mortgage insurance, the Partnership agrees to finance such excess costs with the Partnership's own funds or with the proceeds of additional bonds which the City may then issue if requested to do so by the Partnership. In the event the Partnership is unable or unwilling to pay or provide for the financing of such excess Project costs, this provision is not intended to restrict the right of the Partnership to abandon the Project so long the proceeds of the mortgage insurance and other available monies are sufficient to pay the Bonds in full without any cost or liability to the City.

2. Undertakings on the Part of the City. Subject to the conditions above stated, the City agrees as follows:

(a) That it will begin the proceedings necessary on its part to cause the City Council to authorize the issuance and sale of the Bonds, pursuant to terms mutually acceptable to the City, the Partnership and potential purchasers of the Bonds.

(b) That it will cooperate with the Partnership in finding a purchaser or purchasers for the Bonds, and if satisfactory purchase arrangements can be made, the City will adopt such proceedings authorizing the execution of such documents as may be necessary or advisable for the authorization, issuance and sale of the Bonds and the financing of the Project, all as shall be authorized in an ordinance of the City Council and mutually satisfactory to the City, the Partnership and potential purchasers of the Bonds.

(c) That, if the City issues and sells the Bonds, the financing instruments will provide (i) that the City will lend the proceeds of the Bonds (A) to the Partnership, or (B) to the Owner for the benefit of the Partnership, or (C) to a lending institution acceptable to the City and the Partnership (the "Project Lender") to relend to the Partnership or the Owner, to be used to finance the Project and (ii) that the aggregate amounts (i.e., the repayments to be made by the Partnership or the Owner or the Project Lender upon such loan and used by the City to pay the principal of, interest and redemption premium, if any, on the Bonds), payable under the instruments whereby the Project shall be financed, shall be such sums as shall be sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds as and when the same shall become due and payable.

(d) That it will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3. Undertakings on the Part of the Partnership. Subject to the conditions above stated, the undersigned on behalf of the Partnership agrees as follows:

(a) The undersigned will use all reasonable efforts to find one or more purchasers for the Bonds.

(b) The undersigned will cause the Partnership and the Owner to be duly formed.

(c) The undersigned will cause the Partnership to take all actions which may be necessary in order for the City to market, sell and deliver the Bonds in a manner which will enable the Partnership to secure a mortgage loan at an interest rate not to exceed 10.75% or such higher rate as may be required to provide for the payment of the bonds bearing

interest at a rate not to exceed 10.75% per annum or as may be otherwise acceptable to the partnership and the City, both during construction and as the permanent loan rate; provided that in the event the bonds can be sold at an interest rate not to exceed 10.75% per annum, the undersigned shall cause the Partnership to consummate the transaction contemplated herein and if the Partnership does not consummate the transaction, the undersigned agrees on behalf of the Partnership that the City shall retain all of the Partnership's fees either previously paid, or otherwise due and payable, to the City hereunder. The stated rate of interest on the mortgage shall include an annual .25% fee to provide for payment of certain costs in connection with the mortgage loan, including administrative expenses of the City, trustee's fees and expenses and servicing fees of a mortgage servicer mutually acceptable to the Partnership and the City. Without limiting the generality of the foregoing, the undersigned on behalf of the Partnership agrees to (i) promptly process and obtain a firm commitment (the "FHA Commitment") from the United States Department of Housing and Urban Development to insure advances of the mortgage loan, or obtain other security for the mortgage loan sufficient in nature for the City to market, sell and deliver the Bonds and to achieve the desired interest rate on the mortgage loan and the Bonds; (ii) make such cash deposits and/or post such letters or credit and take all other actions which may be necessary to obtain initial endorsement of the mortgage loan at or prior to time of the Bond closing; (iii) obtain such additional letters of credit as may be required to obtain at least an AA rating for the Bonds from a nationally recognized rating agency; (iv) pay costs, fees, expenses, underwriting and bond discounts and such other payments and/or deposits (including publication and court reporting costs incurred in relation to the required TEFRA hearing) as the City shall determine to be necessary to market and sell the Bonds and achieve the desired interest rate on the mortgage loan; (v) pay all fees, costs and expenses of an originating mortgagee in order that the FHA Commitment, if any, shall be assigned to a trustee for the Bonds selected by the City as mortgagee of record at or prior to the time of the Bond closing and (vi) pay the fee to the City referred to in paragraph 4 hereof.

(d) That contemporaneously with the issuance of the Bonds, the undersigned will cause the Partnership, the Owner and/or the Project Lender, as applicable, to enter into a financing agreement with the City under the terms of which the Partnership or Owner or the Project Lender will be obligated to pay to the City sums sufficient in the aggregate to any of the principal, interest and redemption premium, if any, on the Bonds as and when the same shall become due and payable, such financing agreement to be in form and substance and secured in a manner satisfactory to the City, the Partnership and the purchasers of the Bonds, including, without limitation, customary provisions limiting recourse against the partners of the Partnership.

(e) That during the period beginning on the date of the sale and delivery of the Bonds by the City to the purchasers thereof and continuing for at least the period required by Section 103(b) (4) (a) of the Internal Revenue Code of 1954, as amended (i) the Project will be maintained and operated as a "residential rental property" as defined in said Section of the Code, (ii) prior to, during, and after completion of construction of the Project, any duly authorized agent of the City will be permitted to enter upon and inspect the Project during regular business hours, and to examine and copy at the principal office of the Partnership located within the City of Chicago, Illinois during regular business hours all books, records and other documents of the Partnership relating to (a) the construction of the Project and expenditures from the Bond proceeds for the Project, (b) the construction records of any

contractor for the Project, (c) the rental of units within the Project and the revenues therefrom. The City shall also be furnished with copies of all draw requests, requisition certificates, affidavits, sworn statements and other documents and showings furnished by the Partnership to the trustee administering the proceeds of the Bonds during the construction of the Project in connection with any disbursement of Bond proceeds to pay or reimburse the Partnership for a portion of the costs of the Project and (iii) the Partnership will furnish such evidence of compliance as may be reasonably requested by the City.

(f) The undersigned will cause the Partnership to take such further action and adopt such further proceedings as may be required to implement the aforesaid undertakings or as they may deem appropriate in pursuance thereof.

4. City Developer Fee. Prior to the issuance of the Bonds as contemplated by this Agreement, the City will determine appropriate fees in an amount not to exceed \$60,000 to be paid by the Partnership to the City in connection with the financing of the Project by the City.

5. Successors and Assigns. This Agreement is binding on the inures to the benefit of the parties thereto and their respective successors and assigns. Without limiting the generality of the foregoing, the Partnership may assign its interests herein and the assignee following assignment shall possess all rights and assume all obligations of the Partnership and all references to the Partnership herein and shall refer to the assignee.

In Witness Whereof, the parties hereto have entered into this Agreement by their officers thereunto duly authorized as of this ____ day of ____, 1985.

[Signature form omitted for printing purposes.]

AUTHORITY GRANTED FOR RE-SUBMISSION OF APPLICATION
TO UNITED STATES DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT FOR HOUSING
DEVELOPMENT GRANT FOR
GREENWOOD APARTMENTS
PROJECT.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith, authorizing the re-submission of an application to the U. S. Department of Housing and Urban Development for a housing grant for the Greenwood Apartments project.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City Council of the City of Chicago passed ordinances on August 13, 1984, authorizing the Mayor to submit to the U. S. Department of Housing and Urban Development on behalf of the City of Chicago, applications for eight Housing Development Action Grants, among them the Greenwood Apartments Project; and

WHEREAS, The Department of Housing desires to re-submit the application for the aforesaid Project which was not funded during the previous competition, for consideration during the upcoming competition; and

WHEREAS, The U. S. Department of Housing and Urban Development requires that re-submitted applications must be authorized by the appropriate governing authority of the submitting municipality; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Mayor of the City of Chicago is authorized to submit to the U. S. Department of Housing and Urban Development, on behalf of the City of Chicago, an application for a Housing Development Action Grant in the amount of \$1,900,000 for the Greenwood Apartments Project.

SECTION 2. The Mayor of the City of Chicago or the Commissioner of Housing is further authorized to act in connection with the application to give such assurances and provide such additional information as may be required by the U. S. Department of Housing and Urban Development pursuant to the application.

SECTION 3. Upon approval of the aforesaid application by the Secretary of the U. S. Department of Housing and Urban Development, the Mayor or the Commissioner of Housing is authorized to enter into and execute on behalf of the City of Chicago, upon the review of the Corporation Counsel as to form and legality, a Housing Development Action Grant Agreement for the partial funding of the Greenwood Apartments Project.

SECTION 4. This ordinance shall be effective by and from the date of its passage.

AUTHORITY GRANTED FOR EXECUTION OF AGREEMENT
WITH HOME PHARMACY TO PROVIDE MAIL
ORDER PRESCRIPTION SERVICES TO
ELIGIBLE CITY EMPLOYEES.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith, authorizing the execution of agreement with Home Pharmacy to provide mail order prescription services to eligible City employees.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Mayor is authorized to execute, upon the approval of the Benefits Manager, Office of Budget and Management, the City Comptroller, the Purchasing Agent, and the approval as to form and legality of the Corporation Counsel, an agreement between the City of Chicago and Home Pharmacy, a division of Arc Ventures, Inc. (a subsidiary of Rush-Presbyterian-St. Luke's Medical Center), for the provision of mail order prescription services to eligible City employees and their dependents, said agreement to be substantially in the following form:

This Agreement, entered into this _____ day of _____, 1985, by and between the City of Chicago, a municipal corporation hereinafter referred to as the ("City"), and Home Pharmacy, a division of Arc Ventures, Inc., an Illinois corporation with its division office located at 1725 West Harrison Street, Chicago, Illinois 60612 hereinafter referred to as ("Contractor").

Whereas, contractor proposes to dispense mail order prescriptions to eligible City employees and their dependents; and

Whereas, the City wishes to make mail order prescription service available to its employees and their dependents eligible under the "City of Chicago Medical Care Plan for Employees"; and

Whereas, the City wishes to retain the Contractor to provide mail order prescription service to those employees who choose to utilize such services;

Now, Therefore, in consideration of the covenants and understandings set forth below, the parties hereto do mutually agree as follows:

1. Definitions. Employee. The term "employee" shall mean those employees of the City and their dependents who are eligible to participate in this mail order prescription service under the "City of Chicago Medical Care Plan for Employee" as such Plan Document may be amended from time to time. Eligibility shall be determined solely by the City.

Mail Order Prescriptions. The term "mail order prescriptions" shall mean legend drugs obtained by prescription for the long term treatment of chronic conditions and through a service authorized by the City.

2. Scope of Services. Contractor shall provide mail order prescription service by first class mail or UPS following receipt of an employee prescription order. Contractor's minimum service availability is at regular business hours, which shall be from 8:00 A.M. to 5:00 P.M., C.S.T. Monday through Friday, excluding major national holidays. Contractor further agrees:

- a. To provide mail order prescription service when prescriptions for eligible employees and their eligible dependents are mailed in or called in by a physician or other medical practitioner licensed by the laws of any state to prescribe medications.
- b. To provide computerized employee profiling and drug interaction monitoring in connection with all prescriptions.
- c. To provide assistance in the prevention of potentially harmful drug interactions in connection with prescriptions ordered through Contractor.
- d. To check employee eligibility information prior to dispensing each mail order prescription as provided by the eligibility information list supplied by the City each month. If prescriptions are dispensed for ineligible employees through Contractor error, Contractor will properly adjust City's billing account. If prescriptions are dispensed for ineligible employees through City's untimely or erroneous eligibility information, City shall remain responsible for services provided by Contractor.
- e. To dispense and ship a medication within 48 hours of receipt of the order, provided the order is complete and professionally correct.
- f. To provide employee training materials, profile and order forms as needed with corresponding instructions; such training materials shall be subject to prior editing and approval by the City.
- g. To provide to City's Benefits Management Office and all City employees, comprehensive updated price information that includes the definitions of generic counterparts;
- h. To provide to City's employees toll-free phone lines for price, counseling and service information (800 numbers) open during the regular business hours specified above.
- i. To insure sufficient Contractor staffing, space and computer resources to administer the services under this Agreement.
- j. Not to sell or otherwise cause to be distributed, nor to use for purposes other than those listed in this Agreement, any list of City's personnel.

- k. Contractor is not authorized under this Agreement to dispense any prescription in excess of a 90 day supply.
- l. To maintain professional standards and delivery of service in accordance with applicable Illinois laws and regulations.
- m. To provide procedures for documenting, responding to and resolving complaints based on employee customer dissatisfaction, and for reporting to City all such complaints and subsequent action taken thereon.
- n. To provide such other services consistent with this Agreement which may be reasonably requested by City.

3. **Term of Agreement.** The term of this Agreement shall be for a period of two years from the date set forth above. City shall have the option to renew this Agreement for successive terms of one year by giving written notice of same at least 90 days prior to the expiration of this Agreement.

4. **Basis of Payment.**

- a. The total cost of each prescription medication shall be the Contractor's baseline medication cost plus a professional fee of \$2.95.
- (i) Contractor's baseline medication cost is the updated industry average wholesale price (A.W.P.) in the quantity purchased by Contractor, less ten percent (10%) off this A.W.P. quantity purchased on a minimum of twenty of the highest volume medications which will be documented and updated to the City as changes occur. The source of updated A.W.P. is an independent and widely used pricing guide.
- (ii) Contractor's professional fee shall be \$2.95, with no increase in the first year of the original term of this Agreement, and with a maximum increase of two percent (2%) in the second year of the original term of this Agreement.
- b. For specially compounded medications which are required to be mixed by Contractor, Contractor reserves the right to bill the City for the professional fee on a time (\$.50 per minute) basis in lieu of the professional fee of \$2.95 set forth in 4a(ii), provided however that such charges shall not exceed \$500.00 per year for all employees.

5. **Method of Payment.**

- a. Contractor shall provide City with monthly detailed billing invoices, describing each employee serviced; their dispensed medications, component costs (baseline cost, dispensing fee and total cost), and totals. Invoices shall be billed as of the last day of the month in which services are provided, and shall be payable within 30 days of the City's receipt of such invoice.

b. Fund Chargeable. Payments hereunder shall be made from Fund/Account Number 100-9112-042, subject to the availability of funds therein contained.

6. Audits. Contractor shall maintain auditable records of its service to City, kept in accordance with generally accepted auditing and accounting procedures consistently applied. Such reports shall include:

- (i) Original prescriptions.
- (ii) Employee profile and history records (subject to the City's obtaining necessary releases).
- (iii) Billing reports.
- (iv) Drug vendor invoices with quantity purchased.

Contractor shall submit to an audit of its facilities and these records or such other records as may be necessary to monitor and evaluate Contractor's performance, by an authorized representative of City upon written request to Contractor. Such audits shall be scheduled during the normal business hours of Contractor, and Contractor shall not unreasonably deny access to the City or its authorized representative.

7. Delays. Contractor shall not be liable for any delay in delivering mail order prescriptions due to fire, strikes, civil commotions, delays in transportation or other causes beyond the control of Contractor. The parties agree to extend the time of delivery as to enable Contractor to make delivery in the exercise of reasonable diligence after the causes of delay have been removed.

However, Contractor will review all instances of delayed delivery of prescriptions, to trace such shipments to discover the cause for delay, and to take such steps as are necessary to reduce the instances of delayed deliveries.

8. Reports.

a. Contractor shall make available to City on a monthly basis the updated independent pricing guide used by Contractor to determine A.W.P. quantity purchased for the baseline price. Contractor shall also make available to City updated independent price survey information comparing Contractor prices to the pricing of other national and regional providers.

b. Contractor shall provide quarterly, annual, and year-to-date reports with respect to aggregate statistics for the total City customer base. Such reports will include at a minimum the total number of prescriptions, total charges and total billings; a monthly turnover report on all medications dispensed showing the unit and dollar totals; and any other reports able to be generated by Contractor using data available in its data base of City employees and their dependents. The City shall be reasonable in its requests for additional reports.

9. Confidentiality. Contractor and the City agree to comply with all local, state and federal laws and regulations governing the release of the medical records and drug interaction profile information compiled under this Agreement, respecting the confidentiality of medical information therein.

10. Use of Name. Neither party shall use the name of the other in connection with any third party without prior approval being first obtained.

11. Notice. All notices provided for herein directed to the Contractor shall be addressed to Home Pharmacy, a division of ArcVentures, Inc., 1725 West Harrison Street, Chicago, IL 60612, and directed to the City addressed to Benefits Manager, City of Chicago, Benefits Management Office, Department of Finance, 510 North Peshtigo Court, Room 7A, Chicago, IL 60611.

12. Termination of Agreement.

a. The City may terminate this Agreement, or any portion of service to be performed herein, at any time by a notice in writing from the City to the Contractor, if sufficient funds have not been appropriated to cover the estimated requirement. If the Agreement is terminated by the City as provided for herein, payment shall be made for services actually performed by the Contractor prior to its notification of such termination.

b. Notwithstanding the above, if either party fails to observe, keep or perform any material condition of this agreement, the other party shall have the right to terminate this agreement provided that the party seeking to terminate the agreement gives the other party written notice of any and all such failure(s) claimed to be a breach of the conditions of this agreement, and the party receiving the said notice fails to correct or remedy the breach within thirty (30) days after its receipt of said notice.

13. Transition of Record Copies. Upon termination of this Agreement and at the request of the City, Contractor shall provide the City with copies of the employees profile/history in machine readable format, with specifications of the format, at Contractor cost. In requesting such information, the City will obtain patient releases where required by law.

14. Insurance. The Contractor shall keep in force, during the time of this Agreement, insurance issued by responsible insurance companies, authorized to do business in the State of Illinois, in forms, kinds and amounts as determined and directed by the Comptroller of the City of Chicago for the protection of the City and/or the Contractor. Insurance requirements hereunder shall include, but need not be limited to, insurance coverages commonly known as, or similar in kind to:

PROFESSIONAL LIABILITY:

LIMITS OF LIABILITY

Malpractice coverage,
where applicable.

\$250,000 each claim
\$1,000,000 Aggregate

WORKMEN'S COMPENSATION

Employer's Liability

Statutory

Section "B" \$250,000

COMPREHENSIVE LIABILITY

Bodily Injury	\$250,000 each person
	\$500,000 each accident
Property Damage	\$50,000 each claim

and such other insurance coverage as may be deemed required in the sole determination of the City Comptroller. All policies or endorsements thereto shall name the City as additional insured thereunder. Upon approval of the City Comptroller of all insurance required, in the forms, kinds and amounts directed to be procured, Contractor shall deliver policy originals or duplicate originals and endorsements thereto to the City Comptroller for incorporation within this Agreement as attachments hereto. Contractor shall not commence to exercise any of the rights and privileges granted under this Agreement until such time as all insurance directed and required to be furnished by the Contractor is in full force and effect. Each policy shall include a provision to the effect that it shall not be subject to cancellation or reduction in the amounts of its liabilities, or any other material change, until written notice thereof has been given to the City not less than 15 working days prior to such action. Contractor expressly understands and agrees that any insurance protection furnished by the Contractor hereunder shall in no way limit its responsibility to indemnify and save harmless the City under the provisions of this Agreement.

15. Indemnification. Contractor will indemnify and hold the City, its agents, employees, representatives, servants and assigns, harmless from any claims, suits, causes of action, costs or expenses which may be based on any injury to persons or property arising from or in any way connected with the Contractor's performance under this Agreement, except as may result from the negligence of the City.

16. Subletting and Assignment. Contractor shall not assign or sublet its responsibilities under this Agreement or any part thereof without the prior written consent of the City; and in no event shall the City's consent to such subletting or assignment relieve the Contractor from its obligations hereunder, nor shall it be deemed consent to any future subletting or assignment.

17. Construction. This Agreement and the future dealings of the parties in connection with the matters herein referred to shall be construed and interpreted in accordance with the laws of the State of Illinois.

18. Entire Agreement. This instrument constitutes the entire agreement between the parties hereto with respect to the relationship as contemplated herein, and shall not be changed or modified except by a writing signed by the parties.

In Witness Whereof, the parties hereto have executed this agreement as of the date set forth above.

[Signature form omitted for printing purposes.]

SECTION 2. This ordinance shall be in full force and effect from its date of passage.

EXECUTION OF LOAN AND SECURITY AGREEMENT
AUTHORIZED WITH EVERLEIGH FASHIONS,
INCORPORATED FOR PROJECT LOCATED
AT 1934 WEST NORTH AVENUE.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith authorizing the execution of a loan and security agreement in the amount of \$90,000 to Everleigh Fashions, Incorporated for project to be located at 1934 West North Avenue.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The Department of Economic Development of the City of Chicago through the attraction and expansion of economic development activity in the City; and

WHEREAS, The United States Department of Housing and Urban Development has made available to the City of Chicago through the federal Community Development Block Grant Program, a grant in the amount of \$1,500,000 to be used to make low interest loans to start up and expand businesses; and

WHEREAS, Everleigh Fashions, Inc., an Illinois corporation has made application to the Department of Economic Development to borrow \$90,000 for the purposes of purchasing machinery and equipment, rehabilitation of buildings, and for working capital which will result, among other things, in the retention of 11 jobs and creation of an additional 11 new permanent job opportunities for low and moderate income persons residing in the City; and

WHEREAS, The Economic Development Commission has approved the application of Everleigh Fashions, Inc.; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Commissioner of Economic Development is authorized to enter into and execute, subject to review as to form and legality by the Corporation Counsel, Loan and Security Agreements with Everleigh Fashions, Inc., pursuant to which the City will loan

\$90,000 to Everleigh Fashions, Inc. to assist Everleigh Fashions, Inc. to expand its operations, said Loan and Security Agreements to be substantially in the form hereto as Exhibit A.

SECTION 2. The Commissioner of Economic Development is further authorized into and execute such other documents as may be necessary and proper to implement the terms of the Loan and Security Agreements.

SECTION 3. This ordinance shall be effective by and from the date of its passage.

Exhibit A attached to this ordinance reads as follows:

Security and Loan Agreement.

This Agreement is entered into and executed as of this _____ day of _____, 19____, by and between the City of Chicago, Illinois, an Illinois municipal corporation ("Lender"), by and through its Department of Economic Development ("DED"), having its offices at 20 North Clark Street, Chicago, Illinois, and Everleigh Fashions, Inc. an Illinois corporation with principal offices at 1934 West North Avenue, Chicago, Illinois ("Borrower").

Recitals:

Whereas, DED was established on 10 February, 1982 by ordinance of the City Council of the City of Chicago; and

Whereas, DED has as its primary purpose the creation of additional employment opportunities in the City of Chicago through the attraction and expansion of industrial and commercial development in the City; and

Whereas, DED has funds available to it (through the Community Development Block Grant Program of the U.S. Department of Housing and Urban Development) in the amount of (\$1,500,000;) and

Whereas, Borrower desires to borrow and Lender desires to lend the sum of \$90,000 ("Loan") for the purpose of acquiring the machinery and equipment of Facio Fashions, Inc;

Now, Therefore, in consideration of the mutual covenants contained herein and for other good and valuable consideration receipt of which is hereby acknowledged, the parties agree as follows:

Section 1. The above recitals are incorporated herein and made a part hereof by reference.

Section 2. Definitions.

2.01. "Borrower's Liabilities" shall mean all obligations and liabilities of Borrower to Lender (including without limitation all debts, claims and indebtedness) whether primary, secondary, direct, contingent, fixed or otherwise heretofore, now and/or from time to time hereafter owing, due or payable, however evidenced, created, incurred, acquired or owing and however arising whether under this Agreement or the "Other Agreements" (hereinafter defined).

2.02. "Charges" shall mean all national, federal, state, county, city, municipal and/or other governmental (or any instrumentality, division, agency, body or department thereof), taxes, levies, assessments, charges, liens, claims or encumbrances upon and/or relating to the "Collateral" (hereinafter defined), Borrower's Liabilities, Borrower's business, Borrower's ownership and/or use of any of its assets, and/or Borrower's income and/or gross receipts.

2.03. "Collateral" shall mean those assets of Borrower (individually or collectively), now owned or hereafter acquired in which Borrower has granted Lender a security interest as set forth in Section 4 of this Agreement as security for the Loan.

2.04. "Financials" shall mean those financial statements provided to DED at the time of application for the Loan and financial statements hereinafter provided to DED pursuant to the terms of this Agreement.

2.05. "Indebtedness" shall mean all obligations and liabilities of Borrower to any Person (other than Lender), heretofore, now and/or from time to time hereafter owed, whether under written or oral agreement, operation of law, or otherwise.

2.06. "Other Agreements" shall mean all agreements, instruments and documents heretofore, now and/or from time to time hereafter executed by and/or on behalf of Borrower and delivered to Lender by Borrower.

2.07. "Property" shall mean that certain leasehold interest in real estate located at 1934 West North Avenue, Chicago, Illinois, and all buildings, facilities and structures now existing or hereafter erected thereon.

2.08. "Project" shall mean all activities of Borrower on the Property using the proceeds of the Loan or other Indebtedness.

Section 3. Loan.

The Loan shall be made upon the following terms and conditions:

3.01. The principal sum of the Loan shall be \$90,000.00.

3.02. The term of the Loan shall be 8 years.

3.03. The rate of interest charged on the Loan, per annum, shall be [seventy- five percent (75%) of that rate of interest charged by First National Bank of Chicago to its most credit-worthy customers upon ninety (90) day unsecured loans, in effect from time to time ("Prime Rate")], payable in equal monthly installments in the amount set forth on [Lender

statement(s) provided Borrower on or before the 10th day of January, April, July and October of each year the Loan remains outstanding. The aforesaid interest rate shall be established as of the date of this Agreement is executed and shall be adjusted as of the first day of January, April, July and October of each year the Loan remains outstanding. The first such interest adjustment shall be 10 July, 1985] [the schedule of payments provided by Lender not less than two weeks prior to the first payment date].

3.04. Repayment shall be in 6 payments of interest only, then 90 equal monthly installments of principal (plus interest thereon as adjusted from time to time pursuant to Paragraph 3.03 above. Payments shall be made on or before the 10th day of the month commencing on the 10th day of the first full month after disbursement of the Loan proceeds in the amount(s) set forth on Lender's statement to Borrower) (together with interest thereon at the rate set forth in Paragraph 3.03 above).

3.05. Borrower expressly agrees that Loan proceeds shall be used only in amounts and for purposes as follows: acquiring the machinery and equipment of Facio Fashions, Inc., which is liquidating its business and only at the Property; and that in occupying the Property, Borrower is not relocating from another labor area, nor has Borrower discontinued, liquidated or curtailed during the past 24 months any production unit similar to that which will be located at the above address except as part of a consolidation pursuant to the Project.

Section 4. Grant of Security Interest.

To secure the prompt payment to Lender of and the prompt, full and faithful performance of Borrower's Liabilities, Borrower grants to Lender a security interest in and to:

4.03. Equipment and machinery, including all replacements, additions, accessions, and/or substitutions thereto and therefore; all products and proceeds of the foregoing, including without limitation proceeds of insurance policies insuring the Collateral.

4.04. Borrower at its sole cost and expense, shall keep and maintain the Collateral insured for its full replacement value against loss or damage by fire, theft, explosion, floods and all other hazards and risks ordinarily insured against by other owners or users of such properties in similar businesses with insurers and in amounts as may be reasonably satisfactory to Lender. Borrower shall deliver to Lender an original copy of each policy of insurance, and evidence of payment of all premiums therefor so long as the Loan is outstanding. Such policies of insurance shall contain an endorsement showing Lender as an additional insured as its interests may appear. In addition, such policies and/or endorsement shall provide that the insurers shall give Lender not less than 30 days written notice of any alteration or cancellation thereof. In the event Borrower at any time or times hereafter shall fail to obtain or maintain any of the policies of insurance required under this Agreement or to pay any premium in whole or in part when due, then Lender without waiving or releasing any obligation or default by Borrower hereunder, may at any time or times thereafter (but shall be under no obligation to do so) obtain and maintain such policies of insurance and pay such premium and take any other action with respect thereto which Lender deems advisable to protect its interest in the Loan. All sums so disbursed by

Lender, including reasonable attorney's fees, court costs, expenses and other charges relating thereto, shall be payable by Borrower to Lender.

4.05 Borrower shall execute such financing statements and security agreements as Lender may request to assure Lender's security interest in the Collateral is perfected, which statements and agreements shall be recorded with the Cook County Recorder of Deeds, the Secretary of State of Illinois, and such other locations as Lender may demand to perfect its security interest in the Collateral.

4.06 All Borrower's Liabilities shall constitute one loan secured by Lender's security in the Collateral and by all other security interest, liens, claims and encumbrances now and/or from time to time hereafter granted by Borrower to Lender.

4.07 Borrower agrees that Chicago Uniform Manufacturing Company shall personally guaranty the Loan.

Section 5. Conditions Precedent.

The following shall be required of Borrower as Conditions Precedent to disbursement of loan proceeds:

5.01 Borrower shall certify to City that Borrower has sufficient funds on hand or irrevocably available to it to complete its obligations under the Agreement and has identified the sources of said funds;

5.02 Borrower shall have furnished to City, duly executed financial statements to be filed by the City, with the Secretary of State of Illinois and Cook County Recorder of Deeds, respectively;

5.03 Borrower shall have furnished to City insurance policies indicating that Borrower, at its sole cost and expense, shall keep and maintain the Collateral insured for the full replacement value against loss or damage by fire, theft, explosion, sprinklers and all other hazards and risks ordinarily insured against by other owners or users of such properties in similar businesses. Said policy or policies shall be duly endorsed identifying the City as a loss payee, as its interests appear.

5.04 Guarantee of repayment of the Loan.

Section 6. Warranties, Representations and Covenants.

Borrower warrants, represents and covenants to Lender as follows:

6.01 All representations and warranties of Borrower contained in this Agreement and the Other Agreements shall be true at the time of Borrower's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto.

6.02 Except as disclosed in the Financials, (a) Borrower is now and at all times hereafter, (an Illinois corporation) duly organized and existing and in good standing under the laws of the state of its (incorporation) as represented at the beginning of this

Agreement, (and qualified or licensed to do business in all other states in which the laws thereof require Borrower to be so qualified and/or licensed; (b) Borrower has the right and power and is duly authorized and empowered to enter into, execute, deliver and perform this Agreement; (c) the execution, delivery and performance by Borrower of this Agreement shall not, by the lapse of time, the giving of notice or otherwise, constitute a violation of any applicable law or breach of any provision contained in Borrower's (Articles of Incorporation or By-laws), or contained in any agreement, instrument or document to which Borrower is now or hereafter a party or by which it is or may become bound; (d) Borrower has and at all times hereafter shall have good, indefeasible and merchantable title to and ownership of the Collateral (as hereinafter defined), free and clear of all liens, claims, security interests and encumbrances except those of Lender and as permitted pursuant to Section 4 of this Agreement; (e) Borrower is now and at all times hereafter shall be solvent and able to pay its debts as they mature; (f) there are no actions or proceedings which are pending or threatened against Borrower (except as may be set forth in Borrower's application for the Loan), which might result in any material and adverse change to Borrower's financial condition, or materially affect Borrower's assets or the Collateral as of the date of this Agreement; (g) Borrower has and is in good standing with respect to all government permits, certificates, consents (including without limitation appropriate environmental clearances and approvals) and franchises necessary to continue to conduct its business as previously conducted by it and to own or lease and operate its properties (including but not limited to the Property) as now owned or leased by it; (h) Borrower is not in default with respect to any indenture, loan agreement, mortgage, deed or other similar agreement relating to the borrowing of monies to which it is a party or by which it is bound; (i) the Financials fairly and accurately present the assets, liabilities and financial conditions and results of operations of Borrower as of the date of application for the Loan and for the fiscal year immediately preceding the date of Financials submitted thereafter; and (j) there has been no material and adverse change in the assets, liabilities or financial condition of Borrower since the dates of the aforesaid Financials.

6.03 Borrower shall cause all current outstanding loans and/or liens to be subordinated to this Loan if such subordination is necessary to assure that Lender occupies no less than a (first) secured lien position on all of the Collateral. Borrower shall furnish Lender documents satisfactory to Lender which evidence Borrower's compliance with this Paragraph 6.03.

6.04 Except as permitted under Section 4 hereof, Borrower shall not, without Lender's prior written consent thereto, which Lender may or may not give in its sole discretion, concurrently or hereafter (a) grant a security interest in, assign, sell or transfer any of the Collateral to any person, or permit, grant, or suffer or permit a lien, claim or encumbrance upon any of the Collateral; (b) permit or suffer any levy, attachment or restraint to be made affecting any of the Collateral; (c) enter into any transaction not in the ordinary course of its business which materially and adversely affects Borrower's ability to repay Borrower's Liabilities or Indebtedness; or (d) permit the Tangible Net Worth, as measured in the annual financial statements of Borrower to decrease more than 15% in any calendar year subsequent to the date of this Agreement from the Tangible Net Worth of Borrower for the immediately prior financial year (as shown in the financial statements).

6.05 Borrower shall pay promptly when due, all of the Charges. In the event Borrower, at any time or times hereafter, shall fail to pay the Charges or to obtain discharges of the

same, Borrower shall so advise Lender thereof in writing at which time Lender may, without waiving or releasing any obligation or liability of Borrower under this Agreement, in its sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which Lender deems advisable. All sums so paid by Lender and any expenses, including reasonable attorney's fees, court costs, expenses and other charges relating thereto, shall be payable by Borrower to Lender. Notwithstanding anything herein to the contrary, Borrower may permit or suffer Charges to attach to its assets and may dispute the same without prior payment thereof, provided that Borrower, in good faith shall be contesting said Charges in an appropriate proceeding and the same are not in excess of \$5,000, and Borrower has given such additional collateral and/or assurances as Lender in its sole discretion, deems necessary under the circumstances.

6.06 Borrower shall maintain financial records prepared not less frequently than annually, in accordance with generally accepted accounting principles consistently applied by a certified public accountant and certified to by the chief executive officer of Borrower. Within 90 days following the close of each fiscal year of Borrower, Borrower shall provide a copy of the aforesaid annual financial statement(s) to Lender. In addition, upon request by DED, Borrower shall submit to DED no more frequently than once per calendar quarter, statements of Borrower's employment profile and financial condition prepared in accordance with generally accepted accounting principles consistently applied.

6.07 Borrower shall immediately notify Lender of any and all events or actions which may materially affect Borrower's abilities to carry on its operations or perform all its obligations under this Agreement or any other agreements whether senior or junior to the Loan, and whether now existing or hereafter entered into by Borrower so long as any of Borrower's Liabilities remain unsatisfied.

Section 7. Maintaining Records/Right to Inspect.

7.01 Borrower shall keep and maintain such books, records and other documents as shall be required by Lender and/or (the U. S. Department of Housing and Urban Development ("H.U.D." necessary to reflect and disclose fully the amount and disposition of the Loan proceeds, the total cost of the activities paid for, in whole or in part, with Loan proceeds, and the nature of all activities which are supplied or to be supplied by other sources. All such books, records and other documents shall be available at the offices of Borrower for inspection, copying, audit and examination at all reasonable times by any duly authorized representative of the Lender and (H.U.D.).

7.02 Any duly authorized representative of the Lender or (H.U.D.) shall, at all reasonable times, have access to all portions of the Project.

7.03 The rights of access and inspection provided in this Section 7 shall continue until the completion of all close-out procedures respecting the Loan and until the final settlement and conclusion of all issues arising out of the Loan.

Section 8. Jobs.

8.01 Borrower shall use its best efforts to maintain approximately 11 present full-time jobs; and shall use its best efforts to create approximately 11 new, permanent jobs within 12 months after execution of this Agreement.

8.02 Borrower shall report in writing to DED as DED may from time to time request, the numbers and kinds of jobs maintained, created and filled.

Section 9. Events of Default.

Borrower shall be in default under this Agreement upon the occurrence of any of the following Event(s) of Default or conditions, namely: (a) default in the payment or performance of any obligations or of any covenants or liabilities contained or referred to herein which default shall continue for a period of ten (10) days following notice thereof to Borrower; (b) any warranty, representation or statement made or furnished to Lender by or on behalf of Borrower proving to have been false in any material respect when made or furnished; (c) loss, theft, substantial damage, destruction, sale or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon except as expressly otherwise permitted under this Agreement; (d) death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the assets of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the Borrower or any guarantor or surety of Borrower and for (b) through (d) of this Section 9, continuing for a period of sixty (60) days after notice thereof to Borrower; or (e) any default to the Senior Lender which would permit Senior Lender, after the expiration of any applicable cure period thereunder, to accelerate its loan.

Section 10. Remedies.

Upon such default (regardless of whether the Uniform Commercial Code as applicable has been enacted in the jurisdiction where rights or remedies are asserted), and at any time thereafter (such default not having previously been cured as set forth in Section 9 above), Lender, at its option, may declare all Borrower's Liabilities secured hereby immediately due and payable and shall have the remedies of a secured party under the Uniform Commercial Code as adopted in Illinois ("Code") (and the foreclosure provisions of Ill. Rev. Stat., Chapter 110, Section 15-101 et.seq.), including without limitation, the right to take immediate and exclusive possession of Collateral, or any part thereof, and for that purpose may, so far as Borrower can give authority therefor, with or without judicial process, enter (if this can be done without breach of the peace), upon any premises on which the Collateral or any part thereof may be situated and remove the same therefrom (provided that if the Collateral is affixed to real estate, such removal shall be subject to the conditions of the Code) and Lender shall be entitled to hold, maintain, preserve and prepare the Collateral for sale, subject to Borrower's right to redemption, in satisfaction of Borrower's Liabilities as provided in the Code. To this end, Lender may require Borrower to assemble the Collateral and make it available to Lender for possession at a place to be designated by Lender which is reasonably convenient to both parties. Unless the Collateral is perishable or threatens to decline rapidly in value or is of a type customarily sold on a recognized market, Lender will give Borrower at least five (5) days notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Borrower shown in the beginning of

this Agreement at least five (5) days before the time of the sale or disposition. Lender may buy at any public sale, and if the Collateral is of a type customarily sold on a recognized market or is of a type which is the subject of a widely distributed standard price quotations, it may buy at private sale. The net proceeds realized upon any such disposition, after deduction for the expenses or retaking, holding, preparing for sale, selling or the like, and reasonable attorney's fees and legal expenses incurred by Lender in connection therewith, shall be applied in satisfaction of Borrower's Liabilities secured hereby. Lender will account to Borrower for any surplus realized on such disposition and Borrower shall remain liable for any deficiency.

The remedies of Lender hereunder are cumulative and the exercise of any one or more of the remedies provided for herein or under the Code shall not be construed as a waiver of any of the other remedies of Lender so long as any part of Borrower's Liabilities remain unsatisfied.

Section 11. No Waiver By Lender.

Lender's failure at any time or times hereafter to require strict performance by Borrower of any provision of this Agreement shall not waive, affect or diminish any right of Lender thereafter to demand strict compliance and performance therewith, nor shall any waiver by Lender of a Borrower's Event of Default waive, suspend or affect any other Event of Default under this Agreement, whether the same is prior or subsequent thereto, and whether of the same or of a different type.

Lender's delay in instituting or prosecuting any action or proceeding or otherwise asserting its rights hereunder, shall not operate as a waiver of such rights or limit them in any way so long as an Event of Default shall be continuing.

Section 12. Prepayment.

This Loan may be prepaid at any time without premium or penalty.

Section 13. Equal Employment.

Borrower and its successors and assigns, agree that during the term of the Loan:

13.1 Borrower will not discriminate against any employee or applicant for employment on account of race, religion, color, sex or national origin. Borrower will take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: (a) employment upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation, and selection for training, including apprenticeship. Borrower agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

13.2 Borrower will in all solicitations of, or advertisements for employees, placed by or on its behalf, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex or national origin.

13.3 Discrimination as used herein shall be interpreted in accordance with federal law as construed by court decisions. This covenant may be enforced solely by the City and solely against the party who breaches this covenant.

Section 14. Disclaimer of Relationship.

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

Section 15. Conflict of Interest.

No member, official or employee of Lender shall have any personal interest, direct or indirect, in the Borrower's business; nor shall any such member, official or employee participate in any decision relating to Borrower's business which affects his/her personal interests or the interests of any corporation, partnership or association in which he/she is directly interested.

Section 16. Limitation of Liability.

Borrower expressly agrees that no member, official, employee or agent of Lender shall be individually or personally liable to Borrower, its successors or assigns in the event of any default or breach by Lender under this Agreement.

Section 17. Non-Assignability.

17.01 Borrower may not sell, assign or transfer this Agreement.

17.02 Borrower consents to Lender's sale, assignment, transfer or other disposition, at any time and from time to time hereafter, of this Agreement, in whole or in part.

Section 18. Additional Provisions.

18.01 This Agreement may not be altered or amended except by written instrument signed by all parties hereto.

18.02 All notices, certificates or other communications required or given hereunder shall be in writing and placed in the United States mails, registered or certified, return receipt requested, first class postage, prepaid and addressed as follows:

If To Lender:

Department of Economic Development
of the City of Chicago
Room 2800
20 North Clark Street
Chicago, Illinois 60602
Attention: Commissioner

If To Borrower:

Everleigh Fashions, Inc.
1934 West North Avenue
Chicago, Illinois 60622
Attention: Nancy Martin

With Copies To:

Corporation Counsel of the City of Chicago
Room 511-City Hall
121 North LaSalle Street
Chicago, Illinois 60602

The parties may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

18.03 If any provision hereof is held invalid or unenforceable by any court of competent jurisdiction, such provision shall be deemed severed from this Agreement to the extent of such invalidity or unenforceability, and the remainder hereof will not be affected thereby, each of the provisions hereof being severable in any such instance.

18.04 This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

In Witness Whereof, Lender and Borrower have caused this Agreement to be duly executed and delivered as of the date first above written.

[Signature forms omitted for printing purposes.]

**AUTHORITY GRANTED FOR FILING OF APPLICATION WITH
COOK COUNTY ASSESSOR'S OFFICE REGARDING
CLASS 7 CERTIFICATON OF 98TH AND
WESTERN PROJECT AREA.**

The Committee on Finance submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith:

The City Council of the City of Chicago Doth Hereby Find as follows:

A. The property located within the area commonly known as 98th and Western is a blighted area in need of commercial development; and

B. Real estate taxes within the 98th and Western Project area have remained stagnant or potential real estate taxes are not being fully realized due to the depressed condition of the area; and

C. There is a reasonable expectation that the development, redevelopment or rehabilitation of the area is viable and likely to go forward on a reasonably timely basis if Class 7 designation is granted pursuant to the provisions of an "Ordinance Amending the

Real Property Assessment Classification Ordinance, as amended", adopted by the Cook County Board of Commissioners on October 1, 1984; and

D. Certification of the 98th and Western Project area for Class 7 designation will materially assist development, redevelopment or rehabilitation and would not go forward without such certification; and

E. Certification of the 98th and Western Project area for Class 7 designation is reasonably expected to ultimately result in an increase in real property tax revenues and employment opportunities within the area; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Council of the City of Chicago does hereby request certification of the 98th and Western Project area for designation as a Class 7 "area in need of commercial development" for assessment purposes pursuant to the provisions of "An Ordinance Amending the Real Property Assessment Classification Ordinances, as amended" adopted October 1, 1984 by the Cook County Board of Commissioners.

SECTION 2. The Mayor of the City of Chicago is hereby authorized to execute any and all documents required in connection with the foregoing request for certification.

SECTION 3. The Commissioner of the Department of Economic Development is hereby authorized and directed to deliver a certified copy of this Ordinance to the Cook County Assessor and to furnish such additional information as may be required in connection with the application for certification of the 98th and Western Project for Class 7 designation as an "area in need of commercial development."

SECTION 4. This ordinance shall be in full force and effect immediately upon the passage hereof.

On motion of Alderman Burke, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

AUTHORITY GRANTED FOR EXECUTION OF CITY/STATE AGREEMENT
CONCERNING 1985 INTERMITTENT RESURFACING PROGRAM.

The Committee on Finance submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Mayor is authorized to execute, the City Clerk to attest to and the Commissioner of Public Works and the City Comptroller to approve, upon review of the Corporation Counsel as to form and legality, an agreement with the State of Illinois providing for the 1985 Intermittent Resurfacing Program described therein, said agreement to be substantially in the following form:

This Agreement, entered into this _____ day of _____, 19____, by and between the State of Illinois, acting through its Department of Transportation hereinafter called the "State", and the City of Chicago, acting through its Department of Public Works hereinafter called the "City".

Witnesseth:

Whereas, the State and the City, in the interest of the safe and efficient movement of vehicular and pedestrian traffic, are desirous of improving portions of various Federal-Aid Urban routes, said improvements to consist of intermittent base repair and resurfacing, including frame and grate adjustments, pavement marking and drainage corrections where necessary; and

Whereas, no additional right-of-way is required to construct the improvements in accordance with approved plans and specifications; and

Whereas, the improvements shall be included in an Intermittent Resurfacing Program, hereinafter referred to as the "Project(s)" and described in Attachment A Northside and Attachment B Southside; and

Whereas, the Department of Transportation of the State of Illinois, under Chapter 121, Article 4-409 of the Illinois Revised Statutes (1981), as amended, may enter into a written contract with any other highway authority for the jurisdiction, maintenance, engineering or improvement of any highway or portion thereof; and

Whereas, the State and the City wish to avail themselves, where possible, of Federal-Aid Urban System funds authorized by the Surface Transportation Assistance Act of 1983 or Subsequent Federal legislation for the contract construction and construction engineering/supervision of said Projects; and

Whereas, the City is proceeding with studies and engineering required for the Projects; and

Whereas, under the Federal regulations, certain written agreements for the Projects may be required.

Now Be It Therefore Resolved, The State Agrees:

1. To reimburse the City for the Non-Federal (State) and Federal share of the costs incurred in connection with the construction engineering/supervision, and contract construction of the projects, as hereinafter provided, upon receipt of progressive billings supported by documentation as required by the State and Federal Highway Administration.
2. To review, approve and submit to the Federal Highway Administration without delay, all submittals which required Federal Highway Administration review, approval or other action.

Now Be It Therefore Resolved, The City Agrees:

3. To prepare, or cause to be prepared, studies, surveys, plans, specifications and estimates of cost for said projects.
4. Upon approval from the State, to let and award the contracts for the projects, and to provide all construction engineering/supervision, all in accordance with established procedures of the City, the State and the Federal Highway Administration.
5. To finance the work pending progressive reimbursement by the State of the Federal and Non-Federal (State) share of costs.
6. To comply with all applicable Executive orders and Federal legislation pursuant to the Equal Employment Opportunity and Nondiscrimination Regulations.
7. That failure on the part of the City to fulfill the responsibilities assigned in Paragraphs 6 and 9 of this Agreement may render the City ineligible for future Federal participation in projects for which the City has similar responsibilities, until such failures are corrected.
8. To retain all projects' records and to make them available for audit by State and Federal auditors during the projects' development and construction stages, and for a period of three (3) years after final acceptance of the Projects by the Parties hereto.

Now Be It Therefore Resolved, the Parties hereto mutually Agree:

9. That, upon completion of the improvement, the City and the State will maintain or cause to be maintained, in a satisfactory manner, their respective portions of the improvements in accordance with established jurisdictional authority.
10. That the Program generally consists of Intermittent Resurfacing Projects as listed in Attachment A and Attachment B.
11. That the estimated costs of the projects covered and described by this Agreement are:

Northside

M-5000(702)

Contract Construction	\$1,430,000
Construction Engineering/Supervision	<u>\$140,000</u>
TOTAL	\$1,570,000

and that based upon the current ratio of Federal to Non-Federal (State) funds for Federal-Aid Urban System projects, the proportional participation for the Northside Intermittent Resurfacing project will be:

Federal-Aid Share (FAU) (75.18% of \$1,570,000)	\$1,180,326
Non-Federal Share (State) (24.82% of \$1,570,000)	<u>\$389,674</u>
TOTAL	\$1,570,000

and that based upon said ratio, State financial participation for the Northside Intermittent Resurfacing Project (referred to herein as the Non-Federal Share) shall be limited to a maximum of \$428,600 with any Non-Federal Share required in excess of that amount to be provided by the City, or by Amendment to this Agreement.

Southside

M-5000(703)

Contract Construction	\$2,000,000
Construction Engineering/Supervision	<u>\$200,000</u>
TOTAL	\$2,200,000

and that based upon the current ratio of Federal to Non-Federal (State) funds for Federal-Aid Urban System projects, the proportional participation for the Southside Intermittent Resurfacing project will be:

Federal-Aid Share (FAU) (75.18% of \$2,200,000)	\$1,653,960
Non-Federal Share (State) (24.82% of \$2,200,000)	<u>\$546,040</u>
TOTAL	\$2,200,000

and that based upon said ratio, State financial participation for the Southside Intermittent Resurfacing Project (referred to herein as the Non-Federal Share) shall be limited to a maximum of \$600,000 with any Non-Federal Share required in excess of that amount to be provided by the City, or by Amendment to this Agreement.

12. That all prior agreements, or portions thereof, between the City and the State which refer to the construction of these Projects are superseded by this Agreement.
13. That standard Federal-Aid procedures and requirements shall apply to all phases of these projects.
14. That the City shall be responsible for 100% of the cost of any work not eligible for Federal participation.
15. That the Commissioner of Public Works is authorized to execute subsequent revisions to this Agreement relative to budgetary items, upon approval by the Illinois Department of Transportation, as long as such revisions do not increase the total cost of the projects as stated in Paragraph 11.
16. That this agreement and the covenants contained herein shall be void ab initio in the event the contract covering the construction work contemplated herein is not awarded and/or the force account construction work is not authorized by July 1, 1988.

This Agreement shall be binding upon and inure to the benefit of the Parties hereto, their successors and assigns.

In Witness Whereof, the City and State have caused this Agreement to be executed by their respective officials and attested to on the date hereinafter listed.

[Signature form omitted for printing purposes.]

SECTION 2. That the City Clerk is hereby directed to transmit two (2) certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois through the District Engineer of District 1 of said Division of Highways.

SECTION 3. That this ordinance shall be effective by and from the date of its passage.

[Attachments A and B printed on pages 15599
thru 15600 of this Journal.]

On motion of Alderman Burke, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

(Continued on page 15601)

ATTACHMENT A

INTERMITTENT RESURFACING PROGRAM - (85) NORTH AREADPW PROJECT NO. B-5-001

<u>STREET</u>	<u>FAU NO.</u>	<u>LIMITS</u>	<u>WIDTH (FT.)</u>	<u>MILES</u>
1. N. AUSTIN AVENUE	2790	GUNNISON ST. - AVONDALE AVE.	42	0.6
2. N. CLARK STREET	2875	NORTH AVE. - LINCOLN PARK WEST	60	0.5
3. E. CONGRESS PLAZA DRIVE	1423/1429	HARRISON ST. - VAN BUREN ST.	50	0.1
4. N. FAIRBANKS COURT	2914	ERIE AVE. - CHICAGO AVE.	35-38	0.1
5. W. FULLERTON PARKWAY	1376	COMMONWEALTH AVE. - LINCOLN PARK WEST	32	0.1
6. W. FULLERTON PARKWAY	1376	CANNON DR. - BRIDGE	48	0.1
7. S. JEFFERSON STREET	2883	HARRISON ST. - MONROE ST.	49	0.5
8. LOGAN SQUARE	1378	TRAFFIC CIRCLE AT LOGAN SQUARE	36-60	0.2
9. W. LOGAN BOULEVARD	1378	MILWAUKEE AVE. - MAPLEWOOD AVE.	50	0.9
10. N. MILWAUKEE AVENUE	3513	BELMONT AVE. - PULASKI RD.	42	0.25
11. S. RACINE AVENUE	2868	VAN BUREN ST. - JACKSON BLVD.	52	0.1
12. N. STATE STREET	2908	KINZIE ST. - SUPERIOR ST.	51	0.5
13. W. TOUCHY AVENUE	1340	RIDGE BLVD. - SHERIDAN RD.	41.5	1.0
14. E. 8TH STREET	1436	STATE ST. - MICHIGAN AVE.	38	0.1
15. E. 9TH STREET	1437	STATE ST. - MICHIGAN AVE.	38	0.1
16. W. TOUCHY AVENUE		WESTERN AVE. - KENZIE AVE.	5.15	5.15
17. Grace street		WESTERN AVE. - Lincoln	1.0	1.0

ATTACHMENT B

INTERMITTENT RESURFACING PROGRAM - (85) SOUTH AREA
DPW PROJECT NO. B-5-002

<u>STREET</u>	<u>FAU NO.</u>	<u>LIMITS</u>	<u>WIDTH (FT.)</u>	<u>MILES</u>
1. E. HAYES DRIVE	1520	CORNELL DR. RICHARDS DR.	50	0.25
2. S. KEDZIE AVENUE	2831	87TH ST. TO 80TH ST.	48	0.8
3. S. KEDZIE AVENUE	2831	3500 SOUTH TO 3400 SOUTH	45	0.1
4. S. LAFAYETTE AVENUE	2905	69TH ST. TO 67TH	30	0.25
5. S. LAFAYETTE AVENUE	2905	84TH ST. TO 83RD ST.	31	0.1
6. S. LOOMIS BOULEVARD	2861	87TH TO 83RD ST.	42	0.5
7. E. MARQUETTE ROAD	1525	EBERHART AVE. - COTTAGE GROVE AVE.	33	0.4
8. S. MARQUETTE ROAD	1525	67TH ST. - 6600 SOUTH	33.5	0.1
9. E. MARQUETTE DRIVE	1525	STONY ISLAND AVE. - COAST GUARD RD.	41	0.6
10. S. MICHIGAN AVENUE	2957	103RD ST. - 95TH ST.		0.8
11. S. NARRAGANSETT AVENUE	2782	65TH ST. - 63RD ST.	42	0.25
12. S. PAYNE DRIVE	1506	MIDWAY PLAISANCE - RAINEY DR.	39-41	0.5
13. W. POPE JOHN PAUL II DRIVE (43RD ST.)	1483	CALIFORNIA AVE. - WESTERN AVE.	31	0.5
14. S. WENTWORTH AVENUE	2897	25TH PL. - CERNAK RD.	42	0.25
15. W. 35TH STREET	1474	IRON ST. - CHICAGO RIVER	42	0.1
16. W. 51ST. STREET	1501	KING DR. - COTTAGE GROVE AVE.	42	0.5
17. E. 57TH DRIVE	1508	PAYNE DR. - COTTAGE GROVE AVE.	39-40	0.1
18. W. 75TH STREET	1540	EGGLESTON AVE. - LAFAYETTE AVE.	40	0.5
19. E. 79TH STREET	1548	JEFFERY BLVD. - OGLESBY AVE.	42	0.5
				<u>7.1</u>

(Continued from page 15598)

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

AUTHORITY GRANTED FOR EXECUTION OF URBAN MASS
TRANSPORTATION ADMINISTRATION PLANNING GRANT
FOR YEAR 1986.

The Committee on Finance submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith:

WHEREAS, The U.S. Government through its Department of Transportation, Urban Mass Transportation Administration, and under authority granted by Section 8 of the Urban Mass Transportation Act of 1964, (49 U.S.C. 1607) as amended, is authorized to award grants for transit planning; and

WHEREAS, These urban transit planning funds are provided through the Metropolitan Planning Organization for Northeastern Illinois; and

WHEREAS, The Policy Committee of the Chicago Area Transportation Study, the Metropolitan Planning Organization for Northeastern Illinois, has by resolution dated March 14, 1985 authorized the City of Chicago to act as applicant for and administrator of UMTA Section 8 transit planning funds for Fiscal Year 1986; and

WHEREAS, The City of Chicago will act as applicant and administrator of these funds for the following agencies in the Northeastern Illinois Region, the Chicago Area Transportation Study, the Northeastern Illinois Planning Commission, the Regional Transportation Authority, Commuter Rail Division, Suburban Bus Division and the Chicago Transit Authority; and

WHEREAS, These agencies provide coordinated, comprehensive transportation planning and programming for the Chicago Metropolitan Region within the framework of the Metropolitan Planning Organization; and

WHEREAS, The reimbursement of grant funds will be made in accordance with agency budgets as allocated in the Fiscal Year 1986 Northeastern Illinois Unified Work Program, and any subsequent revisions thereto, as endorsed by the Metropolitan Planning Organization and the Urban Mass Transportation Administration; and

WHEREAS, Grant funds from the Federal Government reimbursed to the aforesaid agencies will require no contribution from the City of Chicago; and

WHEREAS, The Transit Planning Program for the Northeastern Illinois Region as identified in the Unified Work Program for FY 1986 is not to exceed \$3,312,500 and the U.S. Department of Transportation, Urban Mass Transportation Administration is offering to award a grant for 80% of the total cost in an amount not to exceed \$2,650,000; and

WHEREAS, The local matching share, amounting to 20% of the total program cost or not more than \$662,500 is to be provided proportionately by the participating agencies as shown below:

Agencies	Federal Share	Local Share	Total
City of Chicago	\$340,800	\$85,200	\$426,000
Chicago Transit Authority	479,200	119,800	599,000
Chicago Area Transportation Study	923,600	230,900	1,154,500
Northeastern Illinois Planning Commission	290,400	72,600	363,000
Regional Transportation Authority/Commuter Rail Division/Suburban Bus Division	616,000	154,000	770,000
TOTAL	\$2,650,000	\$662,500	\$3,312,500;

and

WHEREAS, It is required by the Urban Mass Transportation Administration in accordance with the provisions of Title VI of the Civil Rights Act of 1964, that in connection with the filing of an application for assistance under the Urban Mass Transportation Act of 1964, as amended, the City of Chicago gives an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the Urban Mass Transportation Administration requirements thereunder; and

WHEREAS, It is the goal of the City of Chicago that minority business enterprises be utilized to the fullest extent possible in connection with this project and that definitive procedures shall be established and administered to ensure that minority businesses shall have the maximum feasible opportunity to compete for contracts when procuring construction contracts, supplies, equipment contracts, or consultant and other services; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Mayor is authorized to file a grant application on behalf of the City of Chicago with the Urban Mass Transportation Administration for FY'86 Section 8 Transit Planning funds for the Northeastern Illinois Region in an amount not to exceed \$3,312,500.

SECTION 2. That the Mayor is hereby authorized to execute, the City Clerk to attest, the Commissioner of Public Works and the City Comptroller to approve, upon review and approval of the Corporation Counsel as to form and legality a grant contract and any subsequent amendments thereto in an amount not to exceed \$3,312,500 with the Urban Mass Transportation Administration.

SECTION 3. That the Mayor is authorized to execute, the City Clerk to attest, the Commissioner of Public Works and the City Comptroller to approve, upon review by the Corporation Counsel as to form and legality, reimbursement agreements between the City of Chicago and the following agencies: Chicago Area Transportation Study, Regional Transportation Authority Commuter Rail Division, Suburban Bus Division, Chicago Transit Authority and the Northeastern Illinois Planning Commission.

SECTION 4. That the Commissioner of Public Works is authorized to execute subsequent amendments to the reimbursement agreements.

SECTION 5. That the Mayor is authorized to execute and file with the above grant application and grant contract an assurance or any document required by the Urban Mass Transportation Administration to effectuate the purpose of Title VI of the Civil Rights Act of 1964.

SECTION 6. That the Mayor is authorized to set forth and execute affirmative minority business procurement needs.

SECTION 7. That the Commissioner of Public Works is authorized to provide assurances and to furnish such additional information as the Urban Mass Transportation Administration may require for this grant application and contract.

SECTION 8. That the City's share of the matching funds in the form of staff services, in an amount not to exceed \$85,200, is hereby authorized.

SECTION 9. That the City Comptroller is directed to disburse grant funds in accordance with the budget of said grant contracts and reimbursement agreements.

SECTION 10. That this ordinance shall be in force and effect from and after its passage.

On motion of Alderman Burke, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

AUTHORITY GRANTED FOR EXECUTION OF CITY/STATE
AGREEMENT PROVIDING FOR FISCAL YEAR 1986
HIGHWAY PLANNING SERVICES GRANT FUNDS.

The Committee on Finance submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith:

WHEREAS, Section 104 (f) of Title 23 U.S.C. (i.e., Federal-Aid Highway Section of the U.S. Code) provides for highway planning funds, generally known as PL funds, to be apportioned to the State of Illinois for the purpose of carrying out Section 134 of Title 23 U.S.C.; and

WHEREAS, The Governor of the State of Illinois, pursuant to Title 23 CFR 450.106, has designated the Chicago Area Transportation Study (CATS) as the Metropolitan Planning Organization (MPO) for the six-county Northeastern Illinois region; and

WHEREAS, The State of Illinois has allocated PL funds to CATS as the MPO, and the MPO, in turn, has allocated \$255,000 in PL funds to cover 85% of the costs to the City of Chicago for planning and programming the City's highway needs; and

WHEREAS, The City of Chicago will provide the 15% local match in the amount of \$45,000; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Agreement for Planning Services between the State of Illinois, acting by and through its Department of Transportation, and the City of Chicago, acting by and through its Department of Public Works, incorporated herein by reference, which provides financial assistance to the City in the amount of \$300,000, of which \$255,000 (85%) is the State's share and \$45,000 (15%) is the City's share is hereby approved.

SECTION 2. That the Mayor is authorized to execute, the City Clerk to attest, the Commissioner of Public Works and the City Comptroller to approve, upon review of the Corporation Counsel as to form and legality, the Agreement for Planning Services.

SECTION 3. That the Commissioner of Public Works is authorized and directed to carry out the provisions of said Agreement and to enter into a Memorandum of Agreement with

the State of Illinois, and Cook County and the Chicago Area Transportation Study which is appended to said Agreement for Planning Services.

SECTION 4. That the Commissioner of Public Works is authorized and directed to execute any supporting documentation required by State and Federal governments to implement the terms and provisions of said Agreement for Planning Services, and to amend said Agreement provided that there is no net change in the total dollar amount of the grant.

SECTION 5. That the City's matching share in the amount of \$45,000 in the form of staff services in the Department of Public Works is hereby authorized.

SECTION 6. That the City Comptroller is authorized to disburse grant funds in accordance with the budget of the Agreement for Planning Services.

SECTION 7. That this ordinance shall be in full force and effect from the date of its passage.

On motion of Alderman Burke, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

**AUTHORITY GRANTED FOR ISSUANCE OF FREE PERMITS,
AND LICENSE FEE EXEMPTIONS FOR CERTAIN
CHARITABLE, EDUCATIONAL AND
RELIGIOUS INSTITUTIONS.**

The Committee on Finance to which had been referred (November 14, 1984, February 4 and 13, March 20, and April 18, 1985) sundry proposed ordinances transmitted therewith to authorize the issuance of free permits and license fee exemptions for certain charitable, educational and religious institutions, submitted separate reports recommending that the City Council pass said proposed ordinances.

On separate motions made by Alderman Burke, each of the said proposed ordinances was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

Said ordinances as passed read respectively as follows (the italic heading in each case not being a part of the ordinance):

FREE PERMITS.

Komed Health Center, Incorporated.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Inspectional Services, the Commissioner of Public Works, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, and the Commissioner of Water are hereby directed to issue all necessary permits, free of charge, notwithstanding other ordinances of the City to the contrary, to Komed Health Center, Inc., 501 E. 43rd Street, for the construction of twenty-two (22) examination rooms on the premises known as 501 E. 43rd Street.

Said building shall be used exclusively for health related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

Northwestern Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Inspectional Services, the Commissioner of Public Works, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, and the Commissioner of Water are hereby directed to issue all necessary permits, free of charge, notwithstanding other ordinances of the City to the contrary, to Northwestern Hospital, for remodeling 5th and 6th floors on the premises known as 259 E. Erie Street.

Said building shall be used exclusively for medical and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

Northwestern Memorial Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Inspectional Services, the Commissioner of Public Works, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, and the Commissioner of Water are hereby directed to issue all necessary permits, free of charge, notwithstanding other ordinances of the City to the contrary, to Northwestern Memorial Hospital, for remodeling 1st and 5th floors on the premises known as 222 E. Superior Street (Streeterville Corp. affiliated with Northwestern Hospital).

Said building shall be used exclusively for medical and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

Northwestern Memorial Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Inspectional Services, the Commissioner of Public Works, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, and the Commissioner of Water are hereby directed to issue all necessary permits, free of charge, notwithstanding other ordinances of the City to the contrary, to Northwestern Memorial Hospital, for remodeling work on the premises known as Passavant Pavilion, 303 E. Superior Street.

Said building shall be used exclusively for medical and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

Northwestern Memorial Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Inspectional Services, the Commissioner of Public Works, the Commissioner of Streets and Sanitation, the Commissioner of Sewers, and the Commissioner of Water are hereby directed to issue all necessary permits, free of charge, notwithstanding other ordinances of the City to the contrary, to Northwestern Memorial Hospital, for remodeling the Wesley Pavilion on the premises known as 250 E. Superior Street.

Said building shall be used exclusively for medical and related purposes and shall not be leased or otherwise used with a view to profit, and the work thereon shall be done in accordance with plans submitted.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

LICENSE FEE EXEMPTIONS.

Day Care Centers.

Chatham Pre-School Center.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 158-4 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following day care center, which is not operated for gain but where a charge is made for the care of children, is hereby exempted from payment of the license fee for the current license period, which expires April 30, 1986:

Chatham Pre-School Center,
741 E. 84th Street.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

Chesterfield Tom Thumb Day Care Center.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 158-4 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following day care center, which is not operated for gain but where a charge is made for the care of children, is hereby exempted from payment of the license fee for the current license period, which expires April 30, 1986:

Chesterfield Tom Thumb Day Care Center,
9214 S. Cottage Grove Avenue.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

Greater Institutional A.M.E. Day Care Center.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 158-4 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following day care center, which is not operated for gain but where a charge is made for the care of children, is hereby exempted from payment of the license fee for the current license period, which expires April 30, 1986:

Greater Institutional A.M.E. Day Care Center,
7800 S. Indiana Avenue.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

Little People's Institute.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 158-4 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following day care center, which is not operated for gain but where a charge is made for the care of children, is hereby exempted from payment of the license fee for the current license period, which expires April 30, 1986:

Little People's Institute,
117 E. 87th Street.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

Melglow Nursery.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 158-4 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following day care center, which is not operated for gain but where a charge is made for the care of children, is hereby exempted from payment of the license fee for the current license period, which expires April 30, 1986:

Melglow Nursery,
8855 S. State Street.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

Parent Cooperative for Early Learning, Inc.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 158-4 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following day care center, which is not operated for gain but where a charge is made for the care of children, is hereby exempted from payment of the license fee for the current license period, which expires April 30, 1986:

Parent Cooperative for Early Learning, Inc.,
5300 S. South Shore Drive.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

South Shore Bible Baptist Day Care Center.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 158-4 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following day care center, which is not operated for gain but where a charge is made for the care of children, is hereby exempted from payment of the license fee for the current license period, which expires April 30, 1986:

South Shore Bible Baptist Day Care Center,
7159 S. Cornell Avenue.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

Tiny Tots Villa.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 158-4 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following day care center, which is not operated for gain but where a charge is made for the care of children, is hereby exempted from payment of the license fee for the current license period, which expires April 30, 1986:

Tiny Tots Villa,
8128 S. Martin Luther King Drive.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

*Woodlawn African Methodist Episcopal Church
Day Care and After School Programs.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 158-4 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following day care center, which is not operated for gain but where a charge is made for the care of children, is hereby exempted from payment of the license fee for current license period, which expires April 30, 1986:

Woodlawn African Methodist Episcopal Church Day Care and After School Programs,
6456 S. Evans Avenue.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

Food Purveyor.

The Ark.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 130-15 of the Municipal Code of Chicago and in accordance with favorable investigation by the Department of Health, The Ark, 2341 W. Devon Avenue, is hereby exempted from payment of the annual food dispenser (retail) license fee provided therefor, the year 1985.

SECTION 2. This ordinance shall be in force and effect from and after its passage.

Hospitals.

Augustana Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 137-6 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following hospital that is not operated for gain but where a charge is made for the care of patients, shall be exempted from payment of the hospital license fee for the year 1985:

Augustana Hospital,
2035 N. Lincoln Avenue.

SECTION 2. This ordinance shall be in force from and after its passage.

Bethany Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 137-6 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following hospital that is not operated for gain but where a charge is made for the care of patients, shall be exempted from payment of the hospital license fee for the year 1985:

Bethany Hospital.
3435 W. Van Buren Street.

SECTION 2. This ordinance shall be in force from and after its passage.

Henrotin Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 137-6 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following hospital that is not operated for gain but where a charge is made for the care of patients, shall be exempted from payment of the hospital license fee for the year 1985:

Henrotin Hospital,
111 W. Oak Street.

SECTION 2. This ordinance shall be in force from and after its passage.

Swedish Covenant Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 137-6 of the Municipal Code of Chicago and in accordance with favorable investigation by the Board of Health, the following hospital that is not operated for gain but where a charge is made for the care of patients, shall be exempted from payment of the hospital license fee for the year 1985:

Swedish Covenant Hospital,
5145 N. California Avenue.

SECTION 2. This ordinance shall be in force from and after its passage.

CITY COMPTROLLER AUTHORIZED AND DIRECTED TO
CANCEL WARRANT FOR COLLECTION ISSUED
AGAINST MARY BARTELME HOME.

The Committee on Finance submitted a report recommending that the City Council pass the following proposed order:

Ordered, That the City Comptroller is hereby authorized and directed to cancel warrant for collection No. B4-400065 in the amount of \$23.00 for annual building inspection fee, charged to the Mary Bartelme Home, 815 W. Gunnison Street.

On motion of Alderman Burke, the foregoing proposed order was *Passed*, by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

AUTHORITY GRANTED FOR INSTALLATION OF ALLEY
LIGHTS AT SPECIFIED LOCATIONS.

The Committee on Finance submitted a report recommending that the City Council pass two proposed orders transmitted therewith:

Ordered, That the Commissioner of Public Works is hereby authorized and directed to give consideration to the installation of an alley light at the rear of No. 12546 S. Edbrooke Avenue.

Ordered, That the Commissioner of Public Works is hereby authorized and directed to give consideration to the installation of an alley light in back of the premises located between No. 2933 S. Haynes Court and 2937 S. Haynes Court.

On motion of Alderman Burke, each of the foregoing proposed orders was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

AUTHORITY GRANTED FOR REDUCTION IN ANNUAL LICENSE
FEES FOR SPECIAL POLICE EMPLOYED BY
SUNDRY NOT-FOR-PROFIT INSTITUTIONS.

The Committee on Finance submitted a report recommending that the City Council pass three proposed ordinances transmitted therewith, authorizing reductions in the annual license fee required for special police employed by not- for-profit institutions.

On motion of Alderman Burke, each of the said proposed ordinances was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Hutchinson, Huels, Madrzyk, Burke, Brady, Streeter, Kellam, Sheahan, Kelley, Sherman, Krystyniak, Marzullo, Smith, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 36.

Nays -- None.

Alderman Burke moved to reconsider the foregoing vote. The motion was lost.

Said ordinances as passed read respectively as follows (the italic heading in each case not being a part of the ordinance):

Hyde Park Community Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Chapter 173, Section 6 of the Municipal Code of Chicago, the following charitable institution employs twenty (20) special police and shall pay a fee of \$10.00 per license for the year 1985:

Hyde Park Community Hospital,
5800 S. Stony Island Avenue.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

Northwestern Memorial Hospital.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 173-6 of the Municipal Code of Chicago, the following charitable institution employs sixty-one (61) special police and shall pay a fee of \$10.00 per license for the year 1985:

Northwestern Memorial Hospital,
Superior Street and Fairbanks Court.

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

True Temple of Solomon Church.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Chapter 173, Section 6 of the Municipal Code of Chicago, the following charitable institution employs 13 special police and shall pay a fee of \$10.00 per license for the year 1985:

True Temple of Solomon Church,
7138 S. Halsted Street.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

**AUTHORITY GRANTED FOR PAYMENTS OF HOSPITAL, MEDICAL
AND NURSING SERVICES RENDERED CERTAIN INJURED
MEMBERS OF POLICE AND FIRE DEPARTMENTS.**

The Committee on Finance submitted a report recommending that the City Council pass a proposed order transmitted therewith, to authorize payments for hospital, medical and nursing services rendered certain injured members of the Police and Fire Departments.

On motion of Alderman Burke, the said proposed order was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the City Comptroller is authorized and directed to issue vouchers, in

conformity with schedule herein set forth, to physicians, hospitals, nurses or other claims individuals, in settlement for hospital, medical and nursing services rendered to the injured members of the Police Department and/or the Fire Department herein named. The payment of any of these bills shall not be construed as an approval of any previous pending or future claims for expenses or benefits on account of any alleged injury to the individuals named. The total amount of said claims is set opposite the names of the injured members of the Police Department and/or the Fire Department, and vouchers are to be drawn in favor of the proper claimants and charged to Account No. 100.9112.937:

[Regular orders printed on pages 15617 thru 15620 of this Journal.]

and

Be It Further Ordered, That the City Comptroller is authorized and directed to issue warrants, in conformity with the schedule herein set forth, to physicians, hospitals, nurses or other individuals, in settlement for hospital, medical and nursing services rendered to the injured members of the Police Department and/or the Fire Department herein named, provided such members of the Police Department and/or Fire Department shall enter into an agreement in writing with the City of Chicago to the effect that, should it appear that any of said members of the Police Department and/or Fire Department have received any sum of money from the party whose negligence caused such injury, or have instituted proceedings against such party for the recovery of damage on account of such injury or medical expenses, then in that event the City shall be reimbursed by such member of the Police Department and/or Fire Department out of any sum that such member of the Police Department and/or Fire Department has received or may hereafter receive from such third party on account of such injury or medical expense, not to exceed the amount that the City may, or shall, have paid on account of such medical expense, in accordance with Opinion No. 1422 of the Corporation Counsel of said City, dated March 19, 1926. The payment of any of these bills shall not be construed as approval of any previous claims pending or future claims for expenses or benefits on account of any alleged injury to the individuals named. The total amount of such claims, as allowed, is set opposite the names of the injured members of the Police Department and/or Fire Department, and warrants are to be drawn in favor of the proper claimants and charged to Account No. 100.9112.937:

[Third party orders printed on pages 15621 thru 15622 of this Journal.]

Placed on File -- REPORT OF SETTLEMENTS OF SUITS
AGAINST CITY DURING MONTH OF JANUARY, 1985.

The Committee on Finance submitted a report recommending that the City Council *Place on File* a communication from the Department of Law concerning matters in which cases were settled and/or judgments entered for the month of January, 1985.

On motion of Alderman Burke, the committee's recommendation was *Concurred In* and said communication and report were *Placed on File*.

4/25/85

REPORTS OF COMMITTEES

15617

REPORT DATE 4/25/85
PROGRAM--PERO70

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 4/25/85

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
BECKON	JESSE	POLICE OFFICER	THIRD DISTRICT	10/26/84 728.25
BERETA	JJOSEPH	POLICE OFFICER	SEVENTH DISTRICT	3/25/84 37.00
BERETA	JJOSEPH	POLICE OFFICER	SEVENTH DISTRICT	3/22/84 57.00
BORKOWSKI	ANDREW	POLICE OFFICER	PUBLIC TRANSPORTATION M.T.S.	11/06/84 2754.25
POWENS	LEON	POLICE OFFICER	SECOND DISTRICT	3/03/84 130.00
BOYLE	MICHAEL	POLICE OFFICER	SEVENTH DISTRICT	11/16/84 52.00
CELANI	SCOTT A	POLICE OFFICER	FOURTH DISTRICT	12/22/84 134.50
COLEMAN	SIDNEY P	POLICE OFFICER	SEVENTH DISTRICT	3/02/84 752.00
CORSA	GEORGE	POLICE OFFICER	NINETEENTH DISTRICT	10/13/84 114.00
COSTELLO	THOMAS J	POLICE OFFICER	FIFTH DISTRICT	3/26/84 102.44
CROWE	BENJAMIN K	POLICE OFFICER	TWENTY-THIRD DISTRICT	11/12/84 3.70
DEBARTOLO	JOHN A	POLICE OFFICER	EVIDENCE AND RECOVERED PROPERTY	12/11/84 315.00
ERBACHER	KYLE J	POLICE OFFICER	SECOND DISTRICT	10/26/84 87.00
FORTINO	JACK W	POLICE OFFICER	MOUNTED UNIT	12/05/84 137.00
GILLESPIE	JAMES	POLICE OFFICER	FOURTEENTH DISTRICT	10/20/84 235.00
GOTTLIFB	GEORGE S	POLICE OFFICER	DETECTIVE DIV AREA 4 PROPERTY	10/14/84 362.17
GWIN	RICHARD	POLICE OFFICER	TENTH DISTRICT	10/20/84 3327.94
HANSEN	ROBERT E	POLICE OFFICER	TWENTY-SECOND DISTRICT	11/22/84 87.00
HARRINGTON	MICHAEL J	POLICE OFFICER	EIGHTH DISTRICT	11/29/84 100.00
HARRIS	DALE J	POLICE OFFICER	TWENTIETH DISTRICT	11/21/84 163.00
HENBERG	JERRY F	POLICE OFFICER	FIFTH DISTRICT	3/06/84 5738.10
HICKS	MICHELLE	POLICE OFFICER	SECOND DISTRICT	11/05/84 425.00
HOLLANDSWORTH	LEONARD	POLICE OFFICER	YOUTH DIVISION AREA FOUR	5/15/84 1677.75
HOWARD	CDRILYN	POLICE OFFICER	TWENTY-FIFTH DISTRICT	12/02/84 106.00
HYZY	GERALD E	POLICE OFFICER	FIFTH DISTRICT	11/22/84 445.22
JACKSON	EDWARD L	POLICE OFFICER	ELECTRONICS MAINTENANCE DIVISI	10/14/77 106.07
JAMETTAS	GREGORY	POLICE OFFICER	TENTH DISTRICT	12/15/84 52.00
JOHNSON	LAUREL	POLICE OFFICER	SIXTH DISTRICT	12/25/84 90.00
JOHNSON	MERRILL L	POLICE OFFICER	SEVENTH DISTRICT	11/17/84 55.00
JOHNSON	WILLIAM	SERGEANT	FIFTEENTH DISTRICT	11/16/84 152.50
KANE	PATRICIA	POLICE OFFICER	SIXTH DISTRICT	9/10/82 121.75
KIERAS	ALAN E	POLICE OFFICER	OHARE SECURITY	6/13/83 155.00
KLUPF	SAUL E	POLICE OFFICER	EIGHTEENTH DISTRICT	12/13/84 391.80
LAUBACH	FRED	POLICE OFFICER	CRIME LABORATORY DIVISION	11/29/84 9.95
LIGUORIS	EUGENE	POLICE OFFICER	ENFORCEMENT SECTION	7/16/83 515.00
LYNCH	MARY E	POLICE OFFICER	THIRTEENTH DISTRICT	11/04/84 165.00
MARTIN	LOUIS J	POLICE OFFICER	TWELFTH DISTRICT	12/11/84 1424.45
MARTINEZ	JOSE A	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	11/03/84 137.00
MCALLISTER	THOMAS	POLICE OFFICER	EIGHTH DISTRICT	3/23/84 75.00
MCCANN	RAYMOND	CAPTAIN	THIRD DISTRICT	8/04/83 212.35
MCDONOUGH	JAMES H	POLICE OFFICER	SIXTH DISTRICT	11/27/84 15.00
MCDONOUGH	JAMES H	POLICE OFFICER	SIXTH DISTRICT	12/29/84 230.50
MCCRADY	TIMOTHY	POLICE OFFICER	TWENTIETH DISTRICT	12/22/84 142.00
MCGRAFAL	THOMAS F	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISI	12/09/84 59.00
MCSHARRY	THOMAS H	POLICE OFFICER	TWENTY-SECOND DISTRICT	12/07/84 357.50
MILHOUSE	STEPHEN W	POLICE OFFICER	THIRD DISTRICT	12/18/84 290.00
MILLER	STEVEN W	POLICE OFFICER	FIFTEENTH DISTRICT	2/23/84 20.00
MURPHY	PETER C	SERGEANT	SECOND DISTRICT	12/10/84 70.00
MURPHY	RICHARD A	POLICE OFFICER	ELEVENTH DISTRICT	11/26/84 55.00

CITY COUNCIL ORDERS

COUNCIL MEETING OF 4/25/85

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOLUNTARY TRIAL
MURPHY THOMAS G	POLICE OFFICER	SEVENTEENTH DISTRICT	10/03/80	125.45
MURRAY JEREMIAH	POLICE OFFICER	THIRD DISTRICT	11/15/84	105.00
MURRAY JOHN P	POLICE OFFICER	ELEVENTH DISTRICT	10/21/84	104.50
NELSON JULIUS D	POLICE OFFICER	FIFTEENTH DISTRICT	12/12/84	64.70
NEUMANN JOHN A	POLICE OFFICER	SEVENTEENTH DISTRICT	12/04/84	132.00
OSBORN DANIEL M	POLICE OFFICER	TWENTY-FIFTH DISTRICT	12/14/84	91.00
OLDOUGHLIN ROBERT D	POLICE OFFICER	TWENTY-SECOND DISTRICT	12/23/84	172.45
OLSEN-KOZA ELIZABETH	POLICE OFFICER	THIRTEENTH DISTRICT	9/09/84	108.00
PAJONSKI LAWRENCE	POLICE OFFICER	MOUNTED UNIT	10/05/84	547.75
PATTON GREGORY	POLICE OFFICER	TWENTY-FIRST DISTRICT	12/01/84	98.00
POWELL JUANITA	POLICE OFFICER	RECRUIT TRAINING	1/23/81	200.00
PRAWIEC ROBERT J	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVISION	11/17/84	334.75
RAWLS TANYIA	POLICE OFFICER	SECOND DISTRICT	12/15/84	104.00
RYHNE TERRY	POLICE OFFICER	TWENTIETH DISTRICT	12/13/84	117.50
PIORDAN EUGENE	POLICE OFFICER	CHARGE SECURITY	12/04/84	50.00
ROSSI JOHN	POLICE OFFICER	FIFTH DISTRICT	12/27/84	482.50
RYAN JAMES R	POLICE OFFICER	THIRD DISTRICT	10/05/84	30.00
SALABUZA STANLEY	POLICE OFFICER	FIFTH DISTRICT	12/01/84	173.40
SANTORO JOSEPH J	POLICE OFFICER	THIRTEENTH DISTRICT	12/04/84	75.00
SCHMITT JOSEPH	POLICE OFFICER	TWENTY-SECOND DISTRICT	12/05/84	97.00
SMITH MICHAEL F	POLICE OFFICER	CHARGE LAW ENFORCEMENT	9/02/84	1347.00
SPECHT SANDRA	POLICE OFFICER	FIFTEENTH DISTRICT	12/17/84	129.40
STANKIEWICZ PJMAN T	POLICE OFFICER	NINTH DISTRICT	12/21/84	131.00
STANTON CHARLIE L	POLICE OFFICER	FOURTH DISTRICT	12/11/84	97.40
STEIN RICHARD J	POLICE OFFICER	NINTH DISTRICT	11/13/84	338.85
STODOLNY DAVID B	POLICE OFFICER	TWELFTH DISTRICT	12/04/84	79.00
SWOPE THOMAS E	POLICE OFFICER	FIFTH DISTRICT	12/08/84	191.00
TAYLOR ALBERT	POLICE OFFICER	SIXTH DISTRICT	11/02/84	71.55
TAYLOR ALBERT	POLICE OFFICER	SIXTH DISTRICT	11/03/84	66.00
TERRY LEROY	POLICE OFFICER	SECOND DISTRICT	12/22/84	133.00
TILLBROCK RONALD A	POLICE OFFICER	COMMUNICATIONS OPERATIONS SECT	12/10/84	200.00
TOUHY CATHY A	POLICE OFFICER	FIFTEENTH DISTRICT	12/31/84	2267.50
TUFANO RICHARD V	POLICE OFFICER	TWELFTH DISTRICT	2/16/84	364.25
TUNNO PATRICK	POLICE OFFICER	SIXTH DISTRICT	12/23/84	472.50
TURCS EDWARD R	POLICE OFFICER	SECOND DISTRICT	12/13/84	115.00
UNDERWOOD CLIFTON	POLICE OFFICER	SECOND DISTRICT	12/29/84	509.00
URBIVAS ELDON	POLICE OFFICER	SPECIAL OPERATIONS GROUP-NORTH	12/15/84	132.00
WALCZAK DANIEL J	POLICE OFFICER	NINTH DISTRICT	12/07/84	459.50
WALTON ELDGE	POLICE OFFICER	SIXTH DISTRICT	12/23/84	255.60
WALTON TSON L	POLICE OFFICER	SEVENTH DISTRICT	12/21/84	451.75
WASHINGTON LUIS	POLICE OFFICER	SECOND DISTRICT	3/09/81	50.00
WASNER ROBERT A	POLICE OFFICER	SEVENTEENTH DISTRICT	12/30/84	30.00
WATSON RICHARD JR	POLICE OFFICER	SECOND DISTRICT	12/22/84	144.00
WIKSTEN JOHN L	POLICE OFFICER	SIXTH DISTRICT	11/09/84	20.00
WILLIAMS THEODORE G	POLICE OFFICER	DETECTIVE DIV AREA 6 ADMINISTRATION	10/17/84	1345.34
WISNIEWSKI LEROY	POLICE OFFICER	SEVENTEENTH DISTRICT	2/15/84	409.23
ANNIS ROBERT R	LIEUTENANT	ENGINE COMPANY 89	9/24/84	46.00
BARBARA FRED	FIREFIGHTER	TRUCK 12	1/24/85	47.00
BASIC BRIAN	FIREFIGHTER	TRUCK 48	12/11/84	44.00

4/25/85

REPORTS OF COMMITTEES

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CITY COUNCIL ORDERS

COUNCIL MEETING OF 4/25/85

REGULAR ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOYAGE TOTAL
REDALOW ANTHONY	FIREFIGHTER	ENGINE COMPANY 82	1/21/83	103.00
REGGOLLO WILLIAM	FIREFIGHTER	TRUCK 8	4/18/84	23.50
RIASI LARRY R	LIEUTENANT	DISTRICT RELIEF 1	1/20/85	94.00
BILLISH EARL	LIEUTENANT	ENGINE COMPANY 99	12/13/84	243.00
ROYD BISHOP	FIREFIGHTER	TRUCK 27	1/20/85	32.50
BROWN EDWARD	FIREFIGHTER	ENGINE COMPANY 92	12/10/84	82.75
BURNS GERALD	PARAMEDIC	AMBULANCE 14	5/28/83	263.00
BURNS MICHAEL G	PARAMEDIC	AMBULANCE 6	12/24/84	122.00
CARROLL EDWARD	FIREFIGHTER	ENGINE COMPANY 118	1/23/85	433.00
CISMESIA JAMES	FIREFIGHTER	ENGINE COMPANY 23	1/17/85	27.50
CLIFF JAMES	LIEUTENANT	TRUCK 31	9/25/83	72.50
COLLINS GARY	FIREFIGHTER	ENGINE COMPANY 123	11/22/84	21.34
COLLINS JAMES	PARAMEDIC	AMBULANCE 10	11/17/84	34.00
CONNERY MARYANN	FIREFIGHTER	AMBULANCE 12	9/05/84	40.00
CRAVEN FRANK M	CAPTAIN	ENGINE COMPANY 106	2/25/85	150.00
CRAVEN PATRICK	FIREFIGHTER	TRUCK 32	12/7/84	130.50
CROWLEY WILLIAM B	LIEUTENANT	ENGINE COMPANY 35	12/24/84	307.00
DALY ROBERT	FIREFIGHTER	ENGINE COMPANY 84	12/27/84	57.00
DIYON LONNIE	FIREFIGHTER	TRUCK 20	11/25/84	2337.80
DZIFOTIC WALTER	FIREFIGHTER	ENGINE COMPANY 65	1/20/85	47.50
FIGUEROA DAVID	FIREFIGHTER	ENGINE COMPANY 35	1/25/85	52.00
FINNEKE GARY	FIREFIGHTER	TRUCK 48	1/14/85	247.00
FLANN THOMAS	FIREFIGHTER	ENGINE COMPANY 47	10/24/84	24.54
FOLEY JR FRANCIS P	CAPTAIN	BATTALION 1/ENGINE COMPANY 13	12/27/84	230.00
GALLARD MICHAEL	FIREFIGHTER	ENGINE COMPANY 61	1/20/85	91.80
GORDON DONALD	CAPTAIN	TRUCK 7	10/21/84	132.00
GREEN DOGER	FIREFIGHTER	ENGINE COMPANY 108	10/03/84	50.00
GREGORY DON	FIREFIGHTER	ENGINE COMPANY 75	9/17/84	307.00
GUZZARDO JOSEPH	PARAMEDIC	AMBULANCE 6	12/22/84	904.00
HARDT RICHARD	FIREFIGHTER	ENGINE COMPANY 7	1/31/85	41.39
HARVEY ALBERT	FIREFIGHTER	ENGINE COMPANY 44	1/25/85	82.50
JAMEN JOSEPH	FIREFIGHTER	ENGINE COMPANY 49	1/18/85	75.00
JASLOWSKI THOMAS	FIREFIGHTER	TRUCK 48	1/20/85	96.50
JONES SYLVESTER	FIREFIGHTER	TRUCK 42	2/11/85	131.57
KANA MICHAEL	PARAMEDIC	AMBULANCE 15	5/26/83	109.00
KELN EDWARD	LIEUTENANT	DISTRICT RELIEF 4	12/23/84	82.93
KING WILLIAM	LIEUTENANT	ENGINE COMPANY 60	8/24/84	83.00
KOCH JEROME	FIREFIGHTER	TRUCK 14	12/31/84	130.00
KUPCAB MICHAEL	ENGINEER	ENGINE COMPANY 32	10/14/84	59.00
LANHAM MARK	FIREFIGHTER	TRUCK 29	9/20/84	75.00
LAVIN OWEN	FIREFIGHTER	UNKNOWN	3/26/79	111.20
LELO DONALD	CAPTAIN	ENGINE COMPANY 81	10/28/84	137.25
LOFTON WILLIAM	ENGINEER	DISTRICT RELIEF 6	12/24/84	85.30
LUPU DONALD M	FIREFIGHTER	TRUCK 44	12/29/84	4607.47
LYNCH WALTER	LIEUTENANT	ENGINE COMPANY 43	11/05/84	37.00
MALONEY PATRICK	PARAMEDIC	AMBULANCE 35	12/07/84	208.00
MCGARRY JOHN	FIREFIGHTER	TRUCK 19	12/25/84	78.00
MICHELON ALBERT	FIREFIGHTER	ENGINE COMPANY 106	11/26/84	110.00
MILLER ELSWETH	PARAMEDIC	AMBULANCE 16	1/21/85	217.50

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 4/25/85

REGULAR ORDERS

EMPLOYEE NAME	RANK	UNIT OF ASSIGNMENT	DATE INJURED	VALUE TOTAL
MILLER	ELSBETH	FIREFIGHTER	AMBULANCE 17	4/25/85 135.00
MONTGOMERY	MELVIN	FIREFIGHTER	TRUCK 15	1/24/85 70.00
MULYSSIM	JOHN	FIREFIGHTER	ENGINE COMPANY 115	9/05/84 130.00
NELLIGAN	DAVID A	FIREFIGHTER	ENGINE COMPANY 127	11/22/84 371.21
NOELIN	GERRICK L	FIREFIGHTER	ENGINE COMPANY 109	10/22/84 320.00
OBRYE	WILLIAM	CAPTAIN	SQUAD 1	1/22/84 945.00
OPITIN	JOHN	FIREFIGHTER	ENGINE COMPANY 55	1/31/85 27.00
ODONNELL	PAUL	PARAMEDIC	DISTRICT RELIEF 5	12/23/84 177.45
ODONNELL	PAUL	PARAMEDIC	EMS DISTRICT 6 HEADQUARTERS & 7	9/20/84 130.00
ONFILL	SEAN	PARAMEDIC	AMBULANCE 33	1/27/85 132.50
ORR	BURNES	FIREFIGHTER	ENGINE COMPANY 52	11/27/84 137.00
OWCAPZ	EUGENE	CAPTAIN	ENGINE COMPANY 77	2/20/77 4846.47
PAUKERT	FRANK	PARAMEDIC	AMBULANCE 40	1/26/84 357.00
POWER	THOMAS	FIREFIGHTER	ENGINE COMPANY 125	1/21/85 159.50
QUINN	CHRISTOPHER	FIREFIGHTER	TRUCK 51	4/30/84 55.00
REEDER	KENNETH	FIREFIGHTER	ENGINE COMPANY 42	10/05/84 50.00
RIFORIGATO	GERALD	CAPTAIN	TRUCK 35	1/20/85 241.33
ROBERTS	DANNY H	FIREFIGHTER	DISTRICT RELIEF 1	12/10/84 778.00
ROBINSON	JOYCE	PARAMEDIC	DISTRICT RELIEF 3	1/10/85 61.00
ROCKIK	EDWARD	FIREFIGHTER	ENGINE COMPANY 95	1/27/85 144.25
ROMERO	PETER	FIREFIGHTER	ENGINE COMPANY 109	12/14/84 199.00
RUST	JOHN R	FIREFIGHTER	TRUCK 38	2/04/85 190.50
SCHOFNECKER	MICHAEL	FIREFIGHTER	EMS DISTRICT 1 HEADQUARTERS & 5	1/26/85 127.75
SCHOFIELD	MICHAEL	PARAMEDIC	AMBULANCE 18	9/20/84 1646.65
STANTEC	JAMES	FIREFIGHTER	ENGINE COMPANY 106	12/06/84 4999.00
STEWART	JOHNNY	FIREFIGHTER	TRUCK 18	11/27/84 65.00
TALLEY	MICHAEL	FIREFIGHTER	TRUCK 58	1/25/85 20.50
TIBBS	KENNETH	FIREFIGHTER	ENGINE COMPANY 91	1/23/85 30.50
WAGNER	KENNETH	FIREFIGHTER	TRUCK 15	9/21/84 187.00
WALSH	GREGG	FIREFIGHTER	TRUCK 47	1/17/85 50.10
WITT	KEITH	FIREFIGHTER	ENGINE COMPANY 45	11/28/83 172.00
WITT	KEITH	FIREFIGHTER	ENGINE COMPANY 45	4/24/84 55.00
WITT	KEITH	FIREFIGHTER	ENGINE COMPANY 45	11/23/84 155.00
WOJTICKI	KENNETH	FIREFIGHTER	SQUAD 2	1/26/85 62.00

4/25/85

REPORTS OF COMMITTEES

15621

CITY OF CHICAGO

CITY COUNCIL ORDERS

COUNCIL MEETING OF 4/25/85

THIRD PARTY ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
AMARI JR	LJUIS V	POLICE OFFICER	ELEVENTH DISTRICT	7/77/84 40.00
ANGELO	THOMAS M	POLICE OFFICER	SIXTEENTH DISTRICT	9/15/84 5977.40
PERECKIS	GEORGE J	POLICE OFFICER	TWELFTH DISTRICT	6/77/84 370.00
PERENT	ROBERT J	POLICE OFFICER	YOUTH DIVISION AREA FIVE	7/71/84 115.00
POCK	JACK E	POLICE OFFICER	TWENTY-FIFTH DISTRICT	11/24/84 246.55
RODWIN	DEROPAH E	POLICE OFFICER	TWENTY-FIRST DISTRICT	11/20/84 327.00
CAMPBELL	WAYNE C	POLICE OFFICER	FIFTH DISTRICT	7/08/87 2722.85
CANNATA	ANTHONY R	POLICE OFFICER	EIGHTEENTH DISTRICT	12/01/84 3149.15
CAPONE	MICHAEL	POLICE OFFICER	OHARE LAW ENFORCEMENT	12/03/84 157.00
CISNER	HECTOR R	POLICE OFFICER	SEVENTEENTH DISTRICT	6/24/84 264.83
COCHRAN	ROBERT D	POLICE OFFICER	PUBLIC TRANSPORTATION M.T.S.	8/26/84 975.00
CONNELLY	JOHN	POLICE OFFICER	FIFTH DISTRICT	11/29/84 13.00
COYNE	JOHN C	POLICE OFFICER	TENTH DISTRICT	5/27/81 701.35
DRADIK	WALTER S	POLICE OFFICER	ENFORCEMENT SECTION	12/24/83 185.00
DUFFY	MICHAEL	LIEUTENANT	PUBLIC HOUSING DIVISION-SOUTH	12/16/83 37.97
GALVIN	JEFFREY C	POLICE OFFICER	DETECTIVE DIV AREA 3 PROPERTY	11/30/84 110.00
GUERPA	FRANK	SERGEANT	THIRTEENTH DISTRICT	12/09/84 595.00
HART	VINCENT L	POLICE OFFICER	ELEVENTH DISTRICT	12/08/84 730.50
HENSON	CHARLES R	POLICE OFFICER	SEVENTH DISTRICT	10/09/84 100.00
HETHCOAT	ROBERT E	POLICE OFFICER	TWENTY-FIFTH DISTRICT	11/08/84 414.89
HIGHTOWER	WILLIAM J	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVIST	11/28/84 130.80
HINKLE	LAWRENCE J	POLICE OFFICER	YOUTH DIVISION AREA TWO	8/02/84 220.00
HOFFMAN	DANIEL J	POLICE OFFICER	TENTH DISTRICT	11/20/84 147.00
HUBER	VICKI ANN	SERGEANT	SIXTEENTH DISTRICT	12/08/84 141.25
HUSSFY	JOHN	POLICE OFFICER	SEVENTEENTH DISTRICT	12/01/84 123.00
HUTCHINGS	RICHARD M.	POLICE OFFICER	FOURTH DISTRICT	8/09/84 145.00
JONES	THOMAS	POLICE OFFICER	FOURTEENTH DISTRICT	11/30/84 188.00
KACZKOWSKI	WILLIAM J	POLICE OFFICER	THIRTEENTH DISTRICT	10/26/84 185.00
KALAS	PHILIP J	POLICE OFFICER	SIXTEENTH DISTRICT	12/08/84 4443.83
LAWRENCE-MAKOWSKI	KATHRYN M	POLICE OFFICER	TWENTIETH DISTRICT	3/07/84 55.00
LESKI	JOHN E	POLICE OFFICER	SEVENTEENTH DISTRICT	11/01/82 1522.53
LEWIS	MARVELL	POLICE OFFICER	SECOND DISTRICT	7/12/84 119.16
MARTORANO	ANDREW J	POLICE OFFICER	GANG CRIMES ENFORCEMENT DIVIST	12/16/84 265.00
MCRIDE	MICHAEL	POLICE OFFICER	SIXTH DISTRICT	11/10/84 194.00
MCLAUGHLIN	FRANK	POLICE OFFICER	MAJOR ACCIDENT INVESTIGATION S	11/19/83 351.20
MESCALL	JOSEPH	POLICE OFFICER	ELEVENTH DISTRICT	9/27/84 313.00
ODONNELL	JAMES G	POLICE OFFICER	TWENTIETH DISTRICT	7/24/84 440.00
ODONOVAN	PATRICK	POLICE OFFICER	TENTH DISTRICT	11/24/84 385.50
OLIVA	SERGIO	POLICE OFFICER	TWENTY-FOURTH DISTRICT	11/23/84 149.60
ORLANDO	ANTHONY	POLICE OFFICER	TWENTY-FIFTH DISTRICT	8/06/83 530.00
PAPASTATHOS	FRANK	POLICE OFFICER	SEVENTEENTH DISTRICT	12/21/84 224.00
PARISI	ANTHONY	POLICE OFFICER	EIGHTEENTH DISTRICT	12/09/84 2812.00
PARTIN	GARY D	POLICE OFFICER	YOUTH DIVISION AREA TWO	11/09/84 1907.60
PAVONE	SAM	POLICE OFFICER	FIFTEENTH DISTRICT	12/10/84 315.60
PEKARA	TERENCE P	POLICE OFFICER	EIGHTEENTH DISTRICT	9/18/84 9.00
PITTATIS	GREGORY	POLICE OFFICER	FOURTEENTH DISTRICT	11/30/84 172.00
PONTARELLI	GEORGE	POLICE OFFICER	TWENTY-THIRD DISTRICT	9/30/82 95.00
ROSE	DONALD	POLICE OFFICER	FIFTEENTH DISTRICT	11/10/84 250.00
ROSSI	NICK JR	POLICE OFFICER	TWENTY-FIFTH DISTRICT	12/21/84 398.50

PROGRAM--PERF70

C I T Y O F C H I C A G O

CITY COUNCIL ORDERS

COUNCIL MEETING OF 4/25/85

THIRD PARTY ORDERS

***** EMPLOYEE NAME *****	***** RANK *****	***** UNIT OF ASSIGNMENT *****	DATE INJURED	VOUCHER TOTAL
SCUNELL WAYNE	POLICE OFFICER	TENTH DISTRICT	11/07/84	285.50
SUCHNO ALBERT B	POLICE OFFICER	FIFTH DISTRICT	12/10/84	350.00
TAPAK ANTHONY J	POLICE OFFICER	CENTRAL DETENTION SECTION	11/19/84	783.00
VINCE ROGER T	POLICE OFFICER	FIFTEENTH DISTRICT	12/10/84	275.00
VITTORINI BETTY	POLICE OFFICER	NINETEENTH DISTRICT	11/09/84	350.25
WASCHSKI RICHARD	POLICE OFFICER	SIXTEENTH DISTRICT	12/08/84	357.00
PAUMGARTNER JAMES	PARAMEDIC	DISTRICT RELIEF 4	5/22/84	320.00
WUTSI PAUL J	PARAMEDIC	AMBULANCE 44	5/15/84	223.00

*Placed on File -- APPLICATION FOR CITY OF CHICAGO
CHARITABLE SOLICITATION (TAG DAY) PERMIT.*

The Committee on Finance submitted a report recommending that the City Council *Place on File* an application for City of Chicago charitable solicitation (Tag Day) permit for Polish Legion of American Veterans, May 18-19, 1985.

On motion of Alderman Burke, the committee's recommendation was *Concurred In* and said application was *Placed on File*.

COMMITTEE ON AGING AND DISABLED.

**APPROVAL GIVEN FOR CITY COUNCIL TO CONDUCT
HEARINGS ON SECURITY IN CHICAGO HOUSING
AUTHORITY OPERATED SENIOR
CITIZEN BUILDINGS.**

The Committee on Aging and Disabled submitted the following report:

CHICAGO, April 24, 1985.

To the President and Members of the City Council:

Your Committee on Aging and Disabled, having under consideration a resolution calling for City Council hearings on security in CHA operated senior citizen buildings, held a committee hearing on April 18, 1985.

Testimony in favor of the resolution was presented by Commissioner Robert Ahrens of the Department on Aging and Disability, Madeline O'Neill, the Director of Senior Services for the Chicago Police Department, and seniors in individual buildings.

In response to the concerns of the Committee, Zirl Smith, Director of the Chicago Housing Authority, presented a proposed program for security in senior buildings. He stated that this program will be in effect on or about June 1, 1985. The CHA will provide armed security guards in the 55 senior buildings. The guards will be on patrol duty for 16 hours a day.

The meeting was recessed at the call of the Chair. Alderman Volini stated that the Committee will hold additional hearings at CHA senior buildings if the problem persists.

Aldermen present -- Volini, Hansen, Cullerton, Orbach and Orr.

Respectfully submitted,
(Signed) MARION K. VOLINI,
Chairman.

On motion of Alderman Volini, the said proposed resolution transmitted with the foregoing committee report was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said resolution as adopted:

WHEREAS, More than 10,000 senior citizens live in CHA operated buildings for the elderly; and

WHEREAS, There are approximately 50 buildings for the elderly operated by CHA; and

WHEREAS, Security is a serious concern to residents of those buildings; and

WHEREAS, Numerous incidents and crimes against persons and property occur in CHA operated buildings for the elderly; and

WHEREAS, The elderly are vulnerable to victimization by individuals who would threaten their persons or property; and

WHEREAS, The elderly may not be capable of defending themselves against muggers, home invaders, or others who would threaten them; and

WHEREAS, Adequate security is necessary to keep those who would threaten the elderly out of CHA operated buildings; and

WHEREAS, Aldermen in whose ward CHA elderly buildings are located receive frequent complaints about security from residents; and

WHEREAS, Living in an insecure building where residents fear for their safety threatens their peace of mind as well as their physical well-being; and

WHEREAS, Senior citizens advocate groups throughout the City have drawn attention to security problems in CHA operated buildings for the elderly; now, therefore,

Be It Resolved, That the Chicago City Council conduct public hearings on security in CHA operated buildings for the elderly inviting senior citizen advocate groups, the Chicago

Police Department, and other concerned agencies and organizations to present testimony to assist in evaluating the seriousness of the problem and propose possible remedies.

COMMITTEE ON AVIATION.

AUTHORITY GRANTED TO EXECUTE LEASE AGREEMENT BETWEEN CITY AND UNITED STATES POSTAL SERVICE.

The Committee on Aviation submitted the following report:

CHICAGO, April 24, 1985.

To the President and Members of the City Council:

Your Committee on Aviation begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (which was referred on February 27, 1985) approving a lease agreement between the City of Chicago and the United States Postal Service for a postal facility to be constructed at Chicago-O'Hare International Airport.

This recommendation was concurred in unanimously by the members of the committee.

Respectfully submitted,
(Signed) FRANK A. DAMATO,
Chairman.

On motion of Alderman Damato, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago owns and operates Chicago-O'Hare International Airport (the "Airport"); and

WHEREAS, The United States Postal Service (the "U. S. Postal Service") desires to construct a Postal Facility at the Airport; and

WHEREAS, In order to construct such Postal Facility it is necessary that the U. S. Postal Service enter into a lease with the City of Chicago for the site of the Postal Facility; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Council of the City of Chicago hereby approves and the Mayor of the City of Chicago is hereby authorized to execute the Postal Facility Site Agreement between the City of Chicago and the United States Postal Service in substantially the form attached hereto.

SECTION 2. This ordinance shall be effective from and after its passage.

Agreement attached to this ordinance reads as follows:

*Postal Facility Site Agreement Between City of Chicago
and United States Postal Service.*

This Agreement is made this _____ day of _____, 1985, by and between the City of Chicago, a municipality and home rule unit existing under the laws of the State of Illinois ("City"), and the United States Postal Service, an Independent Establishment of the Executive Branch of the Government of the United States ("Tenant").

Witnesseth:

Whereas, City owns and operates Chicago O'Hare International Airport ("Airport"); and

Whereas, Tenant desires to construct a postal facility on the Airport ("Postal Facility"); and

Whereas, City desires to lease to Tenant, and Tenant desires to lease from City, for the conduct of Tenant's business at the Airport, the land described and depicted on Page 1 of Exhibit A hereto with the exception of Parcel F described on Page 3 of Exhibit A and depicted on Page 6 of Exhibit A ("Demised Premises"), which consists of approximately 983,810.3 square feet; now, therefore,

In consideration of the covenants and premises herein contained, City and Tenant agree as follows:

*Article I
Lease of Demised Premises.*

1.1 Demise. City, for and in consideration of the covenants and agreements hereinafter contained, hereby demises and leases to Tenant the Demised Premises. City shall deliver possession of the Demised Premises, together with access thereto, to Tenant on the date

Tenant awards a construction contract for site development for the Postal Facility to be constructed on the Demised Premises ("Commencement Date").

1.2 Term. (a) The initial term of this Agreement shall be 20 years, commencing on the Commencement Date, and expiring on the 20th anniversary thereof ("Initial Term"), unless otherwise terminated as hereinafter provided:

(b) Provided Tenant is not in default under the terms of this Agreement at the time of exercise of the herein contained option, Tenant shall have the option to renew this Agreement under the same terms and conditions as contained herein with the exception of the amount of rent, which shall be determined in accordance with the reappraisal procedure described in Section 2.1(b) below, for a period of time equal to the time from the Commencement Date to the date of beneficial occupancy by Tenant of the Postal Facility, which renewal period shall in no event exceed thirty-six (36) months ("First Renewal Period"). In the event Tenant should elect to exercise its option to renew under this Section 1.2(b), Tenant shall give City written notice of such intent at least thirty-six (36) months prior to the expiration of the Initial Term. Tenant shall notify City of the date it accepts beneficial occupancy of the Postal Facility.

(c) Provided Tenant has exercised the option granted in Section 1.2(b) above and Tenant is not in default under the terms of this Agreement at the time of exercise of the herein contained option, Tenant shall have the option to further renew this Agreement under the same terms and conditions as contained herein with the exception of the amount of rent, which shall be determined in accordance with the reappraisal procedure described in Section 2.1(b) below, for an additional term of ten (10) years ("Second Renewal Period"). In the event Tenant should elect to exercise its option to renew under this Section 1.2(c), Tenant shall give City written notice of such intent at least twelve (12) months prior to the expiration of the First Renewal Period.

(d) Tenant shall have the option to further renew this Agreement under the same terms and conditions as contained herein with the exception of the amount of rent, which shall be determined in accordance with the reappraisal procedure described in Section 2.1(b) below, for two (2) successive terms of ten (10) years ("Third Renewal Period" and "Fourth Renewal Period" respectively) at the expiration of the Second Renewal Period and Third Renewal Period respectively, upon twelve (12) months prior written notice. In no event shall the total term of years provided for by this Agreement exceed fifty years, plus the length of the First Renewal Period.

(e) If, within twenty-four (24) months from the Commencement Date, Tenant does not award a contract to a responsible contractor or contractors to construct the Postal Facility, upon payment of all then due monies to City, this Agreement shall, without further cost or liability to either party hereto, terminate and shall be of no further force and effect; provided, however, that termination of this Agreement under this Section 1.2(e) shall not revive that certain agreement between the parties dated November 15, 1963 and printed on pages 1170-1174 of the Council Journal Proceedings of the City Council of City ("Current Lease"), and provided further that Section 4.4 hereof shall survive termination of this Agreement under this Section 1.2(e).

1.3 Subordination. This Agreement shall be subject and subordinate to:

(a) Any existing or future Federal or State of Illinois statute or any existing or future lease or agreement between City and the United States of America or the State of Illinois relative to the development, construction, operation, or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal or State of Illinois funds for the development, construction, operation or maintenance of the Airport.

(b) The provisions of a deed from the United States to City appearing as Document No. 13747964, recorded on March 22, 1946, a release executed by the United States in favor of City as Document No. 17260008, recorded on July 15, 1958, a deed from the United States to the City of Chicago appearing as Document No. 17966152, recorded on September 16, 1960, and a release executed by the United States in favor of the City of Chicago, as Document No. 18246321, recorded on August 14, 1961, all in the office of the Recorder of Deeds, Cook County, Illinois.

(c) Any other existing or future agreements or leases between City and the Federal Government with reference to the conveyance by the Federal Government to City or any real or personal property under any Federal statutes authorizing the conveyance of such property to City for airport purposes.

(d) It is agreed and understood that the provisions of this Section 1.3 shall apply solely to the lease of the Demised Premises and shall be so construed as not to interfere with the processing, movement, or security of the United States Mail.

Article II

Rentals and Charges.

2.1 Base Rent. As compensation for the privileges granted hereunder, Tenant shall pay to City, at the Office of the Comptroller of City ("City Comptroller"), on or before the first day of each calendar month during the term hereof following the Commencement Date:

(a) A monthly rental ("Base Rent") of \$22,545.65 in advance, calculated on the basis of \$.275 per square foot of the Demised Premises per annum, which rate shall never decrease during the term of this Agreement.

(b) City shall have the right to increase Base Rent on the tenth anniversary of the Commencement Date, and every five (5) years thereafter during the Initial Term and any renewal period, in accordance with a reappraisal of the current market rate ("Current Market Rate") for a lease of the Demised Premises, including all site improvements constructed on the Demised Premises by Tenant with the exception of the Postal Facility. For purposes of this Agreement, "Postal Facility" shall mean the main structure, all additional permitted structures on the Demised Premises, plus paving, sidewalks, traffic control curbs and bumpers, concrete pads for transformers and other equipment, site lighting, storm water drainage system, decorative finished grading (berms, etc.), plantings, and any other improvements affixed to or constructed on the Demised Premises subsequent to the date of beneficial occupancy by Tenant. If City exercises its right to increase Base Rent, City and Tenant shall at all relevant times use their best efforts to agree upon an increased Base Rent, which shall, for the first forty (40) years of the term of this

Agreement, be based on standard reappraisal estimates of the Current Market Rate minus \$.175 per square foot per annum. After the first forty (40) years of the term hereof, any increased Base Rent shall be based on standard reappraisal estimates of the Current Market Rate alone. If City and Tenant are unable to agree upon such rent, then both City and Tenant shall select one appraiser each, and the two appraisers so selected shall select a third appraiser, and the three appraisers so selected shall fix and determine the Current Market Rate for any ensuing reappraisal period. As a basis for fixing the Current Market Rate, the appraisers shall take into consideration the character of the improved Demised Premises (with the exception of the Postal Facility as hereinabove defined) and the general value of improved airport property of the same character and location as the Demised Premises. The findings of the appraisers so chosen for each reappraisal period shall be final and binding upon City and Tenant, and Tenant agrees to pay to City the increased Base Rent as agreed upon by City and Tenant or as based upon the Current Market Rate fixed by said appraisers, as the rent for the Demised Premises for any ensuing reappraisal period. All costs of reappraisals and/or appraisers shall be allocated equally between City and Tenant.

(c) All rental adjustments shall be determined in accordance with Section 2.1(b) above and shall be paid in monthly installments in advance on the first day of each and every calendar month for subsequent reappraisal periods.

2.2 Taxes and Other Charges. In addition to Base Rent, Tenant shall pay all required fees and charges relating to the Demised Premises, including charges for utilities, license fees and taxes of any nature, and all charges of any nature whatsoever for maintenance, debris removal, snow removal, waste removal and like charges. City shall not be obligated to incur any costs or charges in connection with the Demised Premises. City will maintain all access roads (including the tug and cart road to be constructed in the area identified and described as Parcels E and G on pages 3 and 6 of Exhibit A hereto) to the Demised Premises by assuring that such roads are in good repair and are as free from snow and ice as other access roads on Airport property under the jurisdiction of the Department of Aviation. City and Tenant agree that while Tenant is a Federal instrumentality, it will not be liable for any fees, charges or taxes for which any other Federal instrumentality on Airport property is not liable.

2.3 Pro Rata Payment. If the commencement or termination of this Agreement falls upon any date other than the first or last day of any calendar month, the applicable fees and charges for said month shall be paid by Tenant to City pro rata in the same proportion that the number of days the Agreement is in effect for that month bears to the total number of days in that month.

2.4 Interest for Late Payment. Without waiving any other rights of action available to City in the event of delinquency by Tenant for a period of thirty (30) days or more in its payment to the City of the above fees and charges, and without waiving the interest specified herein upon acceptance of said payment, Tenant shall pay to City interest thereon at a rate per annum equal to the Prime Rate (as hereinafter defined) plus two percent (2%) from the date such item was due and payable until paid. Such interest shall not accrue with respect to disputed items being contested in good faith by Tenant in which event the legal rate of interest shall prevail. The term "Prime Rate" shall mean the rate of interest publicly announced by the largest commercial bank in Chicago (based on assets) as its

prime rate. In the event Tenant shall prevail in its dispute with City, no interest shall accrue to or be due City.

Article III
Grant of Rights.

3.1 Operation of Postal Facility. Tenant shall have the right to construct, operate, and maintain a United States Postal Facility and incidental facilities related thereto on the Demised Premises, including but not limited to administrative and operations spaces, including garage and storage buildings, paving, utility lines and related structures.

3.2 Incidental Rights and Privileges. In connection with the rights granted to Tenant in Section 3.1 above, Tenant shall have the right to the exclusive use of the Demised Premises, subject to the terms and provisions hereof and to rules and regulations promulgated by the Commissioner of Aviation, for the foregoing privileges and for the operation of related administrative offices, parking, loading, unloading of aircraft trucks, delivery trucks, or automobiles of employees and others having business with Tenant. Tenant may park on the Demised Premises without charge so long as the vehicles so parked are being used in connection with Tenant's business. It is understood that the rules and regulations promulgated by the Commissioner of Aviation shall not conflict with Federal law or regulations.

3.3 Access.

(a) Tenant and its employees and invitees shall have the right of access, uninterrupted except for reasons beyond City's control, to the Demised Premises from a public roadway off Airport premises; provided, however, that such right of access shall be exercised in conformance with all regulations promulgated by the Commissioner of Aviation or any other lawful authority, for the care, operation, maintenance, and protection of the Airport and the public.

(b) Tenant shall have the right of access, uninterrupted except for reasons beyond City's control, to and from the airfield portion of the Airport for the purpose of serving aircraft and performing all acts incidental to the conduct of Tenant's business at the Airport; provided, however, that such right of access shall be exercised in conformance with all regulations promulgated by the Commissioner of Aviation or any other lawful authority, for the care, operation, maintenance, and protection of the Airport and the public.

3.4 Right of Entry and Easement. (a) During the period of construction of the Postal Facility, Tenant and its contractors and subcontractors shall have the right to enter those off-site areas depicted on Exhibit B hereto for the purpose of completing the site development for the Postal Facility.

(b) Tenant is hereby granted, at no additional charge, an exclusive easement for maintenance purposes in connection with the area depicted on Exhibit C hereto as the "Permanent Easement Area".

3.5 Use of Staging Areas. Tenant and its contractors and subcontractors, during the period of construction of the Postal Facility and related site improvements, shall have the

right, without cost, except as hereinafter provided, to utilize for its vehicles, and other portable structures, such staging areas on the Airport premises as may be utilized by other contractors and subcontractors performing work on Airport property. Tenant and its contractors and subcontractors shall agree to conform to all rules and regulations of the Commissioner of Aviation, his agents or designees, in the use of such staging areas. If Tenant utilizes such staging areas, it shall secure such insurance coverage as may be required by City in the amounts determined by City. Tenant shall require its contractors and subcontractors to hold City harmless and indemnify it from all claims, loss, damage, actions, causes of action, expense, and/or liability arising from the use of such staging areas.

3.6 Non-Disturbance. The operations of Tenant and its employees on the Demised Premises shall be conducted in an orderly and proper manner so as not to annoy, disturb or be offensive to others at the Airport. Upon request from City to Tenant to correct the demeanor, conduct, or appearance of Tenant's employees, Tenant shall take all steps necessary to comply with such request.

3.7 Compliance with Laws.

(a) Tenant, its officers, agents, employees, and any other person over which Tenant has control, shall comply with all rules and regulations and amendments or supplements thereto governing or related to the use of the Airport or of the Demised Premises as may from time to time be promulgated by City in the interest of health, safety, sanitation and good order which are not inconsistent with applicable rules and regulations of any Federal, State, or local governmental body having jurisdiction with respect thereto.

(b) Tenant shall comply with all laws and ordinances of Federal, State of Illinois or local governmental bodies and rules and regulations lawfully promulgated thereunder, applicable to, or affecting Tenant and its operations and activities in the Demised Premises or elsewhere at the Airport. Where there is a conflict between State and local laws and ordinances and Federal laws and regulations, Federal laws and regulations shall control.

Article IV *Construction.*

4.1 Construction by City.

(a) City shall construct a cargo main access road from Irving Park Road with access to the connector road to the Demised Premises to be constructed by the Tenant pursuant to Section 4.2(b) (iv) hereof, in accordance with ODP 401.

(b) Prior to completion of the Postal Facility, City shall improve the existing haul road and existing Old Irving Park in accordance with ODP 402.

4.2 Construction by Tenant.

(a) Tenant has examined the Demised Premises and is satisfied with the physical condition thereof. Tenant hereby agrees that the Demised Premises are suitable for the purpose and uses intended by Tenant.

(b) Tenant shall at its sole cost and expense:

(i) Grade and construct a tug and cart road within the area depicted as Parcels E and G on Page 6 of Exhibit A;

(ii) Construct a box culvert to cross the Bensenville Ditch, and complete the necessary channel and floodway work associated therewith;

(iii) Provide water and sanitary service to main utility trunk lines that Tenant shall cause to be installed in the utility corridor depicted as Parcels C and H on Page 5 of Exhibit A; and

(iv) Grade and construct a connector road in the area depicted on Page 4 of Exhibit A.

(c) Tenant, after securing any necessary permits therefor, shall, at its sole cost and expense, erect and install on the Demised Premises the Postal Facility building and any additional related site improvements. Plans and specifications, and changes thereto, for the Postal Facility and all site improvements, including the site improvements to be constructed by Tenant pursuant to Section 4.2(b) above, shall be subject to the prior written approval of the Commissioner of Aviation and the Commissioner of the Department of Public Works of City ("Commissioner of Public Works"; the Commissioner of Aviation and the Commissioner of Public Works are sometimes referred to herein as "Commissioners").

(d) Prior to the start of design of the Postal Facility and related site improvements and thereafter as may be necessary to provide the Commissioners with current and complete information as to the construction of the Postal Facility, Tenant shall submit to the Commissioners (i) initial and updated construction schedules indicating the proposed and/or actual sequence of all construction contracts and subcontracts and the estimated date of completion of the work under such contract and (ii) initial and updated sited utilization plans, including contract limit lines, storage and office areas and proposed temporary alterations or detours intended to maintain public access and support services, to, from, through or past operating facilities at the Airport.

(e) All construction work to be performed by Tenant hereunder shall be done in accordance with Chicago-O'Hare International Airport design and construction standards that heretofore have been delivered to Tenant and are hereby incorporated by reference, and shall comply with the requirements of, and standards established by, all appropriate governmental agencies and entities. Upon construction of the site improvements to be constructed by Tenant pursuant to Section 4.2(b) above, City shall grant a license to Tenant at no cost for the non-exclusive use of such improvements throughout the term of this Agreement and any and all extensions thereof.

(f) City shall have the right to monitor the construction of the Postal Facility and all site improvements, including those site improvements described in Section 4.2(b) above, to assure that the Postal Facility and all site improvements are constructed and installed in compliance with the approved plans and specifications therefor. In order to assist the City in monitoring such construction, Tenant's contractor or contractors shall submit, or cause to be submitted to City, for information and record purposes, copies of all (i) field test

reports, (ii) material certificates, (iii) approved shop drawings to be reviewed for compliance with Chicago-O'Hare International Airport design and construction standards, (iv) requests for payment to contractors, or subcontractors, (v) progress reports, (vi) notification of substantial completion of the Postal Facility and all site improvements and final acceptance thereof, (vii) maintenance and operation manuals in connection with building systems (except such manuals as may relate to the security of the mail), (viii) as-built drawings, and (ix) any other documents related to the construction of the Postal Facility which may be reasonably requested by City. No change order which materially changes the scope of the work shall be effected by Tenant without the approval of City as to compliance with the approved plans specifications, which approval shall not be unreasonably withheld. City will approve, conditionally approve or disapprove submissions of change orders within ten (10) business days following receipt thereof. Any conditional approval or disapproval shall be accompanied by an explanation as to the reason therefor.

(g) All construction work, materials and installations involved in or incidental to the construction of the Postal Facility and all site improvements, including those site improvements described in Section 4.2(b) above, shall be subject at all times to inspection by City. Tenant shall give or cause to be given to the Commissioner of Aviation and the Commissioner of Public Works advance notice before starting any new work. Tenant shall cause all construction work, workmanship, materials, and installations to be in full compliance with plans and specifications. City shall have the right to halt construction of the Postal Facility or any site improvements at any time if such construction is at material variance from the approved plans and specifications therefor or if such construction poses an immediate safety hazard at the Airport, until such variance is corrected or such safety hazard is eliminated. City shall cooperate and use its best efforts to alleviate and resolve any such variance or impediment to the safe operation of the Airport so as to permit continuation of construction as expeditiously as possible.

(h) Prior to commencement of construction of the Postal Facility, the plans for the Postal Facility shall be submitted to the District Airport Engineer of the Federal Aviation Administration, pursuant to Part 77 of the Federal Aviation Regulations. Evidence of such submission and action thereon shall be transmitted to the Commissioner of Aviation and the Commissioner of Public Works.

(i) Tenant, at its sole cost and expense, shall make such utility connections as shall be necessary and shall have the right to receive all necessary utilities and services, and shall secure all necessary applications and permits and shall pay all necessary application and permit fees and user charges occasioned thereby. Tenant further agrees to provide such meters as are necessary as to properly measure the amount of water used and to maintain such equipment in such a manner as to supply accurate measurement of the gallonage.

(j) Tenant shall use its best efforts to complete construction of the Postal Facility in order to permit beneficial occupancy of the Postal Facility by March 1, 1987. Tenant shall include in Tenant's agreement with its general contractor or contractors covenants that provide for liquidated damages for non-completion of the construction by February 1, 1987, of sufficient consequence to assure completion, which damages when received shall be paid to City.

(k) Tenant shall not, without the prior written consent of City, make any material or structural alterations, improvements or additions to the Demised Premises or Postal Facility; provided, however, that written consent of City to interior modifications or improvements (structural or otherwise) to the Postal Facility by Tenant shall be required for the sole purpose of determining Tenant's compliance with or exemption from City's building code. Any work necessary to make any alterations, improvements or additions to the Demised Premises shall be done at Tenant's sole cost and expense. Upon completion of such work, Tenant shall deliver to City evidence of payment, contractor's affidavits, and full and final waivers of all liens for labor, services, or materials. Tenant shall include in Tenant's agreement with its contractors provisions whereby such contractors shall defend and hold City, the Demised Premises and the Postal Facility harmless from all costs, damages, liens and expenses related to such work. All work done by Tenant or its contractors pursuant to this Article IV shall be done in a first-class workmanlike manner using only good grades of materials and shall comply with all insurance requirements and all applicable laws and ordinances and rules and regulations of governmental departments or agencies. Whenever a conflict arises between State or local law, ordinances or regulations and Federal law or regulations, Federal law or regulations shall control on the Demised Premises throughout the Initial Term of this Agreement and any renewal terms thereafter.

(l) City will make available to Tenant, its contractors and subcontractors, material which may be used by Tenant for fill if Tenant determines such material is usable for such purpose (which material will be located on Airport premises to be excavated and transported to site by Tenant). City will permit all excess overburden, fill, and spoil generated at the Demised Premises and other construction sites to be stockpiled on Airport premises designated by City at no cost to Tenant, its contractors, or subcontractors, without regard to the quality of such overburden, fill, or spoil. All cost of transporting excess overburden, fill, or spoil generated at the Demised Premises or at other construction sites to the stockpile areas designated by City shall be borne by Tenant, its contractors or subcontractors. Tenant hereby agrees, and shall use its best efforts to cause its contractors and subcontractors to agree, to comply with all reasonable regulations and requirements of City, the Commissioner of Aviation, or their authorized representatives with regard to the procurement of fill, or transportation and stockpiling at the locations designated by City of all excess overburden, fill, or spoil.

(m) Within ninety (90) days after completion of construction of the Postal Facility, Tenant shall furnish to the Commissioner of Public Works two sets of the as-built drawings therefor in detail showing all construction, including the locations of all underground and above ground utility lines.

4.3 Title. Title to all the construction work and all other improvements erected or placed on the Demised Premises shall remain in Tenant during the Initial Term and any renewal term thereafter, and upon the expiration of such term or terms, or earlier termination of this Agreement as provided for herein, title shall pass to City without any further consideration; provided, however, that Tenant shall execute any and all documents as may be necessary at such time to evidence such transfer of title. Upon termination of this Agreement, Tenant shall have the right to remove any and all mail processing equipment or other fixtures, whether or not affixed to the realty, so long as such removal does not affect the structural integrity of the Postal Facility.

4.4 Existing Postal Facility. Tenant shall have the right to retain possession of its existing Postal Facility at the Airport until the earlier of (i) March 1, 1987, or (ii) beneficial occupancy of the Postal Facility constructed on the Demised Premises. Under circumstances of the most serious nature, reasonably beyond the control of Tenant, such as an act of God, the date of possession may be extended to July 31, 1987 by written permission of the Commissioner of Aviation, such permission to be requested in writing not later than September 1, 1986; provided, however, that commencing on March 1, 1987, City shall have access to that existing Postal Facility to the extent such access does not interfere with the operation of the existing Postal Facility or the security of the United States Mail. The rights and obligations of the parties with respect to such existing Postal Facility shall be governed by the Current Lease. In the event beneficial occupancy of the Postal Facility occurs prior to December 31, 1986, and Tenant ceases to occupy the existing Postal Facility, all rentals hereunder shall be abated during that period from beneficial occupancy until January 1, 1987.

4.5 Claims. Tenant shall pay or cause to be paid all claims lawfully made against it by its contractors, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of any construction work; provided, however, that nothing herein contained shall be construed to limit the right of Tenant to contest any claim of a contractor, subcontractor, materialman, workman and/or other person, and no such claim shall be considered to be an obligation of Tenant within the meaning of this Section 4.5 unless and until the same shall have been finally adjudicated. Tenant shall use its best efforts to resolve all such claims and shall keep City fully informed as to its actions with respect thereto.

Article V
Maintenance.

5.1 Maintenance, Replacement and Repair. Tenant shall be responsible for and shall perform or cause to be performed maintenance and repair of the Demised Premises, the Postal Facility and the Permanent Easement Area depicted on Exhibit C hereto. Tenant shall, at all times:

(a) Keep the Demised Premises, the Postal Facility and all fixtures, equipment and personal property in a clean and orderly condition and appearance;

(b) Maintain the same in good condition (reasonable wear and tear excepted) and perform all repairs and inside painting, such repairs and painting by Tenant to be of a quality and class not inferior to the original material and workmanship;

(c) Remove all snow and ice and perform all other activities and functions necessary or proper to make the Demised Premises available for use by Tenant;

(d) Provide for the adequate sanitary handling and disposal off the Airport of all trash, garbage, and other refuse which results from the operation of its business at the Airport. Tenant shall provide and use suitable covered metal receptacles for all garbage, trash, and other refuse on or in connection with the Demised Premises. Tenant shall not pile boxes, cartons, barrels, or other similar items in an unsightly or unsafe manner, on or about the

Demised Premises. The method of handling and disposing of trash, garbage, and other refuse on the Demised Premises shall be subject to the approval of the Commissioner of Aviation.

(e) Appropriately light, maintain and repair all access roadways and circulation and pedestrian areas located on the Demised Premises.

5.2 Warning Lights. Tenant shall install, maintain and operate such obstruction or warning lights on structures located on the Demised Premises as may from time to time be required to conform to Federal Aviation Administration standards or to conform to standards prescribed by City and any other governmental agency having jurisdiction over the Demised Premises.

5.3 No Signs. Tenant shall not install, erect or place, or permit others so to do, any illuminated signs, placards, displays or other advertising media on the Postal Facility or elsewhere at the Airport, without the prior written consent of the Commissioner of Aviation.

5.4 Inspection. City, by its representatives, shall have the right at any reasonable time, and as often as it considers necessary, to inspect the Demised Premises and to enter thereon to direct Tenant to make ordinary repairs; provided, however, that the representatives of City shall comply with all Federal laws and regulations relative to the security of the mails at any time they make an inspection of the Demised Premises, and shall not enter those areas of the Demised Premises that are not open to the public unless accompanied by Postal Service personnel because of mail security requirements. Access to the Demised Premises by City shall in no way unduly restrict the processing or movement of the United States Mail.

5.5 Performance by City upon Failure of Tenant. If Tenant fails to perform, for a period of thirty (30) days after written notice from City, any obligation required by this Article V, City may perform such obligation of Tenant and charge Tenant for the cost to City of such performance; provided, however, that if Tenant's failure to perform any such obligation endangers the safety of operations at the Airport and City so states in its notice to Tenant, City may perform such obligation of Tenant at any time after the giving of such notice and charge Tenant for its costs of such performance.

Article VI *Insurance and Indemnity.*

6.1 Insurance. Tenant shall require each contractor engaged by it for the construction work to be performed hereunder to procure and maintain comprehensive general liability insurance, including automotive, with a contractual liability endorsement covering the obligations assumed by the Tenant hereunder, said insurance not to contain any care, custody or control exclusions, and not to contain any exclusion for bodily injury to or sickness, disease or death of any employee of Tenant or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Such insurance shall be in not less than the following amounts:

(a) Bodily Injury Liability

	For injury to or wrongful death of one person	\$1,000,000
	For injury to or wrongful death of more than one person for any one occurrence	\$3,000,000
	Aggregate Products Completed Operations	\$3,000,000
(b)	Property Damage Liability	
	For all damage arising out of injury to or destruction of property in any one occurrence	\$3,000,000
	Aggregate Products Completed Operations	\$3,000,000
	Aggregate Operations	\$3,000,000
	Aggregate Protective	\$3,000,000
	Aggregate Contractual	\$3,000,000

The insurance required hereunder shall be maintained in effect during the performance of the construction work and shall be in compliance with and subject to the provisions of Section 6.2 below.

6.2 Evidence of Insurance. A certified copy of each of the policies of insurance required under Section 6.1 above or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to City at least fifteen (15) days prior to the commencement of any construction work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to City. Any renewal policy shall be delivered to City at least thirty (30) days prior to the expiration of each expiring policy. The aforesaid insurance shall be written by a company or companies approved by City; provided, however, City approval shall not be unreasonably withheld. If at any time any of the insurance policies shall be or become unsatisfactory to City as to form or substance, or if any of the carriers issuing such policies shall be or become unsatisfactory to City, Tenant shall promptly obtain a new and satisfactory policy in replacement. If City at any time so requests, a certified copy of each of the policies shall be delivered to City.

6.3 Additional Insurance.

(a) Tenant shall require a performance bond or bonds from its contractor or contractors before commencing construction of the Postal Facility, which bonds shall in the aggregate equal the full amount of the cost of the Postal Facility.

(b) City and Tenant each hereby waive any and every claim for recovery from the other for any and all loss of or damage to the Postal Facility or Demised Premises or to the contents thereof, which loss or damage is covered by valid and collectible fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Inasmuch as this mutual waiver will preclude the assignment of any such claim by subrogation (or otherwise) to an insurance company (or any other person), City and Tenant each agree to give to each insurance company which has issued, or in the future may issue, to Tenant policies of fire and extended coverage insurance, written notice of the terms of this mutual waiver, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver.

6.4 Damage to or Destruction of Demised Premises.

(a) If the Demised Premises, or any part thereof, are damaged by fire, the elements, the public enemy or other casualty, Tenant shall promptly remove all debris resulting from such damage from the Demised Premises.

(b) If the Demised Premises, or any part thereof, are damaged by fire, the elements, the public enemy or other casualty but are not rendered untenable or unusable for a period of ninety (90) days, Tenant shall, at its sole cost and expense, repair the Demised Premises with due diligence in accordance with the plans and specifications for the Demised Premises as they existed prior to such damage.

(c) If the Demised Premises, or any part thereof, are destroyed or so damaged by fire, the elements, the public enemy or other casualty as to be untenable or unusable for ninety (90) days, or if within ninety (90) days after the occurrence of such damage or destruction, Tenant notifies City in writing that in its opinion the Demised Premises will be untenable or unusable for ninety (90) days then, Tenant shall proceed with due diligence to make the necessary repairs or replacements to restore the Demised Premises in accordance with the plans and specifications for the Demised Premises as the same existed prior to such damage or destruction, or, with the written approval of City make such other repairs, replacements or changes as may be desired by Tenant. Tenant reserves the right to determine, at its election, not to restore the Postal Facility, in which event it may terminate this Agreement after restoring the Demised Premises to the condition they were in after Tenant completed the work described in Section 4.2(b) above.

6.5 Indemnity. Tenant shall indemnify and hold harmless City, its Commissioners, officers, employees and representatives, from all claims and demands of third persons including but not limited to claims and demands in connection with death or personal injuries, or property damages, arising out of the use or occupancy of the Demised Premises by Tenant or out of any of the acts or omissions of Tenant, its officers, employees, guests, invitees and business visitors on the Demised Premises to the extent that such claims or demands come within the scope of the Federal Tort Claims Act, as amended, 28 U.S.C.

1346(b), 28 U.S.C. 2671, et seq., but only to the extent such Act applies to Tenant. However, nothing in this Article shall be deemed to abrogate the rights of Tenant's employees under the Federal Employees Compensation Act, as amended, 5 U.S.C. 8101 et seq., but only to the extent such Act applies to Tenant's employees. Tenant agrees to hold harmless and indemnify City from all claims, loss, damage, actions, causes of action, expenses and/or liability resulting from the use of the Demised Premises and improvements thereon by Tenant whenever such claim, loss, damage, action, causes of action, expenses and/or liability arise from the negligent or wrongful act or omission by an employee of Tenant while acting within the scope of his or her employment under circumstances where Tenant, if a private person, would be liable in accordance with the law of the place where the negligent or wrongful act or omission occurred.

6.6 Release of City. City shall not be liable to Tenant, or to Tenant's agents, representatives or employees, for any injury to, or death of, any of them or of any other person or for any damage to any of Tenant's property or loss of revenue, caused by any third person in the maintenance, construction, or operation of facilities at the Airport, or caused by any third person using the Airport, or caused by any third person navigating any aircraft on or over the Airport, whether such injury, death, or damage is due to negligence or otherwise. However, nothing in this Section shall be deemed to abrogate the rights of Tenant's employees under the Federal Employees Compensation Act, as amended, 5 U.S.C. 8101 et seq., but only to the extent such Act applies to Tenant's employees.

6.7 Regulating the Airport. Except as otherwise expressly set forth herein, City reserves the right to regulate, police, and further develop, improve, reconstruct, modify, or otherwise alter the Airport in City's sole discretion, except that City will permit Tenant and Tenant's Inspection Service to exercise jurisdiction and control over the security of the mail at the Airport and on the premises of the Postal Facility. City will not require any modification of the Postal Facility without the consent of Tenant, which consent shall not be unreasonably withheld.

6.8 Non-Liability of City. City shall not be liable to Tenant for damage to property of Tenant or any loss of revenues to Tenant resulting from City's acts or omissions in the maintenance and operation of the Airport.

Article VII

Sublease and Assignment.

7.1 Sublease and Assignment of Demised Premises.

(a) Tenant shall not, without the prior written consent of the City Council: (i) assign, convey, or mortgage this Agreement or any interest hereunder; (ii) suffer to occur or permit to exist any assignment of this Agreement, or any lien upon Tenant's interest, involuntary or by operation of law; or (iii) sublet the entire Demised Premises. Any such action on the part of Tenant shall be void and of no effect. City's consent to any assignment, subletting, or transfer, or City's election to accept any assignee, subtenant, or transferee shall not release the original Tenant from any covenant or obligation under this Agreement. City's consent to any assignment, subletting, or transfer shall not constitute a waiver of City's right to withhold its consent to any future assignment, subletting or transfer.

(b) Tenant shall not without the prior written consent of the Commissioner of Aviation: (i) sublease a portion of the Demised Premises; or (ii) permit the use of the Demised Premises by any parties other than Tenant, its employees, and invitees.

(c) If City consents to any assignment or sublease of the Demised Premises, Tenant shall assign or sublease the Demised Premises for a term that has an expiration date incidental with the expiration date of this Agreement. Should an assignment between Tenant and any assignee terminate, for any reason, at any time prior to the expiration of the term of this Agreement, it is mutually understood and agreed that Tenant shall have the privilege of subleasing the Demised Premises or any part thereof for any purpose which is compatible with the operation of the Airport, provided that such sublease shall not conflict with agreements between City and others for Airport activities, and provided further that such sublease shall first be approved by the Commissioner of Aviation. Prior to any use of the Demised Premises by any party other than the Federal Government, City shall be given ninety (90) days' prior written notice thereof, and City shall within said ninety (90) day period have the right to elect to take over and occupy the Demised Premises subject to all the terms and conditions of this Agreement. Such notice of election shall be directed to Tenant by registered or certified mail pursuant to Section 11.6 hereof.

(d) In the event the United States Congress enacts legislation which transfers the function of Tenant to some other entity, City will permit the assignment of all right, title and interest under this Agreement to the new entity created by the Congress, provided such new entity assumes the duties, responsibilities and functions of Tenant, and provided further, that at the time of any such assignment Tenant shall agree to any changes to Article VI hereof that City may reasonably request.

Article VIII *Equal Opportunity.*

8.1 Equal Opportunity. Tenant agrees that in performing under this Agreement it shall neither discriminate against any worker, employee, or applicant, or any member of the public, because of race, creed, color, religion, age, sex, or national origin, nor commit an unfair employment practice.

Tenant will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, religion, age, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship.

Tenant agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this Section 8.1. Tenant further agrees that this clause will be incorporated in all contracts entered into with any suppliers of materials or furnishers of services, contractors and subcontractors, and all labor organizations, which furnished skilled, unskilled, and craft union skilled labor, or which may perform any such labor or services in connection with this Agreement.

Attention is called to Executive Order 11246 issued September 24, 1965, 3 CFR, 1964-65 Compilation, p. 339, as modified by Executive Order 11375 issued October 13, 1967, 3 CFR, 1967 Compilation, p. 320; The Civil Rights Act of 1964, Publ. L. 88-352, July 2, 1964, 78 Stat. 241 et seq.; to the State Acts approved July 28, 1961, Ill. Rev. Stat. 1979, Ch. 38, Secs. 13-1 to 13-4 inclusive; July 8, 1933, Ill. Rev. Stat. 1979, Ch. 29, Secs. 17 to 24 inclusive; July 21, 1961, Ill. Rev. Stat. 1979, Ch. 48, Secs. 881 to 887; an ordinance passed by the City Council of the City of Chicago, August 21, 1945, page 3877 of the Journal of Proceedings (Mun. Code of the City of Chicago, Ch. 198. 7A); and the provisions of 41 CFR Chapter 60, and Part 21, Regulations of the Office of the Secretary of Transportation.

To demonstrate compliance, Tenant will furnish, and will obligate its contractors and subcontractors to furnish, such reports and information as is reasonably requested by the Chicago Commission on Human Relations.

8.2 Non-Discrimination in the Use of the Demised Premises by Tenant. This Agreement involved the construction or use of or access to space on, over or under real property acquired or improved under the Airport Development Aid Program of the Federal Aviation Administration, and therefore involves activity which serves the public.

Tenant, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (a) no person on the grounds of race, creed, color, religion, age, sex, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination in the use of said facilities; (b) that no person on the grounds of race, creed, color, religion, age, sex, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the construction of improvements on, over, or under such land and the furnishing of services thereon; and (c) that Tenant shall use the Demised Premises in compliance with all other requirements imposed by or pursuant to regulations of the Department of Transportation.

8.3 Non-Discrimination in Furnishing Services. Tenant agrees to furnish services on a fair and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates, and other similar types of price reductions.

8.4 Affirmative Action. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 151, Subpart E, to ensure that no person shall on the grounds of race, creed, color, religion, age, sex, or national origin, be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by Subpart E. Tenant assures that it will require that its covered suborganizations provide assurances to Tenant that they similarly will undertake an affirmative action program and that they will require assurance from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the effect.

Article IX

Disadvantaged and Women Business Enterprises.

9.1 Disadvantaged and Women Business Enterprises. Tenant shall provide for participation of Disadvantaged Business Enterprises ("DBE") (formerly referred to as Minority Business Enterprises or MBE) and Women Business Enterprises ("WBE") in the construction of the Postal Facility. Tenant shall establish a DBE and WBE policy, a DBE and WBE Enterprise Liaison, a numerical goal, affirmative action procedures for negotiating contracts, a standard of DBE and WBE eligibility, and a reporting procedure as provided below.

9.2 Policy. The following statement represents Tenant's policy regarding Equal Opportunity and a DBE and WBE program for the construction of the Postal Facility:

Tenant is committed to providing fair and representative opportunities for Disadvantaged Business Enterprises and Women Business Enterprises in its construction projects. Neither Tenant nor its contractors shall discriminate on the basis of race, color, religion, sex or national origin in the award and performance of contracts to be utilized for any of Tenant's construction projects. Furthermore, affirmative action will be taken, consistent with sound procurement policies and applicable law, to ensure that Disadvantaged Business Enterprises and Women Business Enterprises are afforded a fair and representative opportunity to participate in Tenant's construction project contracts.

This policy shall be stated in all contracts executed for construction of the Postal Facility, circulated to all employees of Tenant in affected departments, and made known to disadvantaged and women entrepreneurs.

9.3 Liaison. To ensure compliance and the successful management of Tenant's DBE and WBE program, Tenant shall establish a DBE and WBE Liaison with City's DBE and WBE Liaison Officer with the U.S. Department of Transportation for the Postal Facility. Further, all personnel of Tenant with responsibilities in the supervision of Postal Facility contracts are to see that actions are performed consistent with the affirmative action commitments of this Article IX.

9.4 Goals. Consistent with applicable State and Federal law, the goals of the Postal Facility for participation by DBEs and WBEs in the contracts awarded for the Postal Facility shall be to achieve DBE participation at least to the degree of twenty-five percent (25%) and WBE participation at least to the degree of two percent (2%) of the total cost of the contracts for the design and construction of the Postal Facility, in accordance with the procedures and criteria set forth below. Tenant will make a good faith effort to achieve the goals established by this Section 9.4.

9.5 Affirmative Action Procedures. Tenant and its contractors shall employ the following procedures as appropriate to foster contracts with DBEs and WBEs for services in the construction of the Postal Facility:

(a) The giving of timely notice to the disadvantaged and women business communities, to DBE and WBE assistance agencies, and to DBE and WBE contractor associations of the intent to award contracts for work included in the construction of the Postal Facility;

(b) The establishment of numerical DBE and WBE goals as part of individual prime contracts in the Postal Facility, and in subcontracts resulting therefrom, apportioned in such a manner that the overall DBE and WBE goals in the construction of the Postal Facility as established by Section 9.4 hereof might be achieved;

(c) The seeking of joint ventures with DBEs and WBEs that make the DBEs and WBEs responsible for a clearly defined portion of the work that is the subject of the joint venture; and

(d) The seeking of DBE and WBE suppliers and manufacturers for materials and supplies for the construction of the Postal Facility. (Participation of non-manufacturing DBE and WBE suppliers shall be credited toward the DBE and WBE goals at twenty percent (20%) of the dollar value of any contract for suppliers).

9.6 Eligibility. Any person, firm, partnership, corporation or other legal entity shall be eligible as a DBE for purposes of meeting the goals established in Section 9.4 hereof if (a) it is a small business concern, as defined by Section 3 of the United States Small Business Act and the implementing regulation thereof, (b) with respect to a DBE, at least fifty-one percent (51%) of it is owned by one or more socially and economically disadvantaged individuals, or in the case of any publicly owned business, at least fifty-one percent (51%) of the stock of which is owned by one or more socially and economically disadvantaged individuals, and with respect to a WBE, at least fifty-one percent (51%) of it is owned by one or more women, or in the case of a publicly owned business, at least 51% of the stock of which is owned by one or more women, (c) the management and daily business operations of it are controlled by, in the case of a D.B.E., one or more of the socially and economically disadvantaged individuals who own it, and in the case of a W.B.E., one or more of the women who own it, and (d) it is certified by City's designated D.B.E. and W.B.E. Liaison Officer with the U. S. Department of Transportation. "Socially and economically disadvantaged individuals" means those individuals who are citizens of the United States (or lawfully admitted permanent residents) and who are Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, or Asian-Indian Americans and any other minorities or individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of the Small Business Act. The City shall make a rebuttable presumption that individuals in the following groups are socially and economically disadvantaged.

(i) "Black Americans," which includes persons having origins in any of the Black racial groups in Africa;

(ii) "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish Culture or origin, regardless of race;

(iii) "Native Americans," which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;

(iv) "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Phillipines, Samoa, Guam, the U. S. Trust Territories of the Pacific, and the Northern Marianas; and

(v) "Asian-Indian Americans," which includes person whose origins are from India, Pakistan, and Bangladesh.

9.7 Reporting. At quarterly intervals beginning with the first day of the first calendar quarter immediately following execution of this Agreement, the D.B.E. and W.B.E. Liaison Officer for Tenant shall submit to City a D.B.E. and W.B.E. progress report that lists the following items:

(a) The total amount of prime contract awards during the quarter, and for any contract awards to D.B.E.s and W.B.E.s resulting therefrom, the name of the D.B.E. and W.B.E. and the amount of the contract with the D.B.E. or W.B.E.;

(b) The cumulative value of all prime contract awards to date, and the total accumulation of all awards to D.B.E.s and W.B.E.s;

(c) A projection of the total amount of prime contracts to be awarded and of D.B.E. and W.B.E. contracts to be awarded during the next quarter;

(d) All D.B.E. and W.B.E. prime contracts and subcontracts that have been completed and for which final payment has been made during the quarter; and

(e) An evaluation of the overall progress to date towards the Postal Facility's D.B.E. and W.B.E. goals as established by Section 9.4 hereof.

9.8 Equal Employment Opportunity for Construction of the Postal Facility. Tenant, consistent with applicable State and Federal law, shall adopt a goal for the construction of the Postal Facility of forty percent (40%) of the construction laborer hours to be performed by disadvantaged (minority) personnel, and of twenty-five percent (25%) of the skilled trade hours to be performed by disadvantaged (minority) personnel, and shall employ its best efforts to meet the goal. The goal for female personnel shall be ten percent (10%) of laborer hours, nine percent (9%) of skilled trade hours, with every best effort applied to meet this goal. These equal employment opportunity goals shall be included in all prime contracts and subcontracts for construction work on the Postal Facility. Tenant shall submit to City on a quarterly basis a report that includes the accumulated laborer hours and the accumulated skilled trade hours, the percentage of accumulated laborer hours and the percentage of accumulated skilled trade hours performed by disadvantaged (minority) and female personnel, and an evaluation of the overall progress to date towards the goal established by this Section 9.8. Disadvantaged (minority) personnel for purposes of this Section 9.8 shall mean those individuals defined in Section 9.6 as "socially and economically disadvantaged individuals".

Article X *Termination.*

10.1 Events of Default.

Each of the following shall be an event of default under this Agreement:

(a) The failure by Tenant to pay Base Rent in the amounts and at the times and in the manner herein provided if such failure continues for thirty (30) or more days after written notice thereof has been given to Tenant;

(b) The violation by Tenant of any of the terms, covenants, and conditions imposed on Tenant in this Agreement, if Tenant has not cured or corrected such violation within forty-five (45) days after written notice thereof has been given to Tenant; provided, however, that any such violation which can be cured but which cannot with due diligence be cured within such forty-five (45) day period shall not constitute an event of default if corrective action is instituted by Tenant within the applicable period and diligently pursued until violation is corrected;

(c) The vacation or abandonment by Tenant of the Demised Premises without prior written consent of City, or the cessation by Tenant at the Airport of the business authorized to be conducted under this Agreement;

(d) The assignment by Tenant of this Agreement without the prior written consent of City pursuant to Article VII.

10.2 Remedies on Default. (a) Upon the occurrence of any one or more of the events of default herein specified, City shall have the right to terminate this Agreement and Tenant's right to possession of the Demised Premises shall terminate and Tenant shall surrender possession thereof immediately. If City so terminates this Agreement, City shall be entitled to enter upon the Demised Premises, or any part thereof, to take possession thereof with or without process of law, and to expel and remove Tenant or any other person who may be occupying the Demised Premises, or any part thereof. City may use such force in removing Tenant and said other person as may reasonably be necessary; and City may repossess itself of the Demised Premises as of its former estate. Such entry of the Demised Premises by City shall not constitute a trespass or forcible entry or detainer, nor shall it cause a forfeiture of Base Rent due by virtue hereof, nor a waiver of any covenant, agreement, or promise contained in this Agreement, to be performed by Tenant.

(b) In addition to terminating this Agreement, City may, in the event of default, sue for and recover all damages and rent accrued or accruing under this Agreement or arising out of any breach thereof.

(c) City may, if it so elects, pursue any other remedies provided by law for the breach of this Agreement or any of its terms, covenants, conditions, or stipulations. No right or remedy herein conferred upon or reserved to City or Tenant is intended to be exclusive of any other right or remedy.

(d) The acceptance of Base Rent by City, after knowledge of any breach hereof by Tenant, or the giving or making of any notice or demand, whether according to any statutory provision or not, or any act or series of acts except an express waiver in writing, shall not be deemed to be a waiver of City's right to act or of any other right hereby given City, nor shall it be deemed to be an election not to proceed under the provisions of this Agreement.

(e) The obligation of Tenant to pay Base Rent during the balance of the term hereof shall not be deemed to be waived, released, or terminated by the service of any five (5) day notice,

other notice to collect, demand for possession, or notice that the tenancy hereby created will be terminated on the date therein named, the institution of any action of forcible detainer or ejectment or any judgment that may be rendered in the termination of Tenant's right to possession of the Demised Premises. City may collect and receive any rent due from Tenant, and payment or receipt thereof shall not waive or affect any such notice, demand or suit, or in any manner whatsoever waive, affect, change, modify, or alter any rights or remedies which City may have by virtue hereof.

(f) Tenant shall pay upon demand all of City's cost, charges, and expenses including the fees and out-of-pocket expenses of counsel, agents, and others retained by City incurred in enforcing Tenant's obligations hereunder or incurred by City in any litigation, negotiation, or transaction in which Tenant causes City without City's fault to become involved or concerned.

103. Technological Changes. Tenant shall have the right to terminate this Agreement without cost to either party if the purpose for which the Postal Facility was constructed becomes obsolete because of technological changes in the processing and movement of the mails.

10.4 Force Majeure.

(a) Neither City nor Tenant shall be deemed in violation of this Agreement if it is prevented from performing any of the obligations hereunder by reason of strikes, boycotts, labor disputes, financial difficulties of contractors, embargos, shortage of materials, Acts of God, acts of the public enemy, acts of superior government authority, weather conditions, riots, rebellion, or sabotage, or any other circumstances for which they are not responsible or which are not within their control.

(b) Tenant, in its sole discretion, shall have the option to declare this Agreement null and void and thereby cause it to terminate without further cost or liability to either party hereto, and to be of no further force or effect, should any court of competent jurisdiction issue an order not to commence or to cease work on site development or not to commence or to cease construction of the Postal Facility, and such order shall continue in effect for nine (9) months; provided, however, that nothing contained in this Section 10.4(b) shall affect Tenant's obligation to vacate its existing Postal Facility pursuant to Section 4.4 hereinabove. In the event of termination pursuant to this Section 10.4(b), all rental provided hereunder in accordance with Article III hereof shall upon notification by Tenant to City immediately abate.

Article XI *Miscellaneous.*

11.1 Assignment of Claims.

(a) If this Agreement provides for payment aggregating \$1,000 or more, claims for moneys due or to become due City from Tenant under this Agreement may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment shall cover all amounts payable under this Agreement and not already paid,

and shall not be made to more than one party except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. No assignment or reassignment will be recognized as valid and binding upon Tenant unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment is filed with (i) the contracting officer, (ii) the surety or sureties upon the bond or bonds, if any, in connection with this Agreement; and (iii) the disbursing officer, if any, designated in this Agreement to make payment, and the contracting officer has acknowledged the assignment in writing.

(b) Assignment of this Agreement or any interest in this Agreement other than in accordance with the provisions of this Section 11.1 shall be grounds for annulment of the Agreement at the option of Tenant.

11.2 Covenant Against Contingent Fees. City warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide or bona fide established commercial or selling agencies maintained by City for the purpose of securing business. For breach or violation of this warranty, Tenant shall have the right to annul this Agreement without liability or in its discretion, to deduct from the rental price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee. Licensed real estate agents or brokers having listings on property for rent, in accordance with general business practice, or who have not obtained such licenses for the sole purpose of affecting this agreement, may be considered as bona fide employees or agencies within the exception contained in this Section 11.2.

11.3 Officials Not to Benefit. No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this Agreement if made with a corporation for its general benefit.

11.4 Prohibition of Recordation. This Agreement shall not and will not, nor shall any copy hereof, or any statement, paper or affidavit, in any way or manner referring hereto be filed in the Office of Recorder of Deeds of Cook County or DuPage County, Illinois, or in any other public office, by Tenant or anyone acting for Tenant and that if the same be so filed, this Agreement and each and every provision hereof shall, at the option of City, be and become absolutely null and void and City may declare such filing a breach of this Agreement.

11.5 Governing Law. This Agreement shall be deemed to have been made in and shall be construed in accordance with the laws of the State of Illinois, except that where Illinois law conflicts with Federal laws and regulations, Federal laws and regulations shall control.

11.6 Notices. Notices to City provided for herein shall be sent by registered or certified United States mail, postage prepaid, addressed to the Commissioner of Aviation of the City of Chicago, 121 N. LaSalle, Room 1111, City Hall, Chicago, Illinois 60602, and notices to Tenant provided for herein shall be sent by registered or certified United States mail, postage prepaid, addressed to Tenant, United States Postal Service, Chicago Field Real

Estate and Building Office, 222 South Riverside Plaza, Suite 2750, Chicago, IL 60606-6257 or in either case to such other respective parties and addresses as the parties hereto may designate in writing from time to time, and such notices shall be deemed to have been given when so sent.

11.7 Withholding Required Approval. Whenever the approval of City or the Commissioner of Aviation, or of Tenant is required herein, no such approval shall be unreasonably requested or withheld, and such approval shall, in all cases, be given within ten (10) days of any such request.

11.8 Entire Agreement. This Agreement constitutes the entire agreement between the parties, and no warrants, inducements, considerations, promises, or other inferences shall be implied or impressed upon such agreement that are not set forth herein at length.

11.9 Headings. The section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provisions of this Agreement.

11.10 Invalid Provisions. In the event any covenant, condition, or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, condition, or provision shall in no way affect any other covenant, condition, or provision herein contained, provided that the invalidity of such covenant, condition, or provision does not materially prejudice either City or Tenant in its respective rights and obligations contained in the valid covenants, conditions, or provisions of this Agreement.

In Witness Whereof, the parties hereto have caused this instrument to be signed under their respective seals on the day and year first above written.

[Signature forms omitted for printing purposes.]

[Exhibits printed on pages 15649 thru 15656
of this Journal.]

**AUTHORITY GRANTED FOR ACQUISITION OF EASEMENT FOR
APPROACH LIGHTING SYSTEMS AT MIDWAY AIRPORT.**

The Committee on Aviation submitted the following report:

CHICAGO, April 24, 1985.

To the President and Members of the City Council:

Your Committee on Aviation begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (which was referred on February 20, 1985) approving the acquisition of various easements on private property at Midway Airport for the installation and maintenance of approach lighting systems at each end of Runway 13R-31L.

(Continued on page 15657)

PA

NATIONAL SURVEY SERVICE, INC.
Plat of Suburp

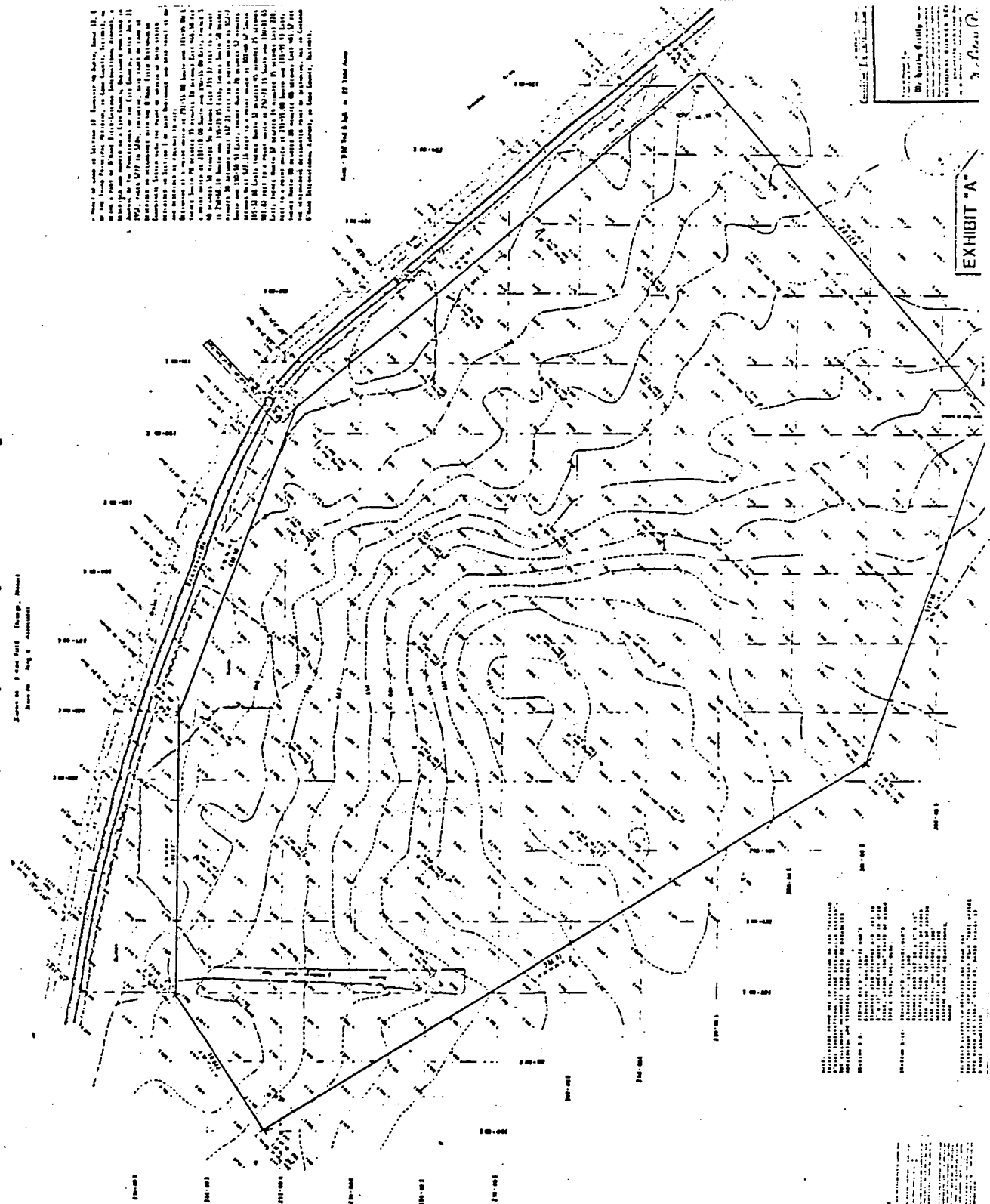
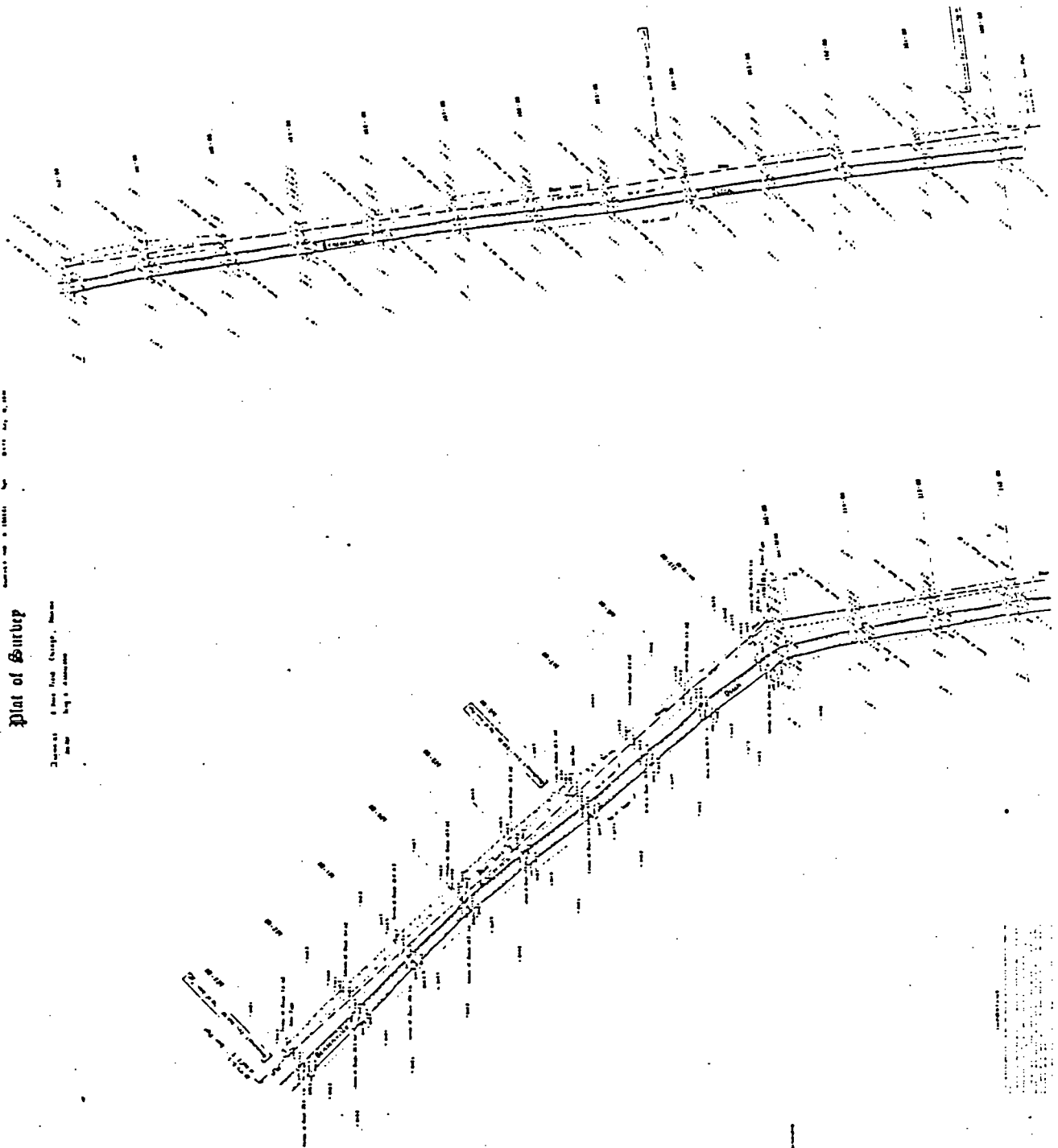


EXHIBIT "A"

NATIONAL SURVEY SERVICE, INC.
 Plot of Survey

Surveyed by National Survey Service, Inc.
 Date of Survey: May 1984



Surveyed by National Survey Service, Inc.
 Date of Survey: May 1984
 National Survey Service, Inc.

NATIONAL SURVEY SERVICE, INC.

Plot of Survey

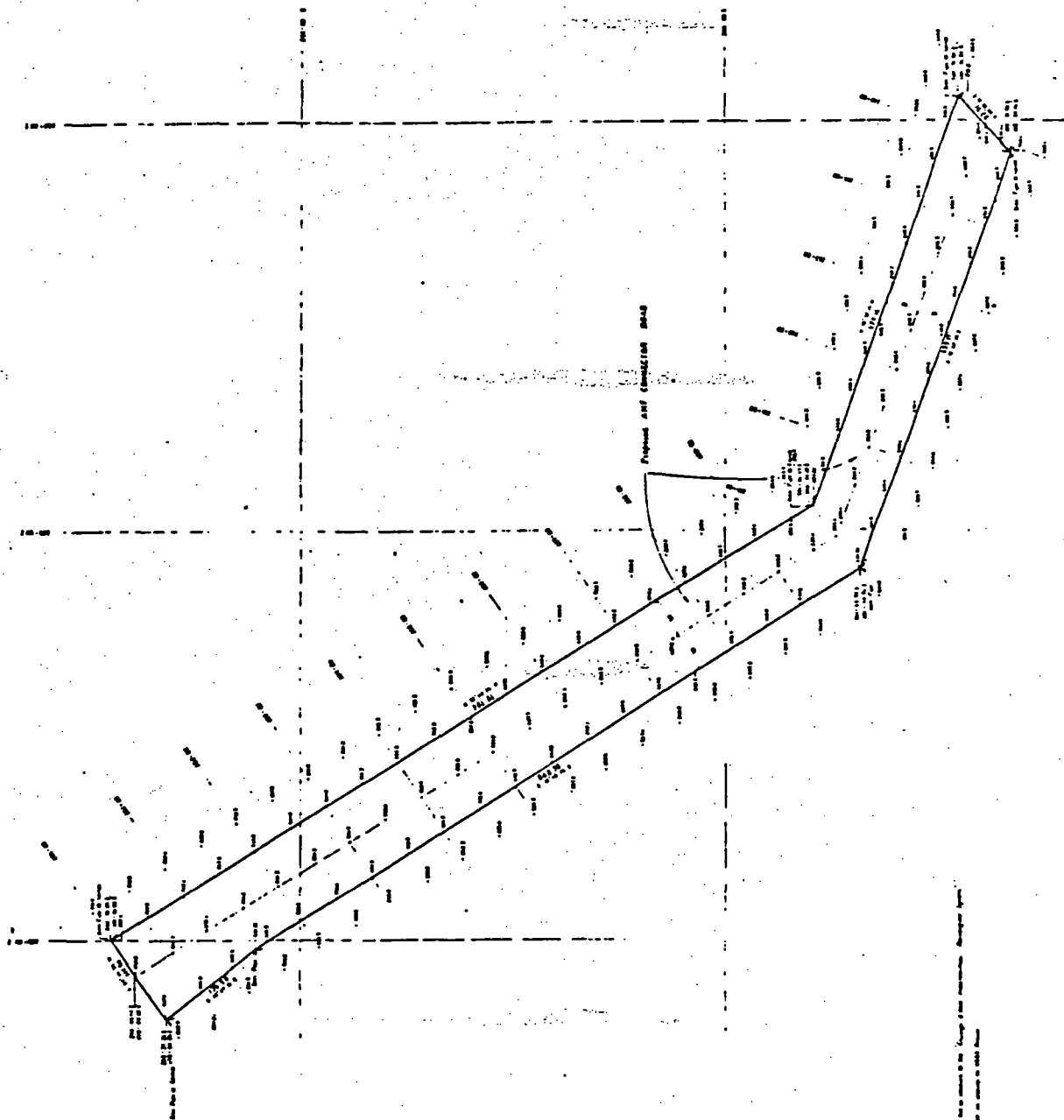
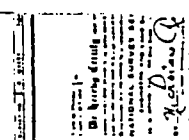


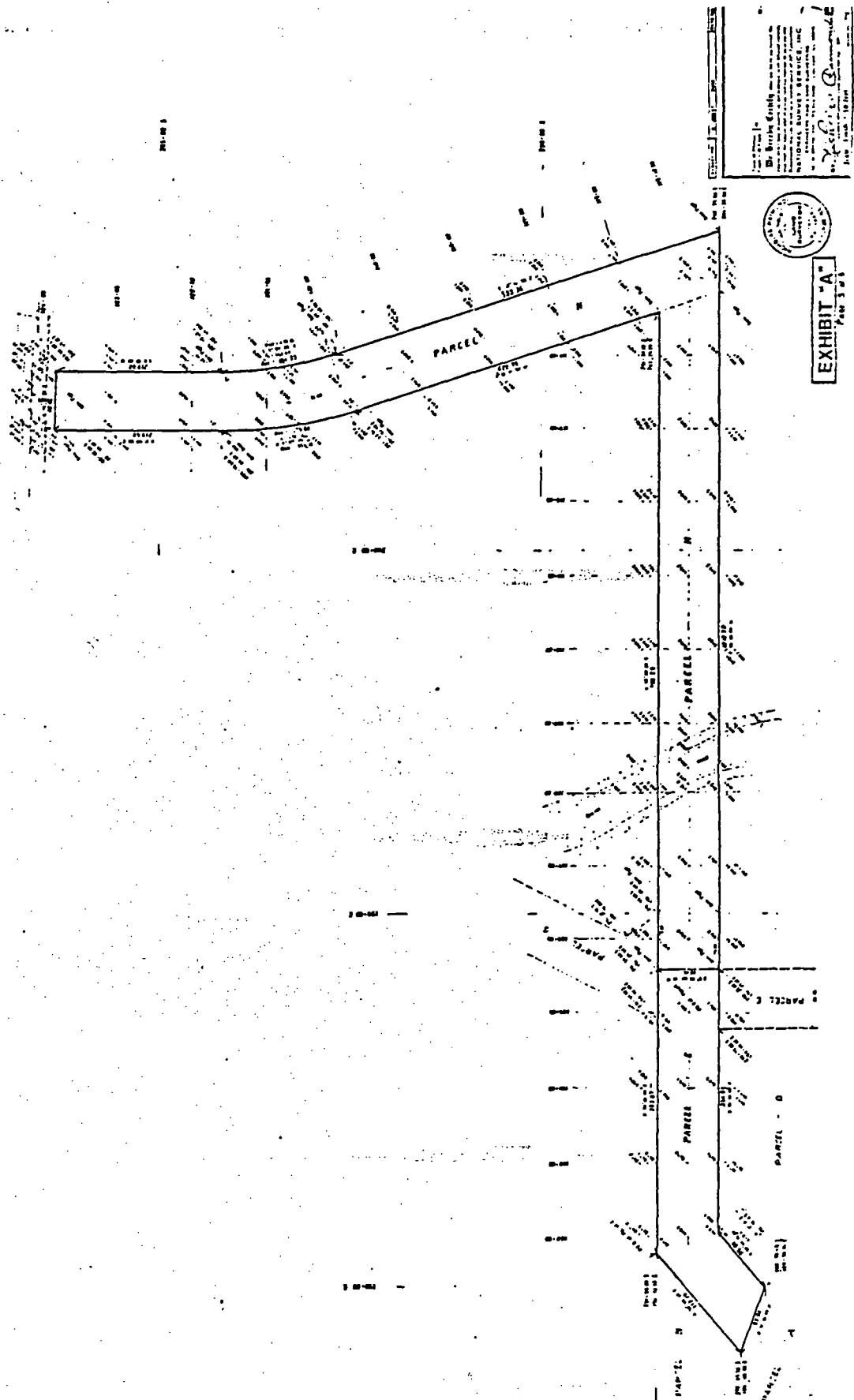
EXHIBIT "A"



4/25/85

REPORTS OF COMMITTEES

15653



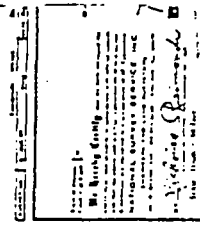
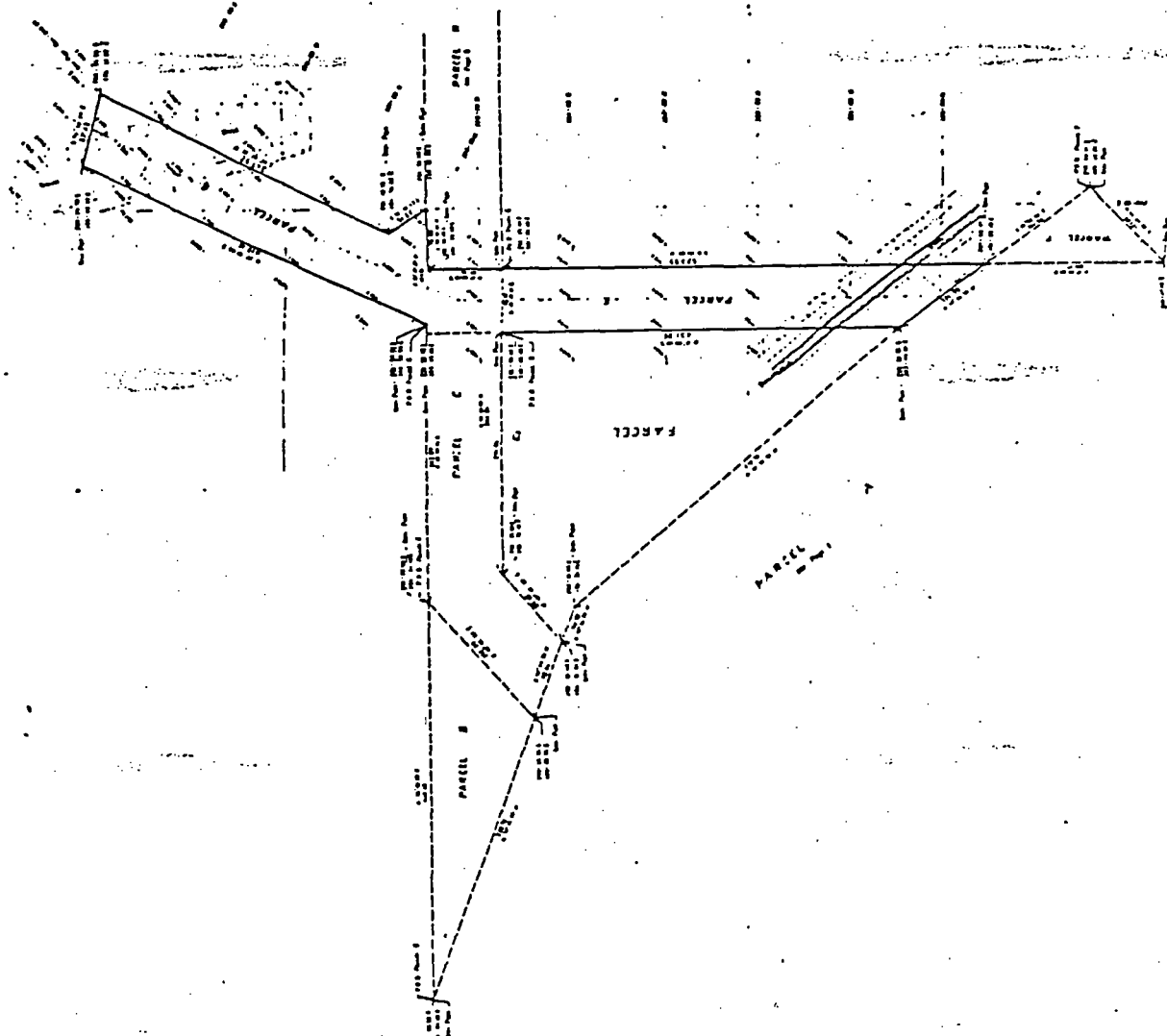
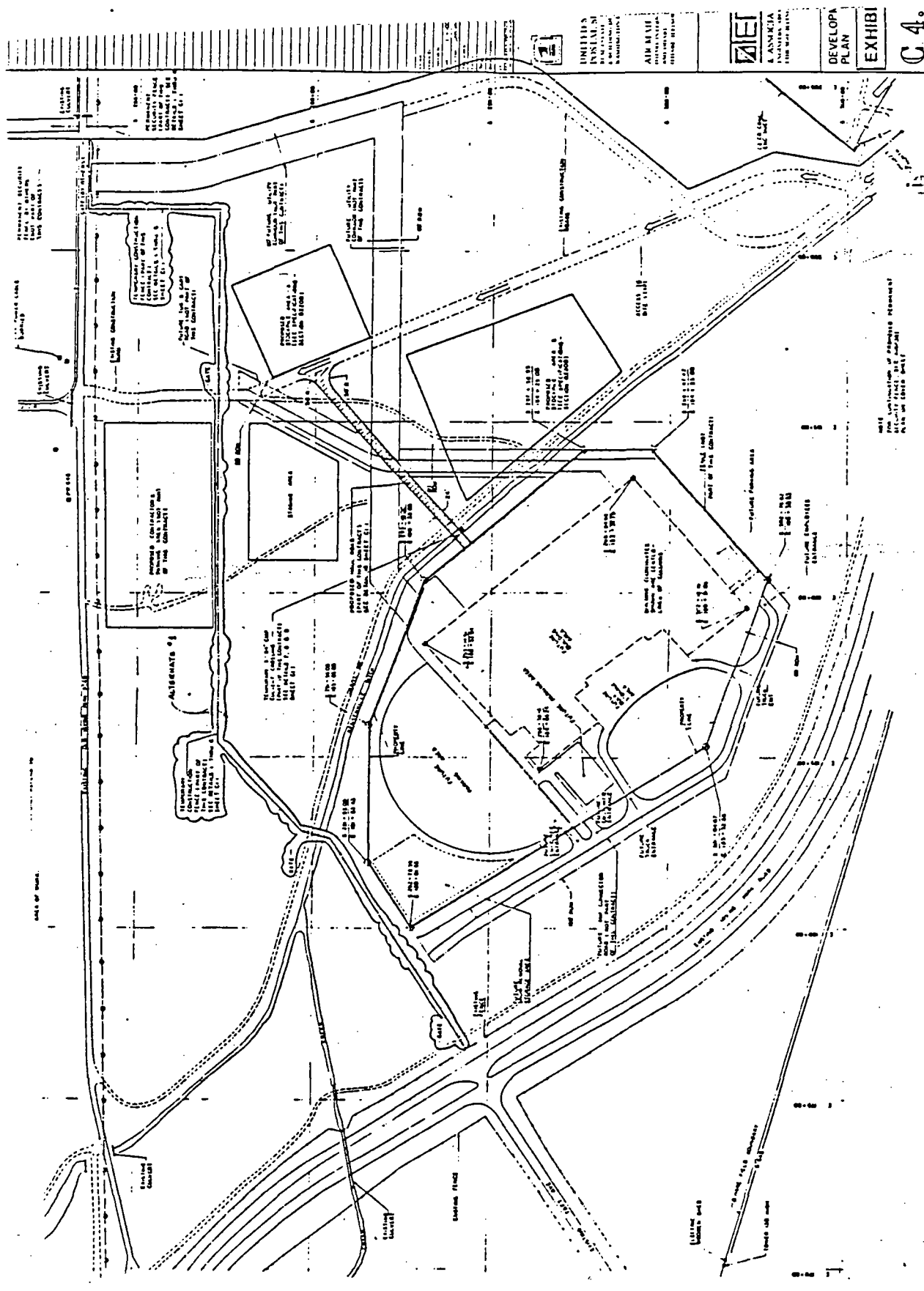


EXHIBIT "A"





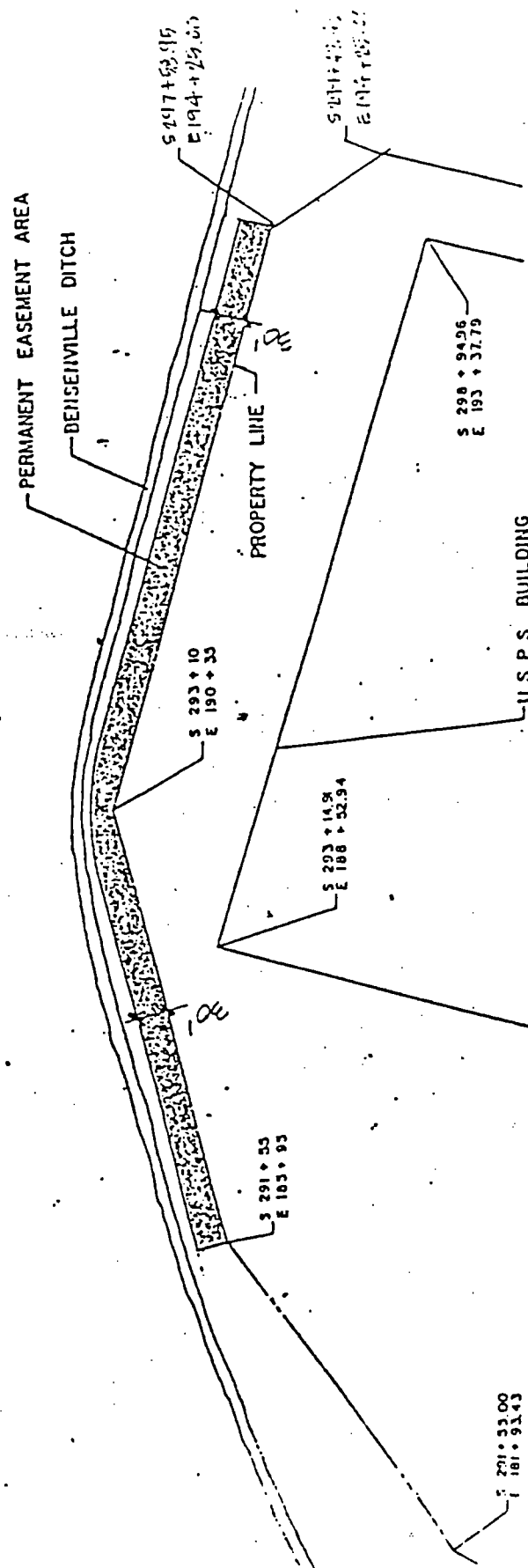


EXHIBIT C
AUGUST 10, 1904

(Continued from page 15648)

This recommendation was concurred in unanimously by the members of the committee.

Respectfully submitted,
(Signed) FRANK A. DAMATO,
Chairman.

On motion of Alderman Damato, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The Federal Aviation Administration has installed an approach light system on Runway 13R at Midway Airport through licenses on private property obtained by the City of Chicago; and

WHEREAS, Said licenses have expired and the F.A.A. now requests easements from the owners of said private property for the installation and maintenance of said light system, and the installation of new lead-in lights at the opposite end of the same runway, known as 31R; and

WHEREAS, The Federal Aviation Administration is paying 90% of the costs of acquiring the easements, the State and City each contributing 5%; and

WHEREAS, All installation and maintenance costs of the lighting systems will be paid by the Federal Aviation Administration; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. It is hereby determined and declared that it is useful, desirable and necessary to the City of Chicago that it acquire for public use for the Department of Aviation and the Federal Aviation Administration easements for a continuing right of ingress and egress to install, operate, replace and maintain poles, foundations, lights, including overhead and underground control/power cables, ducts, conduits, guys, manholes and cable markers, and to cut, trim or remove trees or other obstacles above the approach light plane on the following legally described premises:

That part of Lot 45 lying westerly of the right-of-way of the Indiana Harbor Belt Railroad in the Subdivision of that part of the Southwest Quarter of Section 8, Township 38 North, Range 13 East of the Third Principal Meridian, lying south of the centerline of Archer Avenue, in Cook County, Illinois, and commonly known as 5931 S. Archer Av.

SECTION 2. The Commissioner of Aviation is authorized and directed to negotiate with the owner or owners for the purchase of the easements described in Section One of this ordinance.

In case the Commissioner of Aviation is able to agree with the owner or owners of said property upon the purchase price thereof, he is authorized to purchase said easements for the agreed price, subject to the approval of the City Council.

SECTION 3. In case of the inability of the Commissioner of Aviation to agree with the owner or owners of said property upon the purchase price thereof, or in case the owner or owners of any of them are incapable of consenting to the sale thereof, or in case the name or residence of said owner or owners are unknown, or they are non-residents of the State of Illinois, then the Commissioner of Aviation shall report such facts to the Corporation Counsel. Upon receipt of such report, the Corporation Counsel shall institute and prosecute condemnation proceedings in the name of and on behalf of the City of Chicago for the purpose of acquiring said easements under the City's right of eminent domain, and said easements are hereby declared to be useful, advantageous, desirable and necessary to the City of Chicago for the use set forth above.

SECTION 4. Payments for the easements are to be made from Fund No. 623- 8653-540.

SECTION 5. This ordinance shall take effect and be in force from and after its passage.

AUTHORITY GRANTED TO EXECUTE AMENDED AND RESTATED
CHICAGO-O'HARE INTERNATIONAL AIRPORT
FUELING SYSTEM LEASE.

The Committee on Aviation submitted the following report:

CHICAGO, April 24, 1985.

To the President and Members of the City Council:

Your Committee on Aviation begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (which was referred on April 18, 1985) providing for the execution and adoption of the amended and restated Chicago-O'Hare International Airport Fueling System Lease.

This recommendation was concurred in unanimously by the members of the committee.

Respectfully submitted,
(Signed) FRANK A. DAMATO,
Chairman.

On motion of Alderman Damato, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, City owns and operates Chicago-O'Hare International Airport (the "Airport") and has the power to grant rights and privileges with respect thereto; and

WHEREAS, City and each of American Airlines, Inc., Braniff, Inc., Capital Airlines, Inc., Continental Air Lines, Inc., Delta Air Lines, Inc., Eastern Air Lines, Inc., The Flying Tiger Line, Inc., Lake Central Airlines, Inc., North Central Airlines, Inc., Northwest Airlines, Inc., Ozark Airlines, Inc., Pan American World Airways, Inc., Trans World Airlines, Inc., Trans-Canada Airlines (now known as Air Canada) and United Air Lines, Inc. (collectively, the "Prior Lessees") entered into that certain Fueling System Lease dated January 1, 1959 (the "Prior Lease"), under the terms of which the City leased to the Prior Lessees as tenants in common certain premises at the Airport for the construction, maintenance and operation of an aircraft fueling system; and

WHEREAS, Capital Airlines merged into United Air Lines; and Republic Airlines is a successor to North Central Airlines; and USAir is a successor to Lake Central Airlines; and

WHEREAS, Each Lessee is either an original signatory to the Prior Lease or is a party to an Airport Use Agreement with City providing for the Lessee's use and occupancy of certain facilities at the Airport and the payment of rentals, fees and charges therefor, including but not limited to the payment of Fueling System Fees (as hereinafter defined); and

WHEREAS, City and the Lessees desire by this Agreement to amend and restate the Prior Lease and to set forth their agreement regarding the leasing by the City to the Lessees as tenants in common of the Demised Premises (as hereinafter defined); now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Amended and Restated Airport Fueling System Lease attached hereto between the City and each of the Lessees are hereby authorized and approved. The Mayor, the Comptroller and the Commissioner of the Department of Aviation are hereby authorized to execute the Amended and Restated Fueling System Lease in substantially the form attached hereto and the City Clerk is authorized to attest and affix the seal of the City of Chicago, after approval by the Corporation Counsel as to form and legality.

SECTION 2. This ordinance shall be in full force and effect from and after its adoption.

Amended and Restated Fueling System Lease attached to this ordinance reads as follows:

*Amended and Restated Chicago-O'Hare International
Airport Fueling System Lease.*

This Agreement, dated as of January 1, 1985 by and among the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois ("City") and the corporations listed on the signature pages hereof (collectively, the "Lessees").

Witnesseth:

Whereas, City owns and operates Chicago-O'Hare International Airport ("the Airport") and has the power to grant rights and privileges with respect thereto; and

Whereas, City and each of American Airlines, Inc., Braniff, Inc., Capital Airlines, Inc., Continental Air Lines, Inc., Delta Air Lines, Inc., Eastern Air Lines, Inc., The Flying Tiger Line, Inc., Lake Central Airlines, Inc., North Central Airlines, Inc., Northwest Airlines, Inc., Ozark Airlines, Inc., Pan American World Airways, Inc., Trans World Airlines, Inc., Trans-Canada Airlines (now known as Air Canada) and United Air Lines, Inc., (collectively, the "Prior Lessees") entered into that certain Fueling System Lease, dated January 1, 1959 ("the Prior Lease"), under the terms of which the City leased to the Prior Lessees as tenants-in-common certain premises at the Airport for the construction, maintenance and operation of an aircraft fueling system; and

Whereas, Capital Airlines merged into United Air Lines; and Republic Airlines is a successor to North Central Airlines; and USAir is a successor to Lake Central Airlines; and

Whereas, each Lessee is either an original signatory to the Prior Lease or is a party to an Airport Use Agreement with City providing for the Lessee's use and occupancy of certain facilities at the Airport and the payment of rentals, fees and charges therefor, including but not limited to the payment of Fueling System Fees (as hereinafter defined); and

Whereas, City and the Lessees desire by this Agreement to amend and restate the Prior Lease and to set forth their agreement regarding the leasing by the City to the Lessees as tenants in common of the Demised Premises (as hereinafter defined); now, therefore,

In consideration of the premises and of the mutual covenants and agreements herein contained, City, the Prior Lessees and the Lessees agree as follows:

Article I
Definitions; Interpretation.

Section 1.01 -- Definitions.

The following terms and phrases shall have the following meanings for purposes of this Agreement:

"Air Transportation Business" has the meaning set forth in the Airport Use Agreement.

"Aircraft Operator" has the meaning set forth in the Airport Use Agreement.

"Airline Party" has the meaning set forth in the Airport Use Agreement.

"Airlines' Representative" has the meaning set forth in the Airport Use Agreement.

"Airport" means Chicago-O'Hare International Airport as more fully defined in the Airport Use Agreement.

"Airport Development Plan" has the meaning set forth in the Airport Use Agreement.

"Airport Use Agreement" means each Airport Use Agreement and Terminal Facilities Lease with respect to the Airport, substantially the same (except with respect to the Exclusive Use Premises and Airline's Aircraft Parking Area described therein) as the Airport Use Agreement and Terminal Facilities Lease dated February 1, 1983 between City and United Air Lines, Inc. (the "United Agreement") and having the same expiration date as the United Agreement, and in the case of an all-cargo carrier, its Airport Use Agreement, with respect to the Airport, substantially the same (except with respect to the Exclusive Use Premises and Airline's Aircraft Parking Area described therein) and having the same expiration date as the United Agreement, together with a cargo facilities lease of no shorter duration than such Airport Use Agreement; in each case as amended or supplemented from time to time.

"Architect/Engineer" means the person or firm appointed by a Majority-in- Interest of Lessees from time-to-time to act in such capacity and approved by the City.

"Capital Project" has the meaning set forth in the Airport Use Agreement.

"Cargo Area" means the area at the Airport identified as the Cargo Complex on Exhibit A hereto.

"City" means the City of Chicago.

"Commissioner" means the Commissioner of the Department of Aviation of City, or any successor to the duties of such official.

"Commissioner of Public Works" means the Commissioner of the Department of Public Works of City, or any successor to the duties of such official.

"Common Use Areas" means those portions of the Fueling System which are not Individual Use Areas.

"Construction Fund" has the meaning set forth in the Airport Use Agreement.

"Demised Premises" means the Easements and Leased Premises, together with all improvements situated thereon or hereafter constructed thereon.

"Drawings and Specifications" means the drawings and specifications approved in accordance with Exhibit B hereto.

"Easements" means the non-exclusive easements granted to Lessees by City pursuant to and for the duration of this Lease, as shown on Exhibit A hereto.

"Effective Date" has the meaning set forth in Article V hereof.

"Fiscal Year" has the meaning set forth in the Airport Use Agreement.

"Fueller" means any person, including a Lessee, licensed by the City to provide into-plane fueling at the Airport for Aircraft Operators and which has entered into an agreement with the Lessees for access to the Fueling System.

"Fuel" means aviation fuel.

"Fuel Committee" means the Fuel Committee composed of representatives of each Lessee.

"Fueling System" means those structures, improvements and facilities consisting of the existing fueling system leased under the Prior Lease and the Capital Project described in the Airport Development Plan as the Fueling System, all as described on Exhibit A hereto and Exhibit H to the Airport Use Agreement, as the same may be amended from time to time.

"Fueling System Fees" has the meaning set forth in the Airport Use Agreement.

"General Airport Revenue Bond Ordinance" has the meaning set forth in the Airport Use Agreement.

"General Airport Revenue Bonds" has the meaning set forth in the Airport Use Agreement.

"Individual Use Areas" means those portions of the Fueling System, as described on Exhibit A attached hereto, which are designated by the Lessees for the sole use by one or by more than one, but less than all, of the Lessees.

"International Terminal Area" has the meaning set forth in the Airport Use Agreement.

"Junior Lien Obligations" has the meaning set forth in the Airport Use Agreement.

"Land Support Area" has the meaning set forth in the Airport Use Agreement.

"Lease" means this Amended and Restated Fueling System Lease and all amendments and supplements hereto including, subject to Article XIII, all counterparts hereof.

"Leased Premises" means those parts of the Demised Premises leased by City to Lessees pursuant to this Lease, as shown on Exhibit A hereto.

"Lessee" means each one of the corporations listed on the signature pages to this Lease and, subject to the terms hereof regarding assignment, its successors and assigns. "Lessee" shall also include any Airline Party which hereafter executes this Lease as provided in Article XIII.

"Majority-in-Interest" means a majority-in-interest of Lessees as certified in writing signed by the Airlines' Representative.

"New Facilities" means those structures, improvements, facilities and equipment consisting of the Capital Project described in the Airport Development Plan as the Fueling System, all as defined in the Airport Use Agreement.

"Non-Participant Airline" means an airline which is not a Lessee.

"Non-Use Agreement Revenues" has the meaning set forth in the Airport Use Agreement.

"O & M Expenses" has the meaning set forth in the Airport Use Agreement.

"Operator" means Lockheed Air Terminal, Inc., or a substitute operator designated by the Lessees in accordance with Section 3.02 hereof.

"Other Products" means glycol, automotive fuel, lubricants and any other materials stored in or put through the Fueling System for use in connection with the use of aircraft or service vehicles.

"Partial Taking" has the meaning set forth in Section 9.04 hereof.

"Rules and Regulations" has the meaning set forth in the Airport Use Agreement.

"Total Taking" has the meaning set forth in Section 9.04 hereof.

"Trustee" has the meaning set forth in the Airport Use Agreement.

"User" means any Lessee or Fueller which uses the Fueling System for the receipt, storage or distribution of Fuel or Other Products.

Section 1.02 -- Interpretation.

In this Lease, unless the context otherwise requires:

(a) the terms "hereby", "herein", "hereof", "hereto", "hereunder" and any similar terms used in this Lease refer to this Lease;

(b) all Article and Section references, unless otherwise expressly indicated, are to Articles and Sections of this Lease;

(c) words importing persons shall include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) any headings preceding the text of the Articles and Sections of this Lease, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Lease, nor shall they affect its meaning, construction or effect;

(e) words importing the singular shall include the plural and vice versa; and

(f) this Lease shall be governed and construed in accordance with the laws of the State of Illinois applicable to contracts made and to be performed in that state.

Section 1.03 -- Incorporation of Exhibits.

Exhibits A, B and C attached hereto are hereby made a part of this Lease.

Section 1.04 -- Majority-in-Interest.

(a) Actions, requests, consents and approvals by Lessees to amend or terminate this Lease or to request City financing pursuant to Section 9.03(b) or 9.04(b) hereof shall be deemed taken, made or given by the Lessees when approved in writing signed by all of the Lessees. All other actions, requests, consents and approvals by Lessees, including the requesting of City financing except as specified above, shall be deemed taken, made or given when approved in writing signed by the Airlines' Representative certifying Majority-in-Interest approval.

(b) In those instances where this Lease expressly provides that actions, requests, consents or approvals of the Lessees may be by a Majority-in-Interest of the Lessees, such actions, requests, consents or approvals shall be deemed taken, made or given when approved in writing signed by the Airlines' Representative certifying Majority-in-Interest approval.

(c) Each of the Lessees expressly waives all claims against the City arising due to compliance by the City with this Section 1.04.

Article II *Demised Premises.*

Section 2.01 -- Lease of Premises; Grant of Easements.

City hereby leases to the Lessees, as tenants in common, on the terms and conditions set

forth herein, the Leased Premises. Subject to the terms of this Lease, the City further grants to Lessees non-exclusive easements, for the term of and upon the terms and conditions of this Lease, for the purpose of constructing, installing, maintaining, using and operating pipelines and related facilities in connection with the Fueling System over, under and through the Easements. The Easements and the Leased Premises are collectively referred to herein as the Demised Premises.

Section 2.02 -- Rights of Ingress and Egress.

Subject to Rules and Regulations promulgated by the Commissioner, the Lessees and each of them shall have the right of ingress to and egress from the Demised Premises for Lessees, the Operator, their respective employees, agents, suppliers, invitees and providers of service and their equipment, vehicles, machinery and other property.

Article III
Use of Demised Premises.

Section 3.01 -- Permitted Uses.

The Lessees shall have the right to use the Demised Premises for receipt, distribution, storage, handling, purchase, sale and dispensing of Fuel and Other Products for aircraft, vehicles and equipment operated by any User and for construction, maintenance, improvement, modification, use and operation of facilities and equipment and the carrying on of activities reasonably necessary or convenient in connection with the foregoing; provided, however, that any such construction, maintenance, improvement, modification, use or operation of the Fueling System and Demised Premises shall be carried on so as to not unreasonably interfere with the operation of the Airport. Lessees covenant and agree that at all times during the term of this Lease they will comply with all laws, regulations and ordinances applicable to their use of the Demised Premises.

Section 3.02 -- Operator.

Lessees, by Majority-in-Interest approval, shall appoint a person who shall operate and maintain the Fueling System on behalf of the Lessees and who is referred to herein as Operator. Subject to Section 16.10 of this Lease, the rights conferred upon Lessees under this Lease may be exercised by the Operator or by any one or more of the Lessees on behalf of all Lessees to the extent authorized by the Lessees, by Majority-in-Interest approval.

Section 3.03 -- Access to Fueling System.

(a) Lessees shall operate the Fueling System so that Aircraft Operators other than Lessees shall have access to Fuel distributed from the Fueling System, indirectly through Fuelers, as Lessees may reasonably provide. Lessees, by Majority-in-Interest approval, may establish reasonable rules and regulations regarding the use of the Fueling System. In no event shall any User have the right to use any Individual Use Area without the consent of the Lessee designated by the Lessees as the sole user of such area.

(b) Lessees, by Majority-in-Interest approval, may establish fair reasonable fees and

charges for the use of the Fueling System. Lessees may require, as a condition to the use of the Fueling System, that Non-Participant Airlines execute agreements with Lessees providing for the payment of such fees, and such other matters as may be reasonably required by Lessees.

Section 3.04 -- Signs.

Subject to the City's prior approval as to location and size, which approval shall not be unreasonably withheld, Lessees may place signs on the Fueling System including but not limited to signs bearing the names, trade names, trademarks or logos of Lessees and the Operator.

Article IV *Rental, Fees and Charges.*

Section 4.01 -- Rental.

(a) Rental for the Leased Premises shall be \$0.11 per square foot per year payable in monthly installments of \$18,779.08 in advance commencing on the Effective Date and continuing on the first day of each month thereafter through the term hereof. The total square footage of the Leased Premises for purposes of this Article IV is 2,048,626.8 square feet.

(b) Rental shall be payable at the office of the City Comptroller. Any rental payable by Lessees hereunder which is not paid when due shall bear interest at the lesser of (i) a rate two percentage points (2%) higher than the current prime rate for commercial customers established by the then largest Chicago based bank in terms of net assets, or (ii) the maximum lawful rate, from the due date thereof until paid.

(c) All rentals payable under the terms of this Lease to City shall be treated under the Airport Use Agreement as revenues of the Land Support Area.

Section 4.02 -- Additional Charges.

(a) Lessees shall also pay to City Fueling System Fees at such times and in such manner as provided in the Airport Use Agreement.

(b) Any Lessee which acts as a Fueler shall be granted a license by City and shall pay to City the standard fees charged by City to Fuelers; provided, however, that where the Lessee acts as a Fueler (i) for another Lessee or (ii) for any Aircraft Operator at Lessee's Exclusive Aircraft Parking Area pursuant to an on-going ground services agreement approved by City in accordance with Section 3.05 of the Airport Use Agreement, such Lessee shall not be obligated to obtain a license or pay any fees to City but shall be obligated to notify City of such activities. All such fees received from Fuelers, including Lessees acting as Fuelers, by City shall be treated under the Airport Use Agreement as revenues of the Land Support Area.

(c) Subject to Articles VII, XV and XVI hereof, City shall not impose or assess any rent

or fees or other charges, direct or indirect, for the lease of the Leased Premises, the grant of the Easements, or the use and occupancy of the Fueling System and Demised Premises other than the rentals specifically provided for in this Article IV, Fueling System Fees and any applicable standard Fueler fees.

Section 4.03 -- Allocation of Rental and Fueling System Fees.

The City acknowledges that Lessees shall allocate rentals payable under Section 4.01 of this Lease among themselves; provided, however, that if any Lessee fails to pay its share as so allocated, each other Lessee shall pay a part of the amount due from such non-paying Lessee which bears the same proportion to the amount due as the amount due from such other Lessee does to the amount due from all other Lessees (other than such non-paying Lessee). City shall diligently pursue all appropriate remedies against such defaulting Lessee on behalf of and for the benefit of the non-defaulting Lessees. The allocation of rentals among Lessees provided for herein shall be certified in writing by the Airlines' Representative to the Commissioner and may only be amended by written certification filed with the Commissioner.

The City also acknowledges that Lessees may by separate agreement agree among themselves to a reallocation of Fueling System Fees; provided, however, that nothing contained herein or in such separate agreement shall be deemed to amend, limit or affect in any respect each Lessee's obligation to pay to the City Fueling System Fees in an amount calculated pursuant to Section 5.08 of such Lessee's Airport Use Agreement.

Section 4.04 -- Utilities.

Lessees shall be responsible for paying for all utilities provided to Lessees at the Demised Premises.

*Article V
Term.*

This Lease shall become effective as of the date (the "Effective Date") set forth in the introduction hereto upon execution by the City and the Lessees and shall terminate on May 11, 2018, unless terminated earlier in accordance with the terms hereof.

*Article VI
Construction and Modification of Facilities.*

Section 6.01 -- New Facilities.

The Lessees shall construct the New Facilities in accordance with the procedures set forth in Exhibit B attached hereto.

Section 6.02 -- Other Modifications.

In addition to the New Facilities, the Lessees, by Majority-in-Interest approval, may, from time to time, at their own cost and expense, install additional facilities and

improvements and modify or expand existing facilities or improvements in the Fueling System. (The foregoing are collectively referred to in this Section 6.02 as "Improvements"). City, upon request of a Majority-in- Interest of Lessees, may agree to fund any such Improvements. Notwithstanding the foregoing, any Improvements to Individual Use Areas shall require the consent of the Individual Use Area Lessee and any individual Lessee may, from time to time, install Improvements on its Individual Use Area at its own cost without consent of the other Lessees so long as such improvement does not interfere with or adversely affect the use, operation or maintenance of the Airport or the Fueling System. Before the Lessees commence or enter into any contract for Improvements or any other work, the Lessees or the individual Lessee, as the case may be, shall first submit to the Commissioner and to the Commissioner of Public Works for their prior written approval a construction application together with complete plans and specifications of the proposed work. The approval of the construction application and plans and specifications shall not be unreasonably withheld. All such construction or installation shall be made only after obtaining requisite building or construction licenses or permits and shall comply with the requirements of all applicable laws, regulations and ordinances.

Section 6.03 -- Modifications Generally.

(a) Lessees shall, and shall include in all construction contracts entered into pursuant to Section 6.02 a provision requiring the contractor to, indemnify, hold harmless and defend City, its officers, agents and employees against losses (except to the extent such losses are caused by City's negligence), occasioned by death or injury to persons or damage to property, arising out of or in connection with the performance of construction work, against the risk of loss or damage to the construction prior to the completion thereof, and against losses resulting from claims and demands by third persons arising out of the performance of the construction work; and Lessees shall provide, or shall require the contractor to provide, liability insurance covering the foregoing, together with such other insurance as City may reasonably require. Lessee shall also include in any such construction contract such provisions as may reasonably be required by the Commissioner relating to the operations of the contractor at the Airport.

(b) All work performed by Lessees or their contractor, including all workmanship and materials, shall be of workman-like quality and shall be performed in accordance with the plans and specifications approved by the Commissioner and Commissioner of Public Works. Such work may be inspected by the Commissioner and the Commissioner of Public Works, or their authorized representatives at any time.

(c) Lessee shall deliver to the Commissioner and the Commissioner of Public Works "as built" drawings of all work performed by them and shall keep such drawings current showing any changes or modifications made in or to the Fueling System.

(d) Lessees shall discharge when due all obligations to contractors, subcontractors, material suppliers, workers and others for all work performed and for materials furnished for or on account of Lessee relating to the Demised Premises.

Section 6.04 -- Installation of Machinery and Equipment.

Lessees, by Majority-in-Interest approval, or any one of them with respect to its Individual Use Area, may, from time to time, at their own expense, install machinery, equipment and other personal property in the Fueling System which may be attached or affixed to, but shall not become a part of the Fueling System. All such machinery, equipment and other personal property shall remain the sole property of Lessees or such Lessee and may be removed by Lessees or such Lessee at any time, in their sole discretion and at their own expense; provided, however, that any damage resulting from such removal shall be repaired by Lessees or such Lessee at their own expense. City shall not have any interest in or landlord's lien on any such machinery, equipment or personal property, and such machinery, equipment and personal property shall be identified as the property of Lessees or such Lessee. Lessees hereby waive all claims against City for any loss or damage to such machinery, equipment or personal property, except to the extent caused by the negligent, willful or intentional acts of City.

Article VII
Maintenance by Lessees.

Lessees shall be responsible for and shall perform or cause to be performed, at their own cost and expense, all maintenance and repair, structural or non-structural, of the Fueling System so as to keep the Fueling System in good, safe and slightly operating condition, reasonable wear and tear excepted. In the event Lessees fail to perform for a period of thirty (30) days after notice from City so to do, any obligation required by this Article VII to be performed by Lessees, City may enter the Demised Premises involved (without such entering causing or constituting a termination of this Lease or an interference with the possession of the Demised Premises by Lessees) and do all things necessary to perform such obligation, charging to Lessees the cost and expense thereof as an O & M Expense of the Fueling System includable in the calculation of the Fueling System Fees under the Airport Use Agreement and Lessees agree to pay City such charge in addition to any other amounts payable by Lessees hereunder and under the Airport Use Agreement; provided, however, that if Lessees' failure to perform any such obligation endangers the safety of the public or of employees of City, and City so states in its notice to Lessees, City may perform such obligation of Lessees at any time after the giving of such notice and charge to Lessees, and Lessees shall pay, as aforesaid, the cost and expense of such performance.

Article VIII
Maintenance by City.

City shall operate and maintain in all respects in a manner consistent with a reasonably prudent operator of an airport, and keep in good condition and repair all roadways, waterlines, sewerlines, drainage ditches, additions, improvements, facilities, and equipment now or hereafter provided, including electricity and other utility and fire protection systems, serving the Fueling System but located outside the Demised Premises.

Article IX
Indemnity and Insurance.

Section 9.01 -- Indemnity.

Lessees agree to indemnify and hold City harmless from and against all loss, cost, expense or liability (including attorneys' fees and expenses) arising due to Lessees' use or occupancy of the Demised Premises or construction, use or operation of the Fueling System. City agrees to promptly notify Lessees of any loss, cost, expense or liability and give Lessees full authority, information and assistance (at Lessee's expense) for the defense of any claim or action. This indemnification shall not be construed as limited in any manner any other indemnifications granted by any of the Lessees to City under any other agreement or lease.

Section 9.02 -- Insurance Maintained by Lessees.

(a) Lessees shall at their expense maintain, or cause to be maintained, all risk property insurance on a replacement cost basis with respect to the Fueling System against such casualties and contingencies and in amounts not less than is reasonably prudent. Such policies of insurance shall name City and the Trustee, if any, as co-insureds as their interest may appear. Without limiting the foregoing, Lessees shall maintain, or cause to be maintained, insurance with respect to the Fueling System of the types and in the amounts set forth in Section 19.03 (a), (b) and (c) of the Airport Use Agreement. Certificates of insurance evidencing such policies shall be delivered to City within 10 days after the date of execution of this Lease by City. All such policies shall provide for prior written notice to City prior to any material change thereto or termination thereof.

(b) Each policy of insurance maintained by Lessees under this Section 9.02 shall contain a waiver of subrogation in favor of the City, the Lessees and the Operator on the part of the insurer.

Section 9.03 -- Use of Insurance Proceeds.

(a) If the Fueling System, or any portion thereof, is damaged or destroyed by fire or other casualty, City shall make proceeds of insurance with respect thereto available to Lessees, and Lessees shall, to the extent of such proceeds, and subject to such reasonable terms and conditions as may be imposed by City, forthwith repair, reconstruct and restore (subject to unavoidable delays) the damaged or destroyed premises, to (i) substantially the same condition, character and utility value as existed prior to the event causing such damage or destruction or (ii) such other condition, character and value as may be agreed upon by City and Lessees. In addition, if the Fueling System or any portion thereof is rendered untenable by reason of such damage or destruction, other than damage or destruction resulting from the negligence, gross negligence or willful misconduct of any Lessee or of any person acting on behalf of any Lessee, then, unless City provides Lessees with alternative facilities substantially equivalent to those rendered untenable and until the Fueling System is restored pursuant to this Section 9.03(a), Lessees shall be entitled to a pro rata abatement of any ground rent based upon the portion of the Fueling System rendered untenable.

(b) If the net proceeds of insurance received by the City on account of such damage or destruction are insufficient to restore or replace the Fueling System, so long as City has the right and power to issue General Airport Revenue Bonds or Junior Lien Obligations, City, upon request of the Lessees, shall issue General Airport Revenue Bonds or Junior Lien

Obligations pursuant to Section 8.02 of the Airport Use Agreement to cover the cost of the deficiency from the proceeds of such issuance. The Lessees shall use the proceeds of any such General Airport Revenue Bonds or Junior Lien Obligations to restore or replace the Fueling System. The debt service on such General Airport Revenue Bonds or Junior Lien Obligations issued to fund the amount of such deficiency shall be allocated in accordance with Section 6.01 of the Airport Use Agreement.

(c) If the net proceeds of insurance received on account of damage to or destruction of the Fueling System are in excess of the amount necessary to repair, reconstruct and restore the Fueling System, the amount of such excess shall be treated as Non-Use Agreement Revenues of the Fueling System.

Section 9.04 -- Condemnation.

(a) Any condemnation or taking of such a substantial part of the Demised Premises or the Fueling System that results in the Fueling System being unsuitable, or the use thereof being economically unfeasible, is herein referred to as a "Total Taking". In the event of a taking of the Fueling System other than a Total Taking (a "Partial Taking"), this Lease shall remain in effect and, if the net proceeds of any award received by City on account of such Partial Taking are sufficient for the purpose, City shall make such net proceeds available to Lessees and Lessees shall forthwith (subject to unavoidable delays) apply such net proceeds to the restoration or replacement of the Fueling System so taken as nearly as possible to (i) such condition, character and utility value (based upon plans and specifications approved by the Commissioner and the Commissioner of Public Works and, subject to such reasonable terms and conditions as may be imposed by City) as existed prior to such Partial Taking, or (ii) to such other condition, character and value as may be agreed upon by City and Lessees.

(b) In the event of a Partial Taking, if the net proceeds of any award received by City on account of such Partial Taking are insufficient to restore or replace the Fueling System so taken, as provided above, so long as City has the right and power to issue General Airport Revenue Bonds or Junior Lien Obligations, City, upon request of the Lessees, shall issue General Airport Revenue Bonds or Junior Lien Obligations pursuant to Section 8.02 of the Airport Use Agreements to cover the cost of the deficiency from the proceeds of such issuance. The Lessees shall use the proceeds of any such General Airport Revenue Bonds or Junior Lien Obligations to restore or replace the Fueling System. The debt service on such General Airport Revenue Bonds or Junior Lien Obligations issued to fund the deficiency in the amount of the condemnation award shall be allocated in accordance with Section 6.01 of the Airport Use Agreement.

(c) If for any reason the net proceeds of an award received by the City on account of the condemnation or taking of any part of the Fueling System are in excess of the amount necessary to restore or replace the Fueling System, the amount of such excess shall be treated as Non-Use Agreement Revenue of the Fueling System.

(i) the Lessees shall receive such of the net proceeds received by the City as is attributable to the improvements that are incorporated as a part of the Fueling System constructed by the Lessees or any of them, other than with funds provided by the City; and

(ii) at the election of the Lessees, the Lessees may:

(d) In the event of a Total Taking of the Fueling System, the following shall apply:

(1) terminate this Lease, in which event the remaining net proceeds received by the City on account of such taking shall be used first to redeem General Airport Revenue Bonds or Junior Lien Obligations, as defined in the Airport Use Agreement, issued in connection with the Fueling System, if any, and then shall be paid to City; or

(2) require City to lease new premises for a Fueling System at a mutually agreeable location on the Airport, in which event City shall make the net proceeds received by City on account of such taking available to Lessees and Lessees shall construct such new facilities in accordance with Section 9.04(a) above and any deficiency or excess shall be handled in the same manner as a deficiency or excess with respect to a Partial Taking, as defined in Section 9.04(b) and 9.04(c) above.

Article X
Taxes; Liens.

Section 10.01 -- Taxes, Licenses and Permits.

Subject to the provisions of Section 4.02(c), Lessees shall pay all taxes and assessments and obtain all licenses, permits, certificates and other authorizations required by any governmental authority in connection with the operations or activities performed by them hereunder.

Section 10.02 -- Liens Prohibited.

Lessees shall keep the Demised Premises and the installations situated thereon free and clear of any and all liens in any way arising out of the construction, improvement or use thereof by Lessees; provided, however, that Lessees may in good faith contest the validity of any lien so long as such contest suspends the enforcement or foreclosure of said lien.

Article XI
Term and Termination.

Section 11.01 -- Termination with Respect to a Lessee.

(a) Prior to termination by the City of the Airport Use Agreement with respect to a Lessee for failure by such Lessee to pay Fueling System Fees pursuant to Section 24.01(a) thereof, City shall give notice to the Operator and the Lessees of such Lessee's failure and the Lessees shall have the right, but shall not be obligated, within five (5) business days after receipt of such notice by Operator and Lessees, to remedy such default by payment to the City of the amount due by such Lessee. Such Lessee shall be liable to the Lessees which make such payment for the amount paid plus interest at the rate provided in Section 7.08 of the Airport Use Agreement. If such default is not remedied and City elects to terminate the Airport Use Agreement with respect to a Lessee upon the occurrence of such Event of Default or any other Event of Default defined in Section 24.01 thereof or if such Lessee's

Airport Use Agreement terminates for any other reason, this Lease shall nevertheless remain in full force and effect with respect to such Lessee. City shall not terminate this Lease with respect to a Lessee for any reason without the consent of the Lessees other than the defaulting Lessee.

(b) Subject to subsection (c) below, any Lessee may terminate this Lease, as it applies to such Lessee, upon the occurrence of any of the events set forth in Section 25.01(a) or (b) of the Airport Use Agreement and subject to the conditions of Section 25.01 which affect such Lessee's use of the Fueling System.

(c) Termination of this Lease with respect to a Lessee shall not terminate this Lease with respect to any other Lessee and this Lease shall remain in effect as to all such other Lessees.

Section 11.02 -- Termination by City with Respect to All Lessees.

(a) Subject to Section 11.01, the failure by Lessees to observe and perform any covenant, condition or agreement in this Lease on the part of Lessees to be observed or performed, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied, given to Lessees by City, unless City agrees in writing to an extension of such time prior to its expiration, shall constitute an Event of Default by Lessees hereunder; provided, however, that any such failure which can be cured but which cannot with due diligence be cured within such thirty (30) day period shall not constitute an Event of Default if corrective action is instituted by Lessees within the applicable period and diligently pursued until the failure is corrected.

(b) Whenever an Event of Default by Lessees has occurred and is continuing, City, to the extent permitted by law and upon written notice to Lessees, may subject to the provisions of any other agreement then in effect between Lessees and City, take any one or more of the following remedial steps:

(i) City may terminate this Lease and exclude Lessees from possession of the Fueling System;

(ii) City may, without terminating this Lease, exclude Lessees from possession of the Demised Premises and use reasonable efforts to lease the Demised Premises to another for the account of Lessees, holding Lessees each liable, as provided for in Section 4.03, for rent for the Leased Premises, and other payments up to the effective date of such leasing and for the excess, if any, of rent for the Leased Premises and amounts payable by Lessees under this Lease, including, but not limited to the cost associated with reletting, for the remainder of the term of this Lease over rentals and other amounts which are payable by such new Lessee under such new agreement; and

(iii) City may, from time to time, take whatever action at law or in equity appears necessary or desirable to collect any amounts payable by Lessees hereunder then due and thereafter to become due, or to enforce the performance and observance of any obligation, agreement or covenant of Lessees under this Lease.

Section 11.03 -- Termination by All Lessees.

If there is no Event of Default under the Lease, Lessees may terminate this Lease by giving City sixty (60) days advance notice upon or after the happening and during the continuance of any one of the following events:

(a) the default by City in the performance of any covenant or agreement required to be performed by City herein, and the failure by City to remedy such default after written notice thereof has been delivered to City, unless (i) City takes prompt action to remedy such default, within a period of thirty (30) days after receipt from Lessees of such notice, or (ii) in the case of any such failure which cannot with due diligence be cured within such thirty (30) day period, if City takes corrective action within the thirty (30) day period and diligently pursues such action until the failure is cured; or

(b) the substantial restriction of the City's operation of the Airport by action of any federal or state agency having jurisdiction with respect thereto, and the continuance thereof for a period of not less than sixty (60) days, provided such restriction adversely and materially affects operations at the Fueling Systems.

Article XII
Surrender of Possession.

Upon termination of this Lease, whether at the expiration of the term hereof or otherwise, Lessees shall surrender the Demised Premises in such condition as Lessees are obligated to maintain the Demised Premises hereunder.

Article XIII
New Airlines.

City may enter into counterparts of this Lease with any Airline Party not a party hereto subject to the consent of a Majority-in-Interest of the Lessees, which may not be unfairly or unreasonably withheld. Upon execution of a counterpart hereof, such Airline Party shall for all purposes be deemed a Lessee hereunder from the effective date of such counterpart Lease.

Article XIV
Quiet Enjoyment.

Upon payment by Lessees of all rents, fees and charges due hereunder and the performance of the covenants and agreements on the part of Lessees to be performed hereunder, Lessees shall peaceably have and enjoy possession of the Demised Premises, and the licenses and privileges granted herein, free of claims of those claiming by, through or under City; provided that a default by one Lessee shall not affect the right of quiet enjoyment by the non-defaulting Lessees. City covenants that licenses and privileges granted to others at the Airport will not unreasonably interfere with Lessees' use of the Easements for the purposes set forth herein.

Article XV
Exercise by City of Governmental Functions.

(a) Nothing contained herein shall impair the right of City in the exercise of its governmental functions to require Lessees to pay any tax or inspection fees generally applicable to the public or to procure necessary permits or licenses of general public application, provided such requirement is not inconsistent with the rights and privileges granted to Lessees hereunder.

(b) Except as otherwise provided herein, City shall have no control over the rates, fares or charges that Lessees, or any of them, may prescribe in connection with the use of the Fueling System, the sale of Fuel and Other Products or the providing of into-plane or related services.

Article XVI
Miscellaneous.

Section 16.01 -- Prior Lease Superseded.

(a) This Lease supersedes in its entirety the Prior Lease as among City and the Lessees, and constitutes the entire agreement and understanding of the parties hereto on the subject matter hereof.

(b) Lessees hereby acknowledge and agree that the Lessees no longer have any rights under the Prior Lease.

(c) The leasehold estate under the Prior Lease is hereby merged into the leasehold estate under this Lease.

Section 16.02 -- Successors and Assigns.

Subject to Sections 16.03 and 16.04, this Lease shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

Section 16.03 -- Sublease and Assignment by Lessee.

No Lessee may assign or sublet its rights hereunder without the prior written consent of City and the other Lessees except to a person to which such Lessee assigns or sublets its Exclusive Use Premises or any portion thereof, as defined in and pursuant to the Airport Use Agreement.

Section 16.04 -- Notices.

All notices to City provided herein shall be in writing and shall be sent by registered mail, postage prepaid, addressed to the Commissioner of the Department of Aviation of the City of Chicago, City Hall, Chicago, Illinois 60602, or to such other address as City may designate from time to time by notice to Lessees, and shall be deemed given when so mailed. All notices to Lessees provided for herein shall be in writing and shall be sent by registered or certified mail, postage prepaid, addressed to each Lessee at its address shown on the signature page hereof, or to such other address as the Lessee to receive notice may designate from time to time by notice to City, and except as otherwise provided herein, shall be deemed given when so mailed.

Section 16.05 -- No Additional Waiver Implied by One Waiver.

In the event any agreement contained in this Lease is breached by any party and thereafter waived by the other parties, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder.

Section 16.06 -- Performances by Lessees upon Failure by City.

If City fails to perform, for a period of thirty (30) days after written notice from Lessees, any obligation required by Article VIII, Lessees, by Majority-in- Interest approval, may perform such obligation of the City and City shall pay for the cost to Lessees of such performance; provided, however, that if City's failure to perform any such obligation endangers the safety of operations at the Fueling System and Lessees so state in their notice to City, Lessees may perform such obligation of City at any time after the giving of such notice and City shall pay for their costs of such performance; and provided further, that in either event, Lessees shall not deduct any such costs from any amounts due hereunder, under the Airport Use Agreement or under any other agreement between Lessees and City relating to the Airport. City shall not be liable to Lessees for any loss of revenue to Lessees resulting from any of City's acts, omissions or negligence in connection with its maintenance obligations under this Lease.

Section 16.07 -- Performance by City upon Failure by Lessees.

If Lessees fail to perform, for a period of thirty (30) days after written notice from City, any obligation required by this Lease, including the Exhibits hereto, City may perform such obligation of Lessees and charge Lessees for the cost to City of such performance; provided, however, that if Lessees' failure to perform any such obligation endangers the safety of operations at the Airport, including the Fueling System, and City so states in its notice to Lessees, City may perform such obligation of Lessees at any time after the giving of such notice and charge Lessees for its costs of such performance.

Section 16.08 -- No Remedy Exclusive.

No remedy conferred upon or reserved to City or Lessees in this Lease shall be exclusive of any other available remedy, and each such other remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity or by statute. No delay or omission in exercising any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle City or Lessees to exercise any remedy it or they may have under this Lease, it shall not be necessary to give any notice other than such notice as may be herein expressly required.

Section 16.09 -- Severability.

In the event any covenant, phrase, clause, paragraph, Article, Section, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, phrase, clause, paragraph, Article, Section, condition or

provision shall in no way affect any other covenant, phrase, clause, paragraph, Article, Section, condition or provision herein contained.

Section 16.10 -- Enforceability.

Notwithstanding any provision of this Lease, this Lease is for the benefit only of the signatories hereto and may be enforced only by the signatories hereto.

Section 16.11 -- Representation and Warranty.

Each Lessee represents and warrants that it either has executed an Airport Use Agreement with the City and that such agreement is valid and enforceable as of the date hereof or is an original signatory to the Prior Lease.

Section 16.12 -- City Books and Records.

City shall follow such procedures and keep and maintain such books, records and accounts as may be necessary or appropriate under the provisions of this Lease or of the General Airport Revenue Bond Ordinance. Such books, records and accounts shall contain all items affecting the computation of rentals and other charges hereunder, recorded in accordance with generally accepted accounting principles. A Lessee shall have the right, at any reasonable time and at its own expense, to examine, make copies of, and take extracts from such books, records and accounts. City shall be required to retain such books and records for a period of five years and shall not be liable for any errors in such books and records covering any period prior to the period for which it is required to retain such books and records under this Section 16.12.

Section 16.13 -- Qualification in the State of Illinois.

Each Lessee warrants that it is, and throughout the term of this Lease it (or the transferee corporation permitted by Section 16.03) will continue to be, duly qualified to do business in the State of Illinois.

Section 16.14 -- Airline to Maintain its Corporate Existence; Conditions Under Which Exceptions Permitted.

Each Lessee shall maintain its corporate existence, shall not dissolve or otherwise dispose of all or substantially all of its assets, and shall not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it, unless the surviving, resulting or transferee corporation, as the case may be, (a) expressly assumes in writing all of the obligations of Lessee hereunder, (b) is qualified to do business in the State of Illinois, and (c) if such corporation is not organized and existing under the laws of the United States of America or any State or Territory thereof or the District of Columbia, delivers to City an irrevocable consent to service of process in, and to the jurisdiction of the courts of, the State of Illinois with respect to any action or suit, at law or in equity, brought by City to enforce this Lease.

Section 16.15 -- Force Majeure.

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section shall not operate to excuse Lessees from prompt payment of rent.

Section 16.16 -- Tax Election.

None of the Lessees nor any successors in interest to any of the Lessees may claim depreciation or an investment credit with respect to the Fueling System as described in that certain election executed by each Lessee and delivered to City (the "Election"), the form of which is attached hereto as Exhibit C. Such Lessee agrees to negotiate in good faith and execute such amendments to the Election as are permitted or required by changes in the Applicable Regulations, as defined in the Election, to accomplish the purposes set forth in the premises to the Election.

Article XVII
Equal Opportunity.

Section 17.01 -- Equal Opportunity.

Lessees agree that in performing under this Lease they shall neither discriminate against any worker, employee or applicant, or any member of the public, because of race, creed, color, religion, age, sex or national origin, nor commit an unfair employment practice.

Lessees will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, religion, age, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship.

Lessees agree to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this Section 17.01. Lessees further agree that this clause will be incorporated in all contracts entered into with any suppliers of materials or furnishers of services, contractors and subcontractors, and all labor organizations, which furnish skilled, unskilled and craft union skilled labor, or which may perform any such labor or services in connection with this Lease.

Attention is called to Executive Order 11246 issued September 24, 1965, 3 CFR, 1964-65 Compilation, p. 339, as modified by Executive Order 11375 issued October 13, 1967, 3 CFR, 1967 Compilation, p. 320; The Civil Rights Act of 1964, Pub. L. 88-352, July 2, 1964, 78 Stat. 241 et sub.; to the State Acts approved July 28, 1961, Ill. Rev. Stat. 1979, Ch. 38, Secs. 13-1 to 13-4 inclusive; July 8, 1933, Ill. Rev. Stat. 1979, Ch. 29, Secs. 17 to 24 inclusive;

July 21, 1961, Ill. Rev. Stat. 1979, Ch. 48, Secs. 851 to 866 inclusive, and July 26, 1967, Ill. Rev. Stat. 1979, Ch. 48, Secs. 881 to 887; an ordinance passed by the City Council of the City of Chicago, August 21, 1945, page 3877 of the Journal of Proceedings (Mun. Code of the City of Chicago, Ch. 198, 7A); and the provisions of 41 CFR Chapter 60, and Part 21, Regulations of the Office of the Secretary of Transportation.

To demonstrate compliance, Lessees will furnish, and will obligate its contractors and subcontractors to furnish, such reports and information as is reasonably requested by the Chicago Commission on Human Relations.

Section 17.02 -- Non-Discrimination.

This Lease involves the use of or access to space on, over or under real property acquired or improved under the Airport Development Aid Program of the Federal Aviation Administration, and therefore involves activity which serves the public.

Lessees, for themselves, their personal representatives, successors in interest, and assigns, as part of the consideration hereof, do hereby covenant and agree, as a covenant running with the land, that (a) no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities; (b) that no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the construction of improvements on, over, or under such land and the furnishing of services thereon; and (c) that Lessees shall use the premises in compliance with all other requirements imposed by or pursuant to regulations of the Department of Transportation.

Section 17.03 -- Prohibition Against Exclusive Rights.

It is hereby specifically understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and City reserves the right to grant to others the privileges and right of conducting any one or all activities of an aeronautical nature.

Section 17.04 -- Non-Discrimination in Furnishing Services.

Lessees agree to furnish services on a fair and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit of service; provided, that Lessees may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions.

Section 17.05 -- Affirmative Action.

Lessees assure that they will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, religion, age, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessees assure that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any

program or activity covered by Subpart E. Lessees assure that they will require that their covered suborganizations provide assurances to Lessees that they similarly will undertake an affirmative action program and that they will require assurances from their organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

Article XVIII

Rules and Regulations; Compliance With Laws.

Section 18.01 -- Rules and Regulations.

(a) The Lessees and each of them shall comply, and shall use their best efforts to cause their passengers, guests, invitees, and independent contractors to comply with all Rules and Regulations governing the conduct and operation of the Airport, promulgated from time to time by the Commissioner, which are neither (i) inconsistent with the reasonable exercise by Lessees of any right or privilege granted to them hereunder or under any other agreement between any Lessees and City relating to the Airport, nor (ii) inconsistent with the rules, regulations or orders of any Federal or State agency having jurisdiction with respect thereto.

(b) Nothing herein shall be construed to prevent Lessees and each of them from contesting in good faith any Rule or Regulation of the Airport, without being considered in breach hereof so long as such contest is diligently commenced and prosecuted by Lessees. Lessees shall be excused from complying with any Rule or Regulation of the Airport during any contest unless the Commissioner reasonably determines that failure to comply with such Rule or Regulation constitutes a health or safety hazard to users of the Airport.

(c) City shall supply Lessees with five (5) sets of City's current Rules and Regulations. Except in cases of emergency, no Rule or Regulation shall be applicable to a Lessee until the Lessee has been given fifteen (15) days notice of the adoption thereof.

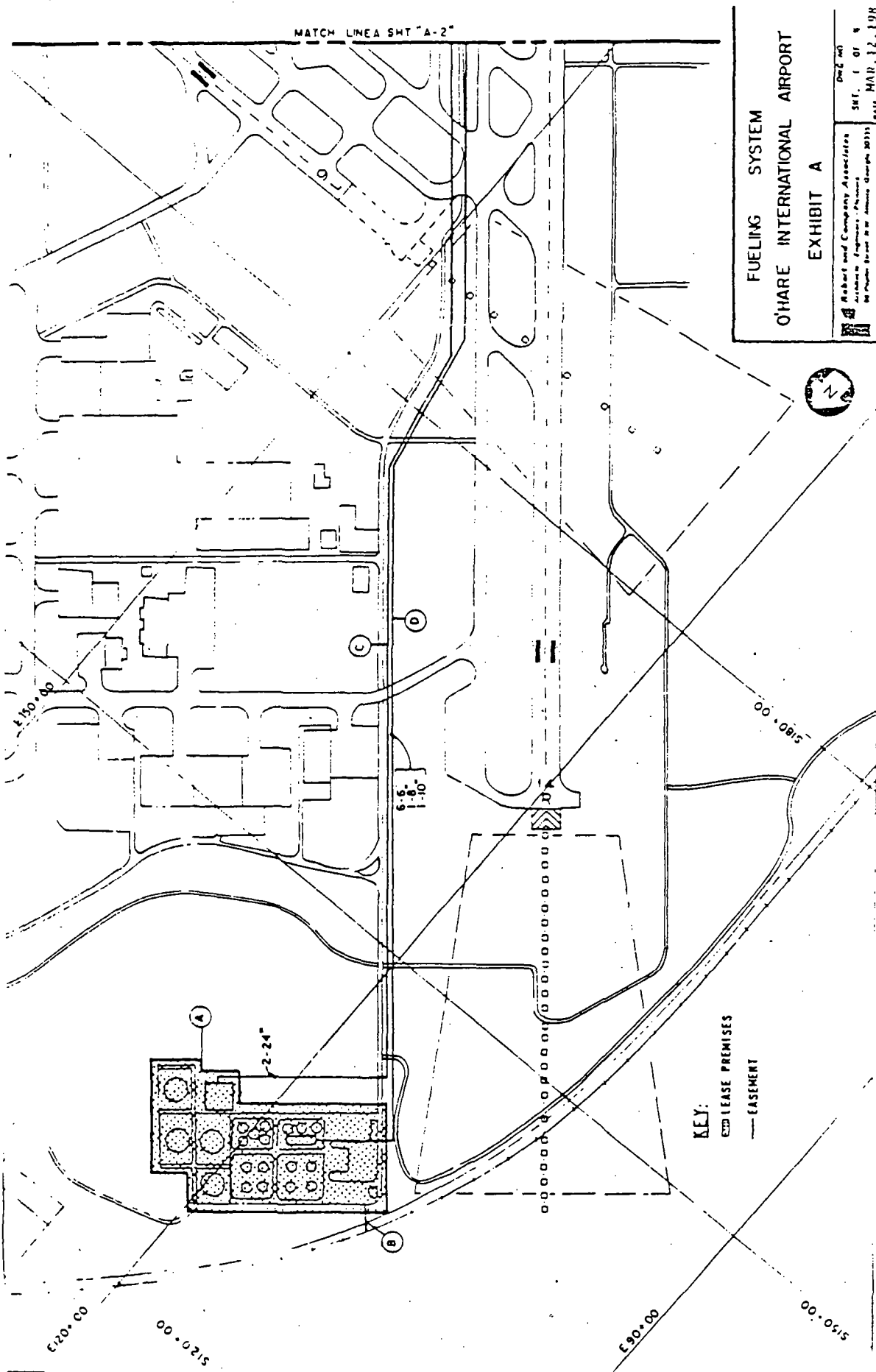
Section 18.02 -- Compliance with Laws.

City and Lessees shall comply with all applicable federal, state and local laws, codes, regulations, ordinances, rules and orders; provided, however, that City or Lessees may, without being considered to be in breach hereof, contest any such laws so long as such contest is diligently commenced and prosecuted by City or Lessees, as the case may be.

In Witness Whereof, City has caused this Lease to be executed on its behalf by its Mayor, pursuant to due authorization of the City Council of City, and its seal to be hereunder affixed and attested by the City Clerk of City, and each Lessee has caused this Lease to be executed on its behalf by its authorized representatives.

[Signature forms omitted for printing purposes.]

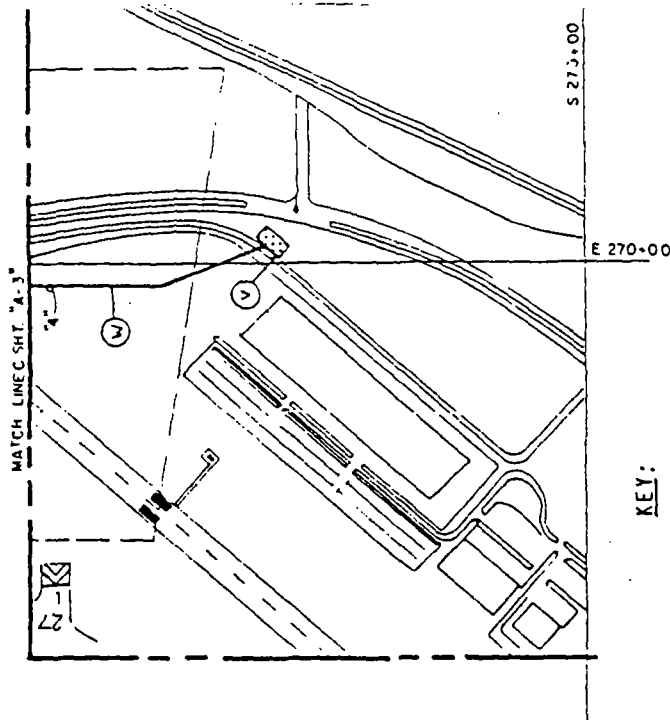
[Exhibit A printed on pages 15681
thru 15684 of this Journal.]



LEGEND

ITEM	CLASSIFICATION	APPROX. AREA
A. TANK FARM	LEASED PREMISES	39.4 ACRES
B. SUPPLY PIPELINE	EASEMENT	5' WIDE, 1200' LONG
C. TRANSFER PIPING	EASEMENT	10' WIDE, 11,040' LONG
D. TRANSFER PIPING	EASEMENT	20' WIDE, 9,800' LONG
E. BREAKOUT MANIFOLD	LEASED PREMISES	576 SQ. FT.
F. TRANSFER PIPING	EASEMENT	10' WIDE, 4,560' LONG
FI. TRANSFER PIPING	EASEMENT	5' WIDE, 4,920' LONG
G. CARGO SATELLITE	LEASED PREMISES	1.5 ACRES
H. ISOLATION VALVE PIT TERMINAL I	LEASED PREMISES	1,513 SQ. FT.
I. ISOLATION VALVE PIT CONCOURSE E & F	LEASED PREMISES	755 SQ. FT.
J. ISOLATION VALVE PIT CONCOURSE G	LEASED PREMISES	490 SQ. FT.
K. ISOLATION VALVE PIT CONCOURSE H	LEASED PREMISES	520 SQ. FT.
L. ISOLATION VALVE PIT CONCOURSE K	LEASED PREMISES	700 SQ. FT.
M. ISOLATION VALVE PIT CONCOURSE L	LEASED PREMISES	490 SQ. FT.
N. BACK FEED PIPING	EASEMENT	10' WIDE, 3,900' LONG
P. SUPER SATELLITE FACILITY	LEASED PREMISES	1.55 ACRES
Q. GLYCOL DISPENSING FACILITY	LEASED PREMISES	1.5 ACRES
R. L.A.T. MAINT. BLDG. 40' X 70'	LEASED PREMISES	
S. AVIATION & AUTOMOTIVE GASOLINE FACILITY	LEASED PREMISES	
T. TRUCK FILL STAND	LEASED PREMISES	2.75 ACRES
U. TRUCK FILL & INTERNATIONAL TERMINAL SATELLITE		
V. REMOTE GLYCOL DELIVERY	LEASED PREMISES	0.2 ACRES
W. TRANSFER PIPING	EASEMENT	5' WIDE, 5,850' LONG
X. ISOLATION VALVE PIT SW CARGO	LEASED PREMISES	484 SQ. FT.
Y. TRANSFER PIPING	EASEMENT	10' WIDE, 7,150' LONG
Z. HYDRANT PITS SW CARGO*		

LEASED PREMISES (TOTAL) 47.03

KEY:

--- LEASE PREMISES
 — EASEMENT

FUELING SYSTEM
 O'HARE INTERNATIONAL AIRPORT
 EXHIBIT A



Robert and Company Associates
 Architects - Engineers - Planners
 1600 North Dearborn Street, Chicago, Illinois 60610
 SHEET 4 OF 4
 DATE: MAR. 17, 1985

*Project will consist of six hydrant pits and connecting lines, cost not to exceed \$1.5 million. Project scope shall be reduced as necessary to allow completion within \$1.5 million.

*Exhibit B**Fueling System Design and Construction Procedures.*

Paragraph 1. Responsibility for Design and Construction. The Lessees shall undertake the design and construction of the Fueling System in accordance with the approved Drawings and Specifications. Accordingly, the Lessees will negotiate or bid and award design and construction contracts and supervise the design, construction and installation of the Fueling System throughout until its completion.

Paragraph 2. Financing; Obligation to Complete the Fueling System. So long as City has the power and right, in accordance with all applicable laws, ordinances, rules, regulations, and orders (other than those of City) to issue General Airport Revenue Bonds or Junior Lien Obligations, City shall, at the request of the Lessee, by Majority-in-Interest approval, and pursuant to Section 8.02 of the Airport Use Agreement, diligently proceed to issue General Airport Revenue Bonds or Junior Lien Obligations, or both, in an amount stated by the Lessees to be sufficient to fund the cost of designing, constructing and equipping the Fueling System (including reimbursing American Airlines, Inc. and Delta Air Lines, Inc. for the cost of relocating Fueling Satellites V and VI, respectively, as provided in the certificate of the Airlines' Representative certifying Majority-in-Interest approval therefor), and to fund all related costs of issuance and associated financing costs, including but not limited to, costs of capitalized interest, debt service coverage requirements, credit facility fees and required deposits into any debt service reserve fund or other fund established in the ordinance or resolution authorizing such obligations. In the event that the City determines that it is not practicable to issue, in a single issue, General Airport Revenue Bonds or Junior Lien Obligations in the amount requested by Lessees, then Lessees, by Majority-in-Interest approval, may either withdraw such request or agree that the City shall issue such lesser amount of General Airport Revenue Bonds or Junior Lien Obligations as the City determines is then practicable. The debt service on such General Airport Revenue Bonds and Junior Lien Obligations, including the associated financing costs, shall be repaid to the City by Lessees as Fueling System Fees and allocated among Lessees as provided for in the Airport Use Agreement; nothing herein shall require any Lessee by reason of any such financing to guarantee or pledge as security its credit or assets or otherwise violate any of its other obligations or agreements.

Subject to the limitations set forth herein and in Exhibit A, the Lessees shall proceed with the design, acquisition, construction and installation of the Fueling System as promptly as practicable after the first issuance of General Airport Revenue Bonds or Junior Lien Obligations issued to finance the cost of design and construction of the Fueling System. Subject to the Force Majeure provisions hereof and to the availability of financing as provided above, Lessees agree to complete the acquisition, construction and installation of the Fueling System in accordance with the approved Drawings and Specifications with all reasonable dispatch. The City does not make any warranty either express or implied, or representation that the moneys available from the proceeds of the sale of General Airport Revenue Bonds or Junior Lien Obligations for the design and construction of the Fueling System will be sufficient to pay all the costs incurred therefor. Lessees agree that if after exhaustion of the moneys from the proceeds of the sale of General Airport Revenue Bonds or Junior Lien Obligations available for the payment of the costs of design and construction of the Fueling System, Lessees nevertheless choose to pay any portion thereof, they shall not be entitled to any reimbursement therefor; provided, however, that nothing herein

contained shall be construed to prohibit the reimbursement to American Airlines, Inc. and Delta Air Lines, Inc. for the costs of relocation of Fueling Satellites V and VI, respectively, as provided in Exhibit A to the Lease to which this Exhibit B is attached. The obligation of Lessees to complete the Fueling System as set forth in this Paragraph 2 shall survive any termination of the Lease to which this Exhibit B is attached.

Paragraph 3. Compliance with Laws and Regulations. Lessees shall obtain or cause to be obtained all necessary approvals from any and all governmental agencies in connection with the construction of the Fueling System, which shall be constructed in compliance with all federal, state and local laws, ordinances and regulations applicable thereto. To the extent that the City, as owner or as operator of the Airport, is required to apply for or request any particular approval, license or permit, or similar authorization, it shall promptly do so at Lessees' request; and any expense thereby incurred by the City shall be considered a cost of the Fueling System and reimbursed to the City. Upon completion of the construction of the Fueling System, Lessees shall furnish the City with copies of any and all required permits and authorizations from appropriate authorities authorizing the use of the Fueling System for the purposes contemplated hereunder.

Paragraph 4. Coordination with City. The Lessees shall design and construct the Fueling System in accordance with the following procedures:

(a) City Supervising Consultant -- The Commissioners shall designate a supervising consultant (the "Supervising Consultant") which shall act on behalf of the City with respect to all matters related to the design and construction of the Fueling System and the coordination thereof with the operation of the Airport. The Supervising Consultant's duties shall be the processing of drawings and specifications for review and approval, the processing of disbursements from the Construction Fund upon the submission by the Lessees of a request therefor pursuant to Paragraph 6 hereof, and the inspection of work in progress, including any inspection required by the City or pursuant to City ordinance or regulation except those inspections performed by the Department of Inspectional Services, the Fire Department and other departments of the City having similar jurisdiction over inspections at the Airport. All communications by the City to the Lessees or from the Lessees to the City with respect to the design, construction, quality assurance, inspection, acceptance and payment of the Fueling System shall be made in the first instance by or through the Supervising Consultant.

The City shall provide for the Lessees' review in November or December of each year during the term hereof, a definitive statement of Supervising Consultant services and required manpower and dollar budgets by month, with regard to the Fueling System for the following calendar year. The City shall provide the Lessees a detailed review and analysis of actual expenditures against budgets, including reallocation of budgets if required, with regard to the Fueling System on a semi-annual basis. More frequent budget reviews will be provided at the Lessees' request.

The City shall provide the Lessees monthly invoices that describe time charges of Supervising Consultant staff assigned to the Fueling System. Lessees may, within ten (10) days of such provision, request a meeting with City to review and discuss such invoices. The City shall hold such meeting or provide Lessees with a reasonable opportunity for such meeting, and give due consideration to Lessees' concerns and recommendations regarding

such invoices. Lessees may request further City review and audit of all Supervising Consultant invoices with regard to the Fueling System at any time. Lessees shall, upon request, receive copies of all such audits performed by City. All requests by Lessees under this subparagraph (a) may be made by a Majority-in-Interest. The cost of the Supervising Consultant for services actually rendered in connection with the Fueling System project shall be reimbursed to the City as a cost of the Fueling System. The City agrees to use its best efforts to keep the cost of such services as low as reasonably practicable, and in no event shall the aggregate amount of reimbursement to the City hereunder exceed One Million Dollars (\$1,000,000).

(b) Lessees' Project Manager -- The Lessees shall designate one or more project managers (collectively, the "Project Manager") each of whom shall act on behalf of the Lessees with respect to all matters related to the planning, design, construction and activation of that part of the Fueling System for which he is responsible and the coordination thereof with the operation of the Airport. All communications by the Lessees to the City or from the City to the Lessees with respect to the planning, design, construction and activation of the Fueling System shall be made in the first instance by or through the appropriate Project Manager.

(c) Design Schedule -- The Lessees will submit, or cause to be submitted, to the Commissioners through the Supervising Consultant the proposed design schedule for each major Fueling System component and for the two major systems of the Fueling System for review and comment before the ten percent (10%) design level for each such major component and for each such system, respectively, is reached. Such design schedule and all amendments thereto (the "Design Schedule") shall be subject to the approval of the Commissioners acting through the Supervising Consultant, which approval shall not be unreasonably withheld. The Commissioners acting through the Supervising Consultant will approve, conditionally approve or disapprove submissions of such Design Schedule within ten (10) business days following receipt thereof. Any conditional approval or disapproval shall be accompanied by an explanation as to the reason therefor.

(d) Drawings and Specifications -- The Lessees will submit, or cause to be submitted, to the Commissioner acting through the Supervising Consultant, at the appropriate stages of the approved Design Schedule, conceptual drawings, preliminary drawings and final or contract drawings for the Fueling System for review and comment. Such proposed drawings and specifications and all amendments thereto (the "Drawings and Specifications") shall be subject to the approval of the Commissioners acting through the Supervising Consultant, which approval shall not be unreasonably withheld. The Commissioners acting through the Supervising Consultant will approve, conditionally approve or disapprove submissions of any such Drawings and Specifications within ten (10) business days following receipt thereof. Any conditional approval or disapproval shall be accompanied by an explanation as to the reason therefor. Lessees may proceed with any approved Drawings and Specifications, any approved portions of any conditionally approved Drawings and Specifications, and any conditionally approved Drawings and Specifications upon compliance with any conditions. Lessees shall revise and resubmit any disapproved Drawings and Specifications and, if Lessees disagree with any conditions, any conditionally approved Drawings and Specifications. The Commissioners acting through

the Supervising Consultant shall review such resubmitted Drawings and Specifications as provided for above.

(e) Construction Schedules and Site Utilization Plans -- At the time of submission of the proposed preliminary drawings and again at the time of submission of the final or contract drawings as provided in subparagraph (d) above, the Lessees shall submit to the Commissioners through the Supervising Consultant for preliminary approval and final approval, respectively, which approvals shall not be unreasonably withheld, (i) initial and updated construction schedules indicating the proposed and/or actual sequence of all construction and the estimated date of completion of each major component, segment or phase of the Fueling System, and (ii) initial and updated site utilization plans, including contract limit lines, storage and office areas and proposed temporary alterations or detours intended to maintain access and support services, to, from, through or past operating facilities and active construction at the Airport. The Commissioners acting through the Supervising Consultant will approve, conditionally approve or disapprove submissions of such construction schedules and site utilization plans within ten (10) business days following receipt thereof. Any conditional approval or disapproval shall be accompanied by an explanation as to the reason therefor, which, as a reason, may include interference with one or more specified Airport Development Plan projects and, as a condition, may include payment by the Lessees of any specified additional costs identifiable as resulting from such interference. Lessees may proceed with any approved construction schedule and site utilization plan, any approved portions of any conditionally approved construction schedule and site utilization plan, and any conditionally approved construction schedule and site utilization plan upon compliance with any conditions. Lessees shall revise and resubmit any disapproved construction schedule and site utilization plan and, if Lessees disagree with any conditions, any conditionally approved construction schedule and site utilization plan. The Commissioners acting through the Supervising Consultant shall review such resubmitted construction schedule and site utilization plan as provided for above. Upon final approval final schedules and site utilization plans will be included in the bid documents.

The Commissioners acting through the Supervising Consultant shall have the right to halt construction of any Fueling System project at any time if the construction of the project is at material variance with the construction schedules or site utilization plans approved pursuant hereto or if such construction poses an immediate safety hazard at the Airport. The City covenants to cooperate and use its best efforts to alleviate and resolve any impediment to the safe operation of the Airport so as to permit continuation of construction as expeditiously as possible.

(f) Fast Track Construction; Quality Control -- It is understood and agreed that the design and construction of the Fueling System will proceed on a Fast Track basis. Lessees may proceed with subsoil investigation and topographical survey of the site following receipt of approval of the conceptual drawings. After receipt of approval of the preliminary drawings, Lessees may submit for approval specific items, such as foundation drawings and site improvements, and the Commissioners, acting through the Supervising Consultant, shall review such item in order to allow Lessees to start construction prior to submission and approval of final or contract drawings.

It is understood and agreed that fast tracking of the Fueling System will in no way be taken to mean any lessening of the City's usual standards for quality control of construction. Lessees agree to make arrangements for full time inspection coverage plus quality control testing which will, at a minimum, provide for:

- (i) Sampling, testing, and plant inspection for concrete work.
- (ii) Compaction test verifications for backfill material.
- (iii) Pavement materials testing if/as encountered.
- (iv) Verification of welders certifications and 100% test coverage for all pipeline welding work.
- (v) Tests for coatings and cathodic protection elements of the pipeline work.

The Lessees further agree to cause the above items to be written into the construction documents and to require the Lessees' inspection service to prepare a quality control plan prior to the start of construction (in whole or in fast track increments). A copy of the quality control plan shall be furnished to the Supervising Consultant for review and comments.

(g) Monitoring of Construction -- The Commissioners through the Supervising Consultant shall have the right to monitor the construction of the Fueling System to assure that the facilities which comprise the Fueling System are constructed and installed in conformity with the approved Drawings and Specifications. The Project Manager shall submit, or cause to be submitted, to the Commissioners through the Supervising Consultant, for information and record purposes, copies of all (i) field and factory test reports, (ii) equipment purchase orders reflecting a cost in excess of \$100,000, (iii) material certificates, (iv) approved shop drawings, (v) progress reports, (vi) maintenance and operations manuals for the Fueling System, (vii) as-built drawings, (viii) copies of all executed construction contracts and (ix) any other documents related to the Fueling System which may be reasonably requested by the Commissioners acting through the Supervising Consultant. No material change order with respect to the Drawings and Specifications shall be affected by the Lessees without the approval of the Commissioners acting through the Supervising Consultant, which approval shall not be unreasonably withheld. The Commissioners acting through the Supervising Consultant will approve, conditionally approve or disapprove submissions of change orders within ten (10) business days following receipt thereof. Any conditional approval or disapproval shall be accompanied by an explanation as to the reason therefor. Lessees may proceed with any approved change orders, any approved portions of any conditionally approved change orders, and any conditionally approved change orders upon compliance with any conditions. Lessees shall revise and resubmit any disapproved change orders and, if Lessees disagree with any conditions, any conditionally approved change orders. The Commissioners, acting through the Supervising Consultant, shall review such resubmitted change orders as provided for above.

Lessees and the City, acting through the Supervising Consultant, shall schedule inspections of completed portions of work to permit City an opportunity to determine

compliance of that portion of the work with applicable approved Drawings and Specifications.

In the event the Commissioners acting through the Supervising Consultant determine that the construction of any Fueling System work or component is at material variance from the approved Drawings and Specifications, the Commissioners acting through the Supervising Consultant shall use their best efforts to expeditiously resolve such variance through immediate consultation with the Project Manager. If such consultation fails to achieve a satisfactory result, the Commissioners acting through the Supervising Consultant shall have the right to halt construction of such Fueling System component until such variance is corrected. The City covenants to cooperate and use its best efforts to alleviate and resolve any such variance so as to permit continuation of construction as expeditiously as possible.

(h) Non-interruption of Fueling Service; Interface with Airport Development Plan Projects -- During the period of design, construction and installation of improvements to the Fueling System, the Lessee shall provide, to the maximum extent possible, continuous, uninterrupted service from the existing Fueling System to the users of the existing Fueling System.

Paragraph 5. Access for Construction. The Lessees, their Project Manager, architects, engineers and contractors, shall have access to areas of the Airport in addition to the Fueling System Site necessary for the design and construction of the Fueling System, provided that such access shall not unreasonably interfere with the operation or safety of the Airport or the implementation of the Airport Development Plan. The Commissioners acting through the Supervising Consultant shall have authority to arrange and shall arrange such access.

Paragraph 6. Disbursement from the Construction Fund. (a) Upon receipt from the Lessees of a request in the form attached signed by the Airlines' Representative and the certificate described below, the City shall submit a requisition to the Trustee for disbursement from the Construction Fund of amounts for payment of the design and construction of the Fueling System. With respect to any such requisition or payment for work, material, supplies or equipment, Lessees shall also submit partial or complete lien waivers, as appropriate, executed by subcontractors and material suppliers, accompanied by a certificate, signed by the Architect, certifying that (i) insofar as such obligation was incurred for work, material, supplies or equipment in connection with the construction of the Fueling System, such work was actually performed or such materials, supplies or equipment were actually used in compliance with the approved Drawings and Specifications or delivered at the site of the Fueling System or a site mutually agreeable to the Lessees and the contractor for that purpose, (ii) such costs are presently due and payable and each item thereof is a proper charge against the Construction Fund and has not been paid and (iii) no part of such costs was included in any other request previously submitted hereunder. Notwithstanding the foregoing, such certificate by the Architect shall state that it is given without prejudice to any rights which exist at the date of such certificate or which may subsequently come into being.

(b) Lessees covenant that the proceeds disbursed to them hereunder from the Construction Fund will be used for the purposes described in Lessees' request for disbursement.

(c) Each requisition will be consecutively numbered and accompanied by copies of invoices or other appropriate documentation supporting the payments or reimbursements requested.

(d) In the case of any contract providing for the retention of a portion of the contract price, there shall be paid from the Construction Fund, prior to the date such retention is payable, only the net amount remaining after deduction of any such portion until such retention is payable, in which event payment may be made therefor from the Construction Fund.

(e) Lessees shall not permit any mechanics' or other liens to be established or remain against the Fueling System for labor or materials furnished in connection with the acquisition, construction and installation of the Fueling System; provided that Lessees may, with prior written notice to the City, in good faith contest any mechanics' or other liens filed or established or remaining against the Fueling System for labor or materials furnished in connection with the acquisition, construction and installation of the Fueling System; and in such event Lessees may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, unless the City shall determine that by non-payment of any such items the lien or security interest of the General Airport Revenue Bond Ordinance as to any material part of the Fueling System Fees will be materially and imminently endangered or the Fueling System, or any material part of either thereof, or the revenues derived therefrom will be subject to imminent loss or forfeiture, in which event Lessees shall promptly pay and cause to be satisfied and discharged all such unpaid items. The City will cooperate fully with Lessees in any such contest.

Paragraph 7. Establishment of Completion Date. The Completion Date shall be evidenced by a certificate signed by the Architect stating that (a) construction of the Fueling System has been completed in accordance with the requirements of the approved Drawings and Specifications and all labor, services, materials and supplies used in such construction have been paid for, and (b) all other facilities necessary in connection with the Fueling System have been acquired, constructed and installed in accordance with the approved Drawings and Specifications and all costs and expense incurred in connection therewith have been paid. Notwithstanding the foregoing, such certificate may set forth exceptions for punchlist and other minor items and shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being. It shall be the duty of the Lessees to cause the certificate contemplated by this paragraph 7 to be furnished as soon as the Fueling System shall have been completed. Subject to completion of the punchlist and other minor items, the City shall accept the Fueling System upon receipt of the Certificate.

Paragraph 8. Enforcement of Remedies Against Contractors and Subcontractors and their Sureties; Conditional Assignment of Contracts. The Lessees covenant that upon request by City at any time prior to the Completion Date (except that such request may be made after Completion Date with respect to punchlist and other minor items set forth as

exceptions in the certificate delivered pursuant to paragraph 7 hereof) they will take such action and institute such proceedings as shall be necessary to cause and require all contractors and material suppliers and sureties to complete their contracts diligently in all material respects in accordance with the terms of said contracts, including, without limitation, the correcting of any defective work; and the City agrees that the Lessees may, from time to time, in their own name, or in the name of the City when approved by the City, take such action as may be necessary or advisable, as determined by the Lessees, to insure that the Fueling System will be acquired, constructed and installed in accordance with the terms of such construction contracts.

The Lessees agree that they will include in each contract entered into after the date hereof, and will use their best efforts to include by amendment in each contract entered into before the date hereof, with the Architect, the general contractor, any other contractor or supplier under a contract directly with the Lessees which provides for the payment of a contract sum or price in excess of \$250,000, and any other contractors that the City or the Trustee may deem necessary who are retained or employed directly by the Lessees in connection with the Fueling System (all such contracts being hereinafter collectively called the "Contracts", and the Architect and all such contractors and suppliers being hereinafter collectively called the "Contractors"), a clause designating the City and the Trustee as third-party beneficiaries of the contracts and assessing all interests, rights, duties, and obligations granted, imposed, or assumed under the terms of that Contract to the City and the Trustee, as their respective interests may appear, upon the occurrence of the following conditions precedent: (a) (i) an event of default under the Lease to which this Exhibit B is attached (including a default under any Exhibits thereto) shall have occurred and be subsisting for thirty (30) days following notice of such default given by the City to the Lessees and (ii) the City and the Trustee shall notify the Contractor of such default and request continued performance by the Contractor and promise to reimburse the Contractor in accordance with the terms of the Contract for all services, work, labor, and materials rendered thereunder or (b) upon completion of the Project. Upon satisfaction of the conditions precedent, the City shall accept such assignment or assignments and shall assume all duties and obligations of the Lessees granted, imposed, or assumed by each Contract. As soon as reasonably practicable after the execution of each contract with any of the Contractors, the Lessees agree that they will deliver to the City and to the Trustee a letter addressed to the City on behalf of itself and the Trustee from each of the Contractors acknowledging such conditional assignments and stating that in the event such assignments become operative, said Contractors will, at the request of the City and the Trustee, continue performance under their respective contracts with the Lessees in accordance with the terms thereof, provided they are reimbursed in accordance with said Contracts for all services, work, labor and materials rendered under such Contractors, respectively.

Paragraph 9. Insurance Maintained by Lessees. The Lessees shall maintain, or cause to be maintained, the following insurance policies which shall be a cost of the Fueling System:

(a) From and after the commencement of construction and until the Completion Date, (i) builder's risk insurance providing complete coverage for the replacement value or estimated replacement value of the Fueling System as it progresses and covering equipment in the process of being installed and all materials while stored on the site of the Fueling System, or elsewhere, whenever title has passed to the Lessees or the City from a

contractor or supplier, and naming the City, the Trustee, and the contractor and contractors, as their interests may appear, as insureds, provided that the Lessees may satisfy this requirement by requiring the general contractor for the Fueling System to provide such insurance, but in such event such contractor shall provide duplicate insurance policies or certificates of insurance to the City, the Lessees and the Trustee prior to the commencement of construction, and (ii) such coverage as is normally carried by corporations to cover liability under the Illinois Scaffold Act, provided that this obligation also may be satisfied by requiring the general contractor to provide such coverage and duplicate policies or certificates of insurance to the City, the Lessees and the Trustee, as provided above.

(b) Workers Compensation coverage as required by the laws of the State of Illinois.

Lessees agree to require the Architect to carry professional liability insurance in an amount at least equal to \$5,000,000 without deductibles. The policy evidencing such insurance shall be carried in the name of the City, the Lessees and the Trustee as insureds as their interests may appear and shall extend coverage to the Fueling System. Such insurance shall be required to be effective for a period commencing upon the start of construction and ending upon the tenth anniversary date of substantial completion of the Fueling System.

Prior to the commencement of construction of the Fueling System, Lessees shall furnish to the City and the Trustee a certificate or certificates of insurance evidencing the coverage required in this Paragraph 9.

Paragraph 10. Force Majeure; Excused Performance.

(a) If by reason of force majeure the Lessees are unable in whole or in part to carry out the agreements of the Lessees on their part herein contained, the Lessees shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States or of the State of Illinois or the City of Chicago or any of their departments, agencies, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquake; fire; hurricanes; storms; floods; washouts; droughts; arrest; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Lessees; it being agreed that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of each affected Lessee.

(b) The Lessees shall be excused from performance of their obligations for design, construction and installation hereunder during such time and to such extent as such performance shall be made impossible by reason of the City (i) withholding any approval or (ii) halting any construction as provided hereunder.

Paragraph 11. Disadvantaged and Women Business Enterprises. The Lessees shall provide for participation of Disadvantaged Business Enterprises ("D.B.E.s") and Women Business Enterprises ("W.B.E.s") in the construction of the Fueling System. The Lessees

shall establish a D.B.E. and W.B.E. policy, a D.B.E. and W.B.E. Liaison, a numerical goal, affirmative action procedures for negotiating contracts, a standard of D.B.E. and W.B.E. eligibility, and a reporting procedure as follows:

(a) Policy -- The following statement represents the Lessees' policy regarding Equal Opportunity and a D.B.E. and W.B.E. program:

The Lessees are committed to providing maximum opportunity for Disadvantaged Business Enterprises and Women Business Enterprises in their construction projects. Neither the Lessees, nor their contractors, shall discriminate on the basis of race, color, religion, sex or national origin in the award and performance of contracts to be utilized for any of the Lessees' construction projects. Furthermore, affirmative action will be taken, consistent with sound procurement policies and applicable law, to ensure that Disadvantaged Business Enterprises and Women Business Enterprises are afforded a fair and representative opportunity to participate in Lessees' construction project contracts.

This policy shall be stated in all contracts executed for construction of the Fueling System, circulated to all employees of the Lessees in affected departments, and made known to disadvantaged and women entrepreneurs.

(b) Liaison -- To ensure compliance and the successful management of the Lessees' D.B.E. and W.B.E. program, the Lessees shall establish a D.B.E. and W.B.E. Liaison with the City for the Fueling System. Further, all personnel of the Lessees with responsibilities in the supervision of Fueling System contracts are to see that actions are performed consistent with the affirmative action commitments of this Paragraph 11.

(c) Goal -- The goal of the Fueling System for participation by D.B.E.s and W.B.E.s in the contracts awarded for the Fueling System shall be to achieve D.B.E. participation at least to the degree of twenty-five percent (25%) and W.B.E. participation at least to the degree of two percent (2%) of the total cost of the contracts for the design and construction of the Fueling System. The Lessees will make a good faith effort to achieve the goals established by this Paragraph 11(c).

(d) Affirmative Action Procedures -- The Lessees and their contractors shall employ the following procedures as appropriate to foster contracts with D.B.E.s and W.B.E.s for services to the Fueling System:

(i) the giving of timely notice to the disadvantaged and women business communities, to DBE and WBE assistance agencies, and to DBE and WBE contractor associations of the intent to award contracts for work included in the Fueling System;

(ii) the establishment of numerical DBE and WBE goals as part of individual prime subcontracts of the Fueling System, and in other subcontracts resulting therefrom, apportioned in such a manner that the overall DBE and WBE goals of the Fueling System as established by Paragraph 11(c) hereof might be achieved;

(iii) the seeking of joint ventures with DBEs and WBEs that make the DBEs and WBEs responsible for a clearly defined portion of the work that is the subject of the joint venture; and

(iv) the seeking of DBE and WBE suppliers and manufacturers for materials and supplies for the Fueling System. (Participation of non-manufacturing DBE and WBE suppliers shall be credited toward the DBE and WBE goals at 20% of the dollar value of any contract for supplies.)

(e) Eligibility -- Any person, firm, partnership, corporation or other legal entity shall be eligible as a DBE and WBE for purposes of meeting the goals established in Paragraph 11(c) hereof if (i) it is a small business concern, as defined by Section 3 of the United States Small Business Act and implementing regulations thereof, (ii) with respect to a DBE, at least 51% of it is owned by one or more socially and economically disadvantaged individuals, or in the case of any publicly owned business, at least 51% of the stock of which is owned by one or more socially and economically disadvantaged individuals, and with respect to a WBE, at least 51% of it is owned by one or more women, or in the case of a publicly owned business, at least 51% of the stock of which is owned by one or more women, (iii) the management and daily business operations of it are controlled by, in the case of DBE, one or more of the socially and economically disadvantaged individuals who own it, and in the case of a WBE, one or more of the women who own it, and (iv) it is certified by the City's designated DBE and WBE Liaison Officer. "Socially and economically disadvantaged individuals" means those individuals who are citizens of the United States (or lawfully admitted permanent residents) and who are Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans or Asian-Indian Americans and any other minorities or individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8 (a) of the Small Business Act. The City shall make a rebuttable presumption that individuals in the following groups are socially and economically disadvantaged. The City also may determine, on a case-by-case basis, that individuals who are not a member of one of the following groups are socially and economically disadvantaged.

(i) "Black Americans", which includes persons having origins in any of the Black racial groups of Africa;

(ii) "Hispanic Americans", which includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race;

(iii) "Native American", which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;

(iv) "Asian-Pacific Americans", which includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific, and the Northern Marianas; and

(v) "Asian-Indian Americans", which includes persons whose origins are from India, Pakistan, and Bangladesh.

(f) Reporting -- At quarterly intervals beginning with the first day of the first calendar quarter immediately following execution of the Lease to which this Exhibit B is attached, the DBE and WBE Liaison shall submit to the City a DBE and WBE progress report that lists the following items:

(i) the total amount of prime subcontract awards during the quarter, and for any contract awards to DBEs and WBEs resulting therefrom, the name of the DBE or WBE and the amount of the contract with the DBE and WBE;

(ii) the cumulative value of all prime subcontract awards to date, and the total accumulation of all awards to DBEs and WBEs;

(iii) a projection of the total amount of prime subcontractors to be awarded and of DBE and WBE contracts to be awarded during the next quarter;

(iv) all DBE and WBE subcontractors that have been completed and for which final payment has been made during the quarter; and

(v) an evaluation of the overall progress to date towards the Fueling System's DBE and WBE goals as established by Paragraph 11(c) hereof.

Paragraph 12. Equal Employment Opportunity and Residency for Construction of the Fueling System. The Lessees shall adopt a goal for the Fueling System of 40% of the construction laborer hours to be performed by disadvantaged personnel, and of 25% of skilled trade hours to be performed by minority personnel, and shall employ its best efforts to meet the goal. The goal for female personnel shall be 10% of laborer hours, 9% of skilled trade hours, with every best effort applied to this goal. The Lessees shall adopt a goal for the Fueling System of 50% of construction labor hours and skilled trade hours to be performed by residents of the City of Chicago. These equal employment opportunity and residency goals shall be included in all prime subcontracts for construction work on the Fueling System.

The DBE and WBE Liaison shall submit to the City on a quarterly basis a report that includes the accumulated laborer hours and the accumulated skilled trade hours, the percentage of accumulated laborer hours and the percentage of accumulated skilled trade hours performed by disadvantaged and female personnel and City of Chicago residents, and a narrative evaluation of the overall progress to date towards the goal established by this paragraph 12.

Exhibit C
Election.

Whereas, the City of Chicago (the "City") and _____ (the "Airlines") have executed on the date hereof that certain Amended and Restated Fueling System Lease (the "Lease") relating to certain facilities at Chicago- O'Hare International Airport (the "Airport"); and

Whereas, the Tax Reform Act of 1984 (the "Act") has amended the provisions of the Internal Revenue Code of 1954, as amended (the "Code"), relating to the issuance of tax-exempt obligations; and

Whereas, the impact of the Act and of the Applicable Regulations, as below defined, on future issuance of tax-exempt obligations to provide facilities at the Airport is unclear at this time; and

Whereas, this election is being executed for the purpose of causing, to the extent possible, property that is considered not owned by the City solely by reason of the length of the lease to which it is subject, to be treated as owned by the City so that industrial development bonds qualifying for tax-exempt treatment under Section 103(a) of the Code will not be considered "private activity bonds" within the meaning of Section 103(n) (7) of the Code and Section 1.103(n)-2T of the temporary regulations published as T.D. 7981 on October 5, 1984, or any temporary, proposed or final regulations superseding such temporary regulations and effective with respect to this election (the "Applicable Regulations").

Now, therefore, the Airline, pursuant to Section 103(n) (7) (C) (iii) of the Code, and the regulations issued thereunder, hereby irrevocably elects, subject to the conditions hereinafter set forth, not to claim depreciation or an investment tax credit (within the meaning of the Applicable Regulations) with respect to any items of property (the "Project") described on Schedule I attached hereto.

The Airline and the City have agreed to negotiate in good faith, and execute such amendments to this election as are permitted or required by changes in the Applicable Regulations to accomplish the purposes set forth in the premises hereto.

This election is made by the Airlines as lessee under that certain Amended and Restated Fueling System Lease executed on the date hereof by and between the Airline and the City and shall be binding on any successor or successors in interest to the Airline under such agreements.

[Signature form omitted for printing purposes.]

AUTHORITY GRANTED TO EXECUTE AMENDED AND RESTATED
CHICAGO-O'HARE INTERNATIONAL AIRPORT USE
AGREEMENT AND TERMINAL FACILITIES
LEASE.

The Committee on Aviation submitted the following report:

CHICAGO, April 24, 1985.

To the President and Members of the City Council:

Your Committee on Aviation begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (which was referred on April 18, 1985) providing for the execution and adoption of the amended and restated Chicago-O'Hare International Airport Use Agreement and Terminal Facilities Lease.

This recommendation was concurred in unanimously by the members of the Committee.

Respectfully submitted,
(Signed) FRANK A. DAMATO,
Chairman.

On motion of Alderman Damato, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, City and each of American Airlines, Inc., Delta Air Lines, Inc., Northwest Airlines, Inc., Trans World Airlines, Inc., United Air Lines, Inc., and USAir, Inc. (together with Ozark Airlines, Inc., the "Airline Parties") have executed an Airport Use Agreement and Terminal Facilities Lease dated February 1, 1983, as amended by Amendment No. 1 dated April 1, 1983 and Amendment No. 2 dated June 1, 1983 thereto, and City and Ozark Airlines, Inc. have executed an Airport Use Agreement and Terminal Facilities Lease dated May 12, 1983, as amended by Amendment No. 1 dated May 12, 1983 and Amendment No. 2 dated June 1, 1983 thereto (collectively, the 1983 Airport Use Agreement");

WHEREAS, City and the Airline Parties enumerated above find it necessary and advisable to further amend and restate the 1983 Airport Use Agreement and Exhibits L and N thereto in the form of this Amended and Restated Airport Use Agreement and Terminal Facilities Lease and new Exhibits L and N; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Amended and Restated Airport Use Agreement and Terminal Facilities Lease, together with new Exhibits L and N thereto, attached hereto between the City and each of the Airline Parties are hereby authorized and approved. The Mayor, the Comptroller and the Commissioner of the Department of Aviation are hereby authorized to execute the Amended and Restated Airport Use Agreement and Terminal Facilities Lease in substantially the form attached hereto and the City Clerk is authorized to attest and

affix the seal of the City of Chicago, after approval by the Corporation Counsel as to form and legality.

SECTION 2. This ordinance shall be in full force and effect from and after its adoption.

Agreement attached to this ordinance reads as follows:

Amended And Restated Airport Use Agreement And
Terminal Facilities Lease

This Agreement, dated as of January 1, 1985, by and between the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois ("City"), and _____, a corporation organized and existing under the laws of the State of _____ ("Airline"),

Witnesseth:

Whereas, City owns and operates the Airport (as hereinafter defined) and has the power to grant rights and privileges with respect thereto;

Whereas, City and each of American Airlines, Inc., Delta Air Lines, Inc., Northwest Orient Airlines, Inc., Trans World Airlines, Inc., United Air Lines, Inc., and USAir, Inc. have executed an Airport Use Agreement and Terminal Facilities Lease dated February 1, 1983, as amended by Amendment No. 1 dated April 1, 1983 and Amendment No. 2 dated June 1, 1983 thereto, and City and Ozark Air Lines, Inc. have executed an Airport Use Agreement and Terminal Facilities Lease dated May 12, 1983, as amended by Amendment No. 1 dated May 12, 1983 and Amendment No. 2 dated June 1, 1983 thereto (collectively, the "1983 Airport Use Agreement");

Whereas, City and the Airline Parties (as hereinafter defined) enumerated above find it necessary and advisable to further amend and restate the 1983 Airport Use Agreement in the form of this Amended and Restated Airport Use Agreement and Terminal Facilities Lease; and

Whereas, City and Airline have agreed upon the Airport Development Plan (as hereinafter defined) and desire to set forth their agreement regarding the financing and construction of the facilities and improvements included in the Airport Development Plan and their respective rights and obligations regarding the use and operation of the Airport;

Now, therefore, in consideration of the premises and of the mutual covenants and agreements herein contained, City and Airline agree as follows:

ARTICLE I

DEFINITIONS.

Section 1.01 -- Definitions.

The following words, terms and phrases, shall, for purposes of this Agreement, have the following meanings:

(1) "Additional Footage" means, at any time, for each Airline Party, that number of square feet of premises equal to the number of square feet of such Airline Party's Exclusive Use Premises at such time minus the number of square feet of such Airline Party's Existing Footage at such time. Except as otherwise expressly provided in Sections 5.05 and 9.11, all references to an Airline Party's "Additional Footage", "Existing Footage" or "Exclusive Use Premises" shall be references to premises with respect to which such Airline Party's Date of Beneficial Occupancy has occurred.

(2) "Agreement" means this Amended and Restated Airport Use Agreement and Terminal Facilities Lease, as hereinafter amended or supplemented from time to time in accordance with its terms.

(3) "Air Transportation Business" means the carriage by aircraft of persons or property as a common carrier for compensation or hire, or the carriage of mail, by aircraft, in commerce, as defined in the Federal Aviation Act of 1958, as amended.

(4) "Aircraft Operator" means the owner, lessee or operator of an aircraft whether the aircraft so owned, leased or chartered is used for private, military, pleasure or governmental operations, or for airline or non-airline operations, or for scheduled or non-scheduled operations. "Aircraft Operator" shall not mean the pilot of an aircraft unless such pilot is also the owner or lessee thereof or a person to whom such aircraft is chartered.

(5) "Aircraft Parking Areas" means that part of the Airport defined as such in the definition of "Airfield Area."

(6) "Airfield Area" means the land indentified as Airfield Area on Exhibit D attached hereto, and, except as otherwise provided herein, all facilities, equipment and improvements now or hereafter located thereon, including the following:

(a) "Aircraft Parking Areas" - those areas adjacent to the Terminal Structures, the International Terminal Structures, and the general aviation building designated for the exclusive and non-exclusive parking, loading and unloading of aircraft;

(b) "Runways" - runways at the Airport for the landing and taking-off of aircraft;

(c) "Taxiways" - taxiways and taxilanes at the Airport for the ground movement of aircraft to, from and between the Runways, Aircraft Parking Areas, and other portions of the Airport; and

(d) "Facilities incidental to the Runways, Aircraft Parking Areas, and Taxiways" - facilities for the purpose of controlling and assisting arrivals, departures and operations of aircraft using the Airport, such as control towers operated and maintained by the FAA, signals, beacons, wind indicators, flood lights, landing lights, boundary lights, construction lights, radio and electronic aids or other aids to operations, navigation or ground control of aircraft whether or not of a type herein mentioned and even though located away from the rest of the Airfield Area.

At such time as the portion of the Airfield Area designated for use in the future as an international terminal facility is used for such purpose, such portion shall be included in the International Terminal Area and excluded from the Airfield Area. Debt Service allocated to the Airfield Area shall also include the Debt Service on Capital Projects, or allocable portions thereof, which are not located on the land identified as Airfield Area on Exhibit D but which are nevertheless allocated to the Airfield Area in the Airport Development Plan.

(7) "Airline-Funded Cost" means, for each Capital Project described in the Airport Development Plan, the amount set forth opposite such Capital Project in the Airport Development Plan, as such amount may be adjusted pursuant to Article IX.

(8) "Airline Party" means, at any time, Airline and each other person actively engaged in the Air Transportation Business at the Airport who then has an Airport Use Agreement in effect with City.

(9) "Airline's Aircraft Parking Area" means, at any time, the Aircraft Parking Areas designated in Section 4.04(a) hereof for Airline's exclusive use at such time.

(10) "Airlines' Representative" means the person so designated by a Majority-in-Interest by written notice to the Commissioner. Any such designation of the Airlines' Representative shall remain in effect until revoked or modified by a Majority-in-Interest by written notice to the Commissioner.

(11) "Airport" means Chicago-O'Hare International Airport as shown on Exhibit A attached hereto, together with any additions thereto, or improvements or enlargements thereof, hereafter made, but any land, rights-of-way, or improvements which are now or hereafter owned by or are part of the transportation system operated by the Chicago Transit Authority, or any successor thereto, wherever located within the boundaries of the Airport, shall not be deemed to be part of the Airport.

(12) "Airport Development Fund" means the Airport Development Fund created under Section 7.10 and described in Article X.

(13) "Airport Development Plan" means the plan attached hereto as Exhibit B, showing certain Capital Projects to be constructed at the Airport.

(14) "Airport Fees and Charges" means, for any Fiscal Year, all rentals, charges and fees payable by all Airline Parties for such Fiscal Year, after adjustment pursuant to the Final Audit for such Fiscal Year, (a) pursuant to an Airport Use Agreement, and, if appropriate, (b) pursuant to a Special Facility Financing Arrangement to the extent rentals, charges and fees paid pursuant thereto are for the purpose of paying Special Facility Revenue Bond and Other Debt Service.

(15) "Airport Fund" means the Airport Fund created under Section 7.10.

(16) "Airport Use Agreement" means (a) this Agreement, (b) each other airport use agreement and terminal facilities lease, with respect to the Airport, substantially the same

(except with respect to the Exclusive Use Premises and Airline's Aircraft Parking Area described therein) and having the same expiration date as this Agreement, and (c) in the case of an all-cargo carrier, its airport use agreement, with respect to the Airport, substantially the same (except with respect to the Exclusive Use Premises and Airline's Aircraft Parking Area described therein) and having the same expiration date of this Agreement, together with a cargo facilities lease of no shorter duration than such airport use agreement; in each case as amended or supplemented from time to time.

(17) "Approved Maximum Landing Weight" means, for any aircraft operated by Airline, the maximum landing weight of such aircraft as set forth in Airline's FAA-approved operating manual.

(18) "Capital Expenditure" means an expenditure for the acquisition, construction or equipping of a Capital Project, together with related design, architectural and engineering fees and costs.

(19) "Capital Project" means a capital improvement at the Airport, or the acquisition of land beyond the then current boundaries of the Airport for use as a part of the Airport.

(20) "Commissioner" means the Commissioner of the Department of Aviation of City, or any successor to the duties of such official.

(21) "Concession Revenues" means, for any Fiscal Year, rentals, charges and fees of any kind or nature payable to City during such Fiscal Year from tenants, licensees, permittees, or other operators at the Airport, for the right to use premises at the Airport to sell or lease merchandise, services or other intangibles, including, but not limited to, restaurants, bars, car rental agencies, news stands, gift shops, specialty shops, advertising displays, insurance sales facilities, public telephones, facilities for the furnishing of ground transportation services, hotels and parking areas; provided, however, that Concession Revenues shall not include (a) any such rentals, charges or fees derived from the Land Support Area or the International Terminal Area, (b) Airport Fees and Charges, (c) terminal rentals or landing fees of non-Airline Parties, (d) fees and charges under fueling facility agreements, or (e) the proceeds of any tax levied at the Airport.

(22) "Construction Fund" means the Construction Fund created under Article IV of the General Airport Revenue Bond Ordinance.

(23) "Cost-Revenue Centers" (sometimes abbreviated as "CRCs") means those areas of the Airport grouped together for the purposes of accounting for Revenues, O & M Expenses and Debt Service, and for calculating Airport Fees and Charges. The CRCs named in this Agreement, taken together, comprise the entire Airport, and are the Terminal Area, the Airfield Area, the International Terminal Area, the Terminal Support Area, the Fueling System and the Land Support Area.

(24) "Date of Beneficial Occupancy" means, with respect to Airline's Exclusive Use Premises, the earlier of (a) the date on which such premises are certified by City to be usable by Airline for the conduct of its Air Transportation Business, pursuant to written notice given by City to Airline; provided, however, that (i) if the construction of such premises is to be completed after the Effective Date, such premises shall not be certified to

be so usable until construction of such premises is substantially complete, and until Airline has had reasonably sufficient time to render such premises usable for the conduct of its Air Transportation Business, (ii) if such premises are already constructed and occupied by another person prior to occupancy by Airline, such premises shall not be certified to be so usable until vacated by such other person occupying such premises (including any Airline Party whose Phase I or Phase II Exclusive Use Premises include such premises) and until Airline has had reasonably sufficient time to render such premises usable for the conduct of its Air Transportation Business, and (iii) failure by Airline to complete tenant improvements in a timely manner shall not be the basis for City determining that such premises are not usable for an Air Transportation Business, and (b) the date on which Airline first occupies such premises and conducts its Air Transportation Business therein pursuant to Section 4.03(b).

(25) "Debt Service" means, for any Fiscal Year, the aggregate of (a) General Airport Revenue Bond Debt Service payable for such Fiscal Year, (b) Special Facility Revenue Bond and Other Debt Service payable for such Fiscal Year, and (c) at any time when the General Airport Revenue Bond Ordinance is not in effect, principal payments, interest payments, fund deposit requirements (other than construction fund deposits requirements) and amounts payable as a result of debt service coverage requirements on obligations issued by City pursuant to Article VIII other than Special Facility Revenue Bonds. In addition, for purposes of this Agreement, "Debt Service" shall include all payments made under any and all agreements providing for the lease or acquisition of the Buses, identified in the Airport Development Plan as Capital Project TA-10(b), exclusive of amounts attributable under such agreements to the O & M Expenses of such Buses.

(26) "Debt Service Fund" means the Debt Service Fund created under Section 501 of the General Airport Revenue Bond Ordinance.

(27) "Debt Service Reserve Fund" means the Debt Service Reserve Fund created under Section 501 of the General Airport Revenue Bond Ordinance.

(28) "Effective Date" means the Effective Date as described in Section 2.01.

(29) "Emergency Reserve Fund" means the Emergency Reserve Fund created under Section 7.10 and described in Article XI.

(30) "Enplaned Passengers" means all originating and on-line transfer and off-line transfer revenue passengers.

(31) "Event of Default" means, with respect to each Airline Party, an Event of Default, as defined in Article XXIV, with respect to such Airline Party.

(32) "Exclusive Use Premises" means, at any time, for each Airline Party, those areas and facilities in the Terminal Area which, pursuant to Article IV of such Airline Party's Airport Use Agreement, are then leased to such Airline Party for its exclusive occupancy and use.

(33) "Existing Footage" means, at anytime for each Airline Party, the number of square feet of premises identified as Existing Footage in Article IV of such Airline Party's Airport

Use Agreement, increased by such number of square feet of premises, if any, as may be added to such Airline Party's Exclusive Use Premises, from time to time, pursuant to Section 8.01(b).

(34) "Federal Aviation Administration" (sometimes abbreviated as "FAA") means the Federal Aviation Administration created under the Federal Aviation Act of 1958, as amended, or any successor agency thereto.

(35) "Federal Inspection Service Facility" means facilities provided for the United States Customs Service, the United States Immigration, and Naturalization Service, the United States Department of Health and Human Services, and the United States Department of Agriculture, and any successor departments or services thereto, for the processing of arriving international passengers.

(36) "Federal Inspection Service Fees" means fees paid to City for the use of a Federal Inspection Service Facility.

(37) "Fee Landing" means any landing at the Airport of an aircraft except (a) an aircraft which takes off from the Airport and, without making a stop at any other airport, returns to and lands at the Airport because of meteorological conditions, mechanical or operating causes, or any similar emergency or precautionary reason, or (b) an aircraft which is owned by and used exclusively in the service of the United States of America or the government of any state, territory or possession thereof or therein.

(38) "Final Audit" means the annual audit report described in Section 7.07.

(39) "Fiscal Year" means January 1 through December 31 of any year or such other fiscal year as City may adopt for the Airport.

(40) "Fueling System" means those structures, improvements and facilities consisting of the existing fueling system leased under the Fueling System Lease Agreement at the Airport dated as of January 1, 1959 and the Capital Project described in the Airport Development Plan as the Fueling System, all as described on Exhibit H, which are located on land described as Land Support Area on Exhibit G or land described as Airfield Area on Exhibit D.

(41) "Fueling System Fees" means, with respect to each Airline Party, the Fueling System Fees calculated pursuant to Article V of such Airline Party's Airport Use Agreement.

(42) "Fueling System Lease" means the Fueling System Lease described in Section 3.06.

(43) "Funding Contingency Reserve" means each reserve calculated pursuant to Section 9.07 for a Priority I Capital Project or component thereof.

(44) "General Airport Revenue Bond Debt Service" means, for any Fiscal Year, all amounts of any nature whatsoever payable for such Fiscal Year, under the General Airport Revenue Bond Ordinance, into the Debt Service Fund, the Debt Service Reserve Fund, and the Junior Lien Obligation Debt Service Fund, and any other payment required pursuant

to the debt service coverage requirements of Section 704 of the General Airport Revenue Bond Ordinance, reduced by an amount equal to any interest payable on General Airport Revenue Bonds during such Fiscal Year from General Airport Revenue Bond proceeds and investment income thereon held by or for the account of City.

(46) "General Airport Revenue Bond Ordinance" means the 1983 Chicago- O'Hare International Airport General Airport Revenue Bond Ordinance, attached hereto as Exhibit I, as adopted by the City Council of City and as hereafter amended or supplemented from time to time in accordance with its terms and as necessary to authorize the issuance of General Airport Revenue Bonds pursuant to Articles VIII and IX. A chart showing the order of priority of the allocation of Revenues under the General Airport Revenue Bond Ordinance is attached hereto as Exhibit O.

(47) "General Airport Revenue Bonds" means bonds of City authenticated and delivered pursuant to the General Airport Revenue Bond Ordinance.

(48) "Government Grants-in-Aid" means those moneys granted to City by the United States of America or any agency thereof, or the State of Illinois, or any political subdivision or agency thereof, to pay for all or a portion of the cost of Capital Projects; provided, however, that Government Grants-in-Aid shall not include any payments made for services rendered at the Airport.

(49) "Ground Transportation System" means the system operated by City, either directly or through an independent contractor, and employed in the conveyance of passengers and employees solely within the boundaries of the Airport, including all vehicles, equipment, stations, maintenance areas, and rights-of-way of such system.

(50) "Independent Accountant" means a certified public accountant selected by City, and approved by Majority-in-Interest, licensed to practice in the State of Illinois, and who (a) in the case of an individual, shall not be a director, officer or employee of either City or any Airline Party, (b) shall be satisfactory to the Trustee, if any, and (c) may be the accountant that regularly audits the books of City or the Airport.

(51) "Independent Airport Consultant" means a consultant selected by City, after reasonable notice given to the Airlines' Representative, with expertise in the administration, financing, planning, maintenance and operations of airports and facilities thereof, and who, in the case of an individual, shall not be a director, officer or employee of either City or any Airline Party.

(52) "Independent Architect or Engineer" means an architect or engineer selected by City, after reasonable notice given to the Airlines' Representative, authorized to practice in the State of Illinois, and who, in the case of an individual, shall not be a director, officer or employee of either City or any Airline Party.

(53) "International Terminal Area" means the land identified as International Terminal Area on Exhibit E attached hereto, and, except as otherwise provided herein, all structures and improvements now or hereafter located thereon, including the following:

- (a) "International Terminal Structures" -- international passenger terminal buildings, including concourses, hold areas and all connecting structures, Federal Inspection Service Facilities, passenger walkways and tunnels; excluding, however, such portions thereof as may be set aside to accomodate the Ground Transportation System;
- (b) "FIS Relocation Facility" -- that facility used as a Federal Inspection Service Facility as provided in the Airport Development Plan; and
- (c) "Heating and Refrigeration Plant" -- such portion of the heating and refrigeration plant at the Airport as is designated as part of the International Terminal Area in the Airport Development Plan, and all ducts, pipes and other utility connections with International Terminal Structures

Any International Terminal Structure or FIS Relocation Facility shall be part of the International Terminal Area only so long as such structure or facility is used as an international terminal facility. Debt Service allocated to the International Terminal Area shall also include the Debt Service on Capital Projects, or allocable portions thereof, which are not located on the land identified as International Terminal Area on Exhibit E but which are nevertheless allocated to the International Terminal Area in the Airport Development Plan, and shall exclude the debt service on the Capitol Projects or allocable portions thereof, which are located on such land but which are allocated to the Terminal Area in the Airport Development Plan.

(53) "International Terminal Area Airline Party" means each person actively engaged in the Air Transportation Business who has signed a lease and airport use agreement for the use of the International Terminal Area having a term of not less than ten (10) years.

(54) "Investment Income" means any interest accruing on, and any profit realized from the investment of, moneys in the Debt Service Fund, the Debt Service Reserve Fund, the Junior Lien Obligation Debt Service Fund, and any debt service reserve fund established under any ordinance or resolution authorizing the issuance of Junior Lien Obligations, or, at any time when the General Airport Revenue Bond Ordinance is not in effect, in similar funds created pursuant to any ordinance or resolution authorizing the issuance of obligations issued by City pursuant to Article VIII other than Special Facility Revenue Bonds.

(55) "Junior Lien Obligations" means any bonds, notes or evidences of indebtedness issued by City pursuant to Article VIII, other than General Airport Revenue Bonds or Special Facility Revenue Bonds, including obligations issued by City as permitted by Section 705 of the General Airport Revenue Bond Ordinance.

(56) "Junior Lien Obligation Debt Service Fund" means the Junior Lien Obligation Debt Service Fund created under Section 501 of the General Airport Revenue Bond Ordinance.

(57) "Land Support Area" means the land and air rights identified as Land Support Area on Exhibit G attached hereto, and, except as otherwise provided herein, all structures, improvements, facilities, roads and utilities now or hereafter located thereon.

(58) "Landing Fee Rate" means the Landing Fee Rate established pursuant to Article V.

(59) "Landing Fees" means, with respect to each Airline Party, the Landing Fees calculated pursuant to Article V of such Airline Party's Airport Use Agreement.

(60) "Maintenance Reserve Fund" means the Maintenance Reserve Fund created under Section 7.10.

(61) "Majority-in-Interest" means, during any Fiscal Year, either (a) any five or more Airlines Parties which, in the aggregate, paid sixty percent (60%) or more of Airport Fees and Charges paid by all Airline Parties for the preceding Fiscal Year, or (b) any numerical majority of Airline Parties which, in the aggregate, paid fifty percent (50%) or more of Airport Fees and Charges paid by all Airline Parties for the preceding Fiscal Year. Solely for the purpose of determining a Majority-in-Interest, no airline shall be deemed to be an Airline Party so long as an Event of Default with respect to such Airline Party has occurred and is continuing, and City has given written notice of such Event of Default to such Airline Party. Whenever the approval of or an action by a Majority-in-Interest is required hereunder, it shall be evidenced in writing by the Airlines' Representative.

(62) "1959 Airport Use Agreement" means the airport use agreement, if any, with respect to the Airport entered into between City and Airline, dated as of January 1, 1959.

(63) "1959 Bond Ordinance" means the ordinance entitled "Ordinance authorizing the issuance of Chicago-O'Hare International Airport Revenue Bonds Series of 1959 for the purpose of improving and extending said Airport and providing for payment of principal and interest on said bonds," adopted by the City Council of City on December 29, 1958, as supplemented by ordinances adopted by the City Council of City on February 16, 1959, February 1, 1961, July 13, 1962, July 21, 1967, June 26, 1968, March 25, 1970, and August 30, 1972, authorizing, securing, and confirming the sale to the respective purchasers thereof of the 1959 Bonds.

(64) "1959 Bonds" means, collectively, the revenue bonds of City, outstanding as of any date of determination, described as follows:

- (a) Chicago-O'Hare International Airport Revenue Bonds, Series of 1959, dated January 1, 1959, issued pursuant to Section 2.02 of the 1959 Bond Ordinance in the original aggregate principal amount of \$120,000,000;
- (b) Chicago-O'Hare International Airport Revenue Bonds, Series A of 1961, dated January 1, 1961, issued pursuant to Section 2.15 of the 1959 Bond Ordinance in the original aggregate principal amount of \$25,000,000;
- (c) Chicago-O'Hare International Airport Revenue Bonds, Series B of 1961, dated January 1, 1961, issued pursuant to Section 2.15 of the 1959 Bond Ordinance in the original aggregate principal amount of \$4,000,000;

- (d) Chicago-O'Hare International Airport Revenue Bonds, Series of 1967, dated July 1, 1967, issued pursuant to Section 2.16 of the 1959 Bond Ordinance in the original aggregate principal amount of \$5,000,000;
- (e) Chicago-O'Hare International Airport Revenue Bonds, Series of 1968, dated July 1, 1968, issued pursuant to Section 2.16 of the 1959 Bond Ordinance in the original aggregate principal amount of \$18,000,000;
- (f) Chicago-O'Hare International Airport Revenue Bonds, Series of March, 1970, dated March 1, 1970, issued pursuant to Section 2.16 of the 1959 Bond Ordinance in the original aggregate principal amount of \$52,000,000; and
- (g) Chicago-O'Hare International Airport Revenue Bonds, Series of 1972, dated July 1, 1972, issued pursuant to Section 2.16 of the 1959 Bond Ordinance in the original aggregate principal amount of \$8,000,000.

(65) "1959 Terminal Lease Agreement" means the lease, if any, of terminal facilities at the Airport entered into between City and Airline dated as of January 1, 1959, as amended and supplemented from time to time.

(66) "Non-Use Agreement Revenues" means, for any Fiscal year, all Revenues except (a) Terminal Area Use Charges, (b) Landing Fees, (c) Fueling System Fees, (d) City deposits into the Airport Fund or City transfers to the Trustee for deposit into the Revenue Fund, in either case, for subsequent deposit into the Airport Development Fund pursuant to Section 13.03, and (e) Investment Income.

(67) "Operation and Maintenance Expenses" (sometimes abbreviated as "O & M Expenses") means, for any Fiscal Year, the costs incurred by City in operating and maintaining the Airport during such Fiscal Year, either directly or indirectly by allocation to the Airport by City in accordance with the practices and procedures of City historically used under the 1959 Airport Use Agreement and remaining in effect as of the Effective Date, including, without limitation:

- (a) the following costs and expenses incurred by City for employees of City employed at the Airport, or doing work involving the Airport: direct salaries and wages (including overtime pay), together with payments or costs incurred for associated payroll expense, such as union contributions, cash payments to pension funds, retirement funds or unemployment compensation funds, life, health, accident and unemployment insurance premiums, deposits for self-insurance, vacations and holiday pay, and other fringe benefits;
- (b) costs of materials, supplies, machinery, and equipment and other similar expenses which, under generally accepted accounting principles, are not capitalized;
- (c) costs of maintenance, landscaping, decorating, repairs, renewals and alterations not reimbursed by insurance, and which, under generally accepted accounting principles, are not capitalized;

- (d) costs of water, electricity, natural gas, telephone service and all other utilities and services whether furnished by City or purchased by City and furnished by independent contractors at or for the Airport;
- (e) costs of rentals of equipment or other personal property;
- (f) costs of rentals of real property under leases approved by a Majority-In-Interest;
- (g) costs of premiums for insurance, including property damage, public liability, burglary, bonds of employees, workers' compensation, disability, automobile, and all other insurance covering the Airport or its operations;
- (h) Terminal Area Rentals, Terminal Area Use Charges, Landing Fees, Fueling System Fees and indemnification payments pursuant to Section 19.01(a) (ii), (iii) or (iv), unpaid by any Airline Party when due and reasonably deemed by City to be uncollectible after collection efforts have been undertaken by City in accordance with Section 16.03, but only to the extent such rentals, charges and fees have not been paid out of funds available therefor in the Emergency Reserve Fund pursuant to Section 11.03(b), or in the Airport Development Fund pursuant to Section 10.04(c);
- (i) costs incurred in collecting and attempting to collect any sums due City in connection with the operation of the Airport;
- (j) costs of advertising at or for the Airport;
- (k) except to the extent capitalized, compensation paid or credited to persons or firms appointed or engaged, from time to time, by City to render advice and perform architectural, engineering, construction management, financial, legal, accounting, testing or other professional services in connection with the operation, expansion, alteration, reconstruction, betterment or other improvement of the Airport or any of its structures or facilities;
- (l) required deposits into the Maintenance Reserve Fund and the Operation and Maintenance Reserve Fund;
- (m) except to the extent capitalized, trustees' fees, paying agents' fees, and all other fees and expenses incurred in order to comply with the provisions of any ordinance or resolution authorizing obligations issued pursuant to Article VIII;
- (n) the liabilities and costs described in Section 19.01(a) (i); and
- (o) all other direct and indirect expenses, whether similar or dissimilar, which arise out of City's operation of the Airport, and which, under generally accepted accounting principles, are properly chargeable as expenses to the Airport, including any taxes payable by City which may be lawfully imposed upon the Airport by entities other than City.

(68) "Operation and Maintenance Fund" means the Operation and Maintenance Fund created under Section 7.10.

(69) "Operation and Maintenance Reserve Fund" means the Operation and Maintenance Reserve Fund created under Section 7.10.

(70) "Phase I Exclusive Use Premises," "Phase II Exclusive Use Premises," and "Phase III Exclusive Use Premises," as the case may be, means those premises in the Terminal Area described as such in Article IV hereof.

(71) "Priority I Capital Project" means a Capital Project designated as a Priority I Capital Project in the Airport Development Plan.

(72) "Priority II Capital Project" means a Capital Project designated as a Priority II Capital Project in the Airport Development Plan.

(73) "Public Use Premises" means, at any time, those areas and facilities which, at such time, are part of the Terminal Area and are not any Airline Party's Exclusive Use Premises, and which consist of, among other things, common areas for passenger movement, Terminal Area Concession Areas, basement areas, City offices and operations areas, public restrooms, public waiting areas, entrances, exits, chases, building support areas not open to the general public (such as mechanical and electrical areas, janitor closets, and heating and refrigeration facilities), and premises which are designed for exclusive use but not then leased to any Airline Party for its exclusive use and occupancy. Public Use Premises shall be either Type A Public Use Premises or Type B Public Use Premises.

(74) "Qualified Investments" means:

- (a) any direct obligation of, or any obligation the full and timely payment of principal of and interest on which is guaranteed by, the United States of America;
- (b) deposits in interest-bearing time deposits or certificates of deposit or similar arrangements issued by any bank or national banking association, which deposits, to the extent not insured by the Federal Deposit Insurance Corporation, shall be secured by obligations referred to in subsection (a) above or (d) or (e) below having a current market value (exclusive of accrued interest) at least equal to one hundred ten percent (110%) of the amount of such deposits, marked to market monthly, and which obligations referred to in subsection (a) above or (d) or (e) below shall have been deposited in trust by such bank or national banking association with the trust department of the Trustee or with a Federal Reserve Bank or branch or, with the written approval of City and the Trustee, with another bank, trust company or national banking association for the benefit of City and the appropriate fund or account as collateral security for such deposits;
- (c) direct and general obligations of any state of the United States of America or any political subdivision of the State of Illinois which are rated not less than AA or Aa or their equivalents by Standard & Poor's Corporation or Moody's Investors Service, Inc., or their successors;

- (d) obligations issued by any of the following agencies: Banks for Cooperatives, Federal Intermediate Credit Banks, Federal Home Loan Banks System, Federal Land Banks, Export-Import Bank, Tennessee Valley Authority, Government National Mortgage Association, Farmers Home Administration, United States Postal Service, the Federal National Mortgage Association to the extent that such obligations are guaranteed by the Government National Mortgage Association, any agency or instrumentality of the United States of America and any corporation controlled and supervised by, and acting as an agency or instrumentality of, the United States of America;
- (e) repurchase agreements extending not beyond thirty (30) calendar days with banks which are members of the Federal Reserve System or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York that are secured by obligations referred to in subsection (a) above having a current market value equal to at least one hundred three percent (103%) of the amount of the repurchase agreement, marked to market weekly, and which obligations have been deposited in trust by such banks or dealers with the trust department of the Trustee or with a Federal Reserve Bank or branch, or with the written approval of City and the Trustee, with another bank, trust company or national banking association for benefit of City and the appropriate fund or account as collateral security for such repurchase agreements; and
- (f) public housing bonds issued by public housing authorities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America, or project notes issued by public housing authorities, or project notes issued by local public agencies, in each case fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America.

(75) "Revenue Fund" means the Revenue Fund created under Section 501 of the General Airport Revenue Bond Ordinance.

(76) "Revenues" means, for any Fiscal Year, all amounts received or receivable directly or indirectly by City, for such Fiscal Year, for the use and operation of, or with respect to, the Airport (excluding the Land Support Area), including, without limitation: all amounts transferred into the Airport Fund or the Special Capital Projects Fund pursuant to Section 23.01; all Airport Fees and Charges (excluding payments described in subsection (a) below); all other rentals, charges and fees for the use of the Airport (including all rentals and flight fees payable by non-Airline Parties) or for any service rendered by City in the operation thereof; Concession Revenues and concession revenues derived from the International Terminal Area; interest payments to City made pursuant to Section 7.08; interest accruing on, and any profit realized from the investment of, moneys in the Revenue Fund, the Debt Service Fund, the Debt Service Reserve Fund, the Junior Lien Obligation Debt Service Fund, the Maintenance Reserve Fund, the Operation and Maintenance Fund, the Special Capital Projects Fund, the Operation and Maintenance Reserve Fund, and any debt service reserve fund established under any ordinance or resolution authorizing the issuance of Junior Lien Obligations; and City deposits into the

Airport Fund or transfers to the Trustee for deposit into the Revenue Fund pursuant to Sections 13.03 and 13.04; provided, however, that Revenues shall not include: (a) any amounts derived by City from Special Facility Financial Arrangements entered into in connection with Special Facility Improvements to the extent such amounts derived are required to pay principal of, premium, if any, and interest on Special Facility Revenue Bonds and all sinking and other reserve fund payments required by the ordinance or resolution authorizing the issuance of such Special Facility Revenue Bonds, (b) the proceeds of any passenger facility charge or similar tax levied by or on behalf of City, (c) interest accruing on, and any profit resulting from the investment of, moneys in the Airport Development Fund, the Emergency Reserve Fund, and the Construction Fund, (d) Government Grants-in-Aid (except to the extent used or to be used to pay for or reimburse the cost of any Capital Project previously funded through the issuance of General Airport Revenue Bonds or Junior Lien Obligations), (e) insurance proceeds which are not deemed to be revenues in accordance with generally accepted accounting principals, (f) the proceeds of any condemnation awards, and (g) the proceeds of any borrowings by City.

(77) "Rules and Regulations" means the rules and regulations promulgated by the Commissioner pursuant to Section 17.01.

(78) "Special Capital Project Expenditure" means a Capital Expenditure which, pursuant to Majority-in-Interest approval, is to be funded from Airport Fees and Charges entirely in the Fiscal Year in which it is expended.

(79) "Special Capital Projects Fund" means the Special Capital Projects Fund created under Section 7.10.

(80) "Special Facility Financing Arrangements" means (a) a lease, loan agreement or other agreement and any contemporaneous financing instruments relating to Special Facility Improvements entered into by City pursuant to which the lessee or borrower agrees to make payments to City during the term thereof in an amount at least equal to the sum of (i) the principal of, premium, if any, and interest on Special Facility Revenue Bonds issued to finance such Special Facility Improvements as the same become due, (ii) all costs of operating and maintaining such Special Facility Improvements required to be paid by City and for which no mechanism for reimbursement to City has been established other than payments pursuant to such lease, loan agreement or other agreement and any contemporaneous financing instrument, and (iii) all sinking and other reserve fund payments required by ordinance or resolution authorizing such Special Facility Revenue Bonds as the same shall become due, or (b) any lease of, or other instrument relating to, a Special Facility Improvement entered into by City as a result of a default by the original or a subsequent lessee of, or borrower in connection with, such Special Facility Improvement, to the extent such lease or instrument, or the proceeds thereof, has been pledged to the payment of Special Facility Revenue Bonds.

(81) "Special Facility Improvement" means a building or facility at the Airport, or an improvement to such building or facility, or portion thereof, as has been constructed, installed, equipped or acquired with the proceeds of the sale of Special Facility Revenue Bonds or funds of the user thereof, or both. In the event that General Airport Revenue Bonds or Junior Lien Obligations are issued to redeem, refund, or otherwise refinance such Special Facility Revenue Bonds or funds of the user thereof, such building, facility or

improvement, or such portion thereof, to which such General Airport Revenue Bonds or Junior Lien Obligations are attributable shall no longer be deemed to be a Special Facility Improvement.

(82) "Special Facility Revenue Bond and Other Debt Service" means, for any Fiscal Year, principal, premium, if any, interest, and any additional amounts payable by any Airline Party to a trustee or paying agent pursuant to the terms of an applicable indenture or ordinance, for such Fiscal Year reduced by an amount equal to any interest payable on such obligations during such Fiscal Year from the proceeds of the sale of such obligations and from investment income thereon (but not including any amounts paid out of an escrow established to advance refund such Special Facility Revenue Bonds or other debt) on (a) Special Facility Revenue Bonds, and (b) any other notes, bonds, debentures or other evidences or indebtedness of any person; issued in either case pursuant to Section 8.02 or if Majority-in-Interest approval has been given therefor.

(83) "Special Facility Revenue Bonds" means bonds, notes or other evidences of indebtedness of City, with respect to which the principal, premium, if any, and interest are payable solely from proceeds of the sale of such bonds and from rentals or other charges derived by City under and pursuant to one or more Special Facility Financing Arrangements relating to specific Special Facility Improvements entered into between City and the user or users of such Special Facility Improvements, which bonds, notes or other evidences of indebtedness are not payable from Revenues, from Airport Fees and Charges or from other revenues of City, and for which City has no taxing obligation.

(84) "Terminal Area" means the land identified as Terminal Area on Exhibit C attached hereto, and, except as otherwise provided herein, all structures and improvements now or hereafter located thereon, including the following:

- (a) "Terminal Structures" -- all passenger terminal buildings (including passenger terminal buildings which are or include Special Facility Improvements), connecting structures, passenger walkways and tunnels, concourses, hold areas, Federal Inspection Service Facilities, if any, and control towers maintained by City; excluding, however, (i) such portions thereof as may be set aside to accommodate the Ground Transportation System, and (ii) any International Terminal Structures so long as such structures are used as international terminal facilities; and
- (b) "Heating and Refrigeration Plant" -- such portion of the heating and refrigeration plant at the Airport as is designated as part of the Terminal Area in the Airport Development Plan, and all ducts, pipes and other utility connections with Terminal Structures.

Debt Service allocated to the Terminal Area shall also include the Debt Service on Capital Projects, or allocable portions thereof, which are not located on the land identified as Terminal Area on Exhibit C but which are nevertheless allocated to the Terminal Area in the Airport Development Plan.

(85) "Terminal Area Concession Areas" means those portions of the Terminal Area leased to persons from who payments to City pursuant to such leases constitute Concession Revenues.

(86) "Terminal Area Rentals" means, with respect to each Airline Party, the Terminal Area Rentals calculated pursuant to Article V of such Airline Party's Airport Use Agreement.

(87) "Terminal Area Use Charges" means, with respect to each Airline Party, the Terminal Area Use Charges calculated pursuant to Article V of such Airline Party's Airport Use Agreement.

(88) "Terminal Building No. 1" means the terminal building identified on Exhibit C attached hereto as Terminal Building No. 1, and the associated satellite concourse building.

(89) "Terminal Building No. 3 -- Expansion" means that portion of the Terminal Area identified on Exhibit C attached hereto as Terminal Building No. 3 -Expansion and Concourse L.

(90) "Terminal Buildings No. 2 and No. 3" means the terminal buildings (not including Terminal Building No. 3 -- Expansion or any extensions made after the Effective Date to Concourses F, G, H, or K) identified on Exhibit C attached hereto as Terminal Building No. 2 and Terminal Building No. 3, and associated concourses, respectively.

(91) "Terminal Structures" means that part of the Airport defined as such in the definition of "Terminal Area".

(92) "Terminal Support Area" means the land identified as Terminal Support Area on Exhibit F attached hereto, and, except as otherwise provided herein, all structures and facilities now or hereafter located thereon, including the following:

- (a) "Parking Facilities" -- all public garage and public and employee parking areas and all roads and facilities serving such parking areas, excluding, however, the FIS Relocation Facility for so long as such facility is used as an international terminal facility;
- (b) "Roadways and Related Facilities" -- all roadways, and roadway rights- of-way, ramps, sidewalks, parkways, service stations, areas leased to car rental and ground transportation concessions;
- (c) "Ground Transportation System and Related Facilities" -- the surface right-of-way and all other land used for Ground Transportation System and all facilities and equipment forming part of the Ground Transportation System; and
- (d) "O'Hare Hilton Hotel" -- the building identified on Exhibit F attached hereto as the O'Hare Hilton Hotel building, and any additions and improvements thereto.

(93) "Trustee" means the trustee appointed under the General Airport Revenue Bond Ordinance or any successor thereto.

(94) "Type A Public Use Premises" means all Public Use Premises of Terminal Buildings No. 2 and No. 3, and all Terminal Area Concession Areas, wherever located in the Terminal Area.

(95) "Type B Public Use Premises" means all Public Use Premises other than Type A Public Use Premises.

Section 1.02 -- Interpretation.

In this Agreement, unless the context otherwise requires:

(a) The terms "hereby", "herein", "hereof", "hereto", "hereunder" and any similar terms used in this Agreement refer to this Agreement.

(b) All Article and Section references, unless otherwise expressly indicated, are to Articles and Sections of this Agreement and to the same Articles and Sections of each other Airline Party's Airport Use Agreement.

(c) Words importing persons shall include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(d) Any headings preceding the text of the Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(e) Words importing the singular shall include the plural and vice versa.

(f) This Agreement shall be governed and construed in accordance with the laws of the State of Illinois applicable to contracts made and to be performed in that State.

Section 1.03 -- Incorporation of Exhibits.

The following Exhibits attached hereto are hereby made a part of this Agreement:

<u>Exhibit A</u>	Chicago-O'Hare International Airport
<u>Exhibit B</u>	Airport Development Plan
<u>Exhibit C</u>	Terminal Area
<u>Exhibit D</u>	Airfield Area
<u>Exhibit E</u>	International Terminal Area
<u>Exhibit F</u>	Terminal Support Area

<u>Exhibit G</u>	Land Support Area
<u>Exhibit H</u>	<u>Fueling System</u>
<u>Exhibit I</u>	General Airport Revenue Bond Ordinance
<u>Exhibit J</u>	Airline's Phase I Exclusive Use Premises
<u>Exhibit J-1</u>	Airline's Phase II Exclusive Use Premises
<u>Exhibit J-2*</u>	Airline's Phase III Exclusive Use Premises
<u>Exhibit K</u>	Airline's Phase I Aircraft Parking Areas
<u>Exhibit K-1</u>	Airline's Phase II Aircraft Parking Areas
<u>Exhibit K-2*</u>	Airline's Phase III Aircraft Parking Areas
<u>Exhibit L</u>	System of Allocation of O & M Expenses and Non-Use Agreement Revenues
<u>Exhibit M</u>	Identification of Existing Leases and Other Agreements of Airline to Be Extended
<u>Exhibit N</u>	Description of O & M Responsibilities
<u>Exhibit O</u>	Allocation of Revenues to Funds Established Under General Airport Revenue Bond Ordinance
<u>Exhibit P</u>	Algebraic Representation and Hypothetical Calculations of Terminal Area Use Charges
<u>Exhibit Q</u>	Terminal Finish Standards

ARTICLE II

TERM.

Section 2.01 -- Term of Agreement.

This Agreement shall become effective on the date on which this Agreement is executed and delivered by City and Airline, and shall terminate on May 11, 2018. Notwithstanding the foregoing, the "Effective Date" as used in this Agreement shall mean May 12, 1983.

ARTICLE III

*if applicable

GRANT OF RIGHTS.

Section 3.01 -- Use of Airfield Area and Aircraft Parking Areas.

(a) Airlines shall have the right to conduct an Air Transportation Business at the Airport, to act as a contract or private carrier, and to perform all operations and functions as are incidental, necessary or proper thereto, including the following:

- (i) The right to land, take-off, fly and move aircraft operated by Airline on the Airfield Area;
- (ii) The right to use Airline's Aircraft Parking Area to permit Airline's employees, agents and contractors to load and unload persons, property, cargo and mail upon or from aircraft operated by Airline, and, if on a temporary basis or if permitted by Section 3.05, by another person engaged in an Air Transportation Business, by such means as may be reasonably necessary or convenient;
- (iii) The right to use Airline's Aircraft Parking Area to service aircraft and other equipment operated by Airline, and, if on a temporary basis or if permitted by Section 3.05, by another person engaged in an Air Transportation Business, with gasoline, oil, greases, lubricants and other fuel or propellant, and with foods and beverages and other supplies and materials, by such means as may be reasonably necessary or proper;
- (iv) The right to repair, condition, maintain, test and park aircraft and other equipment operated by Airline, and, if on a temporary basis or if permitted by Section 3.05, by another person engaged in an Air Transportation Business, on Airline's Aircraft Parking Areas; provided, however, such repair, conditioning, maintenance and testing shall be limited to those activities at the time commonly considered routine ramp servicing (which term includes the activities referred to in item (iii) above);
- (v) The right to park aircraft on Aircraft Parking Areas designated from time to time by City as available for common use;
- (vi) Subject to Section 3.07(f), the right to train personnel in its employ or under its direction;
- (vii) The right to sell, dispose of or exchange its aircraft, engines, accessories, gasoline, oil, greases, lubricants, other fuel or propellant, other equipment or supplies, and any articles or goods used by or acquired by Airline in connection with its conduct of an Air Transportation Business; provided, however, that Airline shall not sell, dispose of or exchange any such items to persons other than its employees or other Aircraft Operators, unless such items represent surplus items at the time no longer reasonably necessary in connection with conduct by Airline of its Air Transportation Business; and provided further, that Airline shall not sell, dispose of or exchange gasoline,

oil, greases, lubricants, fuel or propellants, except to other persons conducting an Air Transportation Business;

- (viii) The right to operate and maintain such mobile communications equipment as may be reasonably necessary or convenient for its operations;
- (ix) The right to purchase or otherwise obtain and use services and personal property of any nature (including aircraft, engines, accessories, gasoline, oil, greases, lubricants, other fuel or propellant, foods, beverages, other equipment and supplies and any articles or goods) reasonably necessary or convenient for its operation from any supplier of its choice;
- (x) The installation, maintenance and operation by Airline, alone or jointly with one or more other Airline Parties, of aircraft air-conditioning equipment, auxiliary power to service parked aircraft, aircraft start-up equipment and such other miscellaneous aircraft support equipment as may be reasonably necessary or convenient to the conduct by Airline of an Air Transportation Business; and
- (xi) The right to conduct any operations or activities other than those enumerated above, reasonably related to the landing, taking-off, flying, moving, loading, unloading or ramp servicing of aircraft or the movement of passengers, which are reasonably necessary or convenient to the conduct by Airline of an Air Transportation Business; provided, however, that all such other operations and activities shall be subject to the prior written approval of the Commissioner.

(b) The foregoing shall not be construed to authorize Airline to conduct any business other than an Air Transportation Business at the Airport. The rights enumerated above may be exercised by Airline, alone or in conjunction with any other Airline Party, directly or through another person designated by Airline, or designated by Airline and such Airline Party jointly. The rights enumerated in item (iii) above to service aircraft and other equipment may be exercised only with respect to aircraft and other equipment operated by persons engaged in the Air Transportation Business; provided, however, that Airline may exercise such rights with respect to such persons other than Airline only to the extent not prohibited by any agreements to which City is a party as of the Effective Date.

Section 3.02 -- Communications Equipment.

Airline shall have the right to install, maintain and operate, at such location or locations at the Airport as may have the prior written approval of the Commissioner, communications, meteorological and aerial navigation equipment, information and data processing equipment, and other similar facilities as may be reasonably necessary or convenient to the conduct by Airline of an Air Transportation Business; provided, however, that the exercise of such right and privilege shall not interfere with City's operation of the Airport for the benefit of all Aircraft Operators using the Airport.

Section 3.03 -- Use of Exclusive Use Premises.

(a) Airline shall have the right to use its Exclusive Use Premises for any and all purposes reasonably necessary, convenient or incidental to the conduct by Airline of an Air Transportation Business, including the following purposes:

- (i) The installation, maintenance and operation of customer relations, security and waiting room facilities and equipment, reservation offices, administrative offices, operations offices, lockers, restrooms and related facilities, baggage, cargo and mail-handling and storage facilities and equipment;
- (ii) The enplaning and deplaning of passengers, the handling of reservations, ticketing, billing and manifesting of passengers, and the handling of baggage, express cargo, property and mail, by airline employees or by self-service equipment operated by customers or passengers of Airline;
- (iii) The installation, maintenance and operation of radio and other communications equipment and information and data processing equipment;
- (iv) The operation, by Airline or an independent contractor, of passenger clubs and lounges where, to the extent permitted by law, Airline may serve food and beverages with or without charge;
- (v) The training of personnel in the employ of or under the direction of Airline;
- (vi) The maintenance and operation, by Airline or by an independent contractor, of an employees' cafeteria or restaurant, the preparation and serving of foods and beverages (including the maintenance and operation of vending machines dispersing such food and beverages, tobacco products and other merchandise) for consumption by Airline's employees, with the further right to do any and all things necessary, required or convenient therewith including the imposition of charges for such food and beverages; provided, however, that the location of such facilities shall be limited to areas within Airline's Exclusive Use Premises not intended to be open to the general public; and
- (vii) The maintenance and operation of facilities and equipment and the carrying on of activities reasonably necessary or convenient to carry out any or all of the foregoing.

(b) Nothing in this Agreement shall be construed to permit the use of Airline's Exclusive Use Premises for the sale of air travel insurance (unless such insurance is not otherwise available in the Terminal Area) or for public restaurants or merchandising operations, or for the conduct of any business other than Airline's Air Transportation Business.

(c) Airline may, with the prior written approval of City and other appropriate governmental authorities, use Airline's Exclusive Use Premises for a Federal Inspection Service Facility.

(d) City shall not, without obtaining Airline's prior written approval, apply for or use any Government Grants-in-Aid to pay for all or part of Airline's Exclusive Use Premises or Airline's Aircraft Parking Area, if the application for or use of such Government Grants-in-Aid would materially adversely affect Airline's exclusive use of such Exclusive Use Premises or Airlines Aircraft Parking Area.

(e) The grant of rights and privileges to Airline contained herein to serve food, beverages and other similar products in its Exclusive Use Premises is not intended to be broader than the grant of similar rights and privileges by City to Airline pursuant to the 1959 Airport Use Agreement and the 1959 Terminal Lease Agreement and to other persons conducting an Air Transportation Business at the Airport prior to the Effective Date.

Section 3.04 -- Use of Public Use Premises and Other Public Areas; Ingress and Egress.

(a) Airline and its employees, agents, passengers, guests, patrons, invitees, its or their suppliers of materials and furnishers of services shall have the non-exclusive right to use, in common with others, those Public Use Premises provided for public use by City, and all other public areas of the Airport, together with all improvements, facilities, and equipment now or hereafter located thereon, including, without limitation: passenger walkways, passenger loading facilities, public lounges, public lobbies, public waiting rooms, public hallways, stairways and escalators, public restrooms, and public roads and parking lots. Nothing herein shall be deemed to convey to Airline any interest or property rights in the Public Use Premises, or any improvements thereto. The Public Use Premises shall be in the possession and control of City and shall at all times remain public property to be used only as public airport facilities, except as may be otherwise provided herein.

(b) Except as hereinafter provided, Airline shall have the right (i) of ingress to and egress from the Airport for its employees, agents, passengers, guests, patrons and invitees, its or their suppliers of materials and furnishers of services, and its or their equipment, aircraft, vehicles, machinery and other property, (ii) to provide transportation of employees of Airline to, from and within the Airport, (iii) to provide transportation of passengers of Airline within the Airport, and (iv) to provide transportation for passengers of Airline to and from the Airport in the event of an emergency closing of the Airport or another airport or in the event of an unexpected cancellation of scheduled flights. Except as in this Agreement otherwise specifically provided, no charges, fees or tolls of any nature, direct or indirect, shall be imposed by City upon Airline, its employees, agents, passengers, guests, patrons and invitees, or its or their suppliers of materials and furnishers or services, for such right of ingress and egress, or for the privilege of purchasing, selling or using for a purpose herein permitted any materials or services purchased or otherwise obtained by Airline, or for transporting, loading, unloading or handling persons, property, cargo or mail in connection with Airline's Air Transportation Business, or for exercising any right or privilege granted by City hereunder. The foregoing shall not preclude City or its concessionaires from making and collecting a charge for the use of public automobile parking areas or sightseeing facilities, or for the use of ground transportation to, from, or within, the Airport furnished by City or its concessionaires, or for the furnishing or sale by City or its concessionaires to the public at the Airport of services, insurance, food and merchandise, or preclude City from imposing any tax, charge, or permit or license fee not inconsistent with the rights and privileges granted to Airline hereunder. Notwithstanding

the foregoing, nothing in this Section 3.04 shall be deemed to permit City to levy, or preclude City from levying, a passenger facility charge or other similar tax at the Airport.

Section 3.05 -- Handling Agreements.

Pursuant to such terms and provisions as Airline may deem appropriate and for so long as Airline actively conducts an Air Transportation Business at the Airport, Airline's Exclusive Use Premises, Airline's Aircraft Parking Areas, and any Public use Premises or other public areas of the Airport which Airline has a right to use in common with others, may also be used by Airline for the handling by Airline's personnel of air transportation operations of other persons engaged in the Air Transportation Business to the same extent as they may be used for the operations of Airline; provided, however, that (a) Airline shall remain liable for all of its obligations hereunder, (b) Airline shall give the Commissioner written notice of any such handling arrangement at least seven (7) days prior to the effective date thereof, and (c) no handling arrangement shall be allowed if the Commissioner objects to it on the basis of material adverse impact to Airport operations within such seven (7) day period.

Section 3.06 -- Construction, Operation and Maintenance and Use of Fueling System.

Airline shall have the obligation to construct and operate and maintain, and the non-exclusive right to use, in common with others, the Fueling System, which obligation and right shall be governed by, and subject to the restrictions contained in, that certain Amended and Restated Fueling System Lease dated as of January 1, 1985, by and among City, Airline and various persons engaged in an Air Transportation Business. Any Airline Party or International Terminal Area Airline Party that is not a signatory to the Fueling System Lease shall not have the benefits or obligations of a lessee thereunder.

Section 3.07 -- Restrictions.

The foregoing rights and privileges of Airline are subject to the following specific restrictions:

(a) City may, from time to time, temporarily or permanently close roadways, ramp areas, doorways and any other areas at the Airport for the purpose of facilitating necessary construction, maintenance or repairs of facilities at the Airport, so long as reasonable means of ingress and egress to and from the Terminal Area and the Airfield Area remain available. City shall consult with Airline prior to any such closing which would adversely affect Airline's operations at the Airport unless such closing is necessitated by circumstances which pose an immediate threat to the health or safety of persons using the Airport. Airline hereby releases and discharges City, its successors and assigns, from any and all claims, demands or causes of action which Airline may have arising from the fact that such areas have been closed.

(b) City may prohibit the use of the Airfield Area by any aircraft operated or controlled by Airline which exceeds the design strength of the paving of the Runways and Taxiways, so long as such prohibition also extends to similar aircraft operated by other Aircraft Operators.

(c) Except as otherwise expressly provided herein or unless otherwise expressly permitted to do so, Airline shall not install, maintain or operate, or permit the installation, maintenance or operation in the Terminal Area of, any vending machine or device designed to dispense or sell food, beverages, tobacco, or merchandise of any kind, except in areas which are not intended to be open to the general public.

(d) Airline shall not do or authorize to be done anything which may interfere with the effectiveness or accessibility of the drainage and sewage system, water system, communications system, fire protection system, or any other part of the utility, electrical or other systems installed or located from time to time at the Airport.

(e) Airline shall not do or authorize to be done anything at the Airport (i) which may constitute a hazardous condition so as to increase the risks normally attendant upon operations permitted by this Agreement or (ii) which will invalidate or conflict with any insurance policies covering the Airport. If, by reason of any failure on the part of Airline to comply with the provisions of this subsection, the cost of any such insurance or extended coverage is at any time higher than it otherwise would be, then Airline shall, at its option (1) provide an equivalent insurance policy written by an insurance company qualified to do business in the State of Illinois, or (2) pay City that part of all premiums paid by City which are charged because of such violation or failure by Airline.

(f) Airline shall limit its training flights into and out of the Airport to necessary FAA-qualification flights, and shall coordinate such training and other nonscheduled flight activities with representatives of the Department of Aviation of City. If requested by City, Airline shall restrict all such activities to certain hours so as not to interfere with scheduled flight activities of other Aircraft Operators using the Airport.

(g) City, by its officers, employees, agents, representatives, contractors, and furnishers of utilities and other services, shall have the right at all reasonable times to enter Airline's Exclusive Use Premises for the purpose of inspecting the same, for emergency repairs to utilities systems, and for the doing of any act which City may be obligated or have the right to do under this Agreement; provided, however, that in exercising such rights, City shall not unreasonably interfere with Airline's use and occupancy of its Exclusive Use Premises.

(h) City shall have the right to operate and maintain the Ground Transportation System with all necessary and reasonable means of ingress thereto and egress therefrom; provided, however, that in exercising such rights, City shall not unreasonably interfere with Airline's use and occupancy of its Exclusive Use Premises.

ARTICLE IV

LEASE OF TERMINAL FACILITIES.

Section 4.01 -- Introduction.

(a) For the purpose of fairly allocating Debt Service allocable to the Terminal Area among the Airline Parties occupying Exclusive Use Premises, all such premises are designated as either Existing Footage or Additional Footage. The total number of square feet of Existing Footage of all Airline Parties shall not exceed 770,000, unless and until the

same may be increased pursuant to Section 8.01(b). Debt Service on obligations issued to fund the cost of designing, constructing and equipping Exclusive Use Premises (other than the Additional Footage portion of Exclusive Use Premises which are part of a Special Facility Improvement), Type B Public Use Premises and those Capital Projects enumerated in Section 5.05(b), or to refinance, refund or redeem such obligations, is allocated among the Airline Parties based on Additional Footage. Debt Service on obligations issued to fund the cost of designing, constructing and equipping Type A Public Use Premises, or to refund, refinance or redeem such obligations, is allocated among the Airline Parties based on total square footage of Exclusive Use Premises.

(b) Since Exclusive Use Premises of Airline may change, in size and location, as Capital Projects are constructed, this Article IV provides for the leasing of Exclusive Use Premises in phases, where applicable.

(c) In the event the Airport Use Agreement of any Airline Party terminates for any reason whatsoever, with respect to all or part of such Airline Party's Exclusive Use Premises, and City relets any such Exclusive Use Premises to any other Airline Party, such premises shall be included in the Exclusive Use Premises of such new lessee and all of such premises shall be designated as Additional Footage regardless of the number of square feet of such premises which may have been designated as Existing Footage in the previous lessee's Airport Use Agreement.

Section 4.02 -- Phase I Exclusive Use Premises.

(a) City hereby leases to Airline and Airline hereby hires and takes from City for Airline's exclusive use, and agrees to pay Terminal Area Rentals and Terminal Area Use Charges calculated with reference to, the Exclusive Use Premises (Airline's "Phase I Exclusive Use Premises") located in Terminal Building No. _____, and Concourse(s) _____, together with all improvements and fixtures located therein, all as shown on Drawing Nos. 1, 2, 3, 4, 5, and 6 of Exhibit J attached hereto.

(b) The foregoing Phase I Exclusive Use Premises, taken together, comprise _____ square feet, of which _____ square feet shall be deemed Airline's Existing Footage, and _____ square feet shall be deemed Airline's Additional Footage.

Section 4.03 -- Phase II and Phase III Exclusive Use Premises.

(a) (i) Effective as of the Date of Beneficial Occupancy of the Exclusive Use Premises described and depicted in Exhibit J-1 attached hereto, if any (Airline's "Phase II Exclusive Use Premises"), City shall, without any further action, lease to Airline and Airline shall, without any further action, hire and take from City for Airline's exclusive use, and shall pay Terminal Area Rentals and Terminal Area Use Charges calculated with reference to, such premises, subject to all of the terms and conditions of this Agreement (including Exhibit J-1).

(ii) City and Airline agree that the size, design and other details of Terminal Building No. 1 and extensions to Concourses F, G, H, K and L are in the conceptual stage as of the Effective Date and are subject to changes and refinements prior to final design, construction and equipping. Changes and refinements of any premises in the Terminal

Area shall be approved by City and any Airline Party having Exclusive Use Premises in such premises; provided, however, no such changes or refinements shall be inconsistent with or contrary to the provisions of Section 9.03(b) or the description of "Project Scope" included in the Airport Development Plan. At the time of such changes or refinements, such amendments shall be made to Exhibits J-1, J-2, K-1 and K-2 as are necessary or appropriate.

(b) Prior to the date on which City certifies Airline's Phase II Exclusive Use Premises to be usable for the conduct of Airline's Air Transportation Business, Airline may, subject to the prior written approval of the Commissioner, nevertheless elect to occupy all or a portion of such Phase II Exclusive Use Premises for the purpose of conducting its Air Transportation Business. In its notice to the Commissioner of such election, Airline shall state the location and number of square feet of such Phase II Exclusive Use Premises which Airline elects to occupy, and the number of square feet, if any, of Airline's Phase I Exclusive Use Premises which Airline agrees to vacate and surrender in connection therewith. If the Commissioner grants his prior written approval to Airline to occupy a portion of such Phase II Exclusive Use Premises pursuant to this subsection (b), City shall lease to Airline, and Airline shall take and hire from City, for Airline's exclusive use, and shall pay Terminal Area Rentals and Terminal Area Use Charges calculated with reference to, such portion of Phase II Exclusive Use Premises so approved; provided, however, that Airline shall, within thirty (30) days of occupying such portion of its Phase II Exclusive Use Premises, vacate and surrender the number of square feet of its Phase I Exclusive Use Premises which Airline has agreed to vacate.

(c) Within thirty (30) days after the Date of Beneficial Occupancy of all or a portion of Airline's Phase II (and Phase III, if Airline will have Phase III) Exclusive Use Premises, City and the Airlines' Representative will take field measurements of the premises so occupied and Exhibit J-1 (and J-2, if applicable) shall be amended, if necessary, to reflect such field measurements. Each such field measurement of Airline's and each other Airline Party's Exclusive Use Premises shall be made on the same basis using the same standard of measurement.

(d) No later than the earlier to occur of (i) thirty (30) days after the date described in Section 1.01(24) (b) has occurred, or (ii) ninety (90) days after the date described in Section 1.01(24) (a) has occurred, with respect to Airline's Phase II Exclusive Use Premises, Airline shall vacate and surrender all portions of Airline's Phase I Exclusive Use Premises which are not part of its Phase II Exclusive Use Premises; provided, however, that upon application by Airline, the Commissioner may extend the time period within which Airline must vacate and surrender such Phase I Exclusive Use Premises.

(e) As of the Date of Beneficial Occupancy of all or a portion of Airline's Phase II Exclusive Use Premises, subsection (a) of Section 4.02 hereof shall be deemed to be amended to include all or such portion, as the case may be, of such premises. As of the date of actual vacation of all or a portion of Airline's Phase I Exclusive Use Premises, subsection (a) of Section 4.02 hereof shall be deemed to be amended to exclude all or such portion, as the case may be, of such premises.

(f) At such time as subsection (a) of Section 4.02 hereof is deemed to be amended to include or exclude certain premises from the description of Airline's Exclusive Use

Premises, subsection (b) of Section 4.02 hereof shall likewise be deemed to be amended to reflect the increase or decrease, if any, in the number of square feet comprising Airline's Exclusive Use Premises. Except as provided in subsection (b) of Section 8.01, except as required to make minor adjustments to accomodate Airline Party relocations (in which increases in Existing Footage shall not exceed 1,500 square feet) or to render lease limit lines in baggage areas uniform, or (only with regards to decreases in Exclusive Use Premises) except as may be specified in Exhibit J-1 (or J-2, if applicable), any such increase or decrease in the number of square feet of Airline's Exclusive Use Premises shall be an increase or decrease in the number of square feet of Airline's Additional Footage to the same extent; provided, however, that any decrease in excess of the total number of square feet of Airline's Additional Footage shall be a decrease in the number of square feet of Airline's Existing Footage to the extent of such excess. The calculation of Airline's Terminal Area Rentals and Terminal Area Use Charges shall be adjusted as of the date of such amendments to Section 4.02 hereof.

(g) City shall make Airline's Phase II Exclusive Use Premises available to Airline and Airline's contractors at the earliest practicable date to permit construction and installation by Airline of fixtures, equipment and improvements necessary or desirable to permit such premises to be used by Airline for their intended purposes. Any construction and installation of fixtures must comply with the requirements of Section 15.02.

(h) Within the time provided in subsection (d) of this Section 4.03 and subject to the provisions of Section 9.12, Airline shall remove, to the extent feasible, from any premises vacated by Airline, all trade fixtures, tools, machinery, equipment (including, without limitation, aircraft loading bridges and devices, baggage systems and communications equipment) supplies, materials and other removable property belonging to Airline; provided, however, that Airline shall promptly repair any damage to such premises caused by such removal. Airline may sell any such property to any person, and City shall have no right under this Agreement to approve the amount received by Airline therefor.

(i) As of the date that Section 4.02 hereof is deemed to be amended to include in Airline's Exclusive Use Premises any premises vacated by another Airline Party, Airline shall assume in writing such other Airline Party's obligations, insofar as they relate to such Exclusive Use Premises, under the Fueling System Lease Agreement at the Airport, dated as of January 1, 1959, or any successor agreement thereto, and the Lockheed Fuel Services Agreement at the Airport, dated as of February 1, 1960, or any successor agreement thereto.

(j) If Airline will occupy Exclusive Use Premises in two phases prior to occupancy of its final Exclusive Use Premises, there shall be attached hereto an exhibit entitled Exhibit J-2 which shall describe Airline's Phase III Exclusive Use Premises. All of the provisions of subsections (a) through (i) of this Section 4.03 shall be applicable to any transition from Phase II Exclusive Use Premises to Phase III Exclusive Use Premises.

Section 4.04 -- Aircraft Parking Areas.

(a) City hereby grants to Airline, and Airline hereby accepts from City, for so long as Airline occupies all or any portion of its Phase I Exclusive Use Premises, the exclusive right to use the Aircraft Parking Areas immediately adjacent to all of such portion of

Airline's Phase I Exclusive Use Premises, as shown on Exhibit K attached hereto. On and after the Date of Beneficial Occupancy of all or any portion of Airline's Phase II Exclusive Use Premises, and for so long as Airline occupies such premises, Airline shall have the exclusive right to use the Aircraft Parking Areas immediately adjacent to all or such portion of Airline's Phase II Exclusive Use Premises, as shown on Exhibit K-1 attached hereto. In the event that Airline will occupy Phase III Exclusive Use Premises, then on the Date of Beneficial Occupancy thereof, and for so long as Airline occupies all or any portion of such premises, Airline shall have the exclusive right to use the Aircraft Parking Areas adjacent to all or such portion of Airline's Phase III Exclusive Use Premises, as shown on Exhibit K-2 attached hereto.

(b) Subject to the provisions of Section 3.06, Airline's right to use Airline's Aircraft Parking Areas shall include the right to install hydrant fueling and shall be subject to the installation, maintenance, use and operation of underground piping and related facilities of the Fueling System.

ARTICLE V

CALCULATION OF RENTALS, FEES AND CHARGES.

Section 5.01 -- General Commitment.

(a) For the purpose of fairly allocating the net cost of operating, maintaining and developing the Airport among all of the Airline Parties, various areas of the Airport have been grouped together for the purpose of accounting for Revenues, O & M Expenses and Debt Service. Each such area is a Cost-Revenue Center as defined in Article I. The net cost of each Cost-Revenue Center shall be determined pursuant to the provisions of this Article V, and Articles VI, XII, XIII and XIV. A pro rata share of the net cost of each Cost-Revenue Center (except the Land Support Area) shall be charged to Airline and to each of the other Airline Parties as part of Airport Fees and Charges in accordance with the provisions of this Article V. The aggregate of all rentals, fees and charges to be paid under all Airport Use Agreements by all Airline Parties shall be sufficient to pay for the net cost of operating, maintaining and developing the Airport (excluding the Land Support Area), including the satisfaction of all of City's obligations to make deposits and payments under any ordinance or resolution authorizing obligations issued pursuant to Article VIII other than Special Facility Revenue Bonds.

(b) In order to minimize the rentals, fees and charges which Airline is obligated to pay under this Agreement, City shall promote and develop Non-Use Agreement Revenues in a manner consistent with that of a reasonably prudent airport operations.

Section 5.02. -- Terminal Area Rentals.

At such times and in such manner as provided in Article VII, Airline shall pay Terminal Area Rentals to City equal to \$5.00 per square foot per year for the Exclusive Use Premises from time to time leased to Airline hereunder.

Section 5.03 -- Terminal Area Use Charges.

(a) At such times and in such manner as provided in Article VII, Airline shall pay Terminal Area Use Charges to City in an amount equal to:

- (i) Airline's pro rata share, if any, established pursuant to Section 5.04(a) of
 - (1) Debt Service (reduced by Investment Income allocated in accordance with Section 6.02 (b)) allocated in accordance with Section 6.01 to Exclusive Use Premises (other than Exclusive Use Premises which are part of a Special Facility Improvement); and
 - (2) Special Facility Revenue Bond and Other Debt Service attributable pursuant to Section 6.01(b) to the Existing Footage portion of Exclusive Use Premises which are part of a Special Facility Improvement;

plus

- (ii) Airline's pro rata share, if any, established to Section 5.04(b), of Debt Service (reduced by Investment Income allocated in accordance with Section 6.02(b)) allocated in accordance with Section 6.01 to Type B Public Use Premises and to relocation costs incurred pursuant to Section 9.13;

plus

- (iii) Airline's pro rata share, established pursuant to Section 5.04(c), of
 - (1) Debt Service (reduced by Investment Income allocated in accordance with Section 6.02 (b)) allocated in accordance with Section 6.01 to Type A public Use Premises, to those capitalized costs of implementing the provisions of this Agreement described in Section 8.02(a) (vii), and to the costs of funding or refinancing required deposits into the Operation and Maintenance Reserve Fund;
 - (2) O & M Expenses of the Terminal Area identified in accordance with Section 6.02;
 - (3) Airport Development Fund and Emergency Reserve Fund payment requirements calculated and pursuant to Sections 10.02 and 11.02, respectively, and Special Capital Projects Fund payments requirements, if any, pursuant to Section 7.10 as each such payment requirement is allocated pursuant to Section 6.03 to the Terminal Area; and
 - (4) Net Deficit, if any, of the Terminal Support Area calculated pursuant to Section 12.01 and allocated pursuant to Section 6.04 of the Terminal Area;

minus

- (iv) Airline's pro rata share, established pursuant to Section 5.04(c), of

- (1) Non-Use Agreement Revenues of the Terminal Area identified in accordance with Section 6.02 and Section 13.04; and
- (2) Net Revenues, if any, of the Terminal Support Area calculated pursuant to Section 12.01 and allocated pursuant to Section 6.04 to the Terminal Area;

plus

- (v) Airline's pro rata share, if any, established pursuant to Section 5.05 of additional Debt Service (reduced by Investment Income allocated in accordance with Section 6.02(b)) allocated to the Terminal Area;

plus

- (vi) Debt Service, if any, (reduced by Investment Income allocated in accordance with Section 6.02(b)) allocated to Airline's tenant improvements in accordance with Section 6.01.

(b) Notwithstanding any other provisions of this Agreement, with respect to any Fiscal Year during which any Airline Party is obligated pursuant to a Special Facility Financing Arrangement to make Special Facility Revenue Bond and Other Debt Service payments, such Airline Party shall receive a credit against its Terminal Area Use Charges and Terminal Area Rentals for each month during such Fiscal Year in an amount equal to one-twelfth (1/12) of such Special Facility Revenue Bond and Other Debt Service payable by such Airline Party for such Fiscal Year allocated in accordance with Sections 6.01(a) and 6.01(b) to (i) the Existing Footage portion of Exclusive Use Premises which are part of a Special Facility Improvement, (ii) Public Use Premises or (iii) the Terminal Support Area. If, in any month, such credit exceeds the aggregate amount of such Airline Party's Terminal Area Use Charges and Terminal Area Rentals for such month, such Airline Party shall receive a credit against its Landing Fees for such month. If, in any month, such credit exceeds the aggregate amount of such Airline Party's Terminal Area Use Charges, Terminal Area Rentals and Landing Fees for such month, such Airline Party shall receive a credit against such charges, rentals and fees for the next succeeding months during such Fiscal Year equal to such excess. To the extent that any such credits are not exhausted during such Fiscal Year, then such Airline Party shall receive a cash payment from City in the amount of such unexhausted credits within thirty (30) days of receipt by such Airline Party of the Final Audit for such Fiscal Year.

(c) An algebraic representation of the formula set forth in this Section 5.03, as applied to two hypothetical situations, is attached hereto as Exhibit P for illustrative purposes only.

Section 5.04 -- Airline's Pro Rata Share.

(a) Airline's pro rata share set forth in Section 5.03(a) (i) of Debt Service and Special Facility Revenue Bond and Other Debt Service shall be the percentage established by dividing (i) the total number of square feet of Airline's Additional Footage by (ii) the total number of square feet of Additional Footage of all Airline Parties. For purposes of this Section 5.04(a), any portion of a Special Facility Improvement in the Terminal Area

designated as Additional Footage shall not be deemed to be Additional Footage. In the event that General Airport Revenue Bonds or Junior Lien Obligations are issued to redeem, refund, or otherwise refinance the Special Facility Revenue Bonds or other funds of the use of a Special Facility Improvement such that such building, facility or improvement, or portion thereof, is no longer deemed to be a Special Facility Improvement, then for purposes of this Section 5.04(a), the portion thereof designated as Additional Footage shall be deemed to be Additional Footage.

(b) Airline's pro rata share set forth in Section 5.03(a) (ii) of Debt Service shall be the percentage established by dividing (i) the total number of square feet of Airline's Additional Footage by (ii) the total number of square feet of Additional Footage of all Airline Parties. For purposes of this Section 5.04(b), any portion of a Special Facility Improvement in the Terminal Area designated as Additional Footage shall be deemed to be Additional Footage.

(c) Airline's pro rata share set forth in Section 5.03 (a) (iii) and (iv) of Debt Service, O & M Expenses, various payment requirements, Net Deficit or Net Revenues of the Terminal Support Area and Non-Use Agreement Revenues of the Terminal Area shall be the percentage established by dividing (i) the total number of square feet of Airline's Exclusive Use Premises by (ii) the total number of square feet of all Airline Parties' Exclusive Use Premises. For purposes of this Section 5.04(c), any portion of a Special Facility Improvement in the Terminal Area designated as Exclusive Use Premises shall be deemed to be Exclusive Use Premises.

Section 5.05 -- Special Allocations of Additional Terminal Area Debt Service.

(a) While it is anticipated that interest during construction will be capitalized, to the extent any Debt Service attributable to Capital Projects in the Terminal Area becomes payable prior to time when the premises being constructed are usable and used for the purposes for which they are being constructed, the following shall apply:

- (i) Airline shall pay its pro rata share of such Debt Service, if any, (reduced by Investment Income allocated in accordance with Section 6.02(b)) allocated in accordance with Section 6.01 to that portion of the Terminal Area which will become Exclusive Use Premises once the Date of Beneficial Occupancy with respect thereto has occurred; provided, however, that with respect to any such premises in a Special Facility Improvement, only that portion of the Special Facility Revenue Bond and Other Debt Service, if any, payable prior to the Date of Beneficial Occupancy, which is attributable pursuant to Section 6.01(b) to the Existing Footage portion of such Exclusive Use Premises, shall be deemed to be included for purposes of this Section 5.05(a) (i). Airline's prorata share shall be the percentage established by dividing (1) the total number of square feet of Airline's Additional Footage by (2) the total number of square feet of Additional Footage of all Airline Parties. For purposes of this Section 5.05(a) (i), Additional Footage shall include the Additional Footage portion of an Airline Party's Phase II (or Phase III, if such Airline Party will have Phase III) Exclusive Use Premises prior to the Date of Beneficial Occupancy thereof if such premises are included in that portion of the terminal Area under construction, but shall not include any Additional Footage which is part of a Special Facility Improvement. In the event

that General Airport Revenue Bonds or Junior Lien Obligations are issued to redeem, refund or otherwise refinance the Special Facility Revenue Bonds or other funds of the user of a Special Facility Improvement such that such building, facility or improvement, or portion thereof, is no longer deemed to be a Special Facility Improvement, then for purposes of this Section 5.05(a) (i), the portion thereof designated as Additional Footage shall be deemed to be Additional Footage.

- (ii) Airline shall pay its Pro Rata share of such Debt Service, if any, (reduced by Investment Income allocated in accordance with Section 6.02(b)) allocated in accordance with Section 6.01 to that portion of the Terminal Area which will become Type B Public Use Premises. Airline's Pro Rata share shall be the percentage established by dividing (1) the total number of square feet of Airline's Additional Footage by (2) the total number of square feet of Additional Footage of all Airline Parties. For purposes of this Section 5.05(a)(ii), Additional Footage shall include the Additional Footage portion of a Special Facility Improvement in the Terminal Area and the Additional Footage portion of an Airline Party's Phase II (or Phase III, if such Airline Party will have Phase III) Exclusive Use Premises prior to the Date of Beneficial Occupancy thereof if such premises are included in that portion of the Terminal Area under construction.
- (iii) Airline shall pay its Pro Rata share of such Debt Service, if any, (reduced by Investment Income allocated in accordance with Section 6.02(b)) allocated in accordance with Section 6.01 to that portion of the Terminal Area which will become Type A Public Use Premises. Airline's Pro Rata share shall be the percentage established by dividing (1) the total number of square feet of Airline's Exclusive Use Premises by (2) the total number of square feet of Exclusive Use Premises of all Airline Parties. For purposes of this Section 5.05(a) (iii), that portion of a Special Facility Improvement in the Terminal Area designated as Exclusive Use Premises shall be Exclusive Use Premises.

(b) Airline shall pay its Pro Rata share of all Debt Service (reduced by Investment Income allocated in accordance with Section 6.02(b)), whenever payable, on the following Capital Projects: TA 2, TA 5, TA 6, TA 8, TA 9, TA 10, TA 12 and TA 13, all as so designated and described in the Airport Development Plan. Airline's Pro Rata share shall be the percentage established by dividing (i) the total number of square feet of Airline's Additional Footage by (ii) the total number of square feet of Additional Footage of all Airline Parties. For purposes of this Section 5.05(b), Additional Footage shall include the Additional Footage portion of a Special Facility Improvement in the Terminal Area and the Additional Footage portion of each Airline Party's Phase II (or Phase III, if such Airline Party will have Phase III) Exclusive Use Premises prior to the Date of Beneficial Occupancy thereof.

Section 5.06 -- Landing Fees.

(a) At such times and in such manner as provided in Article VII, Airline shall pay a Landing Fee to City for each Fee Landing of an aircraft operated by Airline. The Landing Fee shall be an amount equal to the product of (i) the number of thousands of pounds of the

Approved Maximum Landing Weight of the aircraft involved in the Fee Landing, multiplied by (ii) the Landing Fee Rate.

(b) The Landing Fee Rate for any Fiscal year shall be determined (to the nearest 1/10th of one cent per each one thousand pounds) by dividing the Net Cost of the Airfield Area (as defined in Section 5.07), for such Fiscal Year, by the total Approved Maximum Landing Weight in thousand-pound units of all aircraft of all Airline Parties landed in Fee Landings during such Fiscal Year.

(c) Notwithstanding any other provisions of this Agreement, with respect to any Fiscal Year during which any Airline Party is obligated pursuant to a Special Facility Financing Arrangement to make Special Facility Revenue Bond and Other Debt Service payments, such Airline Party shall receive a credit against its Landing Fees for each month during such Fiscal Year in an amount equal to one-twelfth (1/12) of such Special Facility Revenue Bond and Other Debt Service payable by such Airline Party for such Fiscal Year allocated in accordance with Section 6.01 to the Airfield Area. If, in any month, such credit exceeds the aggregate amount of Landing Fees payable by such Airline Party for such month, such Airline Party shall receive a credit against its Landing Fees payable for the next succeeding months during such Fiscal Year equal to the amount of such excess. To the extent that any such credits are not exhausted during such Fiscal Year, then such Airline Party shall receive a cash payment from City in the amount of such unexhausted credits within thirty (30) days of receipt by such Airline Party of the Final Audit for such Fiscal Year.

Section 5.07 -- Net Cost of Airfield Area.

The Net Cost of the Airfield Area shall be:

- (a) Debt Service (reduced by Investment Income allocated in accordance with Section 6.02(b) allocated in accordance with Section 6.01 to the Airfield Area;

plus

- (b) O & M Expenses of the Airfield Area identified in accordance with Section 6.02;

plus

- (c) Net Deficit, if any, of the International Terminal Area calculated pursuant to Section 14.02 and allocated pursuant to Section 6.05 to the Airfield Area;

plus

- (d) Airport Development Fund and Emergency Reserve Fund payment requirements calculated pursuant to Sections 10.02 and 11.02, respectively, and Special Capital Projects Fund payment requirements, if any, pursuant to Section 7.10, as each such payment requirements is allocated pursuant to Section 6.03 to the Airfield Area;

minus

- (e) Non-Use Agreement Revenues of the Airfield Area identified in accordance with Section 6.02;

minus

- (f) Net Revenues, if any, of the International Terminal Area calculated pursuant to Section 14.02 and allocated pursuant to Section 6.05 to the Airfield Area.

Section 5.08 -- Fueling System Fees.

(a) At such times and in such manner as provided in Article VII, Airline shall pay to City Fueling System Fees for each Fiscal Year in an amount equal to Airline's pro rata share established pursuant to Section 5.08(b) below of:

- (i) Debt Service (reduced by Investement Income allocated in accordance with Section 6.02(b)) allocated in accordance with Section 6.01 to the Fueling System;

plus

- (ii) O & M Expenses, if any, of the Fueling System identified in accordance with Section 6.02;

minus

- (iii) Non-Use Agreement Revenues, if any, of the Fueling System identified in accordance with Section 6.02.

(b) Airline's pro rata share for purposes of Section 5.08(a) above shall be computed as follows:

- (i) Ten percent (10%) thereof shall be distributed equally among all Airline Parties and International Terminal Area Airline Parties;
- (ii) Ninety percent (90%) thereof shall be distributed among all Airline Parties and International Terminal Area Airline Parties in the proportion that the number of gallons of aviation fuel distributed from the Fueling System to each such Airline Party or International Terminal Area Airline Party bears to the total number of gallons of aviation fuel distributed from the Fueling System to all Airline Parties and International Terminal Area Airline Parties.

(c) In the event that for any full calendar month none of the Airline Parties has any aviation fuel distributed to it from the Fueling System, Airline shall, for the purposes of this Section 5.08, be deemed to have had distributed to it in such month the average number of gallons of aviation fuel distributed to it in each of the last preceding six months during which any aviation fuel was distributed to it.

ARTICLE VI

IDENTIFICATION AND ALLOCATION OF REVENUES AND
EXPENSES.

Section 6.01 -- Debt Service.

(a) City shall maintain accurate records allocating Debt Service for each Fiscal Year among the CRCs. The allocation of Debt Service shall be based on actual expenditures made out of the proceeds of obligations giving rise to such Debt Service for each Capital Project described in the Airport Development Plan and in any future schedules of Capital Projects presented by City to the Airline Parties in accordance with Article VIII; provided, however, that Debt Service attributable to those capitalized costs of implementing the provisions of this Agreement described in Section 8.02(a) (vii) shall be allocated thirty-five percent (35%) to the Terminal Area, thirty-five percent (35%) to the Airfield Area, twenty percent (20%) to the Terminal Support Area and ten percent (10%) to the International Terminal Area; and, provided, further, that Debt Service attributable to the costs of funding or refinancing required deposits into the Operation and Maintenance Reserve Fund, for each Fiscal Year, shall be allocated among the CRCs in the same proportion as O & M Expenses, for such Fiscal Year, are allocated among the CRCs. Such allocation shall separately identify Debt Service allocated to the Terminal Area for (i) all Exclusive Use Premises (excluding Exclusive Use Premises which are part of a Special Facility Improvement), (ii) any Exclusive Use Premises which are part of a Special Facility Improvement, (iii) tenant improvements pursuant to Section 9.12, (iv) relocation costs incurred pursuant to Section 9.13, (v) Type A Public Use Premises, (vi) Type B Public Use Premises, (vii) those capitalized costs of implementing the provisions of this Agreement described in Section 8.02(a) (vii), (viii) those Capital Projects enumerated in Section 5.05(b), and (ix) the costs of funding or refinancing required deposits into the Operation and Maintenance Reserve Fund; and shall separately identify Debt Service, if any, during construction for each of the foregoing.

(b) Special Facility Revenue Bond and Other Debt Service attributable to the Existing Footage portion of Exclusive Use Premises which are part of a Special Facility Improvement shall equal the amount of Special Facility Revenue Bond and Other Debt Service allocated to all of such Exclusive Use Premises pursuant to Section 6.01(a) (ii) ("S") minus an amount equal to the product of (i) S times (ii) a fraction, the numerator of which shall be the number of square feet of such Exclusive Use Premises consisting of Additional Footage ("T") and the denominator of which shall be the total number of square feet of such Exclusive Use Premises ("U") times (iii) a fraction, the numerator of which shall be the total number of square feet of Exclusive Use Premises of all Airline Parties (including Exclusive Use Premises which are part of a Special Facility Improvement) to which Debt Service is allocable pursuant to Section 6.01(a) ("V") and the denominator of which shall be the total number of square feet of Additional Footage of all Airline Parties (including Additional Footage which is part of a Special Facility Improvement) ("W"). An algebraic representation of the calculation of the Special Facility Revenue Bond and Other Debt Service attributable to the Existing Footage portion of Exclusive Use Premises which are part of a Special Facility Improvement is as follows:

$$S - (S \times T/U \times V/W)$$

(c) Debt Service attributable to the refinancing, refunding or redemption of any General Airport Revenue Bonds, Junior Lien Obligations, Special Facility Revenue Bonds or other obligations shall be allocated among the CRCs (and within a CRC) to reflect the actual expenditures made out of the proceeds of such refinanced, refunded or redeemed bonds or other obligations.

(d) Debt Service attributable to the refinancing, refunding or redemption of any 1959 Bonds shall be allocated equally between the Terminal Area and the Airfield Area. All of such Debt Service allocated to the Terminal Area shall be allocated to Type A Public Use Premises.

(e) As part of the Final Audit, the Independent Accountant shall review the records of City for the purpose of determining compliance with the allocation requirements of this Section 6.01.

Section 6.02 -- Operation and Maintenance Expenses; Non-Use Agreement Revenues; Investment Income.

(a) City shall maintain accurate records allocating O & M Expenses and Non- Use Agreement Revenues for each Fiscal Year in accordance with Exhibit L attached hereto; provided, however, that all O & M Expenses described in Section 1.01 (67) (h) and (n) shall be allocated to the Airfield Area. As part of the Final Audit, the Independent Accountant shall review the records of City for the purpose of determining compliance with the allocation requirements set forth in Exhibit L attached hereto.

(b) Investment Income, for each Fiscal Year, shall be allocated among the CRCs, and within the Terminal Area, on the same basis and in the same proportion as Debt Service, for such Fiscal Year, is allocated among the CRCs, and within the Terminal Area.

Section 6.03 -- Airport Development Fund, Emergency Reserve Fund and Special Capital Projects Fund Payment Requirements.

(a) The Airport Development Fund and Emergency Reserve Fund payment requirements calculated pursuant to Sections 10.02 and 11.02, respectively, shall be allocated between the Terminal Area and the Airfield Area in the same ratio as (i) the sum of Terminal Area Rentals and Terminal Area Use Charges for all Airline Parties for the preceding Fiscal Year bears to (ii) Landing Fees for all Airline Parties for the preceding Fiscal Year.

(b) Any Special Capital Projects Fund payment requirements approved by a Majority-in-Interest shall be allocated to the Terminal Area or the Airfield Area as approved by a Majority-in-Interest.

Section 6.04 -- Allocation of Terminal Support Area Net Deficit or Net Revenues.

Terminal Support Area Net Deficit or Net Revenues for any Fiscal Year, calculated in accordance with Section 12.01, shall be allocated between the Terminal Area and the International Terminal Area in the same ratio as (i) the number of Enplaned Passengers of

the Terminal Area for such Fiscal Year bears to (ii) the number of Enplaned Passengers of the International Terminal Area for such Fiscal Year.

Section 6.05 -- Allocation of International Terminal Area Net Deficit or Net Revenues.

International Terminal Area Deficit or Net Revenues for any Fiscal Year, calculated in accordance with Section 14.02, shall be allocated to the Airfield Area.

ARTICLE VII

PAYMENT OF LANDING FEES, TERMINAL AREA USE CHARGES
AND FUELING SYSTEM FEES.

Section 7.01 -- Information on Airline Operations.

Not earlier than one hundred twenty (120) days nor later than one hundred (100) days prior to the end of each Fiscal Year, Airline shall furnish City with an estimate of (a) the total Approved Maximum Landing Weight of all aircraft to be landed at the Airport by Airline during the next ensuing Fiscal Year, (b) the total number of Enplaned Passengers of Airline at the Airport for the next ensuing Fiscal Year, and (c) the total number of gallons of aviation fuel to be distributed from the Fueling System to Airline during the next ensuing Fiscal Year.

Section 7.02 -- Preliminary Projection of Landing Fee Rate, Terminal Area Use Charges and Fueling System Fees.

Not later than seventy (70) days prior to the end of each Fiscal Year, City shall furnish Airline with a projection for the next ensuing Fiscal Year of (a) the Landing Fee Rate, (b) Airline's Terminal Area Use Charges and (c) Airline's Fueling System Fees. Unless City reasonably believes the information submitted to City pursuant to Section 7.01 to be unreasonable or inaccurate, the projection (the "Preliminary Projection of Fees and Charges") shall incorporate such information, and shall present, for the Airport in its entirety and for each CRC, the latest available data on current operations of the Airport, a pro forma projection for the entire current Fiscal Year, and an estimate of each of the following items for the next-ensuing Fiscal Year:

- (i) Debt Service (indicating Capital Projects which require approval of a Majority-in-Intersect pursuant to Section 8.05);
- (ii) Operation and Maintenance Expenses;
- (iii) Non-Use Agreement Revenues;
- (iv) Investment Income;
- (v) The Airport Development Fund payment requirements;
- (vi) The Emergency Reserve Fund payment requirements;

- (vii) The Special Capital Projects Fund payment requirements;
- (viii) The Operation and Maintenance Reserve Fund payment requirements; and
- (ix) Any changes in the number of square feet of any Airline Party's Exclusive Use Premises and Additional Footage.

Airline may submit written comments on the Preliminary Projection of Fees and Charges to the Commissioner within thirty (30) days following receipt thereof by Airline. City shall give due consideration to any comments submitted in a timely manner by Airline. City shall, when requested by a Majority-in-Interest, convene a meeting with Airline Parties to discuss O & M Expenses relating to the operation of any Ground Transportation System.

Section 7.03 -- Projection of Landing Fee Rate, Terminal Area Use Charges and Fueling System Fees.

Not later than thirty (30) days prior to the end of each Fiscal Year, City shall furnish Airline with a Projection of Fees and Charges, consisting of the Preliminary Projection of Fees and Charges revised as appropriate to reflect comments submitted to City by Airline Parties (the "Projection of Fees and Charges"). The Projection of Fees and Charges shall be the basis for computing Airline's Landing Fees, Terminal Area Use Charges and Fueling System Fees for the next ensuing Fiscal Year unless and until revised pursuant to Section 7.06. In no event shall the projection of Landing Fees, Terminal Area Use Charges or Fueling System Fees of any Airline Party be less than zero; provided, however, that if the computations contemplated and hereunder produce negative amounts, such amounts shall be reflected in the Final Audit.

Section 7.04 -- No Effect on Capital Project Approval Process.

To the extent that either the Preliminary Projection of Fees and Charges or the Projection of Fees and Charges includes Debt Service for Capital Projects with respect to which City is required to give notice or obtain approval pursuant to Article VIII, (a) the inclusion of such Debt Service by City shall not be deemed to be such notice or a request for such approval, and (b) Airline's comments or lack of comments on the Preliminary Projection of Fees and Charges or the payment by Airline of Airport Fees and Charges in accordance with the Projection of Fees and Charges shall not be deemed to be evidenced of such approval or disapproval thereof.

Section 7.05 -- Payment of Terminal Area Rentals, Terminal Area Use Charges, Landing Fees and Fueling System Fees.

Beginning with the later of the Effective Date and the date on which this Agreement is executed and delivered with respect to Airline's Phase I Exclusive Use Premises, and beginning with the Date of Beneficial Occupancy with respect to Airline's Phase II (or Phase III, if applicable) Exclusive Use Premises:

(a) Not later than the tenth (10th) day of each month of each Fiscal Year, City shall furnish Airline with an invoice setting forth the amount of Airline's Terminal Area Rental and Terminal Area Use Charge for the next ensuing month. Not later than the first (1st)

day of such next ensuing month, Airline shall pay City an amount equal to Airline's total Terminal Area Rental and Terminal Area Use Charge for such month.

(b) Not later than the tenth (10th) day of each month of each Fiscal Year, Airline shall furnish City with a statement, signed by an authorized representative of Airline, certifying the actual number of Airline's Fee Landings, by type, model and weight of aircraft, during the preceding month. City shall forthwith furnish Airline with an invoice setting forth the amount of Landing Fees payable by Airline for such preceding month, calculated by multiplying the total Approved Maximum Landing Weight for aircraft landed by Airline in Fee Landings at the Airport during such preceding month by the Landing Fee Rate for such preceding month. Within thirty (30) days after the date of such invoice, Airline shall pay to City the amount of Landing Fees set forth therein.

(c) Not later than the tenth (10th) day of each month of each Fiscal Year, Airline or the "Operator" as designated in the Fueling System Lease on Airline's behalf shall furnish City with a statement, signed by an authorized representative of Airline or the "Operator" as designated in the Fueling System Lease, certifying the actual number of gallons of aviation fuel distributed from the Fueling System to Airline during the preceding month, together with payment of Airline's Fueling System Fees for such preceding month, calculated by multiplying the total number of gallons of aviation fuel distributed from the Fueling System to Airline during such preceding month by the Fueling System Fee Rate for such preceding month.

Section 7.06 -- Mid-Year Adjustment of Landing Fee Rate, Terminal Area Use Charges and Fueling System Fees.

Not later than the one hundred ninetieth (190th) day of each Fiscal Year, City shall furnish Airline with a revised Projection of Fees and Charges (the "Mid- Year Projection"), which shall reflect the most recently available information with regard to the amounts actually incurred or realized during such Fiscal Year for each of the items listed in Section 7.02, together with the most recently available information with regard to Landing Fees, Terminal Area Use Charges and Fueling System Fees actually received by City with respect to the Airport. If the Mid-Year Projection forecasts that payments of Terminal Area Use Charges, Landing Fees and Fueling System Fees by Airline Parties at the then-existing rates would result in an overpayment or underpayment of five percent (5%) or more of the amount required hereunder to be generated by City through Terminal Area Use Charges, Landing Fees and Fueling System Fees during such Fiscal Year, City shall adjust the remaining monthly Terminal Area Use Charges, the Landing Fee Rate and Fueling System Fees for such Fiscal Year to conform to the Mid-Year Projection. In no event shall either Terminal Area Use Charges, Landing Fees or Fueling System Fees of any Airline Party, as so adjusted, be less than zero; provided, however, that if the computations contemplated hereunder produce negative amounts, such amounts shall be reflected in the Final Audit.

Section 7.07 -- Final Audit.

Within six (6) months after the close of each Fiscal Year, City shall furnish Airline with a copy of an annual audit report, prepared in accordance with generally accepted accounting principles and certified by an Independent Accountant, covering the operation

of the Airport for such preceding Fiscal Year. The Final Audit shall contain a calculation based on actual data, in accordance with the provisions of Article V, of Terminal Area Use Charges, Landing Fees and Fueling System Fees chargeable to each Airline Party for the preceding Fiscal Year, and shall set forth Terminal Area Use Charges, Landing Fees and Fueling System Fees actually paid by Airline for such period. If Terminal Area Use Charges, Landing Fees or Fueling System Fees actually paid by Airline were greater than the respective amounts chargeable to Airline. Airline shall receive credits in the amount of such overpayment against the next ensuing payment of Terminal Area Use Charges, Landing Fees, or Fueling System Fees, as the case may be, or, if necessary, against the next ensuing payments thereof, until Airline has received the full amount of such credits; provided, however, that if the amount of such overpayment exceeds one hundred fifty percent (150%) of Terminal Area Use Charges, Landing Fees or Fueling System Fees, as the case may be, estimated to be paid by Airline in the next ensuing month, then such excess shall be refunded in cash by City. If Terminal Area Use Charges, Landing Fees or Fueling System Fees paid by Airline were less than the respective Amounts chargeable to Airline, Airline shall pay to City the amount of any such deficiency along with its next payment of Terminal Area Use Charges, Landing Fees or Fueling System Fees, as the case may be.

Section 7.08 -- Place of Payments; Late Payment.

All amounts payable by Airline hereunder shall be paid to City at the Office of City's Comptroller, or at such other place as City's Comptroller shall designate. Any amount which is not paid when due shall bear interest at a rate four percent (4%) higher than the then-current prime rate for commercial customers established by the largest commercial bank in Chicago, determined on the basis of total assets.

Section 7.09 -- Right to Contest.

The payment by Airline to City, and the acceptance by City from Airline, of any amount hereunder shall not preclude either Airline or City from questioning, within a period of six (6) months from the date of receipt by Airline of the Final Audit, the accuracy of any statement on the basis of which such payment was made, or preclude City from making, within such period, any claim against Airline for any additional amount payable by Airline hereunder, or preclude Airline from making, within such period, any claim against City for credit for any excess amount paid by Airline hereunder; provided, however, that neither City nor Airline shall be limited by such 6-month period in the event that the other party shall have attempted to defraud or shall have defrauded the party seeking to question the accuracy of such statement or make such claim.

Section 7.10 -- Creation of Certain Funds.

(a) Immediately after the Effective Date, City shall create the following funds;

- (i) the Airport Fund;
- (ii) the Operation and Maintenance Fund;
- (iii) the Special Capital Projects Fund;

- (iv) the Operation and Maintenance Reserve Fund;
- (v) the Maintenance Reserve Fund;
- (vi) the Airport Development Fund; and
- (vii) the Emergency Reserve Fund.

Such funds constitute all of the funds required to be created under this Agreement. In addition, City may create other funds for the purpose of segregating moneys to pay Debt Service when the pledge of Revenues under the General Airport Revenue Bond Ordinance is not in effect. All moneys and securities held in the funds listed above shall be held by City separate and apart from all other funds of City and shall be applied and withdrawn only as set forth in this Section 7.10, except with respect to the Airport Development Fund and the Emergency Reserve Fund, which are governed by Articles X and XI, respectively.

(b) At any time when the pledge of Revenues under the General Airport Revenue Bond Ordinance is not in effect, all Revenues collected by City shall be promptly deposited into the Airport Fund. At such time as the pledge of Revenues under the General Airport Revenue Bond Ordinance becomes effective, City shall transfer any amounts in the Airport Fund to the Trustee to be deposited into the Revenue Fund. While the pledge of Revenues under the General Airport Revenue Bond Ordinance remains effective, City shall transfer all Revenues to the Trustee to be deposited into the Revenue Fund, to be applied by the Trustee in accordance with the General Airport Revenue Bond Ordinance. At such time as the pledge of Revenues under the General Airport Revenue Bond Ordinance is no longer in effect, any amounts in the Revenue Fund shall be transferred by the Trustee to City for deposit in the Airport Fund. Any amounts deposited in the Airport Fund at any time shall be disbursed and applied by City as required to make the following deposits on the following dates and in the following amounts with respect to each Fiscal Year:

- (i) On the first business day immediately preceding the tenth (10th day) of each month, City shall make the following deposits in the manner and order of priority set forth below:

First: City shall deposit into the Operation and Maintenance Fund an amount equal to one-twelfth (1/12) of the amount provided in the Projections of Fees and Charges prepared pursuant to Section 7.03 for Operation and Maintenance Expenses (excluding O & M Expenses of the Land Support Area and excluding required deposits into the Maintenance Reserve Fund and the Operation and maintenance Reserve Fund) for such Fiscal Year; provided, however, that if the Mid-Year Projection prepared in accordance with Section 7.06 contains an adjustment of Operation and Maintenance Expenses (excluding O & M Expenses of the Land Support Area and deposits into the Operation and Maintenance Reserve Fund and the Maintenance Reserve Fund) for such Fiscal Year, the amount required to be deposited in the Operation and Maintenance Fund each month of the second half of such Fiscal Year shall be increased or decreased as appropriate by an amount equal to one-sixth of the amount of such adjustment.

Second: City shall next deposit into the Special Capital Projects Fund the amount, if any, approved by a Majority-in-Interest to be deposited at such time into the Special Capital Projects Fund.

- (ii) On the first business day immediately preceding the first (1st) and one hundred eighty-second (182nd) day of such Fiscal Year, City shall make the following deposits in the manner and order of priority set forth below:

First: City shall deposit into the Operation and Maintenance Reserve Fund an amount equal to one-half (1/2) of the "O & M Reserve Fund deposit requirement", as below defined, for such Fiscal Year. The "O & M Reserve Fund deposit requirement" for any Fiscal Year shall mean the amount necessary to increase the amount on deposit therein (including amounts receivable from the Operation and Maintenance Fund) to an amount equal to one-fourth (1/4) of the amount provided in the Projection of Fees and Charges, as adjusted from time to time, for Operation and Maintenance Expenses (excluding O & M Expenses of the Land Support Area and deposits for the Maintenance Reserve Fund and the Operation and Maintenance Reserve Fund) for such Fiscal Year; provided, however, that if the Mid-Year projection prepared in accordance with Section 7.06 contains an adjustment of Operation and Maintenance Expenses (excluding O & M Expenses of the Land Support Area and deposits into the Operation and Maintenance Reserve Fund and the Maintenance Reserve Fund), then the amount required to be deposited on the one hundred eighty-second (182nd) day of such Fiscal Year shall be increased or decreased as appropriate by an amount equal to such adjustment.

Second: City shall next deposit into the Maintenance Reserve Fund an amount equal to the lesser of (A) \$1,500,000 and (B) the amount, if any, required to bring the deposit therein to \$3,000,000.

Third: City shall next deposit into the Emergency Reserve Fund an amount equal to one-half (1/2) of the Emergency Reserve Fund payment requirement, as defined in Section 11.02, for such Fiscal Year.

Fourth: City shall next deposit into the Airport Development Fund an amount equal to one-half (1/2) of the Airport Development Fund payment requirement, as defined in Section 10.02, for such Fiscal Year, plus one-half (1/2) of the amount, if any, to be deposited by City into the Airport Fund for such Fiscal Year for deposit into the Airport Development Fund pursuant to Section 13.03.

(c) If at any time when deposits are required to be made to any funds pursuant to this Section 7.10, moneys held in the Airport Fund are insufficient to make any such required deposit, the deposit shall be made on the next applicable deposit date after required deposits into all other funds of higher priority are made in full.

(d) The moneys on deposit in the funds described in this Section 7.10 shall be used for the following purposes:

- (i) Any balance in the Airport Fund after the deposits and transfers set forth herein shall remain in the Airport Fund and shall be available only (1) to meet deficiencies arising in any of the funds in the order of their priority, (2) to make future deposits and transfers required hereunder and (3) to make any payments to Airline Parties required under Sections 5.03(b), 5.06(c) and 7.07.
 - (ii) The moneys in the Operation and Maintenance Fund shall be used by City only to pay Operation and Maintenance Expenses (excluding O & M Expenses of the Land Support Area and deposits into the Maintenance Reserve Fund and the Operation and Maintenance Reserve Fund); provided, however, that moneys in the Operation and Maintenance Fund shall also be used to repay loans from the Operation and Maintenance Reserve Fund as soon as funds for such repayment are available therefor.
 - (iii) The moneys in the Special Capital Projects Fund shall be used only as a source for Special Capital Project Expenditures approved by a Majority-in-Interest.
 - (iv) The moneys in the Operation and Maintenance Reserve Fund shall be used only to make loans to the Operation and Maintenance Fund whenever and to the extent moneys in the Operation and Maintenance Fund are insufficient to pay Operation and Maintenance Expenses (excluding O & M Expenses of the Land Support Area and deposits into the Maintenance Reserve Fund and the Operation and Maintenance Reserve Fund).
 - (v) The moneys in the Maintenance Reserve Fund shall be used only for paying the cost of extraordinary maintenance expenditures, such as costs incurred for major repairs, renewals and replacements at the Airport (excluding the Land Support Area), whether caused by normal wear and tear or by unusual and extraordinary occurrences, including costs of painting, major repairs, renewals and replacements, damage caused by storms or other unusual causes. Any expenditure out of the Maintenance Reserve Fund shall be certified as an appropriate expenditure for one or more of the above-described purposes by an Independent Airport Consultant.
 - (vi) The moneys in the Emergency Reserve Fund shall be used only for the purposes set forth in Section 11.03.
 - (vii) The moneys in the Airport Development Fund shall be used only for the purposes set forth in Section 10.04.
- (e) The moneys in the Emergency Reserve Fund and the Airport Development Fund shall be invested and any earnings or losses thereon shall be treated as set forth in Sections 11.04 and 10.05, respectively. The moneys held in the other funds described in this Section 7.10 shall be invested in Qualified Investments at the direction of the Treasurer of City, and the interest thereon, and any profit arising on the sale thereof, shall be deposited into the Airport Fund.
- (f) Qualified Investments purchased as an investment of moneys in any fund described in this Section 7.10 shall be deemed at all times to be a part of such fund. Qualified

Investments so purchased shall be sold at the best price obtainable whenever it is necessary to do so in order to provide moneys to make any withdrawal or payment from such fund. For the purposes of any such investment, Qualified Investments shall be deemed to mature at the earliest date on which the obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such Qualified Investments. Qualified Investments in which moneys held in any fund have been invested shall mature not later than the respective dates as estimated by City based on information provided by City, when the moneys held for the credit of any fund will be needed.

(g) In computing the amount in any fund described in this Section 7.10, obligations maturing within the three (3) year period next succeeding the date of computation shall be valued at amortized value and obligations maturing more than three (3) years following the date of computation shall be valued at the lower amortized value or market value. For purposes of this Agreement, amortized value means par, if the obligation was purchased at par, or, when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of interest payments remaining on such obligation after such purchase and deducting the amount thus calculated from the purchase price in the case of an obligation purchased at a premium or adding the amount thus calculated to the purchase price in the case of an obligation purchased at a discount. Valuation shall be made on each January 1 and July 1, and on any particular date shall not include the amount if interest then earned or accrued to such date on any deposit or investment.

ARTICLE VIII

APPROVAL OF CAPITAL EXPENDITURES; APPROVAL OF ISSUANCE OF OBLIGATIONS.

Section 8.01 -- Capital Expenditures for Which No Approval Required.

Provided that the notice required by Section 8.03 has been given to Airline:

(a) City may make or authorize to be made Capital Expenditures (and, with respect to item (ii) below, expenditures for improvements at airports other than the Airport in accordance with Section 10.04, and with respect to item (vi) below, expenditures to fund all related costs of issuance and associated financing costs, including, but not limited to, costs of capitalized interest, debt service coverage requirements, credit facility fees and required deposits into any debt service reserve fund or other fund established in the ordinance or resolution authorizing such obligations and required deposits into the Operation and Maintenance Reserve Fund) from the following sources without approval of Airline or a Majority-in-Interest: (i) amounts in the Maintenance Reserve Fund; (ii) amounts in the Airport Development Fund; (iii) proceeds of Government Grants-in-Aid (excluding any City-sponsor matching share); (iv) proceeds of any passenger facility charge or similar tax levied by or on behalf of City; (v) proceeds of insurance or any condemnation award with respect to any assets or property at the Airport, to the extent such proceeds are not deemed revenues in accordance with generally accepted accounting principles and are expended to replace that which was destroyed or taken; and (vi) proceeds of obligations issued by City pursuant to Section 8.02.

(b) In addition, City may make or authorize to be made Capital Expenditures for Capital Projects consisting of Exclusive Use Premises which are improvements to, or expansions or extensions of, Exclusive Use Premises in Terminal Buildings Nos. 1, 2, 3 and 3-Expansion, without approval of Airline or a Majority-in-Interest so long as City obtains a written agreement from one or more Airline Parties to (i) occupy such Exclusive Use Premises for the remaining term of its or their Airport Use Agreements, (ii) provide the financing therefor from a source other than General Airport Revenue Bonds or Junior Lien Obligations and pay all principal and interest thereon, (iii) pay all costs related to such Capital Projects which are not completed, including any architectural or engineering fees, and (iv) amend its or their Airport Use Agreements to increase such Airline Party's or Parties' Existing Footage and Exclusive Use Premises by an amount equal to the square footage of any such expansion to such Exclusive Use Premises.

(c) City may make or authorize to be made any other Capital Expenditures for Capital Projects without approval of Airline or a Majority-in-Interest so long as Airline will not be obligated to pay any costs thereof or therefor, including any payments in the event of a default by the primary obligor.

Section 8.02 -- Issuance of Obligations for Which No Approval Required.

(a) Provided that the notice required by Section 8.04 has been given to Airline, City may issue obligations for any one or more of the following purposes, and to fund all related costs of issuance and associated financing costs, including but not limited to, costs of capitalized interest, debt service coverage requirements, credit facility fees and required deposits into any debt service reserve fund or other fund established in the ordinance or resolution authorizing such obligations, and include the Debt Service thereon in the calculation of Airport Fees and Charges, in accordance with the provisions of Articles V and VI, without approval of Airline or a Majority-in-Interest: (i) to fund (1) the cost of designing, constructing and equipping Priority I Capital Projects, (2) the Airline-Funded Cost of designing, constructing and equipping Priority II Capital Projects, subject to the provisions of Section 9.07, (3) the cost of designing, constructing and equipping Capital Projects of the Fueling System, and (4) the cost of designing, constructing and equipping Capital Projects necessary to comply with any valid rule, regulation or order of any Federal or state agency; (ii) to fund the cost of tenant improvements pursuant to Section 9.12, or the cost of relocation expenses pursuant to Section 9.13; (iii) to fund insurance or condemnation award deficiencies pursuant to Section 19.04(d) or 19.05; (iv) to redeem the 1959 Bonds; (v) to refinance, on a long-term, permanent basis, obligations which were issued originally to finance, on a short-term, interim basis, the cost of funding required deposits described in subsection (viii) below, the cost of designing, constructing and equipping Capital Projects described in subsection (i) above, or the cost of tenant improvements and relocation costs described in subsection (ii) above, or, to the extent necessary from time to time to prevent a default thereon, to renew such short-term interim obligations with other short-term obligations; (vi) to refund or refinance Special Facility Revenue Bonds (1) pursuant to and only at the times required by the Special Facility Use Agreement dated as of August 1, 1982 by and between City and Delta Air Lines, Inc., or (2) pursuant to and only at the times required by any agreements entered into by and between City and any Airline Party pursuant to Section 9.14; (vii) to fund other capitalized costs of implementing the provisions of this Agreement, such as the costs of designing, creating and implementing

accounting and cost management systems, and program and construction management costs and expenses; and (viii) to fund required deposits into the Operation and Maintenance Reserve Fund. The use of the proceeds of General Airport Revenue Bonds in the manner set forth in that certain Escrow Deposit Agreement, dated as of April 1, 1983, by and among City, Delta Air Lines, Inc. and Continental Illinois National Bank and Trust Company of Chicago, shall be deemed to constitute a refunding of Special Facility Revenue Bonds "pursuant to . . . the Special Facility Use Agreement dated as of August 1, 1982 by and between the City and Delta Air Lines, Inc." within the meaning of this Section.

(b) It is the intent of City and Airline that obligations issued by City pursuant to this Section 8.02 will be issued at such times and on such terms as will result, for all such obligations in the aggregate, in the lowest annual Debt Service reasonably obtainable. Nevertheless, the terms and conditions of obligations issued by City pursuant to this Section 8.02 shall be determined by City in its sole discretion, including, but not limited to, the amount, term, redemption provisions and interest rate or rates of such obligations, subject to the following limitations, any or all of which may be waived by a Majority-in-Interest:

(i) City shall, to the extent permitted by law, cause interest on each issue or series of obligations issued pursuant to subsection (a) of this Section 8.02 to finance or refinance a Capital Project to be capitalized to and including a date not less than six (6) months beyond the estimated date of completion of construction of such Capital Project.

(ii) Each issue or series of obligations issued pursuant to subsection (a) of this Section 8.02 by City (other than obligations issued to finance, on a short-term, interim basis, the cost of designing, constructing and equipping Capital Projects, or the cost of funding required deposits into the Operation and Maintenance Reserve Fund, and obligations issued to renew such obligations) shall be issued pursuant to the General Airport Revenue Bond Ordinance or a Special Facility Financing Arrangement and shall mature over a period of not less than fifteen (15) years and shall provide for approximately level annual payments of principal and interest.

(iii) In the event obligations are issued by City pursuant to subsection (a) of this Section 8.02 to finance the cost of designing, constructing and equipping Capital Projects on a short-term, interim, basis, the following shall apply:

- (1) City shall permanently finance, pursuant to the requirements of subsection (ii) above, the cost of designing, constructing and equipping each such Capital Project or component thereof on or prior to the issuance of the Cost Allocation Certificate for such Capital Project or component thereof pursuant to Section 9.04(h);
- (2) Any letter of credit or other credit facility arrangement provided to secure such interim obligations, or any renewal obligations, (A) shall be provided by a domestic banking institution, (B) shall not affect any rights or obligations of City or Airline under this Agreement or have the effect of causing Debt Service included in the calculations of Terminal Area Use Charges and Landing Fees to exceed Debt Service calculated in accordance with subsection (3) below, and (C) shall not impose any covenants, restrictions or requirements on City regarding

the ownership or operation of the Airport other than those imposed by the General Airport Revenue Bond Ordinance; and

- (3) For the purpose of determining Debt Service on any such interim obligations, or on any obligation of City to repay advances under any such letter of credit or other credit facility arrangement, to be included in the calculation of Terminal Area Use Charges and Landing Fees under this Agreement, Debt Service shall be the lesser of (A) the actual Debt Service on such obligations and (B) the Debt Service which would have resulted if the same principal amount of obligations had been structured to mature on a level debt service basis over a ten (10) year period from the date of issuance of such interim obligations or from the date of incurrence of the obligation of City under such letter of credit or other credit facility arrangement, as the case may be, or the remaining term of this Agreement, whichever is shorter, with interest on such obligations assumed to be payable at a rate equal to the rate specified in the "Revenue Bond Index" published in The Bond Buyer, or successor index, and in effect on the date of sale of such interim obligations or on the date such letter of credit is issued or such other credit facility arrangement is entered into, as the case may be.
- (iv) Except in accordance with Section 8.02(a) (iv), (v) and (vi), City shall not issue any obligations to refund or refinance any obligations issued pursuant to subsection (a) of this Section 8.02.
- (v) City shall not issue any obligations pursuant to subsection (a) of this Section 8.02 which (1) provide for the establishment of debt service reserve fund in excess of maximum annual debt service (principal and interest) with respect to such obligations, excluding in the case of obligations having maturity of five years or less the principal amount of such obligations, or (2) establish debt service coverage requirements with respect to such obligations in excess of 1.25 times the annual debt service for any Fiscal Year on such obligations, calculated by treating as available net revenues for debt service coverage purposes any balance remaining after all fund deposits required for the previous Fiscal Year under the ordinance or resolution authorizing such obligations have been made. In addition, the ordinance or resolution authorizing the issuance of any obligations pursuant to subsection (a) of this Section 8.02 (1) shall not create any funds other than funds which serve the same function and have deposit requirements determined in the same manner as the Debt Service Fund, the Debt Service Reserve Fund, the Junior Lien Obligation Debt Service Fund and the Construction Fund, (2) shall not provide for acceleration of payment of the principal amounts of such obligation, (3) shall provide for the funding of any debt service reserve fund for Junior Lien Obligations from the proceeds of the sale of such Junior Lien Obligations and (4) shall provide that any interest accruing on, and any profit realized from the investment of moneys in any debt service reserve fund established thereunder shall be deposited into the Reserve Fund.
- (vi) City shall not amend the General Airport Revenue Bond Ordinance in any way that would change the debt service coverage requirements or the fund deposit requirements, as set forth in Exhibit I attached hereto; provided, however, that this provision shall not preclude increases in the amounts

payable pursuant to such requirements where such increases result solely from the application of such requirements resulting from the issuance of General Airport Revenue Bonds or Junior Lien Obligations in accordance with this Article VIII on or after the date on which the pledge of revenues under the General Airport Revenue Bond Ordinance becomes effective.

(vii) No ordinance or resolution authorizing the issuance of obligations pursuant to subsection (a) of this Section 8.02 shall materially conflict with any provision of this Agreement.

(viii) In the event obligations are issued by City pursuant to subsection (a) of this Section 8.02 to finance the cost of funding required deposits into the Operation and Maintenance Reserve Fund on a short-term, interim, basis, the following shall apply:

- (1) Any such obligation shall bear interest at a rate not in excess of the average of the then current prime interest rates of the three largest domestic banking institutions headquartered in Chicago; and
- (2) City shall permanently finance, as soon as reasonably feasible, pursuant to the requirements of subsection (ii) above, the cost of funding such required deposits into the Operation and Maintenance Reserve Funds out of the proceeds of subsequent issues of General Airport Revenue Bonds.

Section 8.03 -- Notice of Capital Expenditures for Which No Approval Required.

At least thirty (30) days prior to making any Capital Expenditure (or other permitted expenditure), except Capital Expenditures for Capital Projects of the Fueling System, described in Section 8.01, City shall give written notice thereof to Airline. Such notice shall include an estimate of (a) the cost of the Capital Project, (b) the Operation and Maintenance Expenses resulting therefrom, (c) the sources and uses of funds, (d) the construction schedules, description, and justification for any such Capital Project, and (e) the projected impact on Airport Fees and Charges, all in sufficient detail to enable the Airline to make informed comments thereon. Airline may submit to City written comments on such Capital Project within twenty (20) days following receipt by Airline of such notice. City shall give due consideration to any such comments filed in a timely manner by Airline. Upon timely request by a Majority-in-Interest, City shall convene a meeting of Airline Parties and City to discuss such Capital Project.

Section 8.04 -- Notice of Issuance of Obligations for Which No Approval Required.

(a) At least thirty (30) days prior to the issuance of any obligations issued pursuant to Section 8.02 after the Effective Date, except the issuance of obligations issued to fund the cost of designing, constructing and equipping Capital Projects of the Fueling System, City shall give written notice of such financing to Airline. Such notice shall provide (i) in the case of a Capital Project to be financed, an estimate of (1) the cost of such Capital Project, (2) the construction schedules, description and justification for such Capital Project, and (3) the Operation and Maintenance Expenses resulting from such Capital Project; (ii) the terms of such financing and the estimated Debt Service payable as a result thereon; (iii) the

proposed allocation of such Debt Service among and within the Costs-Revenue Centers; and (iv) the projected impact of such financing on Airport Fees and Charges, all in sufficient detail to enable the Airline to make informed comments thereon.

(b) Airline may submit to City written comments on such financing within twenty (20) days following receipt of such notice by Airline, and City shall give due consideration to any such comments filed in a timely manner by Airline. Upon request of a Majority-in-Interest filed with City within such twenty (20) day period, City shall convene a meeting of Airline Parties to discuss the financing within ten (10) days of receipt of such request. If expressly requested at such meeting by a Majority-in-Interest, City shall delay the sale of such obligations until a date requested by such Majority-in-Interest, which date shall be not less than twenty (20) nor more than forty (40) days following the date of such request.

Section 8.05 -- Capital Projects and Issuance of Obligations for Which Majority-in-Interest Approval is Required.

(a) Except as provided in this Article VIII, City shall not make any Capital Expenditures for any Capital Project, except for preliminary planning and conceptual design work, or issue any obligations to finance the cost thereof, unless and until such Capital Project and the financing thereof has been approved by a Majority-in-Interest.

(b) Subject to the limitations contained in Article IX and except as provided in Section 8.01, City may, upon approval of a Majority-in-Interest, make any Capital Expenditure for a Capital Project, except for facilities for the exclusive use of any person or persons engaged in the Air Transportation Business, and may issue obligations giving rise to Debt Service to fund each such Capital Project and include such Debt Service in the calculation of Airport Fees and Charges consistent with the terms of this Agreement.

Section 8.06 -- Method of Obtaining Approval.

In the event City is required to obtain approval for a Capital Project, or an issuance of obligations, pursuant to Section 8.05, at least forty-five (45) days before making any Capital Expenditure or issuing any such obligation, City shall submit a proposal in writing to all Airline Parties, which proposal shall include an estimate of (a) the cost of such Capital Project, (b) the Debt Service and Operation and Maintenance Expenses resulting therefrom, (c) the sources and uses of funds and the terms of any financing, (d) the construction schedules, descriptions, and justification for any such Capital Project, (e) the proposed allocation of any Debt Service among and within the Cost-Revenue Centers, and (f) the projected impact on Airport Fees and Charges, all in sufficient detail to enable the Airline Parties to make an informed judgment on the appropriateness of such Capital Project and financing. A Capital Project and financing shall be deemed to be approved if (i) a Majority-in-Interest approves it, or (ii) City is not notified in writing of Majority-in-Interest disapproval within thirty (30) days of the submission of such proposal by City.

Section 8.07 -- Issuance of Obligations by Persons Other Than City.

In the event that pursuant to the Special Facility Use Agreement by and between Delta Air Lines, Inc. and City, dated as of August 1, 1982, or an agreement between City and another Airline Party pursuant to Section 9.14, a person other than City issues obligations

giving rise to Special Facility Revenue Bond and Other Debt Service, (a) the provisions of this Article VIII shall apply to the issuance of such obligations, and (b) such Airline Party shall provide City with all information necessary for City to comply with the notice requirements of this Article VIII.

ARTICLE IX

AIRPORT DEVELOPMENT PLAN; CONSTRUCTION OF CAPITAL PROJECTS.

Section 9.01 -- Approval of Airport Development Plan.

City and Airline each hereby approve the Airport Development Plan attached hereto as Exhibit B. Such approval includes, without limitation, approval of the following items set forth in Exhibit B attached hereto: (a) the Capital Projects described therein, (b) the project scope, descriptions and diagrams of such Capital Projects, (c) the allocation among Cost-Revenue Centers of such Capital Projects, (d) the Airline-Funded Cost of each such Capital Project, (e) the designation as a Priority I Capital Project or a Priority II Capital Project of certain Capital Projects, (f) the inclusion of certain Capital Projects in Category 1 or Category 2, and (g) the estimated commencement and completion dates for each such Capital Project.

Section 9.02 -- Governmental Approvals.

City shall promptly submit and diligently process to conclusion requests for all necessary governmental approvals for the Capital Projects described in the Airport Development Plan. The highest possible priority shall be given to obtaining necessary approvals for those Capital Projects described in the Airport Development Plan constituting the expanded domestic Terminal Structures (including Terminal Building No. 1 (including the associated satellite concourse building) and all concourse extensions).

Section 9.03 -- Plans and Specifications; Terminal Structure Finish Standards.

(a) City shall, in due course, prepare detailed construction drawings, plans and specifications, and cost estimates for each Capital Project described in the Airport Development Plan, except Capital Projects of the Fueling System, and shall refine the descriptions and diagrams, and the estimated commencement and completion dates, for each such Capital Project; provided, however, that any change in an estimated commencement or completion date shall be consistent with the provisions of Section 9.06(d) and Section 9.11; and provided further, that City shall not materially decrease the total square footage of any Capital Project in the Terminal Area. City shall provide Airline with copies of such detailed cost estimates, descriptions, diagrams and estimated commencement and completion dates. If the detailed cost estimates for any Capital Project are greater than the Airline-Funded Cost therefor, City shall, consistent with its other agreements and obligations under this Article IX, give due consideration to any comments submitted by any Airline Party as to methods that may be employed to reduce such estimated costs. City shall design and construct the Capital Projects in accordance with design and construction standards which City shall establish for the purpose of ensuring a uniformity of quality for all facilities of similar nature and use at the Airport.

(b) Except to the extent funded pursuant to Section 8.01(b) or pursuant to Majority-in-Interest approval, City shall not materially increase the size, scope or square footage of any Priority I Capital Project, as shown in the Airport Development Plan. In addition, City shall not, without Majority-in-Interest approval, change the geographic location of, materially increase the ratio of Public Use Premises square footage to Exclusive Use Premises square footage of, or materially increase the ceiling height of, any Terminal Structure which is included in a Priority I Capital Project, all as shown in the Airport Development Plan.

(c) Any additional cost resulting from (i) an improvement to a Terminal Structure, other than those improvements required to meet the Terminal Structure finish standards described in Exhibit Q attached hereto, or (ii) any moving sidewalks or other horizontal moving devices which are located in concourses, tunnels or other passageways directly serving passenger hold rooms associated with an Airline Party's Aircraft Parking Area, shall be deemed to be a tenant improvement for the Airline Party or Airline Parties occupying such premises, and funding of such additional cost with General Airport Revenue Bonds or Junior Lien Obligations shall be subject to the provisions of Section 9.12.

Section 9.04 -- Construction.

(a) All construction and equipping of Capital Projects described in the Airport Development Plan shall be done in a good and workmanlike manner.

(b) Each contract for construction work in an amount in excess of \$5,000,000 awarded by City or its agents after the Effective Date for a Capital Project described in the Airport Development Plan shall be publicly bid and awarded to the lowest responsible bidder who has the experience and resources required to perform the work described in such contract; provided, however, that this requirement shall not apply if City determines in good faith that there is only one contractor with the resources and experience necessary to perform the work. City may delegate responsibilities for the designing, construction and equipping of Capital Projects; provided, however, that with respect to contracts awarded after the Effective Date, City shall retain the power and authority to, and shall, enforce all terms and provisions of all design and construction contracts. City shall diligently pursue all appropriate remedies against architects, engineers and contractors for defective design or work with respect to Capital Projects which are described in the Airport Development Plan or which are otherwise approved by a Majority-in-Interest.

(c) City shall employ a construction manager to coordinate, supervise and inspect the construction of Capital Projects described in the Airport Development Plan. The construction manager shall prepare and maintain records of the progress of construction and shall make recommendations in connection with such construction. City and the construction manager shall use their best efforts (i) to cause all work to be accomplished in accordance with the plans and specifications and the estimated commencement and completion dates for each Capital Project, as described in the Airport Development Plan, and (ii) to coordinate the work so as to avoid change orders which increase costs and to reduce claims for extra work or extra compensation.

(d) The compensation payable to the construction manager and for all design, architectural and engineering services shall be reasonable, and City shall use its best efforts to minimize such compensation. The capitalized costs of implementing the provisions of this Agreement described in Section 8.02(a) (vii) shall be reasonable and necessary.

(e) Airline may appoint a design and construction representative ("Airline's Construction Representative") for any Capital Project described in the Airport Development Plan which will contain any Exclusive Use Premises of Airline. Airline's Construction Representative shall be knowledgeable in construction matters of the nature involved in the construction of the Capital Project for which such appointment is made. Airline shall identify Airline's Construction Representative to City, and thereafter City shall afford Airline's Construction Representative full access to the work relating to the Capital Project for which Airline's Construction Representative is appointed. City shall permit Airline's Construction Representative to participate in the evaluation of design and construction alternatives for such projects.

(f) A Majority-in-Interest may appoint one or more persons to serve as a construction representative for all Airline Parties ("Airline Parties' Construction Representative") with respect to the construction and operational impact of all Capital Projects described in the Airport Development Plan. The Airline Parties' Construction Representative shall be knowledgeable in construction and operational matters involved in the Capital Projects. A Majority-in-Interest, acting through the Airlines' Representative, shall identify Airline Parties' Construction Representative to City. City shall thereafter afford the Airline Parties' Construction Representative full access to all construction work relating to Capital Projects. City shall permit the Airline Parties' Construction Representative to participate in the evaluation of design and construction alternatives. When potential adverse operational impact is determined by City and the Airline Parties' Construction Representative to be significant, design and construction alternatives, and estimated costs, will be evaluated by City and the Airline Parties' Construction Representative. City shall give due consideration to comments, suggestions and requests of the Airline Parties' Construction Representative regarding construction of Capital Projects and methods designed to reduce or eliminate adverse operational impact and costs.

(g) City shall provide written notice to the Airline Parties' Construction Representative, and to the Airline's Construction Representative with respect to Capital Projects which will contain any Exclusive Use Premises of Airline, of all claims made by contractors for any extra compensation. The notice shall indicate the planned disposition of the claim. If the claim is to be allowed by City, City shall consult with the Airline Parties and Airline, as appropriate, regarding the terms of settlement of the claim. City shall give due consideration to suggestions or comments of the Airline Parties and Airline regarding the terms of the settlement.

(h) Within one hundred eighty (180) days after the completion of a Capital Project or component thereof, City shall prepare, execute and deliver to the Airlines' Representative, and, in the case of a Capital Project or component thereof which includes any Exclusive Use Premises, to those Airline Parties which will occupy such premises, a cost allocation certificate (the "Cost Allocation Certificate"), setting forth in reasonable detail a

breakdown of the costs of design, construction and equipping of such project or component, including an allocation of such costs among each of the following:

- (i) the costs allocable to each CRC; and
- (ii) for such costs allocable to the Terminal Area, the costs allocable to (1) Exclusive Use Premises of all Airline Parties (excluding Exclusive Use Premises which are part of a Special Facility Improvement), (2) any Exclusive Use Premises which are part of a Special Facility Improvement, (3) tenant improvements pursuant to Section 9.12, (4) relocation costs incurred pursuant to Section 9.13, (5) Type A Public Use Premises, (6) Type B Public Use Premises, (7) those capitalized costs of implementing the provisions of this Agreement described in Section 8.02(a) (vii), (8) those Capital Projects enumerated in Section 5.05(b), and (9) the costs of funding or refinancing required deposits into the Operation and Maintenance Reserve Fund;

and adding for each component a pro rata portion of the costs incurred in connection with (A) the issuance of obligations issued to fund the cost of such project or component prior to the date of completion, (B) the amounts withdrawn from any capitalized interest account and used to pay interest accruing on such obligations during the construction period, and (C) the amounts withdrawn from any capitalized interest account and used to pay interest accruing on such obligations following the completion of construction. Following the depletion of all amounts in any capitalized interest account held to pay interest on such obligations, City shall amend the Cost Allocation Certificate as necessary to reflect any amounts withdrawn from such capitalized interest account and used to pay interest on such obligations subsequent to the initial preparation, execution and delivery of the Cost Allocation Certificate. In addition, City shall amend the Cost Allocation Certificate to give effect to the application to such Capital Project or component thereof of the proceeds of any obligations issued to fund such project or component after the preparation, execution and delivery of the Cost Allocation Certificate as theretofore amended.

Section 9.05 -- Airline Cooperation.

(a) Airline shall use its best efforts to take such action as may be reasonably requested of it by City, consistent with this Agreement and any other agreements in effect at such time between City and Airline, to enable City to implement the Airport Development Plan in a timely and cost-effective manner. Airline shall take no action which unreasonably impedes or hinders City from such implementation.

(b) Without limiting the foregoing, Airline shall cooperate with City and shall use its best efforts to take such action as is reasonably requested of it by City in support of City's efforts to (i) seek necessary governmental approvals for the Capital Projects described in the Airport Development Plan, and (ii) seek amendment of the Federal Aviation Regulations (14 CFR Subpart K: High Density Traffic Airports, Section 93.121 et seq.) to eliminate the maximum airport high density rule at the Airport. Airline shall not take any action which impedes or hinders such City efforts.

Section 9.06 -- Priorities.

(a) The Airport Development Plan designates certain Capital Projects as either Priority I Capital Projects or Priority II Capital Projects.

(b) So long as City has the power and right, in accordance with all applicable laws, ordinances, rules, regulations, and orders (other than those of City), to issue General Airport Revenue Bonds, Junior Lien Obligations or Special Facility Revenue Bonds, City shall, pursuant to Section 8.02, diligently proceed to issue General Airport Revenue Bonds or Junior Lien Obligations (or, upon request of an Airline Party pursuant to Section 9.14, Special Facility Revenue Bonds, or both) in an amount sufficient to fund the cost of designing, constructing and equipping each Priority I Capital Project described in the Airport Development Plan, and to fund all related costs of issuance and associated financing costs, including but not limited to, costs of capitalized interest, debt service coverage requirements, credit facility fees and required deposits into any debt service reserve fund or other fund established in the ordinance or resolution authorizing such obligations. City shall, pursuant to Section 8.01, use the proceeds of the sale of said bonds to design, construct and equip each Priority I Capital Project for which it has obtained all necessary governmental approvals. Without limiting the foregoing, City shall use its best efforts and employ every reasonable means to commence and complete each Priority I Capital Project for a cost which will not require obligations to be issued in excess of the amount required to pay the Airline- Funded Cost of such Priority I Capital Project. The highest possible priority will be given to the construction and equipping of those Capital Projects described in the Airport Development Plan constituting the expanded domestic Terminal Structure (including Terminal Building No. 1 (including the associated satellite concourse building) and all concourse extensions).

(c) Subject to the limitation contained in Section 9.07 on the amount of obligations which City may issue to fund the costs of Priority II Capital Projects, City may design, construct and equip Priority II Capital Projects at such times and on such schedules as it deems appropriate.

Section 9.07 -- Sources of Funds

(a) City's right to issue obligations, pursuant to Section 8.02, to fund the cost of Capital Projects included in the Airport Development Plan is limited to the right to issue obligations in an amount sufficient to fund, reimburse or refinance (i) the actual cost of designing, constructing and equipping Priority I Capital Projects, (ii) the Airline-Funded Cost of Priority II Capital Projects, (iii) the actual cost of designing, constructing and equipping Capital Projects of the Fueling System, and (iv) all related costs of issuance and associated financing costs, including but not limited to, costs of capitalized interest, debt service coverage requirements, credit facility fees and required deposits into any debt service reserve fund or other fund established in the ordinance or resolution authorizing obligations issued pursuant to Article VIII.

(b) As of the Effective Date, City shall calculate a Funding Contingency Reserve for each Priority I Capital Project or component thereof equal to thirty percent (30%) of the Airline-Funded Cost of such Priority I Capital Project or component thereof. The Airline-Funded Costs for all Priority II Capital Projects, in the aggregate, shall be reduced by the aggregate amount of such Funding Contingency Reserves, as such reserves are adjusted from time to time pursuant to this Section 9.07, for all Priority I Capital Projects or

components thereof. Such reduction in Airline-Funded Costs for Priority II Capital Projects shall be allocated and reallocated from time to time by City among the Priority II Capital Projects; provided, however, that no such allocation or reallocation shall have the result of reducing the Airline-Funded Cost of the Second Taxiway Bridge, identified in the Airport Development Plan as Capital Project AF-1(e).

(c) From time to time, City may request an Independent Architect or Engineer to estimate the total costs of designing, constructing and equipping a Priority I Capital Project or component thereof. Such Independent Architect or Engineer shall make use of awarded contracts and actual costs incurred for such project or component and shall make an estimate of the costs to be incurred under contracts yet to be awarded. In estimating costs under contracts to be awarded, the Independent Architect or Engineer shall inflate an estimate of current design, construction and equipping costs to the estimated midpoint of construction, in accordance with the procedure described in Section 9.08(b) (iii). If, at the time of such estimate of total costs, the Independent Architect or Engineer determines that the dollar amount of awarded contracts and actual costs incurred for a Priority I Capital Project or component thereof constitutes seventy percent (70%) or more of the total estimated cost of such project or component thereof, such architect shall prepare a certificate for City setting forth his estimate of total costs (which costs shall herein be referred to as the "Contract Cost" for such project or component thereof) together with the bases for such estimate and an estimated construction schedule. City shall, within ten (10) days thereafter furnish the Airlines' Representative with a copy of such certificate, together with a notice of any adjustments City will make under this Section 9.07(c) to the Funding Contingency Reserves. In the event that, at the time of delivery of the certificate establishing the Contract Cost, the Contract Cost is greater than the Airline-Funded Cost for such project or component thereof, the Funding Contingency Reserve for such project or component shall be reduced (but not to less than zero) by the amount of any such excess. The amount, if any, remaining in the Funding Contingency Reserve for such Priority I Capital Project or component after the reduction, if any, described above shall be further reduced to an amount equal to ten percent (10%) of the greater of the Airline-Funded Cost or the Contract Cost. An amount equal to the amount, if any, by which the Funding Contingency Reserve is reduced pursuant to the preceding sentence may be allocated by City to increase the Airline-Funded Costs of any Priority II Capital Project or Projects.

(d) The actual costs of designing, constructing and equipping each Priority I Capital Project or component thereof ("Final Contract Cost") shall be finally determined and certified pursuant to Section 9.04(h). In the event that the Final Contract Cost is greater than the greater of the Airline-Funded Cost or the Contract Cost, the amount, if any, remaining in the Funding Contingency Reserve for such project or component, after the reduction, if any, pursuant to subsection (c) above, shall, upon notice to the Airlines' Representative, be further reduced (but not to less than zero) by the amount of any such excess. The amount, if any, remaining in the Funding Contingency Reserve for such Priority I Capital Project or component after the reduction, if any, described above may, upon notice to the Airlines' Representative, be allocated by City to increase the Airline-Funded Costs of any Priority II Capital Project or Projects.

(e) Upon determination of the Final Contract Cost pursuant to Section 9.07(d) of a Priority I Capital Project or component thereof, or upon a similar determination for a Priority II Capital Project or component thereof, City shall, after consultation with the

Airlines' Representative, increase the Airline-Funded Cost of any Priority II Capital Project or Projects by (i) any amount by which the Final Contract Cost of any Priority I Capital Project or component is less than the Airline-Funded Cost of such Priority I Capital Project or component, as adjusted only pursuant to Section 9.08, and (ii) any amount by which the actual cost of any Priority II Capital Project, or component, is less than the Airline-Funded Cost for such Priority II Capital Project.

(f) City, upon its determination that the cost of designing, constructing and equipping a Priority II Capital Project will exceed the Airline-Funded Cost, and upon notice given to Airline, may from time to time increase the Airline-Funded Cost of such Priority II Capital Project provided that the aggregate amount of all such increases shall not exceed five percent (5%) of the Airline-Funded Cost of such project, as adjusted only pursuant to Section 9.08.

(g) Nothing contained in this Section 9.07 shall be deemed to limit or affect the right and obligation of City to issue obligations pursuant to Section 8.02 and Section 9.06(b) to fund the actual cost of designing, constructing and equipping Priority I Capital Projects.

(h) For purposes of determining the Contract Cost and Final Contract Cost for the Buses, identified in the Airport Development Plan as Capital Project TA- 10(b), pursuant to Section 9.07(c) and 9.07(d), a depreciable life of five (5) years shall be attributed to the Buses and an interest cost of ten percent (10%) shall be imputed thereto.

Section 9.08 -- Price Level Adjustments.

The amounts designated as the Airline-Funded Costs of the Capital Projects described in the Airport Development Plan are stated in mid-year 1982 dollars regardless of the projected year of construction. For the purpose of determining the limitation contained in Section 9.07(a) on the right of City to issue obligations and for the purpose of making the adjustments required by Section 9.03(a), 9.06(b) and 9.07(a), (b), (c), (d), (e) and (f), 9.09 and 9.10, the Airline-Funded Costs of Priority I and Priority II Capital Projects, the Funding Contingency Reserves for Priority I Capital Projects and the Contract Costs of Priority I Capital Projects, shall be adjusted as follows:

(a) For the purposes of recognizing and allowing for increases or decreases in the cost of final design, construction and equipping of Capital Projects due to inflation or deflation, costs shall be updated to the date of actual expenditure or the projected mid-point of the Capital Project construction period, as appropriate, using the following cost indexes:

- (i) Terminal Area and International Terminal Area - Building Cost Index (BCI) for the Chicago area published monthly by Engineering News - Record, or any successor index thereto. (The mid-year 1982 BCI (1967=100) was stated as 314.24 (ENR/July 15, 1982, page 100).)
- (ii) Airfield Area and Terminal Support Area - Construction Cost Index (CCI) for the Chicago area published monthly by Engineering News - Record, or any successor index thereto. (The mid-year 1982 CCI (1967=100) was as 388.45 (ENR/July 15, 1982), page 100).)

(b) The adjusted Airline-Funded Costs, and the Funding Contingency Reserve, of each Capital Project, or components thereof, shall be determined at the time of the establishment of the Contract Cost pursuant to Section 9.07(c) in accordance with the following procedures:

- (i) With regard to the determination with respect to Airline-Funded Costs, any costs actually incurred as of the date of the establishment of the Contract Cost ("Actual Costs") shall be adjusted back to mid-year 1982 costs dividing such Actual Costs by the sum of one (1) plus the percentage change, expressed to four (4) decimal places (e.g., 0.1225 for a 12.25% increase), in the appropriate cost index from mid-year 1982 to the mid-point month of the period during which such costs were actually incurred.
- (ii) Airline-Funded Costs shall be reduced by the Actual Costs, as adjusted pursuant to subsection (i) above, and then adjusted forward to the date on which the Contract Cost is established by multiplying such amount by the sum of one (1) plus the percentage change, expressed to four (4) decimal places, in the appropriate cost index from mid-year 1982 to the month in which the Contract Cost is established.
- (iii) The amount established pursuant to subsection (ii) above shall be further adjusted by multiplying such amount by the sum of (A) one (1) plus (B) the percentage change, expressed to four (4) decimal places, in the appropriate cost index for the year preceding the establishment of the Contract Cost, divided by twelve (12) and multiplied by the number of months estimated by the Independent Architect or Engineer to be equal to the number of months from the date of the establishment of the Contract Cost to the mid-point month of the construction period.
- (iv) The adjusted Airline-Funded Costs shall be the sum of (A) the Actual Costs plus (B) the amount established pursuant to subsection (iii) above.
- (v) The Funding Contingency Reserve for a Capital Project or component thereof shall be adjusted by multiplying the original Funding Contingency Reserve by a fraction the numerator of which shall be the Airline-Funded Cost of such project or component thereof, adjusted pursuant to subsections (i) through (iv) above, and the denominator of which shall be the original Airline-Funded Cost of such project or component thereof.

(c) The adjusted Airline-Funded Cost and Funding Contingency Reserve of a Capital Project or of a component thereof shall be determined at the time of the establishment of the Final Contract Cost pursuant to Section 9.07(d) in accordance with the following procedures:

- (i) Airline-Funded Costs shall be adjusted by multiplying each constituent part of such costs by the sum of one (1) plus the percentage increase, expressed to four (4) decimal places, in the appropriate cost index from mid-year 1982 to the mid-point months of the periods in which such costs or a constituent part of such costs included in the Final Contract Cost were actually incurred.

- (ii) The Funding Contingency Reserve for a Capital Project or component thereof shall be adjusted by multiplying the original Funding Contingency Reserve by a fraction the numerator of which shall be the Airline- Funded Cost of such project or component thereof, adjusted pursuant to subsection (i) above, and the denominator of which shall be the original Airline-Funded Cost of such project or component thereof.

Section 9.09 -- Government Grants-in-Aid.

City shall use its best efforts to obtain Government Grants-in-Aid for Capital Projects described in the Airport Development Plan; provided, however, that nothing contained herein shall be deemed to require City to seek any Government Grant-in-Aid for the FIS Relocation Facility or any Capital Project included in City's Phase I Environmental Assessment for the Airport approved by the FAA on July 22, 1982; and provided further, that nothing contained herein shall be deemed to limit the right of City to apply for or use Government Grants-in-Aid for capital projects at any airport functioning as reliever airport for the Airport. The Airline-Funded Cost of a Capital Project or component thereof shall be reduced by an amount equal to the amount of any Government Grant-in-Aid used by City for such Capital Project; provided, however, that Government Grants-in-Aid used to fund all or a part of the cost of roadway improvements, as described in the Airport Development Plan, shall not reduce the Airline-Funded Costs of such Capital Projects (except that to the extent that the Airline-Funded Cost of a roadway improvement plus a Government Grant-in- Aid awarded for such roadway improvement exceeds the actual cost of such improvement, the Airline-Funded Costs of other roadway improvements included in the Airport Development Plan shall be reduced by the amount of such excess); and, provided further, that any Government Grants-in-Aid awarded to City prior to the Effective Date may be used by City for purposes other than for Capital Projects described in the Airport Development Plan.

Section 9.10 -- Additional Costs.

(a) Nothing contained in this Agreement shall be deemed to limit City from constructing any Priority II Capital Project for a cost in excess of the Airline- Funded Cost therefor; provided, however, that to the extent the cost of any Priority II Capital Project exceeds the Airline-Funded Cost therefor, City may not include any Debt Service (or any O & M Expenses to the extent that such Priority II Capital Project has been materially increased or changed in scope) attributable to such excess in the calculation of Airport Fees and Charges without approval of a Majority-in-Interest.

(b) The size and Airline-Funded Cost of the Federal Inspection Service Facility portion of the International Terminal Area, as described in the Airport Development Plan, may be increased by a vote of those Airline Parties who paid sixty percent (60%) or more of total Federal Inspection Service Fees paid by all Airline Parties in the Fiscal Year immediately preceding the Fiscal Year in which the contractual commitment for construction of such Federal Inspection Service Facility is made by City.

Section 9.11 -- Special Conditions.

Notwithstanding any other provisions of this Agreement, City shall not make or authorize any contractual commitment for the construction of, or commence construction of, any Capital Project described in the Airport Development Plan (other than those projects designated in the Airport Development Plan as being in either Category 1 or Category 2) until such time as:

(a) All necessary governmental approvals have been obtained for the construction of Terminal Building No. 1 (including the associated satellite concourse building); and

(b) There are in effect Airport Use Agreements in which the aggregate number of square feet of premises designated as Additional Footage is not less than 530,000 square feet. For purposes of this Section 9.11(b), Additional Footage shall include the Additional Footage portion of an Airline Party's Phase II (or Phase III, if such Airline Party will have Phase III) Exclusive Use Premises prior to the Date of Beneficial Occupancy thereof.

Section 9.12 -- Authority to Issue Obligations to Fund Tenant Improvements.

Subject to the provisions of Sections 8.02 and 8.04, and this Section 9.12, and except to the extent that an Airline Party has been reimbursed pursuant to Section 9.13, City may issue General Airport Revenue Bonds or Junior Lien Obligations in an amount sufficient to pay, reimburse or refinance (a) the cost of tenant improvements to any Airline Party's Exclusive Use Premises, and (b) all related costs of issuance and associated financing costs, including, but not limited to, the cost of capitalized interest, debt service coverage requirements, credit facility fees and required deposits into any debt service reserve fund or other fund established in the ordinance or resolution authorizing such obligations. Such General Airport Revenue Bonds or Junior Lien Obligations may be issued in an amount sufficient to provide proceeds of not more than \$20.00 per square foot of any Phase II (and Phase III, if applicable) Exclusive Use Premises of any Airline Party which were not included in such Airline Party's Phase I (or Phase II, if applicable) Exclusive Use Premises. City may issue such General Airport Revenue Bonds or Junior Lien Obligations and make available the proceeds thereof to any Airline Party, upon the written request of such Airline Party and its written agreement to (i) pay the Debt Service on the General Airport Revenue Bonds or Junior Lien Obligations issued at such Airline Party's request, (ii) use the proceeds of such General Airport Revenue Bonds or Junior Lien Obligations to build, purchase or otherwise acquire such items of personal property or fixtures as are commonly in use at the Airport or at other comparable airports and as are not primarily identified with or usable only by such Airline Party, and (iii) assume all maintenance, operation and repair responsibilities for such improvements; provided, however, that City shall not issue General Airport Revenue Bonds or Junior Lien Obligations at the request of any Airline Party which is in default under its Airport Use Agreement or which cannot demonstrate, to the satisfaction of City, its ability to pay the Debt Service attributable to such obligations. Airline's obligation to pay Debt Service on General Airport Revenue Bonds or Junior Lien Obligations issued pursuant to this Section 9.12 shall be limited to (1) Debt Service on any such General Airport Revenue Bonds or Junior Lien Obligations issued at Airline's request and (2) a pro rata share of Debt Service on any such General Airport Revenue Bonds or Junior Lien Obligations issued at another Airline Party's request as a result of such Debt Service being included in O & M Expenses upon such other Airline Party's default. Nothing in this Section 9.12 shall be construed as prohibiting any other means of financing tenant improvements for any Airlines Party. Any tenant improvements financed pursuant

to this Section 9.12 shall become and remain the property of City, and may not be removed by Airline from such premises.

Section 9.13 -- Authority to Issue Obligations to Reimburse Certain Airlines for Relocation Costs.

Subject to the provisions of Sections 8.02 and 8.04, City may determine that the relocation of various "Airline Parties" (as defined in the 1959 Airport Use Agreement, which, on the Effective Date, have 1959 Terminal Lease Agreements in effect) from one location to another is necessary to facilitate the Airport Development Plan and may, upon such determination, issue General Airport Revenue Bonds or Junior Lien Obligations in an amount sufficient to provide proceeds not in excess of an aggregate amount of \$2,500,000, as adjusted pursuant to this Section 9.13, to pay the cost of relocating such "Airline Parties" and to pay the cost of preparing substitute space and facilities therefor ((a) excluding payment for unamortized improvements in vacated premises, payment for new aircraft loading bridges and devices and other movable equipment, fixtures and personalty, and (b) including payment for items such as new floor covering, wall covering and decorating consistent with such person's tenant finish standards at the Airport, new signs, the cost of relocating aircraft loading bridges and devices, wall partitions and other movable equipment, trade fixtures and personalty, the cost of the movement of communications equipment and the cost of the modification of fueling facilities); provided, however, that no such reimbursement shall be made to any such "Airline Party" who is acquiring any material increase in linear footage of concourse perimeter adjacent to exclusive aircraft parking area at the time of such relocation; and provided, further, that no such reimbursement shall be made to any such "Airline Party" whose only relocation involves the relocation of holdrooms and, if appropriate, baggage handling facilities within the same concourse. The amount of \$2,500,000 set forth in this Section 9.13 shall be adjusted by multiplying such amount by the sum of one (1) plus the percentage change, expressed to four (4) decimal places, in the cost index described in Section 9.08(a) (i) from mid-year 1982 to the mid- point of the periods in which the costs described herein are actually incurred.

Section 9.14 -- Special Facility Improvements.

In the event that an Airline Party elects to fund any Capital Project in the Airport Development Plan through the issuance of Special Facility Revenue Bonds for which such Airline Party has the unconditional obligation to make Debt Service payments, City shall enter into with such Airline Party a special Facility Financing Arrangement having provisions identical or substantially similar to those provisions in the Special Facility Use Agreement dated as of August 1, 1982 between City and Delta Air Lines, Inc., governing (a) City's obligation to issue such bonds, and such Airline Party's right to approve such bonds, (b) the design and construction supervision by such Airline Party, including "fast-track" construction procedures, (c) the reimbursement to such Airline Party for cost of "Common Improvements", as defined therein, (d) the refinancing of cost of Public Use Premises and Aircraft Parking Areas, and (e) credits to such Airline Party pursuant to Section 5.03(b) and Section 5.06(c) of this Agreement.

Section 9.15 -- Construction of Fueling System.

The construction of the Fueling System shall be governed by the terms of the Fueling System Lease and the provisions of this Article IX shall not apply thereto.

ARTICLE X

AIRPORT DEVELOPMENT FUND.

Section 10.01 -- Introduction.

The provisions of this Article X govern the calculation of the Airport Development Fund payment requirement, and the uses and investment of moneys in the Airport Development Fund.

Section 10.02 -- Airport Development Fund Payment Requirements.

Beginning with the first Fiscal Year following the earlier to occur of (a) the Date of Beneficial Occupancy with respect to any Exclusive Use Premises in Terminal Building No. 1 and (b) December 31, 1989, and continuing for each Fiscal Year thereafter, there shall be included in the calculation of Airport Fees and Charges an amount equal to twenty percent (20%) of the amount by which Concession Revenues, as reflected in the Final Audit for such Fiscal Year, exceed Concession Revenues for the last full calendar year preceding the Effective Date (the "Airport Development Fund payment requirement"), which payment requirement shall be adjusted in accordance with Section 10.03.

Section 10.03 -- Airport Development Fund Payment Requirement Adjustments.

(a) In each Fiscal Year, the Airport Development Funds payment requirement, if any, shall be reduced, but not below zero, by an amount equal to fifty percent (50%) of the amount, if any, deposited by City into the Airport Fund or transferred to the Trustee for deposit into the Revenue Fund for such Fiscal Year from Net Revenues of the Land Support Area pursuant to Section 13.03.

(b) In each Fiscal Year, the Airport Development Fund payment requirement, if any, shall be reduced, but not below zero, by an amount equal to fifty percent (50%) of the amount, if any, deposited by City into the Airport Development Fund from the Emergency Reserve Fund pursuant to subsection (a) of Section 11.03.

(c) In each Fiscal Year, the Airport Development Fund payment requirement, if any, shall be reduced, but not below zero, by the amount by which (i) any passenger facility charge or similar tax at the Airport collected by City during such Fiscal Year (net of the amount, if any, of expenses incurred by City in the imposition and collection of such a charge or tax), exceeds (ii) the amount, if any, of Federal government funding eliminated and replaced by such passenger facility charge or similar tax for such Fiscal Year, as measured by Government Grants-in-Aid under the Airport and Airway Development Act of 1970, as amended, supplemented, or superseded, from time to time for the Airport in the Fiscal Year immediately preceding the Fiscal Year in which such passenger facility charge or similar tax is first imposed.

Section 10.04 -- Payments out of Airport Development Fund.

(a) City may make payments out of the Airport Development Fund for one or more of the following uses at or related to (i) the Airport, (ii) Chicago-Midway Airport and Merrill C. Meigs Field, if owned or operated by City as of the Effective Date, or (iii) any airport other than those described above owned or operated by City and approved by a Majority-in-Interest: (1) construction, improvement or repair of runways, taxiways or facilities incidental thereto; (2) installation and maintenance of navigational aids; (3) purchase of land for clear zones and runway and taxiway expansion; (4) aircraft parking areas used in common and not directly adjacent to any exclusive use facilities; (5) roadways, automobile parking lots and garages, and ground transportation systems; (6) heating and refrigeration facilities and other facilities related to utilities (except any such facilities which exclusively serve exclusive use facilities); and (7) improvements to any portion of any structure, which portion is not exclusively used by any person.

(b) Notwithstanding the foregoing, (i) with respect to any airport other than the Airport, payments may not be made out of the Airport Development Fund for improvements to passenger terminals or roadways, automobile parking lots and garages, or aircraft parking areas which directly serve passenger terminals, and (ii) with respect to the Airport and any other airport, payments may not be made out of the Airport Development Fund for any improvements which directly and exclusively benefit any person or persons in the Air Transportation Business.

(c) In the event there are, in any Fiscal Year, Terminal Area Rentals, Terminal Area Use Charges, Landing Fees, Fueling System Fees or indemnification payments pursuant to Section 19.01(a) (ii), (iii) or (iv) of any Airline Party, or rentals, charges and Federal Inspection Service Fees of any person engaged in the Air Transportation Business imposed for the use of the International Terminal Area, unpaid when due and reasonably deemed uncollectible by City after collection efforts have been undertaken in accordance with Section 16.03, and if amounts in the Emergency Reserve Fund available pursuant to Section 11.03(b) to pay such fees, charges and rentals have been exhausted, City shall make payments of "Unobligated Funds", as below defined, in the Airport Development Fund to pay such fees, charges and rentals before including such fees, charges and rentals in the calculation of Airport Fees and Charges. "Unobligated Funds" means all funds in the Airport Development Fund in excess of the aggregate cost of all improvements to be funded from the Airport Development Fund pursuant to notice given in accordance with Section 8.03 or Majority-in-Interest approval granted in accordance with the procedure set forth in Section 8.06.

Section 10.05 -- Investment of Airport Development Fund.

Any balance in the Airport Development Fund shall be invested as deemed prudent by City. Any earnings from such investments shall become part of the Airport Development Fund and any losses shall be borne by such fund.

ARTICLE XI

EMERGENCY RESERVE FUND.

Section 11.01 -- Introduction.

The provisions of this Article XI govern the calculation of the Emergency Reserve Fund payment requirement, and the uses and investment of moneys in the Emergency Reserve Fund.

Section 11.02 -- Emergency Reserve Fund Payment Requirements.

In each Fiscal Year during the period commencing with the Effective Date and ending on December 31, 1998, there shall be included in the calculation of Airport Fees and Charges an amount (the "Emergency Reserve Fund payment requirement") equal to the sum of the amounts which would have been included in "Airport Expense", as defined in the 1959 Airport Use Agreement, on account of depreciation and interest as set forth in subparagraphs (1) (b) and (c) of Section 15.07 of the 1959 Airport Use Agreement and in substantially similar agreements between City and other "Airline Parties", as defined in the 1959 Airport Use Agreement, for such Fiscal Year, had the 1959 Airport Use Agreement (and such other substantially similar agreements) remained in effect.

Section 11.03 -- Payments Out of Emergency Reserve Fund.

(a) Whenever the amount in the Emergency Reserve Fund exceeds \$7,500,000, City shall make a payment out of the Emergency Reserve Fund in an amount equal to such excess into the Airport Development Fund.

(b) In the event there are, in any Fiscal year, Terminal Area Rentals, Terminal Area Use Charges, Landing Fees, Fueling System Fees or indemnification payments pursuant to Section 19.01(a) (ii), (iii) or (iv) of any Airline Party, or rentals, charges and Federal Inspection Service Fees of any person engaged in the Air Transportation Business imposed for the use of the International Terminal Area, unpaid when due and reasonably deemed uncollectible by City after collection efforts have been undertaken in accordance with Section 16.03, City shall make payments out of the Emergency Reserve Fund to pay such fees, charges and rentals before including such fees, charges and rentals in the calculation of Airport Fees and Charges.

(c) In the event of any awards, judgments or settlements resulting from any of the events described in 19.01(a) (i), City shall make payments out of the Emergency Reserve Fund in respect of such awards, judgments or settlements (but only to the extent there are no proceeds of insurance available therefor) before including any amounts attributable thereto as O & M Expenses in the calculation of Airport Fees and Charges.

Section 11.04 -- Investment of Emergency Reserve Fund.

Any balance in the Emergency Reserve Fund shall be invested as deemed prudent by City. Subject to subsection (a) of Section 11.03, any earnings from such investments shall become part of the Emergency Reserve Fund and any losses shall be borne by such fund.

ARTICLE XII

TERMINAL SUPPORT AREA.

Section 12.01 -- Calculation of Net Revenues or Net Deficit of Terminal Support Area.

The Net Revenues, or in the case of a negative number, the Net Deficit, of the Terminal Support Area shall equal:

- (a) Non-Use Agreement Revenues of the Terminal Support Area identified in accordance with Section 6.02 and Section 13.03; minus
- (b) Debt Service (reduced by Investment Income allocated in accordance with Section 6.02(b)) allocated to the Terminal Support Area in accordance with Section 6.01; minus
- (c) O & M Expenses of the Terminal Support Area identified in accordance with Section 6.02.

ARTICLE XIII

LAND SUPPORT AREA.

Section 13.01 -- Land Support Area Income and Expenses: Use and Development.

(a) Except as provided in Sections 13.03 and 13.04, the calculation of Airport Fees and Charges shall not include any costs, expenses or revenues of the Land Support Area.

(b) The Fueling System Lease Agreement at the Airport dated as of January 1, 1959, or any successor agreement, the Lockheed Fuel Services Agreement dated as of February 1, 1960, or any successor agreement, and any leases between City and Airline (or any subsidiary or affiliate of Airline) described in Exhibit M attached hereto of facilities in the Land Support Area shall, if in effect on the Effective Date, be renewed for a term equal to the term of this Agreement (except as otherwise provided in subsection (c) of this Section 13.01) on the same terms and conditions as are in effect on the Effective Date.

(c) Any lease described in Exhibit M for a cargo facility to be replaced as part of the Airport Development Plan shall terminate pursuant to a reasonable schedule established by City as part of its implementation of the Airport Development Plan. At least one year prior to such termination, (i) City shall pay to Airline "Replacement Cost", as below defined, for Airline's leasehold interest in any such cargo facility, and (ii) City shall make available to Airline a site in the Land Support Area for a new cargo facility at least equal in size to the area being surrendered that is used by Airline for (1) the cargo building, (2) employee parking, (3) truck maneuvering areas, and (4) parking adjacent to the building for cargo handling equipment (the "Replacement Site"), excluding however, all areas used for aircraft parking. City shall submit to Airline a new cargo facility ground lease for the Replacement Site (1) having a term beginning with the earlier of (A) the completion of Airline's replacement facilities (as certified by the Independent Architect or Engineer) and (B) one year following the date that the Replacement Site is made available to Airline, (2) having a ground rental at a rate equal to the rate provided for under the lease surrendered by Airline, (3) containing to the extent possible the same terms and conditions included in the surrendered lease, and (4) granting rights to exclusive and non-exclusive aircraft parking apron at least equal in size to any exclusive and non-exclusive aircraft parking apron available to Airline for the facility to be replaced. For the purpose of this subsection

(c), "Replacement Cost" for such leasehold interest shall mean Airline's pro rata share of the total Airline-Funded Costs of Capital Projects TA-8(a) and IT-5(a). Airline's pro rata share shall be a fraction, the numerator of which shall be the number or square feet of leased building premises in the facility to be replaced, and the denominator of which shall be the total number of square feet of leased building premises in all facilities described in the description of Capital Projects TA-8 and IT-5 as facilities to be replaced.

(d) City shall not remove or permit to be removed any concession located in another Cost-Revenue Center in order to relocate such concession in the Land Support Area. City shall not induce any prospective concession operator to locate in the Land Support Area rather than in another Cost-Revenue Center. In no event shall any car or vehicle rental concession be located in the Land Support Area. City shall not charge rates for any public parking facility operated in the Land Support Area below the lowest rates charged for public parking facilities in the Terminal Support Area. Nothing contained in this Article XIII shall be construed to relieve City of its obligation to maximize Concession Revenues pursuant to Section 16.01(c).

(e) Subject to subsection (d) of Section 13.01 and Section 13.04, City may use and develop the Land Support Area (including the air rights designated on Exhibit G attached hereto) in any manner whatsoever; provided, however, that (i) no such use or development shall materially adversely affect the operation or development of the Airport or the rights or obligations of Airline hereunder, and (ii) those portions of the Land Support Area designated on Exhibit G attached hereto as Aviation Related Land Use Areas shall be used or developed only for purposes related to the functions of the Airport.

Section 13.02 -- Net Revenues of the Land Support Area.

The Net Revenues of the Land Support Area for any Fiscal Year shall equal, in the case of a positive number:

- (a) All amounts received or receivable directly or indirectly by City, for such Fiscal Year, for the use of, with respect to, or from the operation of, the Land Support Area; minus
- (b) Principal payments, interest payments, fund deposits and all other associated financing costs, for such Fiscal Year, of the Land Support Area; minus
- (c) O & M Expenses, for such Fiscal Year, of the Land Support Area identified in accordance with Section 6.02.

City shall separately account for the Net Revenues of that portion of the Land Support Area as described in Section 13.04.

Section 13.03 -- Deposit into Airport Development Fund; Credit to Terminal Support Area.

With regard to that portion of the Land Support Area other than the portion described in Section 13.04, City shall, for each Fiscal Year, deposit into the Airport Fund, or, when the pledge of Revenues under the General Airport Revenue Bond Ordinance is in effect, transfer to the Trustee for deposit into the Revenue Fund, in either case for subsequent

deposit into the Airport Development Fund, an amount equal to fifty percent (50%) of the Net Revenues, if any, of such portion of the Land Support Area for such Fiscal Year, determined in accordance with Section 13.02; provided, however, that, to the extent that such fifty percent (50%) of the Net Revenues of such portion of the Land Support Area exceeds twice the Airport Development Fund payment requirement established pursuant to Section 10.02, one-half (1/2) of such excess shall be paid out of the Airport Fund or Revenue Fund, as the case may be, into the Airport Development Fund and one-half (1/2) of such excess shall be Non-Use Agreement Revenues of the Terminal Support Area.

Section 13.04 -- Central Parking Area.

(a) The air rights over the area designated in Exhibit G as "Central Parking Area" shall be part of the Land Support Area but City shall not develop such air rights unless it first (i) submits to the Airline Parties a description of the development plan for such area including an analysis of costs and a construction schedule in sufficient detail to enable the Airline Parties to make an informed judgment thereon and (ii) receives approval of a Majority-in-Interest for such development plan; provided, however, that Majority-in-Interest approval may be withheld only if such development (1) will materially adversely affect the availability of automobile and other vehicle parking for users of the Terminal Area, (2) will materially adversely affect the operation of the Ground Transportation System, (3) will materially adversely affect the safety or operation of the Airport, (4) will violate any federal or state law, rule or regulation relating to the operation of the Airport, or (5) will increase Airport fees and charges.

(b) City shall, for each Fiscal Year, deposit into the Airport Fund or, if the pledge of Revenues under the General Airport Revenue Bond Ordinance is then in effect, transfer to the Trustee for deposit into the Revenue Fund, an amount equal to fifty percent (50%) of the Net Revenues, if any, as described in Section 13.02, for such Fiscal Year, from the development of the air rights over the Central Parking Area. Such amount, if any, shall be Non-Use Agreement Revenues of the Terminal Area.

ARTICLE XIV

INTERNATIONAL TERMINAL AREA.

Section 14.01 -- Fees and Charges.

City shall use its best efforts to induce each person engaged in the Air Transportation Business which leases premises in the International Terminal Area to execute an airport use agreement which (a) has a term of not less than ten (10) years, and (b) requires the payment of such rentals and charges as, when aggregated together with other Non-Use Agreement Revenues of the International Terminal Area (including Federal Inspection Service Fees) and Terminal Support Area Net Revenues, if any, allocated to the International Terminal Area, will be sufficient to pay for Debt Service (reduced by Investment Income allocated in accordance with Section 6.02(b)) allocated to the International Terminal Area, O & M Expenses of the International Terminal Area, and Terminal Support Area Net Deficit, if any, allocated to the International Terminal Area. In any event, City shall impose rentals, charges and Federal Inspection Services Fees on any person engaged in the Air Transportation Business leasing premises in, or using the

Federal Inspection Service Facility portion of, the International Terminal Area, sufficient to cover such person's Pro Rata share of the foregoing costs and expenses based upon such person's use of the International Terminal Area.

Section 14.02 -- Calculation of Net Revenues of Net Deficit of International Terminal Area.

The Net Revenues, or in the case of a negative number, the Net Deficit, of the International Terminal Area shall equal:

- (a) Non-Use Agreement Revenues of the International Terminal Area identified in accordance with Section 6.02, including rentals, charges and Federal Inspection Service Fees paid to City by users of the International Terminal Area (except late payments collected and applied in accordance with Section 16.03(b));

plus

- (b) Net Revenues, if any, of the Terminal Support Area calculated pursuant to Section 12.01 and allocated pursuant to Section 6.04 to the International Terminal Area;

plus

- (c) Any amounts paid, as a result of a default by a user of the International Terminal Area, out of the Airport Development Fund in accordance with Section 10.04(c) or out of the Emergency Reserve Fund in accordance with Section 11.03(b);

minus

- (d) Debt Service (reduced by Investment Income allocated in accordance with Section 6.02(b)) allocated to the International Terminal Area in accordance with Section 6.01;

minus

- (e) O & M Expenses of the International Terminal Area identified in accordance with Section 6.02;

minus

- (f) Net Deficit, if any, of the Terminal Support Area calculated pursuant to Section 12.01 and allocated pursuant to Section 6.04 to the International Terminal Area.

ARTICLE XV

RESPONSIBILITIES OF AIRLINE.

Section 15.01 -- Maintenance, Replacement and Repair.

(a) Airline shall, in accordance with Exhibit N attached hereto, be responsible for and shall perform or cause to be performed, maintenance and repair of its Exclusive Use Premises, and shall clean and keep clear of debris Airline's Aircraft Parking Areas. Airline's responsibility for maintenance, replacement and repair of the Fueling System shall be governed by the terms of the Fueling System Lease. Airline shall, at all times:

- (i) keep all fixtures, equipment and personal property in a clean and orderly condition and appearance;
- (ii) Maintain the same in good condition (reasonable wear and tear excepted) and perform all ordinary repairs and inside painting, such repairs and painting by Airline to be of a quality and class not inferior to the original material and workmanship;
- (iii) Control all of its vehicular traffic in the Airport, take precautions reasonably necessary to promote the safety of its passengers, customers, business visitors and other persons, and employ such means as may be necessary to direct the movements of its vehicular traffic; and
- (iv) Either directly or through an independent contractor (which independent contractor shall obtain a City permit, the issuance of which shall not be unreasonably withheld), dispose of its garbage, debris and other waste materials (excluding snow and ice).

(b) If the performance of any of the foregoing maintenance, repair, replacement or painting obligations of Airline requires work to be performed near an active Taxiway or Runway or where safety of Airport operations might be involved, Airline shall post guards or erect barriers or other safeguards, approved by the Commissioner, at such locations.

Section 15.02 -- Modifications to Exclusive Use Premises.

(a) Airline may, from time to time, install additional facilities and improvements and modify or expand existing facilities or improvements in its Exclusive Use Premises. Before entering into any contract for such work, Airline shall first submit to the Commissioner for his prior written approval a construction application together with complete plans and specifications of the proposed work. If requested by the Commissioner, Airline shall require the contractor to furnish a performance bond and payment bond, approved as to form and substance by the Commissioner. The approval of the construction application and plans and specifications shall not be unreasonably withheld.

(b) Airline shall, and shall include in all construction contracts a provision requiring the contractor to, indemnify, hold harmless and defend City, its officers, agents and employees against losses (except to the extent such losses are caused by City's negligence), occasioned by death, injury to persons or damage to property, arising out of or in connection with the performance of construction work, against the risk of loss or damage to the construction prior to the completion thereof, and against losses resulting from claims and demands by third persons arising out of the performance of the construction work; and Airline shall provide, or shall require the contractor to provide, liability insurance covering the foregoing. Airline shall also include in any construction contract such provisions as may

reasonably be required by the Commissioner relating to the operation of the contractor at the Airport.

(c) All work performed by Airline of its contractor, including all workmanship and materials, shall be of acceptable quality and shall be performed in accordance with the plans and specifications approved by the Commissioner. Such work may be inspected by the Commissioner, or his authorized representatives, at any time.

(d) Airline shall deliver to the Commissioner "as built" drawings of the work performed by it and shall keep such drawings current showing any changes or modifications made in or to its Exclusive Use Premises.

(e) Airline shall discharge when due all obligations to contractors, subcontractors, materialmen, workmen and others for all work performed and for materials furnished for or on account of Airline.

Section 15.03 -- Taxes, Licenses and Permits.

Airline shall pay all taxes and obtain all licenses, permits, certificates and other authorizations required by any governmental authority in connection with the operations or activities performed by it hereunder.

Section 15.04 -- Installation of Machinery and Equipment.

Airline may, from time to time, in its sole discretion and at its own expense, install machinery, equipment and other personal property in its Exclusive Use Premises which may be attached or affixed to, but shall not become a part of, the Exclusive Use Premises. Subject to the provisions of Section 9.12, all such machinery, equipment and other personal property shall remain the sole property of Airline and may be removed by Airline at any time, in its sole discretion and at its own expense; provided, however, that any damage resulting from any such removal shall be repaired by Airline at its own expense. City shall not have any interest in or landlord's lien on any such machinery, equipment or personal property, and such machinery, equipment or personal property shall be identified as the property of Airline.

Section 15.05 -- Liens Prohibited.

Airline shall keep its Exclusive Use Premises and the installations situated thereon free and clear of any and all liens in any way arising out of the construction, improvement or use thereof by Airline; provided, however, that Airline may in good faith contest the validity of any lien.

Section 15.06 -- Performance by City upon Failure of Airline.

If Airline fails to perform, for a period of thirty (30) days after written notice from City, any obligation required by this Article XV, City may perform such obligation of Airline, and charge Airline for the cost to City of such performance; provided, however, that if Airline's failure to perform any such obligation endangers the safety of operations at the Airport and City so states in its notice to Airline, City may perform such obligation of

Airline at any time after the giving of such notice and charge Airline for its costs of such performance.

Section 15.07 -- Airline Books and Records.

Airline shall maintain at its office in Chicago, Illinois, or at the Airport, books, records and accounts relevant to the determination of any Landing Fees, Terminal Area Use Charges and Federal Inspection Fees, if any, payable by it, or if such books, records and accounts are not maintained at such office, it shall promptly furnish the Commissioner and the City Comptroller of City with all information reasonably requested by them with respect to such books, records and accounts. The Commissioner and the City Comptroller of City, and such persons as may be designated by them shall have the right, at all reasonable times, to examine, make copies of, and take extracts from such books, records and accounts.

Section 15.08 - Airline to Maintain its Corporate Existence; Conditions Under Which Exceptions Permitted.

Airline shall maintain its corporate existence, shall not dissolve or otherwise dispose of all or substantially all of its assets, and shall not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it, unless the surviving, resulting or transferee corporation, as the case may be, (a) expressly assumes in writing all of the obligations of Airline hereunder, (b) is qualified to do business in the State of Illinois, and (c) if such corporation is not organized and existing under the laws of the United States of America or any State or Territory thereof or the District of Columbia, delivers to City an irrevocable consent to service of process in, and to the jurisdiction of the courts of, the State of Illinois with respect to any action or suit, at law or in equity, brought by City to enforce this Agreement.

Section 15.09 -- Qualification in the State of Illinois.

Airline warrants that it is, and throughout the term of this Agreement it (or the surviving, resulting or transferee corporation permitted by Section 15.08) will continue to be, duly qualified to do business in the State of Illinois.

ARTICLE XVI

OBLIGATIONS OF CITY.

Section 16.01 -- Operation and Maintenance of Airport.

(a) City shall, in accordance with Exhibit N attached hereto, operate, maintain and keep in good repair, and expend such amounts for O & M Expenses as shall be reasonable and necessary therefor, all of the areas and facilities of the Airport, except as specifically excepted by Section 15.01. City's obligation with respect to the operation and maintenance of the Fueling System shall be governed by the terms of the Fueling System Lease.

(b) City shall operate and maintain the Airport, and any other airport for which City makes payments out of funds in the Airport Development Fund, in a reasonably prudent

manner and in accordance with the rules, regulations and orders of any federal or state agency having jurisdiction with respect thereto.

(c) City shall operate the Airport and lease space to concessionaires in a manner so as to produce, subject to the provisions of this Agreement, Concession Revenues of a nature and amount which would be produced by a reasonably prudent airport operator and to maximize such Concession Revenues to the extent reasonably practicable. At least forty-five (45) days before any concession agreement is entered into between City and any concessionaire with respect to the use of any space or facilities at the Airport (excluding the Land Support Area), City shall furnish Airline with a copy of such proposed agreement, along with a general description of the expected impact, if any, on Airline's use of its Exclusive Use Premises. The Commissioner shall give due consideration to any comments submitted in a timely manner by Airline on such proposed agreement, and shall, if requested by Airline, meet with Airline to discuss the expected impact, if any, on Airline's use of its Exclusive Use Premises.

(d) City shall impose a landing fee on each Fee Landing, which landing fee shall be calculated on the basis of a landing fee rate not less than the Landing Fee Rate then in effect.

(e) City shall supply adequate lighting for the Airport, including adequate landing lights, flood lights, beacons and other field lighting.

(f) City shall use its best efforts to keep the Airport open and in operation for landings and take-offs of aircraft of any type designed to use facilities similar to those at the Airport. In such regard, City shall employ or cause to be employed construction, reconstruction and repair techniques (including supervision and construction management) which will minimize Airport operational delays or disruption reasonably expected to result from such construction, reconstruction or repair. Except as otherwise provided in Section 15.01, City shall take all actions necessary to keep the Terminal Area, the Airfield Area, and the Terminal Support Area clear of snow, ice, debris, vegetation and other foreign matter.

(g) City shall maintain "as built" drawings of all improvements hereafter constructed at the Airport, which drawings shall be available to Airline for inspection at any reasonable time.

(h) City shall pay all taxes or special assessments which may be levied or assessed upon the premises leased hereunder; provided, however, that the foregoing shall not apply to any taxes on any personal property or leasehold of Airline located on such premises.

(i) City shall maintain order at the Airport.

Section 16.02 -- Performance by Airline upon Failure of City.

If City fails to perform, for a period of thirty (30) days after written notice from Airline, any obligation required by Section 16.01(a), Airline may, but is not required to, perform, by itself or jointly with any other Airline Parties, such obligation of City, and charge City for the cost to Airline of such performance; provided, however, that if City's failure to perform any such obligation endangers the safety of Airline's operation at the Airport and Airline

so states in its notice to City, Airline may perform, by itself or jointly with any other Airline Parties, such obligation of City at any time after the giving of such notice and charge City for its costs of such performance; and, provided further, that in either event, Airline shall not deduct any such cost from any amounts due hereunder or under any other agreement between Airline and City relating to the Airport. City shall not be liable to Airline for any loss of revenues to Airline resulting from any of City's acts, omissions or negligence in maintaining and operating the Airport.

Section 16.03 -- Pursuit of Remedies Against Defaulting Airline Parties and International Terminal Area Users.

(a) A default by any Airline Party in the payment of Terminal Area Rentals, Terminal Area Use Charges, Landing Fees, Fueling System Fees, or indemnification payments pursuant to Section 19.01(a) (ii), (iii) or (iv), or a default in the payment of rentals, charges or Federal Inspection Service Fees imposed on any person engaged in the Air Transportation Business for the use of the International Terminal Area, may, if not cured, result in a greater amount of Terminal Area Use Charges, Landing Fees and Fueling System Fees payable by Airline than would otherwise have been required. Accordingly, City shall diligently pursue all appropriate remedies against any such defaulting Airline Party or International Terminal Area user on behalf of and for the benefit of the non-defaulting Airline Parties, including Airline, and shall give due consideration to any comments submitted to City by Airline with respect to the pursuit of such remedies.

(b) Any fees, charges or rentals collected by City from a defaulting Airline Party or International Terminal Area user shall be paid in the following manner:

- (i) first, pro rata, to each non-defaulting Airline Party to the extent such Airline Party paid such fees, charges or rentals;
- (ii) next, to the Airport Development Fund to the extent amounts from such funds were used to pay such fees, charges or rentals;
- (iii) then, the remainder, if any, to the Emergency Reserve Fund to the extent amounts from such fund were used to pay such fees, charges or rentals.

(c) At the election of Airline Parties who have paid more than fifty percent (50%) of the amount owned by any defaulting Airline Party or International Terminal Area user hereunder, such Airline Parties shall become subrogated to City's rights against such person, and may assume the prosecution of, and responsibility for pursuing, City's remedies against such defaulting person. In the event of such election, City shall fully cooperate with the Airline Parties assuming the prosecution of such remedies, and any amount recovered shall be distributed as provided in subsection (b) above.

ARTICLE XVII

RULES AND REGULATIONS; COMPLIANCE WITH LAWS.

Section 17.01 -- Rules and Regulations.

(a) Airline shall comply, and shall use its best efforts to cause its passengers, guest, invitees, and independent contractors to comply, with all Rules and Regulations governing the conduct and operation of the Airport, promulgated from time to time by the Commissioner, which are neither (i) inconsistent with the reasonable exercise by Airline of any right or privilege granted to it hereunder or under any other agreement between Airline and City relating to the Airport, nor (ii) inconsistent with the rules, regulations or orders of any federal or state agency having jurisdiction with respect thereto.

(b) Nothing herein shall be construed to prevent Airline from contesting in good faith any Rule or Regulation of the Airport, without being considered in breach hereof so long as such contest is diligently commenced and prosecuted by Airline. Airline shall be excused from complying with any Rule or Regulation of the Airport during any such contest unless the Commissioner reasonably determines that failure to comply with such Rule or Regulation constitutes a health or safety hazard to users of the Airport.

(c) City shall supply Airline with five (5) sets of City's current Rules and Regulations. Except in cases of emergency, no Rule or Regulation shall be applicable to Airline until Airline has been given fifteen (15) days' notice of the adoption thereof.

Section 17.02 -- Compliance with Laws.

City and Airline shall comply with all applicable federal, state and local law, codes, regulations, ordinances, rules and orders; provided, however, that City or Airline may, without being considered to be in breach hereof, contest any such laws so long as such contest is diligently commenced and prosecuted by City or Airline, as the case may be.

ARTICLE XVIII

EXERCISE BY CITY OF GOVERNMENTAL FUNCTIONS.

Section 18.01 -- Governmental Functions.

(a) Nothing contained herein shall impair the right of City in the exercise of its governmental functions to require Airline to pay any tax or inspection fees or to procure necessary permits or licenses, provided such requirement is not inconsistent with the rights and privileges granted to Airline hereunder.

(b) City shall have no control over the rates, fares or charges that Airline may prescribe in connection with the conduct of its Air Transportation Business.

Section 18.02 -- No Authority to Conduct Ground Transportation Business.

Except as provided in Section 3.04(b) nothing contained herein shall be deemed to be the grant of any franchise, license, permit or consent to Airline to operate motor coaches, buses, taxicabs or other vehicles carrying passengers or property for hire or other consideration over the public ways to and from the Airport. City shall have the right to grant such franchise, license, permit or consent to any person other than a person in the Air Transportation Business.

ARTICLE XIX

INDEMNITY, INSURANCE AND CONDEMNATION.

Section 19.01 -- Indemnity.

(a) Airline shall pay, and shall protect, indemnify and save City, its agents, officers and employees, harmless from and against any and all liabilities, losses, damages, costs and expenses (including attorneys' fees and expenses), causes of action, suits, claims, demands, judgments, awards and settlements including, without limitation, payments of claims or liability resulting from any injury to or death of any person or damage to property, and costs of acquisition of real property as a result of claims described in subsection (i) below, in each case, arising out of the following (except to the extent caused by the negligence of City or its agents, officers and employees) and only to the extent City is not reimbursed out of insurance proceeds therefor; provided, however, that if and to the extent City fails to maintain the insurance required hereunder, then Airline shall not be obligated under this Section 19.01(a) to pay City to the extent of insurance proceeds which City would have received if it had maintained such insurance:

- (i) Suits alleging a taking of property or interests in property without just compensation, trespass, nuisance, or similar suits based upon the use of the Airport (other than the Land Support Area) for the landing and taking-off of aircraft, provided that any liabilities of Airline and all other Airline Parties under this Section 19.01(a) (i) shall be treated as O & M Expenses and shall be allocated to the Airfield Area, and Airline shall have no responsibility for any such liabilities beyond its responsibility to pay rentals, charges and fees pursuant to Article V;
- (ii) Airline's use or occupancy of the Airport (other than any use or occupancy covered by subsection (a) (i) of this Section 19.01) or non-use (if such non-use is contrary to Airline's obligations hereunder) of any premises demised to Airline hereunder;
- (iii) The condition of Airline's Exclusive Use Premises, including any equipment or facilities at any time located thereon, and any repairs, construction, alterations, renovation, relocation, remodeling and equipping thereof or thereto; or
- (iv) The violation by Airline of any agreement, warranty, covenant or condition of this Agreement, of any other contract, agreement or restriction relating to the Airport, or of any law, ordinance, regulation or court order affecting the Airport.

(b) City shall promptly notify Airline in writing of any claim or action brought against City in respect of which indemnity may be sought by City against Airline hereunder, setting forth the particulars of such claim or action and shall furnish Airline with a copy of all suit papers and legal process. Airline (except as provided in the next sentence) shall assume and have full responsibility for the defense or settlement thereof, including the employment of counsel, and the payment of all expenses and all settlements or judgments. In the event any of the suits or actions covered by subsection (a) (i) above occur, the following shall apply: (i) the defense of such suits or actions including the employment of

counsel, shall be assumed by all Airline Parties and conducted as directed by a Majority-in-Interest, and (ii) all expenses, including attorney's fees, settlements and judgments shall be paid by City and included in O & M Expenses and shall be allocated to the Airfield Area. City shall cooperate fully with Airline in the defense of any case hereunder, and may employ separate counsel in any such action and participate in the defense thereof.

Section 19.02 -- Insurance Maintained by Airline.

Airline shall maintain, or cause to be maintained, at its own expense, insurance with respect to its property and business against such casualties and contingencies (including but not limited to public liability) in such amounts as are customary in the case of similarly situated persons in the Air Transportation Business.

Section 19.03 -- Insurance Maintained by City.

City shall maintain, or cause to be maintained, insurance with respect to the Airport (except the Land Support Area) against such casualties and contingencies and in amounts not less than is reasonably prudent. Such policies of insurance shall name City and the Trustee, if any, as co-assureds as their interests may appear. Without limiting the foregoing, City shall maintain, or cause to be maintained, the following insurance with respect to the Airport (except the Land Support Area):

(a) Insurance against loss or damage under a policy or policies covering such risks as are ordinarily insured against by reasonably prudent operators or airports, including without limiting the generality of the foregoing, fire, lightning, windstorm, hail, floods, explosion, riot, riot attending a strike, civil commotion, damage from aircraft, smoke and uniform standard extended coverage with vandalism and malicious mischief endorsements, and all-risk coverage, limited only as may be provided in the standard form, if any, of such endorsements at the time in use in the State of Illinois. Such insurance shall be maintained in an amount not less than the full insurable replacement value of the insured premises. No policy of insurance shall be written such that the proceeds thereof will produce less, by reason of co-insurance provisions or otherwise, than the full insurable replacement value of the insured premises. Full insurable replacement value of any insured premises shall be deemed to equal the actual replacement cost of the premises, and shall be determined from time to time, but not less frequently than once every three years, by an architect, contractor, appraiser or appraisal company or one of the insurers, in any case, selected by City. In the event that such determination of full insurable replacement value indicates that any premises in the Airport (other than the Land Support Area) are underinsured, City shall forthwith secure the necessary additional insurance coverage.

(b) Comprehensive general public liability insurance including blanket contractual liability and personal injury liability (with employee exclusion deleted), and on-premises automobile insurance including owned, non-owned and hired automobiles used and operated by City, protecting City against liability for injuries to persons and property arising out of the existence or operation of the Airport (except the Land Support Area) in limits as follows: for personal injury and bodily injury, \$100,000,000 for each occurrence and \$100,000,000 annual aggregate; and for property damage, \$100,000,000 for each occurrence and \$100,000,000 annual aggregate.

(c) Boiler or pressure vessel explosion insurance with coverage on a replacement cost basis as provided in subsection (a) of this Section 19.03 for property damage, but any such policy may have a deductible amount not exceeding \$10,000. No such policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the first sentence of this subsection (c) by reason of co-insurance provisions or otherwise.

(d) Each policy of insurance maintained by City under this Section 19.03 shall contain a waiver of subrogation in favor of City and Airline on the part of the insurer.

(e) If, at any time, City is obligated under any other agreement then in effect between City and Airline to provide, with respect to premises at the Airport, insurance of the nature and in not less than the amounts described in this Section 19.03, then the provisions of this Section 19.03 shall be subject to the applicable provisions of such other agreement.

(f) City shall, upon request of a Majority-in-Interest, purchase policies of insurance which are additional, in scope or amount of coverage, to those policies described in this Article XIX.

(g) City shall furnish to Airlines' Representative copies of any notices received by City or the Trustee covering any of matters contained in this Article XIX.

Section 19.04 - Use of Insurance Proceeds.

(a) If Airline's Exclusive Use Premises or Airline's Aircraft Parking Area, or any portion thereof, are damaged or destroyed by fire or other casualty, City, after consultation with Airline, shall, to the extent of proceeds of insurance received with respect to such premises, forthwith repair, reconstruct and restore (subject to unavoidable delays) the damaged or destroyed premises to (i) substantially the same condition, character and utility value (based upon the plans and specifications for such premises, subject to then-existing Airport building standards) as existed prior to the event causing such damage or destruction, or (ii) such other condition, character and value as may be agreed upon by City and Airline. If no obligations issued pursuant to Article VIII are then outstanding, and if Airline's Exclusive Use Premises, or any portion thereof, are rendered untenable by reason of such damage or destruction, then, unless City provides Airline with alternative Exclusive Use Premises substantially equivalent to those rendered untenable, Airline shall be entitled to a pro rata abatement of its Terminal Area Rentals and Terminal Area Use Charges until Airline's Exclusive Use Premises are restored pursuant to this Section 19.04(a).

(b) If any part of the Airport other than Exclusive Use Premises, Aircraft Parking Areas and Land Support Area are damaged or destroyed by fire or other casualty, City, after consultation with Airlines' Representative, shall, to the extent of proceeds of insurance received with respect to such premises, forthwith repair, reconstruct and restore (subject to unavoidable delay(s)) the damaged or destroyed premises to (i) substantially the same condition, character and utility value (based upon the plans and specifications for such premises, subject to then-existing building standard(s)) as existed prior to the event causing such damage or destruction, (ii) or such other condition, character and value as may be agreed upon by City and a Majority-in-Interest.

(c) If the net proceeds of insurance received on account of damage to or destruction of any premises are in excess of the amount necessary to repair, reconstruct and restore such premises, the amount of such excess shall be treated as Non-Use Agreement Revenues of the CRC in which such premises are located.

(d) City may issue, pursuant to Sections 8.02 and 8.04, obligations to fund, or reimburse Delta Air Lines, Inc., or another Airline Party for, any "Insurance Deficiency" as defined in, and pursuant to the Special Facility Use Agreement by and between Delta Air Lines, Inc. and City dated as of August 1, 1982, or pursuant to any identical or substantially similar provision in any other special facility agreement entered into by City and any Airline Party pursuant to Section 9.14.

Section 19.05 -- Condemnation.

(a) City and Airline shall cooperate in the handling of any prospective or pending condemnation proceedings with respect to Airline's Exclusive Use Premises or Airlines Aircraft Parking Area.

(b) Any condemnation or taking of such a substantial part of Airline's Exclusive Use Premises or Airline's Aircraft Parking Area that results in such premises being unsuitable, or the use thereof being economically unfeasible, is herein referred to as a "Total Taking." In the event of a taking of any Airline's Exclusive Use Premises or Aircraft Parking Area other than a Total Taking (a "Partial Taking"), this Agreement shall remain in effect and, if the net proceeds of any award received by City on account of such Partial Taking are sufficient for the purpose, City, after consultation with Airline, shall forthwith (subject to unavoidable delays) apply such net proceeds to the restoration or replacement of the premises so taken as nearly as possible to (i) such condition, character and utility value (based upon the plans and specifications, subject to then-existing Airport building standard(s) as existed prior to such Partial Taking, or (ii) to such other condition, character and value as may be agreed upon by City and such Airline Party.

(c) In the event of a Partial Taking with respect to any Airline Party or Airline Parties, if the net proceeds of any award received by City on account of such Partial Taking are insufficient to restore or replace the premises so taken, as provided above, so long as City has the right and power to issue General Airport Revenue Bonds or Junior Lien Obligations, City shall nevertheless restore or replace (subject to unavoidable delays) the premises subject to such Partial Taking, and may issue General Airport Revenue Bonds or Junior Lien Obligations and pay the cost of the deficiency (the "Condemnation Award Deficiency") from the proceeds of such issuance. The Debt Service on General Airport Revenue Bonds or Junior Lien Obligations issued to fund the amount of a Condemnation Award shall be allocated in accordance with Section 6.01 and shall be included in the computation of Airport Fees and Charges.

(d) In the event that prior to the Effective Date, any Airline Party had funded a Condemnation Award Deficiency and under the terms of any agreement then in effect between City and such Airline Party such funding is to be treated as a loan by such Airline Party to City, then as soon as reasonably practicable after the Effective Date, so long as City shall have the power and right to issue General Airport Revenue Bonds or Junior Lien

Obligations, City shall issue General Airport Revenue Bonds or Junior Lien Obligations in an amount sufficient (i) to reimburse such Airline Party for the amount of any such Condemnation Award Deficiency so funded, and (ii) to pay such Airline Party the amount of any interest expense actually incurred by it, and not previously paid to such Airline Party by City, with respect to such Condemnation Award Deficiency. The Debt Service on such General Airport Revenue Bonds or Junior Lien Obligations shall be allocated in accordance with Section 6.01 and included in the computation of Airport Fees and Charges.

(e) If for any reason the net proceeds of an award received by City on account of the condemnation or taking of any premises are in excess of the amount necessary to restore or replace such premises, the amount of such excess shall be treated as Non-Use Agreement Revenues of the CRC in which such premises are located.

(f) In the event of a Total Taking of any Airline Party's Exclusive Use Premises or Aircraft Parking Area, the following shall apply:

- (i) Such Airline Party shall receive such portion of the net proceeds received by City on account of such taking as is attributable to such Airline Party's non-removable tenant finishes and equipment; and
- (ii) At the election of such Airline Party, such Airline Party may:
 - (1) terminate this Agreement, in which event the remaining net proceeds received by City on account of such taking shall be used first to redeem General Airport Revenue Bonds or Junior Lien Obligations, if any, and then shall be paid to City; or
 - (2) require City to construct new Exclusive Use Premises or Aircraft Parking Area for such Airline Party at a mutually agreeable location on the Airport, by which event the net proceeds received by City on account of such taking shall be applied to the construction of such new facilities and any deficiency or excess shall be handled in the same manner as a deficiency or excess with respect to a partial taking.

ARTICLE XX

BOOKS AND RECORDS OF CITY.

Section 20.01 -- City Books and Records.

City shall follow such procedures and keep and maintain such books, records and accounts as may be necessary or appropriate under the provisions of this Agreement or of the General Airport Revenue Bond Ordinance. Such books, records and accounts shall contain all items affecting the computation of Airport Fees and Charges, recorded in accordance with generally accepted accounting principles. Airlines shall have the right, at any reasonable time and at its own expense, to examine, make copies of, and take extracts from such books, records and accounts.

ARTICLE XXI

QUIET ENJOYMENT.

Section 21.01 -- Covenant of Quiet Enjoyment.

Upon the payment by Airline of all Landing Fees, Terminal Area Rentals, Terminal Area Use Charges and Fueling System Fees properly charged to Airline and the performance of the covenants and agreements on the part of Airline to be performed hereunder, Airline shall peaceably have and enjoy the premises, appurtenances, facilities, licenses and privileges granted herein.

ARTICLE XXII

SUBLEASE AND ASSIGNMENT.

Section 22.01 -- Sublease and Assignment of Exclusive Use Premises.

(a) Airline may sublet or assign its Exclusive Use Premises, in whole or in part, to another person in the Air Transportation Business, subject, however, to each of the following conditions:

- (i) No sublease or assignment shall relieve Airline from primary liability for any of its obligations hereunder, and Airline shall continue to remain primarily liable for payment of the Terminal Area Rentals and Terminal Area Use Charges established hereunder and for the payment, performance and observance of its other obligations and agreements herein provided; and
- (ii) Any sublease or assignment of less than all of Airline's Exclusive Use Premises shall be subject to the prior written approval of the Commissioner, which approval shall not be unreasonably withheld; and any sublease or assignment of all of Airline's Exclusive Use Premises (other than an assignment made to a surviving, resulting or transferee corporation which meets all of the criteria set forth in Section 15.08) shall be subject to the prior approval of the City Council of City.

(b) Within thirty (30) days following the execution and delivery thereof, Airline shall furnish City with a copy of each sublease or assignment entered into by Airline pursuant to this Section 22.01.

Section 22.02 -- Assignment by City.

City may assign, in accordance with the General Airport Revenue Bond Ordinance, if applicable, and with the terms of this Agreement, certain of its interests in and pledge certain revenues and receipts under this Agreement as security for payment of the principal of, premium, if any, and interest on obligations issued pursuant to Section 8.02.

ARTICLE XXIII

TRANSITION.

Section 23.01 -- Transfer of Funds.

On the Effective Date, City shall transfer any cash balances, including any accrued interest thereon, derived from the operation by City of the Airport (other than funds in the "Emergency Reserve Account" as defined in and created under the 1959 Airport Use Agreement), and on hand as of the Effective Date, into the Airport Fund; provided, however, that any such funds on hand which, prior to the Effective Date, have been approved by a "Majority-in-Interest" (as defined in the 1959 Airport Use Agreement) for use for Capital Projects shall be transferred into the Special Capital Projects Fund.

Section 23.02 -- Fiscal Year Preceding Effective Date.

City shall treat the period from the date of the end of the last full Airport fiscal year under the 1959 Airport Use Agreement to the Effective Date as a full Fiscal Year of the Airport, and shall prepare an audit and accounting of fees and charges for such period. Any amounts owed to or by Airline for such period shall be treated as charges or credits, as the case may be, with respect to Airline's Terminal Area Use Charges hereunder.

Section 23.03 -- Fiscal Year Beginning With Effective Date.

City shall treat the period from the Effective Date to the last day of the Fiscal Year in which the Effective Date falls as a full Fiscal Year.

ARTICLE XXIV

TERMINATION BY CITY.

Section 24.01 -- Events of Default Defined.

Each of the following shall be an "Event of Default" under this Agreement:

(a) The failure by Airline to pay any Landing Fees, Terminal Area Rentals, Terminal Are Use Charges or Fueling System Fees required to be paid hereunder at the times specified herein;

(b) The dissolution or liquidation of Airline, provided, however, that the "dissolution or liquidation of Airline", as used in this subsection, shall not be construed to include the cessation of the corporate existence of Airline resulting either from a merger or consolidation of Airline into or with another corporation or a dissolution or liquidation of Airline following a transfer of all or substantially all of its assets as an entirety, if the conditions permitting such action contained in Section 15.08 are met;

(c) The admission by Airline of insolvency or bankruptcy or the inability of Airline to pay its debts as they mature, or the failure by Airline to pay its debts as such debts become due, or the making by Airline of an assignment for the benefit of creditors or the application by Airline for or the consent to the appointment of a trustee, custodian or receiver for Airline, or for the major part of its property.

(d) The appointment of a trustee, custodian or receiver for Airline or for the major part of its property without discharge thereof within thirty (30) days after such appointment;

(e) The institution by or against Airline of bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, proceedings under any chapter of the Federal Bankruptcy Code, as amended, or other proceedings for relief under bankruptcy law or similar law for the relief of debtors (other than bankruptcy proceedings instituted by Airline against third parties), and if instituted against Airline the allowance against Airline or the consent thereto by Airline, or the failure by Airline to have such proceedings dismissed, stayed or otherwise nullified within sixty (60) days after such institution;

(f) The abandonment by Airline of its Air Transportation Business at the Airport for reasons other than strike or force majeure; or

(g) The failure by Airline to observe and perform any covenant, condition or agreement in this Agreement on the part of Airline to be observed or performed, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied, given to Airline by City, unless City agrees in writing to an extension of such time prior to its expiration; provided, however, that any such failure which can be cured but which cannot with due diligence be cured within such thirty (30) day period shall not constitute an Event of Default if corrective action is instituted by Airline within the applicable period and diligently pursued until the failure is corrected.

Section 24.02 -- Remedies on Default.

Whenever an Event of Default has occurred and is continuing, City, to the extent permitted by law and upon written notice to Airline, may, subject to the provisions of any other Agreement then in effect between Airline and City, take any one or more of the following remedial steps:

(a) City may terminate this Agreement and exclude Airline from possession of its Exclusive Use Premises;

(b) City may, without terminating this Agreement, exclude Airline from possession of its Exclusive Use Premises, and use reasonable efforts to lease the Exclusive Use Premises to another for the account of Airline, holding Airline liable for all Landing Fees, Terminal Area Rentals, Terminal Area Use Charges and Fueling System Fees and other payments due up to the effective date of such leasing and for the excess, if any, of the Terminal Area Rentals and Terminal Area Use Charges and other amounts payable by Airline under this Agreement for the remainder of the term of this Agreement over the rentals and other amounts which are payable by such new airline under such new agreement; and

(c) City may, from time to time, take whatever action at law or in equity appears necessary or desirable to collect Landing Fees, Terminal Area Rentals, Terminal Area Use Charges and Fueling System Fees and any other amounts payable by Airline hereunder then due and thereafter to become due, or to enforce the performance and observance of any obligation, agreement or covenant of Airline under this Agreement.

Section 24.03 -- No Remedy Exclusive.

No remedy conferred upon or reserved to City in this Agreement shall be exclusive of any other available remedy, and each such other remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity or by statute. No delay or omission in exercising any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle City to exercise any remedy it has under this Agreement, it shall not be necessary to give any notice other than such notice as may be herein expressly required.

Section 24.04 -- Agreement to Pay Attorney's Fees and Expenses.

In the event Airline defaults under this Agreement and City employs attorneys or incurs other expenses for the collection of Landing Fees, Terminal Area Rentals, Terminal Area Use Charges or Fueling System Fees or the enforcement or performance or observance of any obligation or agreement on the part of Airline herein contained, Airline shall, on demand pay to City the reasonable fees and expenses of such attorneys and such other expenses so incurred by City.

ARTICLE XXV.

TERMINATION BY AIRLINE.

Section 25.01 -- Termination by Airline.

At any time when no obligations issued pursuant to Article VIII are outstanding, and if Airline is not then in default in the payment of any amount due from it to City hereunder, Airline may terminate this Agreement by giving City sixty (60) days' advance notice upon or after the happening and during the continuance of any one of the following events:

(a) The issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Airport or any part thereof so as to substantially affect Airline's use of the Airport in the conduct of its Air Transportation Business, and the remaining in force of such injunction, not stayed by way of appeal or otherwise, for a period of at least ninety (90) days;

(b) The issuance of any order, rule or regulation or the taking of any action by any Federal or State agency having jurisdiction with respect to the Airport, or the occurrence of any fire, other casualty, act of God or the public enemy, substantially affecting, for a period of at least ninety (90) days, Airline's use of the Airport in the conduct of its Air Transportation Business; provided, however, that none of the foregoing is due to any fault of Airline;

(c) The default by City in the performance of any covenant or agreement required to be performed by City herein, and the failure by City to remedy such default after written notice thereof has been delivered to City, unless (i) City takes prompt action to remedy such default, within a period of thirty (30) days after receipt from Airline of such notice, or (ii) in the case of any such failure which cannot with due diligence be cured within such thirty

(30) day period, if City takes corrective action within the sixty (60) day period and diligently pursues such action until the failure is cured; or

(d) The substantial restriction of City's operation of the Airport by action of any Federal or State agency having jurisdiction with respect thereto, and the continuance thereof for a period of not less than sixty (60) days, provided such restriction adversely affects Airline's operations at the Airport.

Section 25.02 -- Certain Other Agreements Terminated Upon Termination of this Agreement.

Upon termination of this Agreement, by expiration of its term or otherwise, all agreements and leases entered into between Airline and City identified on Exhibit M shall likewise be terminated, except to the extent that any such agreements have been extended by City and Airline subsequent to the Effective Date.

Section 25.03 -- No Remedy Exclusive.

No remedy conferred upon or reserved to Airline in this Agreement shall be exclusive of any other available remedy, and each such other remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission in exercising any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Airline to exercise any remedy it has under this Agreement, it shall not be necessary to give any notice other than such notice as may be herein expressly required.

ARTICLE XXVI

EQUAL OPPORTUNITY.

Section 26.01 -- Equal Opportunity.

Airline agrees that in performing under this Agreement it shall neither discriminate against any worker, employee or applicant, or any member of the public, because of race, creed, color, religion, age, sex or national origin, nor commit an unfair employment practice.

Airline will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, religion, age, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship.

Airline agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this Section 26.01. Airline further agrees that this clause will be incorporated in all contracts entered into with any suppliers

of materials or furnishers of services, contractors and subcontractors, and all labor organizations, which furnish skilled, unskilled and craft union skilled labor, or which may perform any such labor or services in connection with this Agreement.

Attention is called to Executive Order 11246 issued September 24, 1965, 3 CFR, 1964-65 Compilation, p. 339, as modified by Executive Order 11375 issued October 13, 1967, 3 CFR, 1967 Compilation, p. 320; The Civil Rights Act of 1964, Pub. L. 88-352, July 2, 1964, 78 Stat. 241 et sub.; to the State Acts approved July 28, 1961, Ill. Rev. Stat. 1979, Ch. 38, Secs. 13-1 to 13-4 inclusive; July 8, 1933, Ill. Rev. Stat. 1979, Ch. 29, Secs. 17 to 24 inclusive; July 21, 1961, Ill. Rev. Stat. 1979, Ch. 48, Secs. 851 to 866 inclusive, and July 26, 1967, Ill. Rev. Stat. 1979, Ch. 48, Secs. 881 to 887; an ordinance passed by the City Council of the City of Chicago, August 21, 1945, page 3877 of the Journal of Proceedings (Mun. Code of the City of Chicago, Ch. 198.7A); and the provisions of 41 CFR, Chapter 60, and Part 21, Regulations of the Office of the Secretary of Transportation.

To demonstrate compliance, Airline will furnish, and will obligate its contractors and subcontractors to furnish, such reports and information as is reasonably requested by the Chicago Commission on Human Relations.

Section 26.02 -- Non-Discrimination.

This Agreement involves the use of or access to space on, over or under real property acquired or improved under the Airport Development Aid Program of the Federal Aviation Administration, and therefore involves activity which serves the public.

Airline, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (a) no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities; (b) that no person on the grounds of race, creed, color, religion, age, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the construction of improvements on, over, or under such land and the furnishing of services thereon; and (c) that Airline shall use the premises in compliance with all other requirements imposed by or pursuant to regulations of the Department of Transportation.

Section 26.03 -- Prohibition Against Exclusive Rights.

It is hereby specifically understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act 1958, as amended, and City reserves the right to grant to others the privileges and right of conducting any one or all activities of an aeronautical nature.

Section 26.04 -- Non-Discrimination in Furnishing Services.

Airline agrees to furnish services on a fair and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each

unit of service; provided, that Airline may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions.

Section 26.05 -- Affirmative Action.

Airline assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, religion, age, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Airline assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by Subpart E. Airline assures that it will require that its covered suborganizations provide assurances to Airline that they similarly will undertake an affirmative action program and that they will require assurances from their organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

ARTICLE XXVII

MISCELLANEOUS.

Section 27.01 -- Parity of Treatment.

City shall not hereafter grant to any person engaged in the Air Transportation Business in competition with Airline any rights or privileges at the Airport of a character or on a basis more favorable to such person than those granted or available to Airline, and the effect of which is to place Airline at a competitive disadvantage.

Section 27.02 -- Notices.

All notices to City provided for herein shall be in writing and shall be sent by registered mail, postage prepaid, addressed to the Commissioner of the Department of Aviation of the City of Chicago, City Hall, Chicago, Illinois 60602, or to such other address as City may designate from time to time by notice to Airline, and shall be deemed given when so mailed. All notices to Airline provided for herein shall be in writing and may be sent by registered mail, postage prepaid, addressed to Airline,

or to such other address as Airline may designate from time to time by notice to City, and shall be deemed given when so mailed.

Section 27.03 -- Severability.

In the event any covenant, phrase, clause, paragraph, Article, Section, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, phrase, clause, paragraph, Article, Section, condition or

provision shall in no way affect any other covenant, phrase, clause, paragraph, Article, Section, condition or provision herein contained.

Section 27.04 -- No Additional Waiver Implied by One Waiver.

In the event any agreement contained in this Agreement is breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder.

Section 27.05 -- Termination of Certain Other Agreements on Effective Date; Amendments.

This Agreement shall supersede the 1983 Use Agreement, the 1959 Airport Use Agreement, the 1959 Terminal Lease Agreement, and any other agreement, written or oral, between City and Airline relating to the Airport, other than the Fueling System Lease Agreement at the Airport dated as of January 1, 1959, or any successor agreement, the Lockheed Fuel Services Agreement dated as of February 1, 1960, or any successor agreement, the Special Facility Use Agreement by and between Delta Air Lines, Inc. and City dated as of August 1, 1982, and those agreements set forth in Exhibit M hereto; provided, however, that any rights and obligations with regard to rentals, charges or fees paid or payable under the 1959 Airport Use Agreement and the 1959 Terminal Lease Agreement accrued as of the Effective Date shall remain in effect. Except as otherwise expressly provided, this Agreement may be amended only in a writing signed by City and Airline.

Section 27.06 -- Distribution of Funds upon Termination.

All amounts remaining in the Emergency Reserve Fund and the Airport Development Fund at the termination of this Agreement and all other Airport Use Agreements shall be transferred by City into its corporate fund. All amounts remaining in any other funds created under this Agreement shall be used by City for the purposes for which such funds were created so long as the Airport is used by any Airline Party for the operation of an Air Transportation Business.

Section 27.07 -- No Abatement or Set-off.

Airline shall not abate, suspend, postpone, set-off or discontinue any payments of Terminal Area Rentals, Terminal Area Use Charges, Landing Fees or Fueling Systems Fees which it is obligated to pay hereunder. Nothing contained in this Section 27.07 shall release City from the performance of any of its obligations under this Agreement. In the event City fails to perform any of its obligations herein contained, Airline may institute such action against City as Airline deems necessary to compel performance, so long as such action does not abrogate Airline's obligations to make such payments unless a court of competent jurisdiction determines otherwise in a final, unappealable order or in an order for which the time for appeal has elapsed and no appeal has been taken.

Section 27.08 -- Provisions Relating to Special Facility Agreement.

(a) If Airline is obligated, at any time, to make payments of interest on, premium, if any, and principal of Special Facility Revenue Bonds, then the following shall apply:

- (i) If, while any such bonds are outstanding, the agreement creating and governing such obligation of Airline (the "Special Facility Agreement") terminates or is terminated for any reason, whether or not in accordance with its terms, then this Agreement shall likewise terminate; provided, however, that nothing herein shall be deemed to terminate this Agreement if such Special Facility Agreement terminates or is terminated when no such Special Facility Revenue Bonds are outstanding; and provided further, that neither this Agreement nor any such Special Facility Agreement shall be terminated by virtue of the issuance of obligations thereunder for the refunding or refinancing of any such bonds.
- (ii) Airline's continued rights to use and occupy its Exclusive Use Premises shall be conditioned upon the performance and observance by Airline of its covenants and agreements in the Special Facility Agreement; provided, however, that such condition shall not be deemed to be violated unless any period established in such Special Facility Agreement for curing any failure to perform or to observe such covenants and agreements has expired without such failure being cured.

(b) In the event that Airline and City are parties to a Special Facility Agreement dated prior to the date of execution of this Agreement, it is the understanding and agreement of City and Airline that City would not have demised and let any Exclusive Use Premises to Airline hereunder if Airline had not heretofore undertaken the duties and obligations required to be performed and observed by the Airline under the terms of such Special Facility Agreement.

In Witness Whereof, City has caused this Agreement to be executed on its behalf by its Mayor, pursuant to due authorization of the City Council of City, and its seal to be hereunto affixed and attested by the City Clerk of City, and Airline has caused this Agreement to be executed on its behalf by its _____ President and its _____ Secretary, pursuant to due authorization of its Board of Directors, all as of the day and year first above written.

[Signature forms omitted for printing purposes.]

EXHIBIT L

CHARGING OF O & M EXPENSES AND ASSIGNMENT OF REVENUES TO CRCS.

1. CHARGING OF O & M EXPENSES TO CRCS.

Operation and Maintenance (O & M) Expenses are to be charged directly to CRCs whenever possible. Costs which are not directly chargeable will be allocated to the CRCs based on formulas enumerated herein. A summary of expenses to be charged and those to be allocated directly to CRCs and those allocated to CRCs by formula is shown in Table L-1.

1.1 Costs Directly Charged to CRCs.

The following costs will be charged directly to the CRCs as they are incurred:

- (1) Salaries and wages of Department of Aviation operating personnel will be charged to CRCs based on daily time records of each employee.
- (2) Salaries, wages and fringe benefits of Fire Department personnel (with the exception of paramedics) assigned to the Airport will be charged to the Airfield CRC.
- (3) Salaries, wages and fringe benefits of Police Department personnel will be charged to individual CRCs, based on the coverage afforded each CRC.
- (4) Costs of operating and maintaining the Ground Transportation System including energy use will be charged entirely to the Terminal Support CRC.
- (5) Costs of operating the shuttle bus system will be charged entirely to the Terminal Support CRC.
- (6) Materials and supplies will be charged to the CRC in which they are used.
- (7) Engineering and professional services will be charged to specific projects identified as relating to a particular CRC. Services for projects not attributable to a specific CRC will be considered administrative costs.
- (8) Repair and maintenance items will be charged to the CRC in which each item occurs.
- (9) Costs of water pollution control will be charged directly to the Airfield CRC.
- (10) Administrative Expenses of City Departments other than DOA which are vouchered to the Airport will be charged as vouchered.

1.2 Formula Allocated Costs.

Allocated costs are those that cannot be accurately charged directly to a specific CRC as they are incurred and must, therefore, be assigned to the CRCs using an allocation formula basis.

- (1) Fringe benefits (workmen's compensation, pensions, etc.) will be allocated to the CRCs in proportion to the salaries and wages of the assigned Department of Aviation operating personnel.
- (2) Salaries, wages and fringe benefits of Fire Department paramedics will be allocated to the Terminal Area CRC and the International Terminal CRC. Allocation between the two CRCs will be based on the prorata share of enplaned passengers in each CRC.
- (3) Costs of operating and maintaining vehicles including fuel will be allocated based on vehicle utilization. A record will be maintained of the vehicles assigned for use by each CRC.

- (4) Electricity costs will be allocated as follows:

15 percent to the Airfield CRC for runway and taxiway lighting.

65 percent to the Terminal Area CRC and the International Terminal CRC for lighting and running equipment in the terminal buildings. Allocation between the two CRCs will be based on the Pro Rata share of square footage of terminal space in each CRC.

25 percent to the Terminal Support CRC for parking lot and roadway lighting. (Note: Ground Transportation System costs are charged in item 1.1(4)).

All service provided all other airport tenants will be metered separately and directly reimbursed to the appropriate CRC. No Land Support Area electricity usage will be charged as an airport cost.

- (5) Water and sewage costs will be allocated to the Terminal Area CRC and International Terminal CRC based on the pro rata shares of Enplaned Passengers in each CRC. Water and sewage services provided all other airport tenants will be metered and directly reimbursed to the appropriate CRC.
- (6) Costs of repair, maintenance and operation, including fuel, of the heating and refrigeration plant will be allocated to the Terminal Area CRC and the International Terminal CRC based on the pro rata share of square footage of terminal space in each CRC. Central HVAC service provided all other airport tenants will be metered and directly reimbursed to the appropriate CRC.
- (7) Costs of operating and maintaining the public address system will be allocated to the Terminal Area CRC and International Terminal CRC based on the pro rata share of Enplaned Passengers in each CRC.

1.3 Administrative Costs.

Administrative (overhead) expenses are those costs which are not directly attributable to specific CRCs. The share of administrative expenses allocated to each CRC will equal the proportion of total costs of each CRC to the total costs of all CRCs for the previous Fiscal Year. Administrative costs will include, but not be limited to, the following:

- (1) Salaries, Wages and Fringe Benefits of DOA Administrative Staff.
- (2) Salaries, wages and fringe benefits of assigned staff from Corporate Counsel, Comptroller, and other City Departments.
- (3) Trustee Fees.
- (4) Insurance.

- (5) Communications.
- (6) Travel.
- (7) Other DOA Administrative Expenses.
- (8) Non-vouchered other expenses from other City Departments.
- (9) Engineering and professional service fees not capitalized.
- (10) Computer services and office equipment rentals and fees.

2. ASSIGNMENT OF REVENUES TO CRCs.

Revenues are to be assigned directly to CRCs whenever possible, based primarily on the physical location (the actual monetary transaction may occur in a different CRC) of the source of the revenue. Revenues from all sources located within each CRC will be assigned directly to that CRC. All Revenues which cannot be directly assigned will be allocated to the CRCs based on the formulas enumerated herein.

2.1 Revenues Directly Assigned to CRCs.

- (1) The following Revenues and all similar Revenues will be assigned to the Airfield CRC:
 - . Non-Airline Party Landing Fees
 - . General Aviation Landing Fees
 - . Aircraft Tie Down Fees
 - . Ramp Fees (if any)
 - . Airfield Use Surcharges
- (2) The following Revenues will be assigned to the Terminal Area CRC:
 - . Building Space Rentals (including utility reimbursement)
 - . Revenues from concessions (including utility reimbursement) located in the Terminal Area buildings (see 2.3)
- (3) The following Revenues will be assigned to the International Terminal CRC:
 - . Building Space Rentals (including utility reimbursement)
 - . Federal Inspection Service Facility Use Fees
 - . Revenues from concessions (including utility reimbursement) located in International Terminal Area buildings (see 2.3)
- (4) The following Revenues will be assigned to the Terminal Support CRC:
 - . Automobile Parking Fees
 - . Automobile/Truck Rentals
 - . Hilton Hotel (including utility reimbursement) Rentals

- . Limousine and Bus Fees
 - . Other Ground Transportation Fees (if applicable)
 - . Employee Parking Lot Fees
- (5) The following Revenues, if located and generated in the Land Support CRC, will be assigned to the Land Support CRC:
- . Hangar Rentals
 - . Tank Farm Rentals
 - . Air Cargo Building(s) Rentals
 - . Land Rentals
 - . Building Space Rentals
 - . FBO Rentals, Concessions and Fuel Flowage Fees
 - . Flight Kitchen Rentals and Concessions

2.2 Revenues Allocated to CRCs.

- (1) Interest income will be allocated to, and within, the CRCs in accordance with the terms of the Airport Use Agreement.
- (2) Reimbursement for security services will be allocated to the Terminal Area CRC and the International Terminal CRC based on the pro rata share of Enplaned Passengers in each CRC.
- (3) Grants, contributions, sale of assets and sale of rights will be assigned directly to the CRCs when identifiable. For those items which cannot be identified with a CRC, the allocation to CRCs will be based on the proportion of total assets in each CRC.

2.3 Terminal Concession Revenues.

Rentals and fees from the following terminal concessions will be assigned directly to the Terminal Area CRC and the International Terminal CRC based on building location:

- . Food and Drink
- . News and Gifts
- . Drug Store
- . Display Advertising
- . Telephone
- . Insurance
- . Parcel Lockers
- . Observation Deck (Entry Fee and Telescopes)
- . Candy Shop
- . Heel Bar and Valet
- . Barber Shop
- . Currency Exchange
- . Duty Free Shop
- . Baggage Carts
- . All other terminal concessions

TABLE L-1

CRC O & M EXPENSE CHARGE SUMMARY.

	Cost Revenue Centers				
	Airfield	Terminal Area	Int'l. Terminal	Terminal Support	S
<u>Direct Charge</u>					
. DOA Operating	X	X	X	X	
. Fire Department (except paramedics)	X	X	X	X	
. Police Department	X	X	X	X	
. Ground Transportation System				X	
. Shuttle Bus System				X	
. Materials and Supplies	X	X	X	X	
. Engn./Prof. Svcs.	X	X	X	X	
. Repairs and Maintenance	X	X	X	X	
. Water Pollution Control	X				
. Administrative- Vouchered	X	X	X	X	
<u>Allocated By Formula</u>					
. Fringe Benefits	X	X	X	X	
. Fire Department (paramedics)		X	X		
. Vehicles and Fuel	X	X	X	X	
. Electricity	X	X	X	X	
. Water/Sewage	X	X	X	X	
. H&R Plant		X	X		
. PA System		X	X		
. Administrative- DOA	X	X	X	X	

X -- indicates that all or part of the cost is applicable to that CRC.

Exhibit NOPERATION AND MAINTENANCE RESPONSIBILITIES.I. TERMINAL AREA.

1. EXTERIOR AND STRUCTURE.

Airline Responsibility

- . Loading Bridges -- All services, including operation, maintenance, repair and cleaning.
- . Aircraft gates without loading bridges -- all pedestrian-related services, including marking of walkways, sweeping and trash collection, and snow and ice removal.

City Responsibility -- All other services, including without limitation:

- . Structural and roof maintenance and repair.
- . Manual and automatic door maintenance.
- . Exterior lighting -- operation and maintenance.
- . Signage.
- . Perimeter wall, glass cleaning and replacement, interior and exterior.
- . Landscaping maintenance and policing.
- . Walkways and curbfront.
 - Policing, sweeping, and trash collection, including removal of gum, oil spots, and spills.
 - Snow and ice removal, including the use of chemical melting agents when required.
- . Security, law enforcement, fire protection, and emergency medical service.

2. INTERIOR.

Airline Responsibility within Exclusive Use Premises:

- . Plumbing -- Repair, maintenance, and cleaning of Airline-installed devices.
- . Electrical
 - Lamp and ballast replacement.
 - Cleaning of fixtures.
 - Repair, maintenance, and cleaning of Airline-installed devices.

- Cost of electrical power, hot and cold water, and other building utility use, determined by estimate or metering. Uses other than normal building functions shall be metered and paid by Airline (Airline to pay cost of meter installation).

HVAC -- Cleaning of diffusers, grates, etc., which provide final delivery and return of conditioned air.

Glass Breakage -- Replacement of any breakage within the Exclusive Use Premises. Perimeter wall glass to be replaced by City per N-6.

Communications Systems -- Operation, maintenance, repair, and cleaning of dedicating systems installed by Airline for its sole use or use in common with other tenants, such as public address, telephone and radio services, and flight information display systems.

Passenger Loading Bridges -- Operation, maintenance, and cleaning. Cleaning to include:

- Sweep, spot clean and shampoo carpeting as required.
- Dust, wipe/wash interior surface.
- Clean windows.

Maintenance to include:

- Doors, safety devices, warning systems.
- Mechanical positioning equipment and controls.
- Docking lights and devices.
- Any aircraft support equipment attached to loading bridges, such as electrical power and communications.

Custodial Services --

- Policing of passenger hold areas and bag claim area, including emptying of ashtrays and trash containers as required.
- Damp mop, scrub, strip, wax, and/or seal terrazzo or tile floors on a regular basis.
- Vacuum, spot clean, and shampoo carpeted areas on a regular basis.
- Dust, damp wipe, and wash furniture, railings, window sills, walls, ceilings, ashtrays, trash containers, counters and fixtures on a regular basis.

- Clean and polish all metal surfaces on furniture, fixtures, and equipment.
- Wash interior windows and glass partitions.
- Removal of Airline trash from custodial activity in Exclusive Use Premises and from Aircraft.

Locks, keys, and key control.

Interior Decorating -- Provision, installation, and maintenance of all furnishings (including seats, tables, counters, closets, etc.), wall coverings, floor finishes, window coverage (draperies, etc.), authorized signage and logos, and related items not included in the primary construction of the facility.

Mechanical Systems -- Operation, maintenance and repair of all mechanical systems -- Baggage Systems (outbound and inbound), bag claim facilities -- conveyors, carousels, delivery tracks, etc. -- manual and automatic doors -- escalators and elevators.

Passenger screening.

City Responsibility

Plumbing -- All services except as noted for Airline, and including:

- Operation, maintenance, and repair of hot and cold domestic potable water service throughout the Terminal Area.
- Maintenance and repair of drainage and sewage systems throughout the Terminal Area.
- Maintenance and repair of plumbing fixtures, including restroom fixtures, drinking fountains, and janitorial sinks in Public Use Premises.
- Maintenance and repair of fire suppression (sprinkler) systems.

Electrical -- All services except as noted for Airline, and including maintenance and repair of all aspects of the electrical distribution systems, including meters, wiring, distribution and circuit protection boxes, outlets, primary lighting fixtures and outlets installed included in primary construction of the facility.

Heating, Ventilating and Air Conditioning -- Operation and maintenance of all services, except as noted for Airline, including:

- High temperature and chilled water generation and distribution.
- Heat exchangers.
- Air handling units, including filter changing and coil cleaning.

-- Ducting.

-- Controls.

Glass Breakage -- Replacement of broken glass in Public Use Premises.

Communications Systems -- Complete maintenance of all systems used in common throughout the Terminal Area, such as alarm systems and common user communication and public address systems.

Custodial Services -- Provide facilities for trash disposal for non-Airline Party Terminal Area tenants and provide complete custodial services in all Public Use Premises, to include without limitation: restrooms; elevators; escalators, circulation space in ticketing, baggage claims, and public waiting areas; public telephones; drinking fountains; vestibules; corridors, stairwells and other amenities available to the general public. Functions to include:

-- Policing and trash removal from all public facilities.

-- Floor cleaning, with regularly scheduled vacuuming, spot cleaning, shampooing, sweeping, scrubbing, mopping, stripping, waxing, and/or sealing, as appropriate.

-- Wall, ceiling, partition, and fixture cleaning, including dusting, spot cleaning, washing and polishing metal surfaces.

-- Washing interior and exterior windows and glass partitions within Public Use Premises.

-- Telephone and restroom sanitizing, including all fixtures.

-- Restroom stocking, including soap, paper products, and sanitary napkins.

Locks, keys and key control, except as specified for Airline.

Repair and maintenance of people movers (elevators, escalators, moving sidewalks, horizontal moving devices, transit systems) located in Public Use Premises (except as provided in footnote 7 on page 9).

Security, law enforcement, and fire protection, and emergency medical service.

II. Terminal Support Area.

Airline Responsibility

None.

City Responsibility

Roadways and Pedestrian Walkways -- maintenance, repairs, and cleaning.

- Signage.
- Sweeping and trash removal.
- Snow and ice control.
- Pavement, curb, and drainage system maintenance.

Parking Facilities -- operation, maintenance, repair and cleaning.

- Revenue collection.
- Signage and traffic control, including pavement marking and signal lights.
- Shuttle bus service (remote public parking only).
- Sweeping and scrubbing of pavements and trash removal.
- Policing and trash removal.
- Snow and ice control.
- Utility systems (plumbing, electrical, HVAC).
- Environmental monitoring (carbon monoxide) in parking structure.
- Revenue related equipment, including ticket spitters and entrance gates, cash collection control equipment, and exit gates.
- Lighting.
- Structural, pavement, and drainage system repair and maintenance.

Mechanical passenger movement systems, including elevators, escalators, moving sidewalks, and transit systems - operation, repair, maintenance and cleaning.

- Lighting and utility systems (electrical, plumbing, drainage, HVAC).
- Signage.
- Communications, alarm, and safety systems.
- Maintenance of equipment in accordance with manufacturer's recommendations.

- Cleaning of all equipment and related facilities, including sweeping, mopping, waxing, dusting, glass cleaning, metal polishing and trash removal.

- Snow and ice control.

Landscaping.

- Mowing.

- Trimming.

- Policing/trash removal.

Security, law enforcement, fire protection, and emergency medical service.

Utility Systems (H & R Plant and Associated Systems). Operation, repair, maintenance, and cleaning, including:

- Generation and distribution of high and low temperature water.

- Control and storage of potable and fire water supplies, including pumping, testing and chlorination.

III. Airfield.

Airline Responsibility

Passenger terminal apron areas associated with airline gates.

- Pavement markings for aircraft docking, ground support equipment, parking, passenger walkways, and aircraft limit lines.

- Sweeping, cleaning and trash removal on pavement areas occupied by airline loading bridges and ground support equipment.

Aircraft fueling systems operation, maintenance and repair.

City Responsibility -- operation, maintenance, repair, and cleaning, except as specified for airline:

Pavement (runways, taxiways, aircraft parking areas, aprons, ramps, and roadways).

- Sweeping.

- Maintenance and repair.

- Snow and ice control.

Lighting.

- Airfield system (runways, taxiways, obstructions, etc.).
- Roadways.
- Passenger terminal aprons.
- Support and back-up systems (lighting vaults, emergency generators, etc.) and associated wiring, fixtures, and equipment.

Airfield mowing, policing, and trash removal.

Drainage, including management and control of runoff from the airport.

Perimeter fencing and access control.

Pavement marking and signage.

Security, law enforcement, crash-fire-rescue services, and emergency medical services.

[Summary of airport operations and maintenance responsibilities is printed on page 15798 of this Journal.]

AUTHORITY GRANTED TO CONDUCT PUBLIC HEARINGS
CONCERNING PUBLIC VEHICLE GROUND
TRANSPORTATION SERVICES
AT CHICAGO-O'HARE
INTERNATIONAL
AIRPORT.

The Committee on Aviation submitted the following report:

CHICAGO, April 24, 1985.

To the President and Members of the City Council:

Your Committee on Aviation begs leave to recommend that Your Honorable Body *Adopt* the proposed resolution transmitted herewith (which was referred on April 18, 1985) that the Committee on Aviation hold an immediate public hearing on the proposed rules and regulations governing commercial ground transportation of public vehicles at Chicago O'Hare International Airport.

(Continued on page 15799)

SUMMARY OF AIRPORT OPERATIONS AND MAINTENANCE RESPONSIBILITIES

	<u>Exclusive Use Premises</u>	<u>Public Use Premises</u>	<u>Terminal Support Area</u>	<u>Airfield</u>
Structures and Building Exteriors	C	C	C	C
Loading Bridges	A	-	-	-
Landscaping	-	C	C	C
Walkways and Roadways	-	C	C	C
Security, Law Enforcement, Fire Protection, Emergency Medical Services	C	C	C	C
Plumbing Drainage	A ^{1/}	C	C	C
Electrical Service and Lighting	A ^{1/}	C	C	C
HVAC	A ^{2/}	C	C	C
Glass Breakage	A	C	C	C
Communications Systems	A ^{3/}	C	C	C
Custodial Service, including Trash Removal	A	C	C	C
Locks, Keys, Key Control	A	C	C	C
Interior Decorating	A	C	C	C
Baggage Handling Systems	A	-	-	-
People Movers (elevators, escalators, moving sidewalks, horizontal moving devices, transit systems)	A ^{5/}	C ^{6/}	C	-
Signage	A	C	C	C
Airfield Pavements	A ^{4/}	C	-	C
Auto Parking Facilities	-	-	C	-
Aircraft Fueling System	-	-	-	A

KEY: A = Airline
C = City

^{1/} Airline-installed devices and lamp/ballast replacement.

^{2/} Cleaning of grates and diffusers only.

^{3/} Exclusive/joint use systems installed by Airline.

^{4/} Pavement marking and cleaning at apron gates.

^{5/} Airline shall maintain and operate escalators, moving sidewalks and horizontal moving devices within Airline's Exclusive Use Premises.

^{6/} Any moving sidewalk or horizontal moving device which is deemed, pursuant to Section 9.03(c) of the Agreement to which this Exhibit N is attached, to be a tenant improvement of an Airline Party shall be maintained and operated by such Airline Party or by City at such Airline Party's expense.

(Continued from page 15797)

This recommendation was concurred in unanimously by the members of the committee.

Respectfully submitted,
(Signed) FRANK A. DAMATO,
Chairman.

On motion of Alderman Damato, the said proposed resolution transmitted with the foregoing committee report was *Adopted* by yeas and nays follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said resolution as adopted:

WHEREAS, The Administration has proposed specific commercial ground transportation rules and regulations at Chicago-O'Hare International Airport; and

WHEREAS, The proposed rules and regulations will attempt to reduce traffic congestion experienced by all public passenger vehicle operators as they attempt to pick-up and discharge waiting clients; and

WHEREAS, The proposed rules and regulations have a profound impact upon licensed liveryes, courtesy vehicles, buses, and the general public; and

WHEREAS, The proposed rules will take effect on May 1, 1985 with no input from the general public or the affected operators of public passenger vehicles who service passengers at Chicago-O'Hare International Airport; now, therefore,

Be It Resolved, That the Committee on Aviation will hold an immediate public hearing on the proposed rules and regulations governing commercial ground transportation of public vehicles at Chicago-O'Hare International Airport; and

Be It Further Resolved, That the City of Chicago shall not enforce the proposed commercial ground transportation rules and regulations until such time as the City Council has reviewed and approved the proposed program.

Re-Referred -- AMENDMENT OF MUNICIPAL CODE
CHAPTER 37 CONCERNING USE OF MIDWAY
AIRPORT FACILITIES DURING
SPECIFIED HOURS.

The Committee on Aviation submitted the following report:

CHICAGO, April 24, 1985.

To the President and Members of the City Council:

Your Committee on Aviation, having had under consideration a proposed ordinance (which was referred on September 25, 1984) to amend Chapter 37 of the Municipal Code concerning use of facilities at Midway Airport during specified hours, begs leave to recommend that Your Honorable Body *Re-refer* to the City Council Committee on Municipal Code Revision the said proposed ordinance, which is transmitted herewith.

This recommendation was concurred in unanimously by the members of the committee.

Respectfully submitted,
(Signed) FRANK A. DAMATO,
Chairman.

On motion of Alderman Damato, the committee's recommendation was *Concurred In* and the said proposed ordinance was *Re-referred to the Committee on Municipal Code Revision*.

Re-Referred -- AMENDMENT OF MUNICIPAL CODE CHAPTER
37 CONCERNING USE OF MIDWAY AIRPORT
FACILITIES WITH SPECIFIED
PROVISIONS.

The Committee on Aviation submitted the following report:

CHICAGO, April 24, 1985.

To the President and Members of the City Council:

Your Committee on Aviation, having had under consideration a proposed ordinance (which was referred on September 25, 1984) to amend Chapter 37 of the Municipal Code concerning use of Midway Airport facilities with specified provisions, begs leave to recommend that Your Honorable Body *Re-refer* to the City Council Committee on Municipal Code Revision the said proposed ordinance, which is transmitted herewith.

This recommendation was concurred in unanimously by the members of the committee.

Respectfully submitted,
(Signed) FRANK A. DAMATO,
Chairman.

On motion of Alderman Damato, the committee's recommendation was *Concurred In* and the said proposed ordinance was *Re-referred to the Committee on Municipal Code Revision*.

COMMITTEE ON ECONOMIC DEVELOPMENT.

CONDITIONAL APPROVAL OF INDUSTRIAL REVENUE BOND AUTHORIZED FOR PROJECT BY WEST SIDE PROPERTIES NUMBER 1.

The Committee on Economic Development submitted the following report:

CHICAGO, April 25, 1985.

To the President and Members of the City Council:

Your Committee on Economic Development, having had under consideration a proposed ordinance transmitted with a communication signed by Mayor Harold Washington (which was referred on April 18, 1985) for the conditional approval of an industrial revenue bond in the amount of \$800,000 to finance an industrial development project in the City of Chicago to be owned by West Side Properties No. 1, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance which is transmitted herewith.

This recommendation was concurred in by seven (7) members of the committee with no dissenting votes.

Respectfully submitted,
(Signed) BERNARD J. HANSEN,
Chairman.

On motion of Alderman Hansen, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Pursuant to Chapter 15.2 of the Municipal Code of the City of Chicago, as supplemented and amended (the "Enabling Ordinance"), there has been established an Economic Development Commission of the City of Chicago (the "Commission"), a Department of Economic Development of the City of Chicago (the "Department") and the office of Commissioner of Economic Development of the City of Chicago (the "Commissioner"), and the Department and the Commissioner are empowered, upon the advice of the Commission, to enter into agreements with respect to the proposed development of industrial development projects and to recommend to the City Council that it issue Industrial Revenue Bonds for the public purposes stated in the Enabling Ordinance; and

WHEREAS, The Commissioner, upon the advice of the Commission and on behalf of the Department, has approved the attached Memorandum of Agreement relating to the issuance of not to exceed \$800,000 aggregate principal amount of Industrial Revenue Bonds to finance an industrial development project in the City of Chicago, Illinois, to be owned by West Side Properties No. 1, or an entity affiliated therewith, to be leased to Humphreys Leather Goods, Inc., for the manufacturing of such company's leather goods, to consist of two, interconnected multi-story buildings of five stories and three stories, respectively, with a total area of 164,800 square feet, located at 2011 West Hastings Street in the City of Chicago, Illinois, and has recommended the approval of this ordinance; and

WHEREAS, Such approval constitutes a recommendation to this City Council that it take all further steps necessary for the timely issuance of such Industrial Revenue Bonds; and

WHEREAS, Section 103(k) of the Internal Revenue Code of 1954, as amended, requires that a public hearing be held in the City of Chicago, Illinois, on the proposed plan of financing for said industrial development project; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The recommendation of the Commissioner, on behalf of the Department, is hereby accepted and the Memorandum of Agreement in the form submitted to this City Council is hereby approved.

SECTION 2. Upon the fulfillment of the conditions stated in the Memorandum of Agreement, this City Council will take such other actions and adopt such further proceedings as may be necessary under the Enabling Ordinance to issue such Industrial Revenue Bonds in an aggregate principal amount not to exceed \$800,000 for the purpose aforesaid.

SECTION 3. The Commissioner is hereby authorized, empowered and directed to publish notice to the public of a public hearing on the proposed plan of financing for said industrial development project, such notice to be in substantially the same form as Exhibit A attached hereto and made a part hereof and to be published on a date and in a manner determined by him to be appropriate and at least fourteen (14) days prior to the date on which said public hearing is to be held; and the Commissioner (or any officer or employee of the Department designated by the Commissioner) is further authorized, empowered and

directed to hold the public hearing referred to in said notice and to provide a transcript of said public hearing to the Finance Committee of this City Council.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

Memorandum of Agreement and Exhibit A attached to this ordinance read as follows:

Memorandum of Agreement.

This Memorandum of Agreement (the "Agreement") is by and between the Department of Economic Development of the City of Chicago (the "Department") and West Side Properties No. 1 (formerly intended to be formed as The Hastings Partnership), an Illinois Limited Partnership (the "Borrower").

1. Preliminary Statement. Among the matters of mutual inducement which have resulted in this Agreement are the following:

(a) The City of Chicago, Cook County, Illinois (the "City") is a home rule unit of government under Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois and as such home rule unit has duly adopted Chapter 15.2 of the Municipal Code of the City of Chicago, as supplemented and amended (the "Ordinance"), authorizing and empowering the City to issue its revenue bonds for the purpose of financing the cost of the acquisition, purchase, construction, rehabilitation, redevelopment or extension of "industrial development projects" (as defined in the Ordinance) in order to encourage and promote the retention and expansion of existing commercial and industrial businesses within the City and the attraction of new businesses to the City.

(b) The Borrower proposes to acquire, construct and equip certain facilities that will be leased to a related company, Humphreys Leather Goods, Inc., for the manufacturing of such company's leather goods in the City of Chicago, Illinois (the "Project"). The Borrower wishes to obtain satisfactory assurance from the City that the proceeds from the sale of the revenue bonds of the City will be made available to finance the cost of the Project.

(c) The Department is authorized pursuant to the Ordinance to enter into agreements with respect to industrial development projects and the financing thereof and to make recommendations to the City with respect to the issuance of revenue bonds.

(d) Subject to due compliance with all requirements of law, the Department will proceed to take such action, and recommend that the City take such action, as may be necessary to cause to be prepared such agreements, leases, mortgages, indentures or such other documents as may be necessary to cause the City, by virtue of such authority as may now or hereafter be conferred by the Ordinance, to issue and sell its revenue bonds in an aggregate principal amount not to exceed \$800,000 (the "Bonds") to pay costs of the Project and costs incidental to the issuance of the Bonds.

(e) Pursuant to the Ordinance, the Economic Development Commission of the City of Chicago (the "Commission") has identified the Project as an industrial development project which may be undertaken to strengthen and promote the economic vitality of the City of Chicago, Illinois, has approved the form of this Agreement, and has advised the

Commissioner of Economic Development of the City of Chicago to recommend to the City Council of the City that the City issue and sell the Bonds to finance the cost of the Project.

(f) The Department, with and upon the advice of the Commission, considers that the financing by the City of the cost of the Project on behalf of the Borrower will promote and further the purposes of the Ordinance.

2. Undertakings on the Part of the Department. Subject to the conditions above stated and to the limits of the authority of the Department, the Department agrees as follows:

(a) That it will begin the proceedings necessary on its part to cause the City Council of the City to authorize the issuance and sale of the Bonds, pursuant to the terms of the Ordinance as then in force.

(b) That, if necessary, it will cooperate with the Borrower in finding a purchaser or purchasers for the Bonds, and if satisfactory purchase arrangements can be or are made, the Department will recommend that the City adopt such proceedings authorizing the execution of such documents as may be necessary or advisable for the authorization, issuance and sale of the Bonds and the financing of the Project, all as shall be authorized by law and mutually satisfactory to the Department, the City and the Borrower.

(c) That, if the City issues and sells the Bonds, the financing instruments will provide that the City will use the proceeds of the Bonds to finance the Project and the aggregate payments to be made by the Borrower and used by the City to pay the principal of, interest and redemption premium, if any, on the Bonds payable under the instruments whereby the Project shall be financed, shall be such sums sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds as and when the same shall become due and payable.

(d) That it will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3. Undertakings on the Part of the Borrower. Subject to the conditions above stated, the Borrower agrees as follows:

(a) That it will use all reasonable efforts to find one or more purchasers for the Bonds.

(b) That contemporaneously with the issuance of the Bonds, the Borrower will enter into a revenue agreement, as defined in the Ordinance, with the City under the terms of which the Borrower will obligate itself to pay to the City sums sufficient in the aggregate to pay the principal of, and interest and redemption premium, if any, on the Bonds as and when the same shall become due and payable, such revenue agreement to be in form and substance satisfactory to the Department, the City and the Borrower, such approval by the Department to be evidenced by the execution of such agreement by the City.

(c) That during the period beginning on the date of the sale and delivery of the Bonds by the City to the purchaser thereof and ending three years after the date of completion of the acquisition, construction and equipping of the Project or after payment of all costs of

acquisition, construction and equipping of the Project, whichever is later, the Borrower will or cause Humphreys Leather Goods, Inc. to (1) furnish upon request of the Department a report in a form satisfactory to the Department, containing information relating to the Project, including but not limited to, the numbers and types of jobs and employment opportunities which have been created or maintained within the City as a result of the acquisition, construction and equipping of the Project, and (2) permit any duly authorized agent of the Department to enter upon and inspect the Project during regular business hours, and to examine and copy at the principal office of the Borrower located within the City of Chicago, Illinois, during regular business hours, all books, records and other documents of the Borrower or Humphreys Leather Goods, Inc. relating to expenditures from the Bond proceeds for the Project and the numbers and types of jobs at the Project.

(d) That it will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

4. General Provisions.

(a) All commitments of the Department under paragraph 2 hereof and of the Borrower under paragraph 3 hereof are subject to the conditions that on or before one (1) year from the date hereof (or such other date as shall be mutually satisfactory to the Department and the Borrower), the Department, the City and the Borrower shall have agreed to mutually acceptable terms and conditions of the agreements and instruments referred to in paragraphs 2 and 3 hereof and the proceedings referred to in paragraphs 2 and 3 hereof.

(b) All costs and expenses incurred in connection with the financing, acquisition, construction and equipping of the Project, including the fees and expenses of counsel to the City and the Department, Gardner, Carton & Douglas, as bond counsel, and counsel to the purchaser of the Bonds, if any, shall be paid from the proceeds of the Bonds or by the Borrower. If the events set forth in subparagraph (a) of this paragraph do not take place within the time set forth or any extension thereof and the Bonds are not sold within such time, the Borrower agrees that it will reimburse the City and the Department for all reasonable and necessary out-of-pocket expenses which the City and the Department may incur from the execution of this Agreement and the performance by the City of its obligations hereunder, and this Agreement shall thereupon terminate.

In Witness Whereof, the parties hereto have entered into this Agreement by their officers thereunto duly authorized as of this 15th day of April, 1985.

[Signature forms omitted for printing purposes.]

Exhibit A *Notice Of Public Hearing.*

Notice is hereby given that on _____, 1985, at _____ M. in _____, _____ Chicago, Illinois, a public hearing will be held before the Commissioner of Economic Development of the City of Chicago or his designee regarding a plan to issue \$800,000 principal amount of Industrial Revenue Bonds (the "Bonds") of the City of Chicago, the proceeds of which will be loaned to West Side

Properties No. 1 (the "Borrower") to be used by the Borrower for the acquisition, construction and equipping of certain facilities that will be leased to Humphrey's Leather Goods, Inc., for the manufacturing of such company's leather goods, which facilities will be located at 2011 West Hastings Street within the City of Chicago (the "Project"). The facilities consist of two, interconnected multi-story buildings of five stories and three stories, respectively, with an area of 164,800 square feet.

The Bonds will be issued by the City pursuant to its powers as a home rule municipality under the 1970 Constitution of the State of Illinois and an ordinance proposed for adoption by the City Council. The Bonds will not be general obligations of the City, the State of Illinois or any political subdivision thereof, as the principal of and interest on the Bonds will be payable solely from amounts received in repayment of the loan by the Borrower. Neither the credit nor the taxing power of the City, the State of Illinois or of any political subdivision thereof will be pledged for the payment of the principal, premiums, if any, or interest on the Bonds.

The above-noticed public hearing is required by the Tax Equity and Fiscal Responsibility Act of 1982. Written comments may also be submitted to the Department of Economic Development at its office located at 20 North Clark Street, Room 2800, Chicago, Illinois 60602 until _____, 1985. Subsequent to the public hearing, the City Council will meet to consider approving the issuance of the Bonds.

Notice dated _____, 1985.

/s/ _____

Commissioner of Economic Development,
of the City of Chicago

CONDITIONAL APPROVAL OF INDUSTRIAL REVENUE
BOND AUTHORIZED FOR PROJECT BY PARK
WEST PARTNERS.

The Committee on Economic Development submitted the following report:

CHICAGO, April 25, 1985.

To the President and Members of the City Council:

Your Committee on Economic Development, having had under consideration a proposed ordinance transmitted with a communication signed by Mayor Harold Washington (which was referred on April 18, 1985) for the conditional approval of an industrial revenue bond in the amount of \$4,750,000 to finance a development project in the City of Chicago to be owned by Park West Partners, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance which is transmitted herewith.

This recommendation was concurred in by seven (7) members of the committee with no dissenting votes.

Respectfully submitted,
(Signed) BERNARD J. HANSEN,
Chairman.

On motion of Alderman Hansen, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Pursuant to Chapter 15.2 of the Municipal Code of the City of Chicago, as supplemented and amended (the "Enabling Ordinance"), there has been established an Economic Development Commission of the City of Chicago (the "Commission"), a Department of Economic Development of the City of Chicago (the "Department") and the office of Commissioner of Economic Development of the City of Chicago (the "Commissioner"), and the Department and the Commissioner are empowered, upon the advice of the Commission, to enter into agreements with respect to the proposed development of industrial development projects and to recommend to the City Council that it issue Industrial Revenue Bonds for the public purposes stated in the Enabling Ordinance; and

WHEREAS, The Commissioner, upon the advice of the Commission and on behalf of the Department, has approved the attached Memorandum of Agreement relating to the issuance of not to exceed \$4,750,000 of Industrial Revenue Bonds to finance an industrial development project in the City of Chicago, Illinois, to be owned by Park West Partners, a limited partnership, to be used as a facility for a medical office building and to be located in the City of Chicago, Illinois, and has recommended the approval of this ordinance; and

WHEREAS, Such approval constitutes a recommendation to this City Council that it take all further steps necessary to the timely issuance of such Industrial Revenue Bonds; and

WHEREAS, The Tax Equity and Fiscal Responsibility Act of 1982 requires that a public hearing be held in the City of Chicago, Illinois, on the proposed plan of financing for said industrial development project; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The recommendation of the Commission, on behalf of the Department, is hereby accepted and the Memorandum of Agreement in the form submitted to this City Council is hereby approved.

SECTION 2. Upon the fulfillment of the conditions stated in the Memorandum of Agreement, this City Council will take such other actions and adopt such further proceedings as may be necessary under the Enabling Ordinance to issue such Industrial Revenue Bonds in an amount not to exceed \$4,750,000 for the purpose aforesaid.

SECTION 3. The Commissioner is hereby authorized, empowered and directed to publish notice to the public of a public hearing on the proposed plan of financing for said industrial development project, such notice to be in substantially the same form as Exhibit A attached hereto and made a part hereof and to be published on a date and in a manner determined by him to be appropriate and at least fourteen (14) days prior to the date on which said public hearing is to be held; and the Commissioner (or any officer or employee of the Department designated by the Commissioner) is further authorized, empowered and directed to hold the public hearing referred to in said notice and to provide a transcript of said public hearing to the Finance Committee of this City Council.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

Memorandum of Agreement and Exhibit A attached to this ordinance read as follows:

Memorandum of Agreement.

This Memorandum of Agreement (the "Agreement") is by and between the Department of Economic Development of the City of Chicago (the "Department") and Park West Partners, a limited partnership (the "Borrower").

1. Preliminary Statement. Among the matters of mutual inducement which have resulted in this Agreement are the following:

(a) The City of Chicago, Cook County, Illinois (the "City") is a home rule unit of government under Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois and as such home rule unit has duly adopted Chapter 15.2 of the Municipal Code of the City of Chicago, as supplemented and amended (the "Ordinance"), authorizing and empowering the City to issue revenue bonds for the purpose of financing the cost of the acquisition, purchase, construction, rehabilitation, redevelopment or extension of "industrial development projects" (as defined in the Ordinance) in order to encourage and promote the retention and expansion of existing commercial and industrial businesses within the City and the attraction of new businesses to the City.

(b) The Borrower, proposes to acquire real estate located at 2661 North Halsted Street in Chicago, Illinois and construct and equip a building to be used as a facility for a medical office building (the "Project"). The Borrower wishes to obtain satisfactory assurance from the City that the proceeds from the sale of the revenue bonds of the City will be made available to finance the cost of the Project.

(c) The Department is authorized pursuant to the Ordinance to enter into agreements with respect to industrial development projects and the financing thereof and to make recommendations to the City with respect to the issuance of revenue bonds.

(d) Subject to due compliance with all requirements of law, the Department will proceed to take such action, and recommend that the City take such action, as may be necessary to cause to be prepared such agreements, mortgages, indentures, or such other documents as may be necessary to cause the City, by virtue of such authority as may now or hereafter be conferred by the Ordinance, to issue and sell its revenue bonds in an amount not to exceed \$4,750,000 (the "Bonds") to pay costs of the Project and costs incidental to the issuance of the Bonds.

(e) Pursuant to the Ordinance, the Economic Development Commission of the City of Chicago (the "Commission") has identified the Project as an industrial development project which may be undertaken to strengthen and promote the economic vitality of the City of Chicago, Illinois, has approved the form of this Agreement, and has advised the Commissioner of Economic Development of the City of Chicago to recommend to the City Council of the City that the City issue and sell the Bond to finance the cost of the Project.

(f) The Department, with and upon the advice of the Commission, considers that the financing by the City of the cost of the Project on behalf of the Borrower will promote and further the purposes of the Ordinance.

2. Undertakings on the Part of the Department. Subject to the conditions above stated and to the limits of the authority of the Department, the Department agrees as follows:

(a) That it will begin the proceedings necessary on its part to cause the City Council of the City to authorize the issuance and sale of the Bonds, pursuant to the terms of the Ordinance as then in force.

(b) That it will cooperate with the Borrower in finding a purchaser or purchasers for the Bonds and, if satisfactory purchase arrangements can be made, the Department will recommend that the City adopt such proceedings authorizing the execution of such documents as may be necessary or advisable for the authorization, issuance and sale of the Bonds and the financing of the Project, all as shall be authorized by law and mutually satisfactory to the Department, the City and the Borrower.

(c) That, if the City issues and sells the Bonds, the financing instruments will provide that the City will use the proceeds of the Bonds to finance the Project and the aggregate payments basic rents or sale price (i.e., the amounts to be paid by the Borrower, and used by the City to pay the principal of, interest and redemption premium, if any, on the Bonds) payable under the instrument whereby the Project shall be financed, shall be such sums as shall be sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds as and when the same shall become due and payable.

(d) That it will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3. Undertakings on the Part of the Borrower. Subject to the conditions above stated, the Borrower agrees as follows:

(a) That it will use all reasonable efforts to find one or more purchasers for the Bonds.

(b) That contemporaneously with the issuance of the Bonds, the Borrower will enter into a revenue agreement, as defined in the Ordinance, with the City under the terms of which the Borrower will obligate itself to pay to the City sums sufficient in the aggregate to pay the principal of, interest and redemption premium, if any, on the Bonds as when the same shall become due and payable, such revenue agreement to be in form and substance satisfactory to the Department, the City and the Borrower.

(c) That during the period beginning on the date of the sale and delivery of the Bonds by the City to the purchaser thereof and ending three years after the date of completion of the acquisition, construction and equipping of the Project or after payment of all costs of said acquisition, construction and equipping of the Project, whichever is later, the Borrower will (1) furnish upon request of the Department a report in a form satisfactory to the Department, containing information relating to the Project, including but not limited to, the numbers and types of jobs and employment opportunities which have been created or maintained within the City as a result of said acquisition, renovation and equipping of the Project, and (2) permit any duly authorized agent of the Department to enter upon and inspect the Project during regular business hours, and to examine and copy at any offices of the Borrower and the Subsidiary located within the City of Chicago, Illinois, during regular business hours all books, records, and other documents of the Borrower relating to expenditures from the Bond proceeds for the Project and the numbers and types of jobs at the Project.

(d) That it will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

4. General Provisions.

(a) All commitments of the Department under paragraph 2 hereof and of the Borrower under paragraph 3 hereof, are subject to the conditions that on or before one (1) year from the date hereof (or such other date as shall be mutually satisfactory to the Department and the Borrower), the Department, the City and the Borrower shall have agreed to mutually acceptable terms for the Bonds and of the sale and delivery thereof, and mutually acceptable terms and conditions of the agreements and instruments referred to in paragraphs 2 and 3 hereof and the proceedings referred to in paragraphs 2 and 3 hereof.

(b) All costs and expenses in connection with the financing and acquisition, construction and equipping of the Project, including the fees and expenses of counsel to the City and the Department, Carlson and Hug, as bond counsel, and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Borrower. If the events set forth in (a) of this paragraph do not take place within the time set forth on any extension thereof and the Bonds are not sold within such time, the Borrower agrees that it will reimburse the City and the Department for all reasonable and necessary direct out-of-pocket expenses which the City and the Department may incur from the execution of this

Agreement and the performance by the City of its obligations hereunder, and this Agreement shall thereupon terminate.

In Witness Whereof, the parties hereto have entered into this Agreement by their officers thereunto duly authorized as of this 11th day of April, 1985.

[Signature forms omitted for printing purposes.]

Exhibit A
Notice Of Public Hearing.

Notice is hereby given that on _____, 198____, at _____ M., in _____, Chicago, Illinois, a public hearing will be held before the Commissioner of Economic Development of the City of Chicago or his designee regarding a plan to issue not to exceed \$4,750,000 Industrial Revenue Bonds (the "Bonds") of the City of Chicago, Cook County, Illinois (the "City"), the proceeds of which will be loaned to Park West Partners, a limited partnership (the "Borrower") to provide funds for the Borrower to acquire real estate located at 2661 North Halsted Street, Chicago, Illinois and to construct an approximately 63,600 square foot building and equip the same, to be used as a facility for a medical office building.

The Bonds will be issued by the City pursuant to its powers as a home rule unit of government under the 1970 Constitution of the State of Illinois and an ordinance proposed for adoption by the City Council of the City. The Bonds will not be general obligations of the City, the State of Illinois or any political subdivision thereof, but will be special, limited obligations of the City as the principal of, premium, if any, and interest on the Bonds will be payable solely from revenues and receipts derived from the repayment of the loan by the Borrower (except to the extent payable from Bond proceeds, the income from the temporary investment thereof and moneys derived from and payments made pursuant to the instruments delivered in connection with said loan). The Bonds will not constitute an indebtedness of the City, the State of Illinois or any political subdivision thereof or a loan of credit of any of them within the meaning of any constitutional or statutory provisions. No owner of any Bond will have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of, premium, if any, or interest on the Bonds.

The above noticed public hearing is required by the Tax Equity and Fiscal Responsibility Act of 1982. Written comments may also be submitted to the Department of Economic Development of the City of Chicago at its office located at 20 North Clark Street, Room 2800, Chicago, Illinois 60602, until _____, 1984. Subsequent to the public hearing, the City Council of the City will meet to consider approval of the issuance of the Bonds.

Notice dated _____, 1985.

Commissioner of Economic Development,
Department of Economic Development
of the City of Chicago

CONDITIONAL APPROVAL OF INDUSTRIAL REVENUE BOND
AUTHORIZED FOR PROJECT BY
GOODWILL INDUSTRIES.

The Committee on Economic Development submitted the following report:

CHICAGO, April 25, 1985.

To the President and Members of the City Council:

Your Committee on Economic Development, having had under consideration a proposed ordinance transmitted with a communication signed by Mayor Harold Washington (which was referred on April 18, 1985) for the conditional approval of an industrial revenue bond in the amount of \$700,000 to finance a development project in the City of Chicago to be owned by Goodwill Industries of Chicago, Cook County, Illinois, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance which is transmitted herewith.

This recommendation was concurred in by seven (7) members of the committee with no dissenting votes.

Respectfully submitted,
(Signed) BERNARD J. HANSEN,
Chairman.

On motion of Alderman Hansen, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Pursuant to Chapter 15.2 of the Municipal Code of the City of Chicago, as supplemented and amended (the "Enabling Ordinance"), there has been established an

Economic Development Commission of the City of Chicago (the "Commission"), a Department of Economic Development of the City of Chicago (the "Department") and the office of Commissioner of Economic Development of the City of Chicago (the "Commissioner"), and the Department and the Commissioner are empowered, upon the advice of the Commission, to enter into agreements with respect to the proposed development of industrial development projects and to recommend to the City Council that it issue Industrial Revenue Bonds for the public purposes stated in the Enabling Ordinance; and

WHEREAS, The Commissioner, upon the advice of the Commission and on behalf of the Department, has approved the attached Memorandum of Agreement relating to the issuance of not to exceed \$700,000 aggregate principal amount of Industrial Revenue Bonds to finance an industrial development project in the City of Chicago, Illinois, to be owned by Goodwill Industries of Chicago and Cook County, Illinois, an Illinois not for profit corporation (the "Company"), to be used as the headquarters facility for its vocational rehabilitation and related programs, and to be located in the City of Chicago, Illinois, and has recommended the approval of this ordinance; and

WHEREAS, Such approval constitutes a recommendation to this City Council that it take all further steps necessary for the timely issuance of such Industrial Revenue Bonds; and

WHEREAS, Section 103(k) of the Internal Revenue Code of 1954, as amended, requires that a public hearing be held in the City of Chicago, Illinois, on the proposed plan of financing for said industrial development project; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The recommendation of the Commissioner, on behalf of the Department, is hereby accepted and the Memorandum of Agreement in the form submitted to this City Council is hereby approved.

SECTION 2. Upon the fulfillment of the conditions stated in the Memorandum of Agreement, this City Council will take such other actions and adopt such further proceedings as may be necessary under the Enabling Ordinance to issue such Industrial Revenue Bonds in an aggregate principal amount not to exceed \$700,000 for the purpose aforesaid.

SECTION 3. The Commissioner is hereby authorized, empowered and directed to publish notice to the public of a public hearing on the proposed plan of financing for said industrial development project, such notice to be in substantially the same form as Exhibit A attached hereto and made a part hereof and to be published on a date and in a manner determined by him to be appropriate and at least fourteen (14) days prior to the date on which said public hearing is to be held; and the Commissioner (or any officer or employee of the Department designated by the Commissioner) is further authorized, empowered and directed to hold the public hearing referred to in said notice and to provide a transcript of said public hearing to the Finance Committee of this City Council.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

Memorandum of Agreement and Exhibit A attached to this ordinance read as follows:

AMENDED MEMORANDUM OF AGREEMENT.

This amended Memorandum of Agreement (the "Agreement") is by and between the Department of Economic Development of the City of Chicago (the "Department") and Goodwill Industries of Chicago and Cook County, Illinois, a not for profit corporation organized under the laws of the State of Illinois (the "Borrower").

1. Preliminary Statement. Among the matters of mutual inducement which have resulted in this Agreement are the following:

(a) The City of Chicago, Cook County, Illinois (the "City") is a home rule unit of government under Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois and as such home rule unit has duly adopted Chapter 15.2 of the Municipal Code of the City of Chicago, as supplemented and amended (the "Ordinance"), authorizing and empowering the City to issue revenue bonds for the purpose of financing the cost of the acquisition, purchase, construction, rehabilitation, redevelopment or extension of "industrial development projects" (as defined in the Ordinance) in order to encourage and promote the retention and expansion of existing commercial and industrial businesses within the City and the attraction of new businesses to the City.

(b) The Borrower proposes to acquire, rehabilitate and equip a building located in the City of Chicago to be used as the headquarters facility for its vocational rehabilitation and related programs (the "Project"). The Borrower wishes to obtain satisfactory assurance from the City that the proceeds from the sale of the revenue bonds of the City will be made available to finance the cost of the Project.

(c) The Department is authorized pursuant to the Ordinance to enter into agreements with respect to industrial development projects or projects and the financing thereof and to make recommendations to the City with respect to the issuance of its revenue bonds.

(d) Subject to due compliance with all requirements of law, the Department will proceed to take such action, and recommend that the City take such action, as may be necessary to cause to be prepared such agreements, mortgages, indentures or such other documents as may be necessary to cause the City, by virtue of such authority as may now or hereafter be conferred by the Ordinance, to issue and sell its revenue bonds in an amount not to exceed \$700,000 (the "Bonds") to pay costs of the Project and costs incidental to the issuance of the Bonds.

(e) Pursuant to the Ordinance, the Economic Development Commission of the City of Chicago (the "Commission") has identified the Project as a project which may be undertaken to strengthen and promote the economic vitality of the City of Chicago, Illinois, has approved the form of this Agreement, and has advised the Commissioner of Economic Development of the City of Chicago to recommend to the City Council of the City that the City issue and sell the Bonds to finance the cost of the Project.

(f) The Department, with and upon the advice of the Commission, considers that the financing by the City of the cost of the Project on behalf of the Company will promote and further the purpose of the Ordinance.

(g) The Department and the City reserve the right to give priority to the issuance of industrial development bonds and certain other "private activity bonds" of the City, as may be required by Section 103(n) of the Internal Revenue Code of 1954, as amended, or as they, in their sole discretion, may determine, with the result that the City may not issue the Bonds in calendar year 1985.

2. Undertakings on the Part of the Department. Subject to the conditions above stated and to the limits of the authority of the Department, the Department agrees as follows:

(a) That it will begin the proceedings necessary on its part to cause the City Council of the City to authorize the issuance and sale of the Bonds, pursuant to the terms of the Ordinance as then in force.

(b) That it will cooperate with the Borrower in finding a purchaser or purchasers for the Bonds, and if satisfactory purchase arrangements can be made, the Department will recommend that the City Council adopt such proceedings authorizing the execution of such documents as may be necessary or advisable for the authorization, issuance and sale of the Bonds and the financing of the Project, all as shall be authorized by law and mutually satisfactory to the Department, the City and the Borrower.

(c) That, if the City issues and sells the bonds, the financing instruments will provide that the City will use the proceeds of the Bonds to finance the Project and the aggregate payments, basic rents or sale price (i.e., the amounts to be paid by the Borrower and used by the City to pay the principal of, interest and redemption premium, if any, on the Bonds) payable under the instruments whereby the Project shall be financed, shall be such sums as shall be sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds as and when the same shall become due and payable.

(d) That it will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3. Undertakings on the Part of the Borrower. Subject to the conditions above stated, the Borrower agrees as follows:

(a) That it will use all reasonable efforts to find one or more purchasers for the Bonds.

(b) That contemporaneously with the issuance of the Bonds, the Borrower will enter into a revenue agreement, as defined in the Ordinance, with the City under the terms of which the Borrower will obligate itself to pay to the City sums sufficient in the aggregate to pay the principal of, interest and redemption premium, if any, on the Bonds as and when the same shall become due and payable, such revenue agreement to be in form and substance satisfactory to the Department, the City and the Borrower.

(c) That during the period beginning on the date of the sale and delivery of the Bonds by the City to the purchaser thereof and ending three years after the date of completion of the acquisition, construction and equipping of the Project or after payment of all costs of acquiring, rehabilitating and equipping the Project, whichever is later, the Borrower (1) will furnish upon request of the Department a report in a form satisfactory to the Department, containing information relating to the Project, including but not limited to, the numbers and types of jobs and employment opportunities which have been created or maintained within the City as a result of the acquisition, rehabilitation and equipping of the Project, and (2) will permit any duly authorized agent of the Department to enter upon and inspect the Project during business hours, and to examine and copy at the principal office of the Borrower located within the City of Chicago, Illinois, during regular business hours all books, records and other documents of the Borrower relating to expenditures from the Bond proceeds for the Project and the numbers and types of jobs at the Project.

(d) That it will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

4. General Provisions.

(a) All commitments of the Department under paragraph 2 hereof and of the Borrower under paragraph 3 hereof, are subject to the conditions that on or before one (1) year from the date hereof (or such other date as shall be mutually satisfactory to the Department and to the Borrower), the Department, the City and the Borrower shall have agreed to mutually acceptable terms for the Bonds and or the sale and delivery thereof, and mutually acceptable terms and conditions of the agreements and instruments referred to in paragraphs 2 and 3 hereof and the proceedings referred to in paragraphs 2 and 3 hereof.

(b) All costs and expenses in connection with the financing and of the Project, including the fees and expenses of counsel to the City and the Department, Isham, Lincoln & Beale, as bond counsel, and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Borrower. If the events set forth in (a) of this paragraph do not take place and the Bonds are not sold, the Borrower agrees that it will reimburse the City and the Department for all reasonable and necessary direct out-of-pocket expenses which the City and the Department may incur from the execution of this Agreement and the performance by the City of its obligations hereunder, and will pay upon demand the preliminary fees of bond counsel, and this Agreement shall thereupon terminate.

In Witness Whereof, the parties hereto have entered into this Agreement by their officers thereunto duly authorized as of this 11th day of April, 1985.

[Signature forms omitted for printing purposes.]

Exhibit A

Notice Of Public Hearing.

Notice is hereby given that on _____, 1985, at _____ M. in _____, Chicago Illinois, a public hearing will be held before the Commissioner of Economic Development of the City of Chicago or his designee regarding a plan to issue not to exceed \$700,000 aggregate principal amount of Industrial Revenue Bonds (the "Bonds") of the City of Chicago, the proceeds of which will be lent to Goodwill Industries of Chicago and Cook County, Illinois, an Illinois not for profit corporation (the "Company") to be used by the Company for the acquisition, rehabilitation and equipping of a 26,400 square foot building located at 215 North Des Plaines Avenue within the City of Chicago to be used as the headquarters facility for its vocational rehabilitation and related programs (the "Project").

The Bond will be issued by the City pursuant to its powers as a home rule municipality under the 1970 Constitution of the State of Illinois and an ordinance proposed for adoption by the City Council. The Bonds will not be general obligations of the City, the State of Illinois or any political subdivision thereof, as the principal of and interest on the Bonds will be payable solely from amounts received in repayment of the loan by the Company (except to the extent payable from Bond proceeds, the income from temporary investments thereof and moneys derived from and payments made pursuant to the instruments delivered in connection with said loan. The Bonds will not constitute an indebtedness of the City, the State of Illinois or any political subdivision thereof or a loan of credit of any of them within the meaning of any constitutional or statutory provisions. No holder of any Bond will have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of, premium, if any, or interest on the Bonds.

The above-noticed public hearing is required by Section 103(k) of the Internal Revenue Code of 1954, as amended. Written comments may also be submitted to the Department of Economic Development at its office located at 20 North Clark Street, Room 2800, Chicago, Illinois 60602 until _____, 1985. Subsequent to the public hearing, the City Council will meet to consider approving the issuance of the Bonds.

Notice dated _____, 1985.

Commissioner of Economic Development,
Department of Economic Development of
the City of Chicago

**COMMITTEE ON HUMAN RIGHTS AND
CONSUMER PROTECTION.**

MUNICIPAL CODE CHAPTER 100, SECTIONS 100-12,
100-12.2, 100-13.1 AND 100-29.13 AMENDED
CONCERNING UNIT PRICING OF PRODUCE.

The Committee on Human Rights and Consumer Protection submitted the following report:

CHICAGO, April 8, 1985.

To the President and Members of the City Council:

Your Committee on Human Rights and Consumer Protection, having had under consideration a proposed ordinance (which was referred on December 12, 1984) to amend Sections 100-12, 100-12.2, 100-13.1 and 100-29.13 of the Municipal Code of Chicago, relating to unit pricing of produce, begs leave to recommend that Your Honorable Body *Pass* the said proposed ordinance, which is transmitted herewith.

This recommendation was concurred in by 7 members of the committee, with no dissenting vote.

Respectfully submitted,
(Signed) MARIAN HUMES,
Chairman.

On motion of Alderman Humes, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That Section 100-12, 100-12.2, 100-13.1 and 100-29.13, sub-section "a" of the Municipal Code of Chicago is hereby amended by striking therefrom specified language as bracketed below and by adding thereto specified language in italics below:

Section 100-12. It shall be unlawful for any person to advertise for sale, keep for the purpose of sale, offer or expose for sale, or sell, except for immediate consumption on the premises, or when sold as one of several elements comprising a ready to eat meal, whether cooked or uncooked, any fruit or fruit products, vegetables or vegetable products, live and dressed poultry, poultry products, meat, meat products, non-liquid animal products, fish and fish products, butter, cheese and other similar dairy products,

except eggs, otherwise than by standard avoirdupois net weight delivered to the purchaser or prospective purchaser: [provided, however, that any vegetable roots may be sold by the bunch] *provided, however, that any fresh produce may be sold by the bunch, each or weight subject to restrictions as may be contained in the rules and regulations of the Commissioner*; and provided [further], that any of the said products when sold in package form, shall comply with this Code's requirements for packages.

For the purpose of this section the following shall be deemed to be a ready to eat meal: A meal comprised of meat, fish, or poultry as the main portion with vegetables and a starch product included.

Any person violating any of the provisions of this section shall be fined not less than twenty-five dollars (\$25.00), nor more than two hundred dollars (\$200.00), for each offense.

Section 100-12.2. All packages of meat, meat products, poultry, poultry products, fish, fish products, non-liquid animal products, cheese, fruits and vegetables prepared and wrapped by the retailer in advance of being exposed or offered for sale, by the retailers, shall be accurately weighed and, in addition to the new weight, marked thereon, shall be marked with the price per pound, and the total selling price.

Provided however, that fresh produce items such as head of lettuce, cabbage or other items as specified by the rules of the Commissioner, wrapped in transparent material shall not be considered packaged as defined in this section.

Any person violating any of the provisions of this Section shall be fined not less than twenty-five dollars (\$25.00), nor more than two hundred dollars (\$200.00), for each offense.

Section 100-29.13. It shall be unlawful for any person to offer for sale any of the commodities listed in sub-section "a" of this section, except items advertised as "sale" items, unless the unit price information is provided in a clear and conspicuous manner or a sign or shelf tag which lists the identity and brand name of the commodity, the quantity declaration of the packaged commodity, the total retail sales price, the price per unit as set in sub-section "a".

"a" Commodities	Unit Price Standard
Meat, Poultry, and Seafood	Price per pound
Fruit and Vegetables	Price per pound or per [individual] unit, or whole unit of dry measure
Fruit and Vegetables Juices and Drinks	Price per quart

SECTION 2. This ordinance shall be in full force and effect from and after its date of passage.

COMMITTEE ON LAND ACQUISITION AND DISPOSITION.

Action Deferred -- APPROVAL FOR SALE OF VACANT
CITY-OWNED PROPERTY LOCATED AT 1621-1635
EAST 79TH STREET.

The Committee on Land Acquisition and Disposition submitted the following report, which was, on motion of Alderman Hutchinson and Alderman Humes *Deferred* and ordered published:

CHICAGO, April 25, 1985.

To the President and Members of the City Council:

Your Committee on Land Acquisition and Disposition to which was referred a communication from the Department of Real Estate transmitting a proposed ordinance authorizing and approving the sale of vacant property located at 1621- 1635 E. 79th Street to Beverly Bank as Trustee under the Trust Number 8-7902 having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a unanimous vote of the members of the committee with no dissenting vote.

Respectfully submitted,
(Signed) WILLIAM J. P. BANKS,
Chairman.

The following is said ordinance transmitted with the foregoing committee report:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That pursuant to the powers and authority granted under Article VII of the Constitution of the State of Illinois of 1970, and the home rule powers granted thereunder the City of Chicago, a Home Rule Unit, does hereby authorize and approve the sale of the vacant parcel of real property described herein, which is owned by the City of Chicago, to Beverly Bank as Trustee under the Trust Number 8-7902.

Real Estate Nos. 6491 and 4484
1621-1635 East 79th Street

P.I. Nos. 20-36-100-001 and 002
\$51,000.00

Lots 71, 72, 73 and 74 in the Subdivision of the West 1111 feet of the Northwest quarter of Section 36, Township 38 North, Range 14 East of the Third Principal Meridian lying Northeast of South Chicago Avenue. In Cook County, Illinois.

SECTION 2. That upon payment to the City of Chicago of the consideration cited herein, the Mayor is authorized to execute a quitclaim deed conveying said parcel of real property to Beverly Bank as Trustee under the Trust Number 8- 7902, with the City Clerk attesting to said conveyance.

SECTION 3. This ordinance shall be effective upon its passage.

COMMITTEE ON TRAFFIC CONTROL AND SAFETY.

CHAPTER 34 OF MUNICIPAL CODE AMENDED BY ADDING NEW SECTION 24-2.1.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That Chapter 34 of the Municipal Code of Chicago is hereby amended by inserting therein, in its proper numerical sequence, a new section in italics to be known as Section 24-2.1 and to read as follows:

34-2.1. It shall be unlawful for any person to shovel or throw upon the public way any amount of ice or snow which is obstructive to the moving or parking of vehicular traffic or which impedes the normal routing of pedestrian traffic. Any person found in violation of this section shall be fined not less than Twenty-five Dollars nor more than One Hundred Dollars for each offense, and each day such offense shall continue shall constitute a distinct and separate offense.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone --
47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

MUNICIPAL CODE CHAPTER 76, SECTION 76-6.6 AMENDED
CONCERNING SAFEGUARDS DURING CONSTRUCTION.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee on June 20, 1984):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That Section 76-6.6 of the Municipal Code of Chicago is hereby amended by adding thereto specified language and punctuation in italics below:

76-6.6. During the erection, alteration or demolition of any building, any temporary structure put up adjacent to or on any public way, used as temporary storage for debris and wrecking, shall be outfitted with reflective orange material outlining every top and bottom corner of said temporary structure, which reflective material will be visible when hit by headlight beams 300 feet away. *Such temporary structure shall also have affixed thereon a sign indicating the name, address, and telephone number of the owner, or agent, of the temporary structure.*

Any person found in violation of this section shall be fined not less than One Hundred Dollars nor more than Two Hundred Dollars for each offense, and each day such violation shall continue shall constitute a separate and distinct offense.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

ESTABLISHMENT OF SIGNAGE PROGRAM ON
PORTION OF NORTH WESTERN AVENUE.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Public Works is hereby authorized and directed to give consideration to the signage program at the following location:

Public Way	Area
North Western	At 4800 -- (Lincoln Square Chamber of Commerce).

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

LOADING ZONES ESTABLISHED AND AMENDED ON
PORTIONS OF SPECIFIED STREETS.

The Committee on Traffic Control and Safety submitted two proposed ordinances (under separate committee reports) recommending that the City Council pass said proposed ordinances transmitted therewith (as substitutes for proposed ordinances previously referred to the committee) in reference to loading zones.

On separate motions made by Alderman Laurino, each of the said proposed substitute ordinances was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances, as passed, read respectively as follows (the italic heading in each case not being a part of the ordinance):

Loading Zones Established.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That in accordance with the provisions of Section 27-410 of the Municipal Code of Chicago, the following locations are hereby designated as loading zones for the distances specified, during the hours designated:

Public Way	Limit and Time
West Addison Street (south side)	From a point 130 feet east of North Nordica Avenue to a point 30 feet east thereof -- 8:00 A.M. to 6:00 P.M. -- Monday thru Saturday;
North California Avenue (east side)	From a point 138 feet north of West Peterson Avenue, PL to a point 37 feet north thereof;
North Clarendon Avenue (west side)	From a point 90 feet north of West Leland Avenue, PL to a point 25 feet south thereof;
North Clark Street (east side)	From a point 45 feet south of West Argyle Street, PL to a point 25 feet south thereof;
North Drake (west side)	From a point 185 feet south of West Wabansia Avenue, to a point 32 feet south thereof;
West Higgins Avenue (north side)	From a point 90 feet east of North Marmora Avenue, to a point 25 feet east thereof -- 8:00 A.M. to 5:00 P.M. --

Public Way	Limit and Time
	Monday thru Friday;
West Higgins Avenue (north side)	From a point 55 feet west of North Menard Avenue, to a point 25 feet west thereof -- 8:00 A.M. to 5:00 P.M. -- Monday thru Saturday;
West Irving Park Road (south side)	From a point 85 feet west of North Long Avenue to a point 35 feet west thereof -- 11:00 A.M. to 12:00 P.M.-- Monday thru Saturday;
North LaSalle Street (west side)	From a point 125 feet south of West Burton Place to a point 23 feet south thereof -- 3:00 P.M. to 1:00 A.M. -- no exceptions;
West LeMoyne Avenue (south side)	From a point 85 feet west of North Keystone Avenue to a point 25 feet west thereof -- 7:00 A.M. to 4:00P.M. --no exceptions;
North Narragansett Avenue	At 2820 -- 6:00 A.M. to 6:00 P.M. -- Monday thru Friday;
East Superior Street (north side)	At 164 -- 9:00 A.M. to 12:00 A.M. -- Monday thru Saturday; 12 noon to 10:00 P.M. -- Sunday;
South Throop Street (west side)	From a point 140 feet south of West 19th Street to a point 25 feet south thereof -- 24 hours -- Monday thru Sunday;
North Winnebago Avenue (east side)	From a point 125 feet north of West Wabansia Avenue to a point 25 feet north thereof.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

Loading Zones Amended.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Amend ordinance passed 3-2-82, page 9779, by striking 9:00 A.M. to 4:00 P.M., Monday thru Friday and inserting in lieu thereof 9:00 A.M. to 4:00 P.M., Monday thru Saturday.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

VEHICULAR TRAFFIC MOVEMENT RESTRICTED AND
AMENDED ON PORTIONS OF SUNDRY STREETS.

The Committee on Traffic Control and Safety submitted two proposed ordinances (under separate committee reports) recommending that the City Council pass said proposed ordinances transmitted therewith (as substitutes for proposed ordinances previously referred to the committee).

On separate motions made by Alderman Laurino, each of the said proposed substitute ordinances was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances, as passed, read respectively as follows (the italic heading in each case not being a part of the ordinance):

*Vehicular Traffic Movement Restricted to
Single Direction.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-403 of the Municipal Code of Chicago, the operator of vehicle shall operate such vehicle only in the direction specified below on the public ways between the limits indicated:

Public Way

Limit and Direction

North Avers Avenue

From West Armitage Avenue to West Dickens Avenue -- northerly;

Public Way	Limit and Direction
West Barry Avenue	From North Meade Avenue to North Austin Avenue -- easterly;
South Bishop Street	From West 76th Street to West 79th Street -- southerly;
North Central Park Avenue	From West Lawrence Avenue to West Foster Avenue -- northerly;
South Laflin Street	From West 79th Street to West 76th Street -- northerly;
South Normal Avenue	From West 125th Street to West 123rd Street -- northerly;
South Rhodes Avenue	From East 104th Street to East 107th Street -- southerly.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

Amend Single Direction.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Amend ordinance related to N. Campbell Ave. from W. Chicago Ave. to W. Grand Ave. -- southerly by striking "W. Grand Ave." and inserting in lieu thereof "a point 80 feet north thereof".

SECTION 2. Amend ordinance passed 7-1-68, page 534 of the Journal which reads S. Eberhart Ave. from 107th to 111th St. by striking "107th St." and inserting in lieu thereof "104th St. -- northerly".

SECTION 3. Amend ordinance passed 7-1-63, page 534 striking "S. May St. from W. 87th St. to 79th St. northerly" and inserting in lieu thereof "S. May St., from 79th St. to W. 87th St. -- southerly".

SECTION 4. Amend ordinance related to N. Mont Clare Ave. from W. Wellington Ave. to W. George St. by striking "northerly" and inserting in lieu thereof "southerly".

SECTION 5. Amend ordinance passed 9-21-62, page 7762, of the Journal which reads S. Princeton Ave. from W. 119th St. to W. 115th St. by striking "W. 119th St." and inserting in lieu thereof "W. 127th St. -- northerly".

SECTION 6. Amend ordinance passed 11-23-56, page 3565 of the Journal which reads S. Vernon Ave. from E. 107th St. to E. 113th St. by striking "E. 107th St." and inserting in

lieu thereof "E. 104th St. -- southerly."

SECTION 7. Amend ordinance previously passed 8-30-72, page 3630 which reads S. Wabash Ave. between E. 82nd and E. 89th Sts. -- southerly by striking "E. 89th St." and inserting in lieu thereof "S. Wabash Ave. between E. 82nd St. and E. 87th St. and between the first east/west alley south of 87th St. to E. 89th St. --southerly".

SECTION 8. This ordinance shall take effect and be in force hereinafter its passage and publication.

PARKING METER ZONES ESTABLISHED AND AMENDED
ON PORTIONS OF DESIGNATED STREETS.

The Committee on Traffic Control and Safety submitted two proposed ordinances (under separate committee reports) recommending that the City Council pass said proposed ordinances transmitted therewith (as substitutes for proposed ordinances previously referred to the committee) in reference to parking meter zones.

On separate motions made by Alderman Laurino, each of the said proposed substitute ordinances was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances, as passed, read respectively as follows (the italic heading in each case not being a part of the ordinance):

Parking Meter Zone Established.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-415 of the Municipal Code of Chicago, the Commissioner of Public Works is hereby authorized and directed to establish parking meter areas as follows:

Street	Limit
West Randolph Street (south side)	From the Chicago River to North Canal Street -- 8:00 A.M. to 6:00 P.M., Monday thru Saturday -- Area 262 -- NWS;

Street	Limit
West Randolph Street (south side)	Between North Wacker Drive and the Chicago River -- 7:00 A.M. to 6:00 P.M., Monday thru Saturday -- Area 519 -- CBD;
North Wabash Avenue (both sides)	Between East Grand Avenue and East Hubbard Street -- 9:00 A.M. to 9:00 P.M., Monday thru Saturday -- Area 335 -- NNS.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

Parking Meter Zone Amended.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Amend ordinance removing Meter Area 429 -- North Ashland Avenue (west side) between West 66th Street and West Marquette Road.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

PARKING LIMITATIONS ESTABLISHED AND AMENDED ON
PORTIONS OF SUNDRY STREETS.

The Committee on Traffic Control and Safety submitted two proposed ordinances (under separate committee reports) recommending that the City Council pass said proposed ordinances transmitted therewith (as substitutes for proposed ordinances previously referred to the committee) in reference to parking limitations.

On separate motions made by Alderman Laurino, each of the said proposed substitute ordinances was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances, as passed, read respectively as follows (the italic heading in each case not being a part of the ordinance):

Parking Limitations Established.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-414 of the Municipal Code of Chicago, the operator of a vehicle shall not park such vehicle upon the following public ways in the area indicated, during the hours specified:

Public Way	Limit and Time
North Western Avenue (east side)	From West Jarvis Avenue to a point 100 feet north thereof -- 30 minutes 8:00 A.M. to 8:00 P.M., Monday thru Saturday.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

Parking Limitations Amended.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Repeal ordinance passed 1-23-64, page 2212, which reads: "N. Mason Ave. between W. Bloomingdale Ave. and W. Cortland St. -- 1 hour, 9:00 A.M. to 4:00 P.M., except Saturday, Sunday and holidays".

SECTION 2. Repeal ordinance passed 1-23-64, page 2212 which reads "N. Mayfield Ave. between W. Bloomingdale Ave. and W. Cortland St. -- 1-hour, 9:00 A.M. to 4:00 P.M., except Saturday, Sunday and holidays".

SECTION 3. This ordinance shall take effect and be in force hereinafter its passage and publication.

REGULATIONS PRESCRIBED AND AMENDED IN REFERENCE
TO PARKING OF VEHICLES ON SUNDRY STREETS.

The Committee on Traffic Control and Safety submitted seven proposed ordinances (under separate committee reports) recommending that the City Council pass said proposed ordinances transmitted therewith (as substitutes for proposed ordinances previously referred to the committee) in reference to the parking of vehicles.

On separate motions made by Alderman Laurino, each of the said proposed substitute ordinances was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances, as passed, read respectively as follows (the italic heading in each case not being a part of the ordinance):

*Prohibition Against Parking of Vehicles at
All Times.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-413 of the Municipal Code of Chicago, the operator of a vehicle shall not park such vehicle at any time upon the following public ways in the areas indicated:

Public Way	Area
West Argyle Street	From a point 175 feet west of North Le Claire Avenue, to a point 25 feet west thereof -- (5119 West Argyle Street -- Permit 941);
West Artesian Avenue (east side)	From a point 190 feet south of West Bryn Mawr Avenue, to a point 25 feet south thereof -- (5541 N. Artesian Avenue -- Permit 959);
South Artesian Avenue (west side)	From a point 20 feet south of West 35th Street, to a point 20 feet south thereof -- (3502 South Artesian Avenue -- Permit 958);
North Ashland Avenue (east side)	From a point 92 feet north of West Fullerton Avenue, to a point 25 feet north thereof;
North Ashland Avenue)	From a point 20 feet north of West

Public Way	Area
(west side)	Wolfram Street, to a point 114 feet north thereof;
North Bosworth Avenue (west side)	From a point 320 feet north of West Howard Street, to a point 25 feet north thereof -- (7630 North Bosworth Avenue - - Permit 965);
South Calumet Avenue (east side)	From a point 250 feet north of East 69th Street, to a point 25 feet north thereof -- (6833 South Calumet Avenue -- Permit 966);
North Central Park Avenue (east side)	From a point 280 feet north of West Ohio Street, to a point 25 feet north thereof -- (623 N. Central Park Avenue -- Permit 947);
South Clark Street (east side)	From the south property line of South Polk Street, to a point 150 feet south thereof;
South Elizabeth Street (west side)	From a point 105 feet south of West 85th Street, to a point 25 feet south thereof -- (8510 S. Elizabeth Street -- Permit 934);
West Haddon Avenue (north side)	From a point 213 feet west of North Kildare Avenue, to a point 25 feet west thereof -- (4320 West Haddon Avenue -- Permit 932);
North Halsted Street (both sides)	From West Lake Street, to a point 100 feet north/south thereof;
South Harper Avenue (west side)	From a point 235 feet south of East 92nd Street, to a point 25 feet south thereof -- (9222 South Harper Avenue -- Permit 968);
West Huron Street (south side)	From a point 280 feet east of North Lavergne Avenue, to a point 25 feet east thereof -- (4931 West Huron Street -- Permit 957);
West Jarvis Avenue	From a point 200 feet west of North

Public Way	Area
(north side)	Francisco Avenue, to a point 25 feet west thereof -- (2920 West Jarvis Avenue -- Permit 962);
South Justine Street (east side)	From a point 85 feet north of West 83rd Street, to a point 25 feet north thereof -- (8251 South Justine Street -- Permit 933);
South Kedzie Avenue (west side)	From West 39th Street to West 42nd Street-- Trucks Only;
South Keeley Street (west side)	From a point 404 feet south of South Lyman Street, to a point 21 feet south thereof -- (2940 South Keeley Street -- Permit 948);
North Kenmore Avenue (east side)	From a point 135 feet south of West Balmoral Avenue to a point 20 feet south thereof;
South Kildare Avenue (east side)	From a point 385 feet south of West 28th Street, to a point 25 feet south thereof -- (2839 South Kildare Avenue -- Permit 942);
South Kildare Avenue (west side)	From a point 65 feet south of West 65th Street, to a point 25 feet south thereof -- (6506 South Kildare Avenue -- Permit 955);
North Kostner Avenue (west side)	From a point 240 feet north of West Wilson Avenue, to a point 20 feet north thereof -- (4626 North Kostner Avenue -- Permit 954);
South LaCrosse Avenue (west side)	From a point 60 feet north of West 65th Street, to a point 25 feet north thereof -- (6452 South LaCrosse Avenue -- Permit 950);
West Leland Avenue	At 900 between North Clarendon Avenue and North Sheridan Road -- (Cul-de-Sacs);

Public Way	Area
South Loomis Street (both sides)	From West 87th Street to the first alley north thereof;
South Lyman Street (north side)	From a point 30 feet east of South Loomis Street, to a point 25 feet east thereof -- (2994 South Lyman Street -- Permit 929);
North McVicker Avenue (west side)	From a point 325 feet north of West Dickens Avenue, to a point 25 feet north thereof -- (2136 North McVicker Avenue - Permit 937);
North Marmora Avenue (east side)	From a point 20 feet north of West Ardmore Avenue, to a point 25 feet north thereof -- (5805 North Marmora Avenue - Permit 953);
South Marshfield Avenue (west side)	From a point 90 feet south of West 52nd Street, to a point 25 feet south thereof -- (5208 S. Marshfield Avenue -- Permit 928);
North Mason Avenue (west side)	From a point 145 feet south of West Foster Avenue, to a point 25 feet south thereof -- (5142 North Mason Avenue -- Permit 952);
South May Street (east side)	From a point 175 feet south of West 69th Street, to a point 25 feet south thereof -- (6917 South May Street -- Permit 969);
North Oakley Avenue	6435 (east side) -- Driveway;
North Oriole Avenue (west side)	From West Foster Avenue, to a point 100 feet south of West Argyle Street;
North Parkside Avenue (east side)	From a point 40 feet south of West Lemoyne Avenue, to a point 25 feet south thereof -- (1453 North Parkside Avenue -- Permit 789);
South Princeton Avenue (east side)	From a point 20 feet north of West 24th Street, to a point 25 feet north thereof -- (2357 South Princeton Avenue -- Permit 936);
South Rockwell Street	From a point 128 feet south of West 42nd

Public Way	Area
(west side)	Street, to a point 25 feet south thereof -- (4212 South Rockwell Street -- Permit 949);
West School Street (north side)	From a point 250 feet west of North Austin Avenue, to a point 20 feet west thereof -- (6028 West School Street -- Permit 939);
North Southport Avenue (east side)	From a point 100 feet north of West Nelson Street, to a point 25 feet north thereof -- (3043 North Southport Avenue -- Permit 960);
South Throop Street (east side)	From a point 105 feet south of West 94th Street, to a point 25 feet south thereof -- (9411 South Throop Street -- Permit 951);
North Tripp Avenue (east side)	From a point 190 feet north of West North Avenue, to a point 25 feet north thereof -- (1621 North Tripp Avenue);
North Tripp Avenue (east side)	From a point 190 feet north of West North Avenue, to a point 25 feet north thereof -- (1621 North Tripp Avenue -- Permit 961);
South Wallace Street (east side)	From a point 50 feet north of West 86th Street, to a point 25 feet north thereof -- (8551 South Wallace Street -- Permit 792);
North Washtenaw Avenue (east side)	From a point 215 feet south of West Albion Avenue, to a point 25 feet south thereof -- (6539 North Washtenaw Avenue -- Permit 943);
South Whipple Street (east side)	From a point 354 feet south of West 24th Street, to a point 25 feet south thereof -- (2437 South Whipple Street -- Permit 946);
West Winona Street (north side)	From a point 35 feet west of North Leavitt Street, to a point 25 feet west thereof -- (2200 W. Winona Street -- Permit 931);

Public Way	Area
West 21st Street (north side)	From a point 100 feet west of South Oakley Avenue, to a point 25 feet west thereof -- (2310 West 21st Street -- Permit 935);
West 32nd Street (north side)	From a point 168 feet west of South Morgan Street, to a point 25 feet west thereof -- (1016 West 32nd Street -- Permit 927);
East 90th Place (south side)	From a point 150 feet west of South Dante Avenue, to a point 25 feet west thereof -- (1429 East 90th Place -- Permit 967);

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

Amend Parking Prohibited At All Times.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Amend ordinance striking S. Kedzie Ave. (east side) from W. 71st St. to W. Marquette Rd.

SECTION 2. Amend ordinance passed 4-21-82, page 10388, for parking prohibited at all times: N. Mozart St. (east side) from a point 25 feet south thereof (2121 N. Mozart St.) -- Permit No. 430 by striking (east side) and inserting in lieu thereof (west side); by striking "50 feet" and inserting in lieu thereof "40 feet" and by striking "2125" and inserting in lieu thereof "2122".

SECTION 3. Amend ordinance by striking 6345-6355 N. Whipple St. -- (school zone area); and publication.

SECTION 4. Repeal ordinance passed 8-31-77, page 5878, by striking W. 22nd Pl. (south side) from S. Western Ave. to 1st alley east thereof.

SECTION 5. This ordinance shall take effect and be in force hereinafter its passage and publication.

*Prohibition Against Parking of Vehicles
During Specified Hours.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-414 of the Municipal Code of Chicago, the operator of a vehicle shall not park such vehicle upon the following public ways in the areas indicated, during the hours specified:

Public Way	Limit and Time
West Grand Avenue (north side)	From North Kilbourn Avenue to North Kolmar Avenue -- 8:00 A.M. to 6:00 P.M., Monday thru Saturday;
West Higgins Avenue	At 7331 -- 7:00 A.M. to 4:00 P.M., Monday thru Friday;
West Higgins Avenue	At 7337 -- 7:00 A.M. to 4:00 P.M., Monday thru Friday;
West Higgins Avenue	At 7341 -- 7:00 A.M. to 4:00 P.M., Monday thru Friday;
South Lowe Avenue (west side)	From West 37th Street to the first alley north thereof -- Except for Funerals -- 7:00 A.M. to 10:00 A.M., Monday thru Saturday;
South Shields Avenue (west side)	From a point 213 feet north of West 32nd Street, to a point 40 feet north thereof -- 8:00 A.M. to 4:00 P.M., Monday thru Friday;
West 84th Street (north side)	From South LaSalle Street to South Wentworth -- 7:00 A.M. to 5:00 P.M., Monday thru Friday;

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

*Amend Prohibition Against Parking of
Vehicles During Specified Hours.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Amend ordinance removing No Parking Signs related to the (north side) of E. 35th St. between S. Giles and S. Prairie Aves. -- 4:00 P.M. to 6:00 P.M., Monday thru Friday;

SECTION 2. Amend ordinance removing No Parking Signs related to the (south side) of E. 35th St. between S. Giles and S. Prairie Aves. -- 7:00 A.M. to 9:00 A.M. and 4:00 P.M. to 6:00 P.M., Monday thru Friday;

SECTION 3. Amend ordinance by striking E. 87th St. (north side) from a point 200 feet east of S. Stony Island Ave. to a point 200 feet west of S. Ingleside Ave. -- 4:00 P.M. to 6:00 P.M., except Saturday, Sunday and holidays;

SECTION 4. This ordinance shall take effect and be in force hereinafter its passage and publication.

Residential Parking Established.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-317 of the Municipal Code of Chicago, a portion of the below-named street is hereby designated as Residential Parking, for the following locations:

Street	Limit and Time
North Laverge Avenue (west side)	Between West LeMoyné Street and the first alley south of West North Avenue -- Zone 51;
South Mason Avenue (both sides)	Between West Fillmore Street and (both sides) the first alley north of West Roosevelt Road --Zone 19, 10:00 P.M. to 10:00 A.M.;
South Mayfield Avenue (both sides)	Between West Fillmore Street and the first alley north of W. Roosevelt Road -- Zone 19, 10:00 P.M. to 10:00 A.M.;
South Menard Avenue (west side)	Between West Fillmore Street and the first alley north of West Roosevelt Road -- Zone 19, 10:00 P.M. to 10:00 A.M.;
South Monitor Avenue (both sides)	Between West Fillmore Street and the first alley north of West Roosevelt Road -- Zone 19, 10:00 P.M. to 10:00 A.M.;
South Natoma Avenue (both sides)	Between West 56th Street and the first alley south of West Archer Avenue -- Zone 29, 8:00 A.M. to 8:00 P.M., Monday thru Friday;

South New England Avenue
(west side)

Between West 56th Street and the first
alley south of West Archer Avenue Zone
30, 8:00 A.M. to 6:00 P.M., Monday thru
Friday.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

Amend Residential Permit Parking.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Repeal ordinance passed 2-15-84, page 5087 by striking South Ridgeway Avenue (both sides) from first alley north of South Archer Avenue to West 47th Street -- Zone 34.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and publication.

Establishment of Service Drive/Diagonal Parking.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-306 of the Municipal Code of Chicago, a portion of the below-named street is hereby designated as a Service Drive, and further pursuant to said section, diagonal parking is hereby permitted in said newly designated location:

Street	Limit
South Columbia Drive	From East Museum Drive to the southern terminus of South Columbia Drive;
West Superior Street	From North Green Street to a point 110 feet west thereof;
West 22nd Place (north side)	From South California Avenue to the first alley east thereof;

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

AUTHORITY GRANTED TO CLOSE TO TRAFFIC PORTIONS
OF SPECIFIED STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee on November 14, 1984, January 9, 1985).

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Public Works is hereby authorized and directed to give consideration to Close to Vehicular Traffic at the following location:

Public Way	Area
West Catalpa Avenue	From North Clark Street to North Ashland Avenue -- Every Sunday from 11-18-84 to 12-31-85 inclusive from 10 A.M. to 1 P.M. (for church services);
West 28th Street	Between South Princeton and South Shields Avenues -- 7:35 A.M. to 8:10 A.M. and 1:40 P.M. to 2:15 P.M. -- (for school purposes);

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

THROUGH STREETS ESTABLISHED AT SPECIFIED LOCATIONS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee on January 23, 1985):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-200 of the Municipal Code of Chicago, the following streets between the limits indicated are hereby designated as through streets:

Street	Limit
First east/west alley	North of West 87th Street between South Komensky Avenue and South Karlov Avenue.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

TRAFFIC LANE TOW AWAY ZONES ESTABLISHED ON PORTIONS OF SPECIFIED STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee on December 3 and 28, 1984 and January 23, February 4 and 20, 1985):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-414 of the Municipal Code of Chicago, the following locations are hereby designated as Traffic Lane Tow Away Zones, between the limits and during the time standing or parking of any vehicle shall be considered a definite hazard to the normal movement of traffic. The Commissioner of Public Works is hereby authorized and directed to install traffic signs designating the hour of prohibition along said routes:

Public Way	Limit and Time
West Bryn Mawr Avenue (north side)	From North Broadway to North Sheridan Road -- 7 A.M. to 9 A.M., Tuesday and Thursday;
West Bryn Mawr Avenue (south side)	From North Broadway to North Sheridan Road -- 7 A.M. to 9 A.M., Monday and Wednesday;
West Berwyn Avenue (south side)	From North Broadway to North Winthrop Avenue -- 7 A.M. to 9 A.M., Monday and Wednesday;
West Berwyn Avenue (north side)	From North Winthrop Avenue and Broadway -- 7 A.M. to 9 A.M., Tuesday and Thursday;
North Commonwealth Avenue (east side)	From a point 155 feet north of West Diversey Boulevard to a point 80 feet north thereof -- at all times;
North Commonwealth Avenue (west side)	From a point 175 feet north of West Diversey Boulevard to a point 65 feet north thereof;
West Granville Avenue (north side)	From North Broadway to North Sheridan Road -- 7 A.M. to 9 A.M., Tuesday and Thursday;
West Granville Avenue (south side)	From North Broadway to North Sheridan Road -- 7 A.M. to 9 A.M., Monday and Wednesday;
West Lawrence Avenue (south side)	From North Broadway to North Marine Drive -- 7 A.M. to 9 A.M., Monday and Wednesday;
West Lawrence Avenue (north side)	From North Broadway to North Marine Drive -- 7 A.M. to 9 A.M., Tuesday and Thursday;
West Randolph Street (north side)	From the Chicago River to North Canal Street;
West Randolph Street (north side)	From South Wacker Drive to the Chicago River;

Public Way	Limit and Time
West Rosemont Avenue (south side)	From North Sheridan Road to the first alley west thereof -- 7:30 A.M. to 4 P.M.;
West Thorndale Avenue (south side)	From West Broadway to North Winthrop Avenue -- 7 A.M. to 9 A.M., Monday and Wednesday;
West Thorndale Avenue (north side)	From North Broadway to North Winthrop Avenue -- 7 A.M. to 9 A.M., Tuesday and Thursday;
East 32nd Street	401 (main entrance);
East 32nd Street	501 (main entrance);
East 33rd Street	500 (main entrance);
East 33rd Street	400 (main entrance);
East 33rd Place	555 (main entrance).

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

ESTABLISHMENT OF TRAFFIC WARNING SIGNS ON PORTIONS OF SUNDRY STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed order transmitted therewith (as a substitute for proposed orders previously referred to the committee on September 6, November 14, December 21, 1984 and January 1, 23, February 4 and 13, 1985).

Ordered, That the Commissioner of Public Works be and he is authorized and directed to erect traffic warning signs on the following streets, of the types specified:

Street	Type of Sign
Northeast corner of West Argyle Street at intersection of North Hamilton Avenue	"Stop" sign;
West Arthington Street	"All-Way Stop" signs;
North/southbound on North Austin Avenue at North Matson Avenue	"Stop" sign;
West Byron Avenue and North Campbell Avenue	"3-Way Stop" sign;
North Campbell Avenue and West Albion Avenue, stopping North Campbell Avenue	"Stop" sign;
Southeast corner of North Clybourn Avenue and North Odgen Avenue	"No Turn on Red" 7 A.M. to 4:30 P.M.;
South Emerald Avenue and West 32nd Street stopping southbound on Emerald Avenue	"Stop" sign;
South Fairfield Avenue and West 52nd Street stopping northbound on Fairfield Avenue	"Stop" sign;
South Francisco Avenue for West Pershing Road	"Stop" sign;
West Grace Street and North Lockwood Avenue	"3-Way Stop" sign;
West Henderson Street and North Meade Avenue, stopping Henderson Street traffic westbound	"Stop" sign;
Southeast corner of North Kenneth Avenue at intersection of West Ainslie Street	"Stop" sign;
North Kildare Avenue and West Granville Avenue, stopping Kildare Avenue	"2-Way Stop" sign;

Street	Type of Sign
North Kildare Avenue and West Rosemont Avenue, stopping Kildare Avenue	"2-Way Stop" sign;
North/southbound traffic on North Lawndale Avenue at intersection of West Glenlake Avenue	"Stop" sign;
North/southbound traffic on North Lawndale Avenue at intersection of West Glenville Avenue	"Stop" sign;
Southeast corner of North Leamington Avenue and West Iowa Street	"Stop" sign;
West Leland Avenue and North Ravenswood Avenue	"All-Way Stop" sign;
Lieb Avenue and North Loring Avenue, stopping southbound traffic on Lieb Avenue	"Stop" sign;
North Meade Avenue for West Henderson Street	"2-Way Stop" sign;
Northbound on South Millard Avenue at intersection on West Fifth Avenue	"Stop" sign;
South Mozart Street and West 65th stopping southbound on Mozart Street	"Stop" sign;
North Natoma Avenue at West Wellington Avenue	"Stop" sign;
North Oakley Avenue and West Farwell Avenue, stopping North Oakley Avenue	"Stop" sign;
North Oakley Avenue at intersection of West Ainslie Street	"All-Way Stop" sign;
West Ohio Street and North Central Park Avenue	"4-Way Stop" sign;
West Pensacola Avenue and North Hoyne Avenue	"3-Way Stop" sign;

Street	Type of Sign
North/southbound on North Rockwell Street at West Huron Street	"Stop" sign;
West Rosemont Avenue and North Glenwood Avenue	"All-Way Stop" sign;
North/southbound on South St. Louis Avenue at West 77th Street	"Stop" sign;
South Sawyer Avenue and West 53rd Street	"All-Way Stop" sign;
West Sunnyside Avenue and North Greenview Avenue	"All-Way Stop" sign;
West Talcott Avenue and North Oketo Avenue	"3-Way Stop" sign;
South Tripp Avenue and West 31st Street	"All-Way Stop" sign;
South Troy Street and West 65th Street, stopping southbound on Troy	"Stop" sign;
Northwest/southwest corners of North Virginia Avenue and West Catalpa Avenue	"Stop" sign;
West Warwick Avenue and North Lockwood Avenue	"3-Way Stop" sign;
South Washtenaw Avenue and West 82nd Street	"4-Way Stop" sign;
Northbound on South Western Avenue at intersection of West 81st Place	"No Turn on Red -- 7 A.M. to 9 A.M., Monday thru Friday";
South Whipple Street and West 61st Street	"2-Way Stop" sign;
South Wood Street and West 54th Street stopping north/south and east traffic	"3-Way Stop" sign;
West 24th Street and South Albany Avenue	"4-Way Stop" sign;

Street	Type of Sign
West 28th Street and South Karlov Avenue	"All-Way Stop" sign;
West 46th Street and South Fairfield Avenue	"3-Way Stop" sign;
West 46th Street and South Sawyer Avenue	"3-Way Stop" sign;
West 50th Street and South Laflin Avenue	"All-Way Stop" sign;
West 53rd Street and South Fairfield Avenue, stopping eastbound on 53rd Street	"Stop" sign;
East 57th Street and South Blackstone Avenue	"All-Way Stop" sign;
West 57th Street and South Natchez Avenue	"All-Way Stop" sign;
West 58th Place and South Springfield Avenue	"Stop" sign;
West 60th Street and South Francisco Avenue	"2-Way Stop" sign;
West 60th Street and South Whipple Street	"2-Way Stop" sign;
West 61st Street and South Francisco Avenue	"2-Way Stop" sign;
East 64th Street and South Dorchester Avenue	"4-Way Stop" sign;
West 83rd Street and South Wood Street	"All-Way Stop" sign;
East 113th Street and South Indiana Avenue	"4-Way Stop" sign;
Northwest/northeast corners of West 115th Street and South Pulaski Road	"No Turn on Red" -- 7 A.M. to 7 P.M.

On motion of Alderman Laurino, the foregoing proposed substitute order was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

INSTALLATION OF "NO PARKING ANY TIME" SIGN ON
PORTION OF WEST ESTES AVENUE.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed order previously referred to the committee on January 3, 1985):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Public Works is hereby authorized and directed to give consideration to a not erect corner clearance sign -- no parking any time, at the following location:

Public Way	Direction
West Estes Avenue	At 2801.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute order was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

INSTALLATION OF "DEAF CHILDREN CROSSING" SIGN
AUTHORIZED AT ENTRANCE OF ALLEY.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee February 13, 1985):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Public Works is hereby authorized and directed to give consideration for "Deaf Children Crossing" signs at the following location:

Public Way	Area
East/west entrance of	The alley adjacent to 3920 North Greenview Avenue (west side).

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

ESTABLISHMENT OF YIELD SIGNS ON PORTION OF WEST
GRAND AVENUE.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee on December 18, 1984);

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Public Works is hereby authorized and directed to give consideration for yield signs at the following location:

Public Way

Limits and Directions

West Grand Avenue
(southeastbound)

From a point 160 feet east of the Milwaukee RR right-of-way (at 6600 west) at its intersection with the connecting roadway to West Fullerton Avenue.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

AMEND TRAFFIC WARNING SIGNS ON PORTION OF
SUNDRY STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee on January 9, 1984):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Amend ordinance passed 8-10-79, page 661, which reads "No Turn on Red - 7 A.M. to 7 P.M." by striking "No Turn on Red -- 7 A.M. to 7 P.M." and inserting in lieu thereof "No Turn on Red" related to West Belmont Avenue to North Sacramento Avenue.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

WEIGHT LIMITATION ESTABLISHED ON PORTIONS
OF SPECIFIED STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for proposed ordinances previously referred to the committee on September 6, December 18, 1984):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-418 of the Municipal Code of Chicago the maximum weight permitted to be carried by any truck or commercial vehicle upon the following public ways between the limits indicated (except for the purposes of delivering or picking up material or merchandise) shall be as follows:

Public Way	Limits and Maximum Load
West Gladys Avenue	From South Kilpatrick Avenue to South Cicero Avenue -- 5 tons;
West Wentworth Avenue	From West 83rd Street to West 79th Street -- 5 tons.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

DISCONTINUE WEIGHT LIMITATION ON
PORTIONS OF SUNDRY STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee January 23, 1985):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Repeal ordinance passed 10-5-55, page 1185, by striking "South Kenneth Avenue from West Ogden Avenue to West Cermak Road -- 5 tons".

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Failed to Pass -- VARIOUS TRAFFIC REGULATIONS,
TRAFFIC SIGNS, ETC.
(*Adverse Committee Recommendations*).

The Committee on Traffic Control and Safety submitted a report recommending that the City Council *Do Not Pass* sundry proposed ordinances and proposed orders (transmitted with the committee's report) relating to traffic regulations, traffic signs, etc.

Alderman Laurino moved to *Concur In* the committee's recommendations. The question in reference to each proposed ordinance or proposed order thereupon became: "*Shall the proposed ordinances or proposed orders Pass, notwithstanding the committee's adverse*

recommendations?" and the several questions being so put, each of the said proposed ordinances and proposed orders *Failed to Pass* by yeas and nays as follows:

Yeas -- None.

Nays -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The committee report listing said ordinances and orders which *Failed to Pass*, reads as follows:

CHICAGO, April 25, 1985.

To the President and Members of the City Council:

Your Committee on Traffic Control and Safety, begs leave to recommend that Your Honorable Body *Do Not Pass* sundry proposed ordinances and orders submitted herewith, which were referred to Your Committee (October 6, 1982, December 9, 1983, December 16, 1983, January 20, 1984, February 15, 1984, September 6, 1984, September 18, 1984, September 25, 1984, October 1, 1984, October 16, 1984, October 31, 1984, November 14, 1984, November 28, 1984, December 12, 1984, December 21, 1984, December 26, 1984, December 31, 1984) concerning traffic regulations and traffic signs etc. as follows:

Parking Prohibited At All Times:

South Avenue L (west side)	At 10136 -- except for handicapped person;
North Broadway (west side)	At 4900;
North Clarendon Avenue (east side)	From West Wilson Avenue to a point 25 feet north thereof;
West Clarendon Avenue (west side)	From West Wilson Avenue to a point 25 feet north thereof;
South Drake Avenue	At 2116 -- except for handicapped person;
West Howard Street (south side)	From a point 105 feet east of North Maplewood Avenue to the first alley east thereof;

Parking Prohibited At All Times:

West Lakeside Place (north side)	At 804 to 814;
First north/south	Alley off West Sunnyside Avenue between North Clarendon Avenue and North Hazel Street (alley entrance);
West Walton Street	At 2626 (at driveway);
West West End Avenue	At 5035 -- except for handicapped person;
West Wilson Avenue (north side)	From the crosswalk at North Clarendon Avenue to a point 40 feet east thereof.

Parking Limited During Specified Hours:

West Irving Park Road	At 7525 -- 2 hours -- 9 A.M. to 8 P.M.

Parking Prohibited During Specified Hours:

North Monticello Avenue (east side)	3400 block from West Roscoe Street to West Cornelia Avenue -- 9 A.M. to 4 P.M. -- Monday thru Friday;
North Monticello Avenue	At 3400 block -- 9 A.M. to 3 P.M. -- Monday thru Friday;
South Shields Avenue (west side)	At 3124 -- 8 A.M. to 4 P.M. -- Monday thru Friday;
South Throop Street (west side)	From the driveway south of West 26th Street to a point 20 feet north thereof -- 7 A.M. to 5 P.M. -- Monday thru Friday;
North Wood Street	At 1124 (alongside on West Haddon Avenue at either side of the driveway) -- 7 A.M. to 5 P.M. -- Monday thru Friday.

Diagonal Parking:

North Sawyer Avenue (east side)	From 3951 to the first alley south of West Irving Park Road.

Loading Zone:

North Clark Street	At 6610 -- 7 A.M. to 7 P.M. -- no exceptions;

Loading Zone:

West Fullerton Avenue
(north side)

At 3550 -- 9 A.M. to 4 P.M. -- Monday
thru Saturday;

West Randolph Street

At 621-623 -- 8 A.M. to 6 P.M. -- Monday
thru Friday.

Miscellaneous Signs:

Gordon Terrace

At North Marine Drive -- replacement of
street signs;

North Leamington Avenue

At 800 block "School Crossing" signs;

North Leamington Avenue

At 851 -- "Caution Children" signs.

Residential Permit Parking:

South Anthony Street
(south side)

From 79th Street to 80th Street;

South Austin Boulevard
(east side)

From Railroad Avenue (901 south) to
Roosevelt Road (159 south);

South Mason Avenue
(both sides)

From the first alley north to Roosevelt
Road;

South Mayfield Avenue
(both sides)

From the first alley north to Roosevelt
Road;

South Menard Avenue
(both sides)

From the first alley north to Roosevelt
Road;

South Monitor Street
(both sides)

From the first alley north to Roosevelt
Roosevelt Road;

West Roosevelt Road

From Menard (5800 west) to Austin
Boulevard;

West 82nd Street
(both sides)

From South LaSalle Street to South
Wentworth Avenue.

Traffic Warning Signs and Signals:

(November 14, 1984) "2-Way Stop" signs at the intersection of West Altgeld Street and
North Spaulding Avenue, stopping east and west traffic on Altgeld Street;

(November 14, 1984) "3-Way Stop" signs at the intersection of West Belden Avenue and North Commonwealth Avenue;

(December 9, 1983) "Stop" signs for north and southbound traffic on North Bernard Avenue at the intersection of West Altgeld Street;

(December 21, 1984) "Stop" signs at the intersection of North Bernard Street and West Altgeld Street, stopping Bernard Street traffic;

(January 20, 1985) "Stop" signs at North Bernard Avenue and West Waveland Avenue, stopping Bernard Avenue traffic;

(December 21, 1984) "Stop" signs at the intersection of West Berteau Avenue and North Keystone Avenue, stopping Berteau Avenue traffic;

(November 14, 1984) "2-Way Stop" signs at the intersection of West Byron Street and North Christiana Avenue, stopping east and west traffic on Byron Street;

(November 14, 1984) "Stop" signs for westbound traffic on West Congress Street at the intersection of South Kilbourn Avenue;

(December 21, 1984) "Stop" signs at the intersection of West Cullom Avenue and North Lawndale Avenue, stopping Cullom Avenue traffic;

(January 23, 1985) "Suspended Automatic Traffic Control" at the intersection of West Grand Avenue, North Ogden Avenue and North Elizabeth Street;

(January 23, 1985) "Stop" signs at the intersection of North Kildare Avenue and West Cortland Street, stopping southbound traffic on Kildare Avenue;

(January 23, 1985) "Stop" signs replacement, southwest corner of West Leland Avenue and North Marine Drive;

(November 14, 1984) "3-Way Stop" signs, at the intersection of North Lockwood Avenue and North Pensacola Avenue;

(February 4, 1985) "Stop" signs, exit of the first alley north of North Marmora Avenue at North Milwaukee Avenue;

(September 25, 1984) "Stop" signs, southwest corner of West Melrose Avenue and North Campbell Avenue;

(December 21, 1984) "Stop" signs, at the intersection of North Monticello Avenue and West Belle Plaine Avenue, stopping Monticello Avenue traffic;

(December 3, 1984) "Stop" signs, Parkside Avenue and Superior Street;

(December 21, 1984) "Stop" signs, at the intersection of North Ridgeway Avenue and West Cornelia Avenue, stopping Ridgeway Avenue traffic;

(December 21, 1984) "Stop" signs, at the intersection of West Roscoe Street and North Ridgeway Avenue, stopping Roscoe Street traffic;

(January 9, 1985) "Stop" signs, North Springfield Avenue and West George Street, stopping Springfield Avenue;

(November 14, 1984) "Stop" signs, at the intersection of West Thomas Street (one-way street/easterly) and North Kedvale Avenue (one way street/northerly);

(December 12, 1984) "3-Way Stop" signs, at the intersection of West Touhy Avenue and North Albany Avenue;

(December 21, 1984) "Stop" signs, at the intersection of West Waveland Avenue and North St. Louis Avenue, stopping Waveland Avenue traffic;

(February 13, 1985) "Stop" signs, at the intersection of North Wayne Avenue, West Ardmore Avenue and West Victoria Street, stopping northbound traffic on Wayne Avenue and westbound traffic on Victoria Street;

(January 9, 1985) "Stop" signs, on the east and west corners of 79th and Cregier;

(January 9, 1985) "All-Way Stop" signs, West 85th Street and South Kolin Avenue.

Single Direction:

West Barry Avenue	From North Meade Avenue to North Austin Avenue -- easterly;
South Bishop Street	From West 76th Street to West 79th Street -- southerly;
South Harvard Avenue	From West 119th Street to West 127th Street -- southerly;
South Laflin Street	From West 79th Street to West 76th Street -- northerly;
North Menard Avenue	At the 4000 and 4100 blocks -- northerly;
North Ridgeway Avenue	At 2800 block, between West Diversey Avenue to West George Street;
North Sacramento Avenue	Between West Montrose Avenue and West Belle Plaine Avenue -- southerly.

Tow-Away Zone:

North-southbound	Alley bounded by North Sheridan Road, West Glenlake Avenue, North Kenmore Avenue, and West Granville Avenue.

Weight Limitations:

South Lowe Avenue

From West 79th Street to West 80th Street -- 5-tons;

South Wentworth Avenue

From West 79th Street to West 83rd Street -- 5-tons.

Amend Parking Prohibited At All Times:

Striking West Medill Avenue (south side) from North Milwaukee Avenue to the first alley west thereof.

Amend Parking Limited During Specified Hours:

"West Cortland Street (both sides) from North Austin Avenue to North Monitor Avenue -- 1-hour -- 9:00 A.M. to 4:00 P.M. except on Saturday, Sunday and holidays."

Amend Parking Prohibited During Specified Hours:

"West Division Street from North Keeler Avenue to North Kostner Avenue (north side) 4:00 P.M. to 6:00 P.M. (south side) 7:00 A.M. to 9:00 A.M."

Removal of Parking Meters:

West Randolph Street

At 621-623.

Amend Single Direction:

Amend ordinance passed 3-9-83, page 16369 striking North Sacramento Avenue from West Montrose Avenue to West Irving Park Road -- southerly.

This recommendation was concurred in by the members of the committee with no dissenting vote.

Respectfully submitted,
(Signed) ANTHONY C. LAURINO,
Chairman.

MATTERS PRESENTED BY THE ALDERMEN.

(Presented by Wards, in Order, Beginning with the First Ward).

Arranged under the following subheadings:

1. Traffic Regulations, Traffic Signs and Traffic-Control Devices.
2. Zoning Ordinance Amendments.
3. Claims.
4. Unclassified Matters (arranged in order according to Ward numbers).
5. Free Permits, License Fee Exemptions, Cancellation of Warrants for Collection and Water Rate Exemptions, Etc.

**1. TRAFFIC REGULATIONS, TRAFFIC SIGNS
AND TRAFFIC-CONTROL DEVICES.**

***Referred -- ESTABLISHMENT OF LOADING ZONES AT
SUNDRY LOCATIONS.***

The aldermen named below presented proposed ordinances to establish loading zones at the locations designated and for the distances specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location
MARZULLO (25th Ward)	West 18th Street (north side) from a point 20 feet west of South Ashland Avenue to a point 50 feet west thereof -- Monday thru Sunday;
NATARUS (42nd Ward)	West Erie Street, at 221 -- 9:00 A.M. to 5:00 P.M. -- Monday thru Saturday;
MC LAUGHLIN (45th Ward)	North Milwaukee Avenue (east side) from 4639 to a point 60 feet south thereof -- Monday thru Saturday.

***Referred -- DISCONTINUE RESTRICTION ON MOVEMENT OF
VEHICULAR TRAFFIC TO SINGLE DIRECTION.***

Alderman Krystyniak (23rd Ward) presented a proposed ordinance to discontinue the restriction imposed on the movement of vehicular traffic, allowing the flow of traffic to proceed in both directions, on the first east-west alley south of West Archer Avenue between South Neva and South Nottingham Avenues, which was *Referred to the Committee on Traffic Control and Safety*.

***Referred -- AMENDMENT OF PARKING METER HOURS
ON PORTION OF NORTH WESTERN AVENUE.***

Alderman O'Connor (40th Ward) presented a proposed ordinance to amend the parking meter limit to one hour (instead of two hours) for meters 494-4012, 494-4112, 494-4113, 494-4114, 494-4014, 494-4015 and 494-4016 in the area from 4724 to 4738 North Western Avenue (parking meter area LLW-494), which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- REMOVAL OF PARKING METERS AT
SPECIFIED LOCATIONS.

The aldermen named below presented proposed orders for the removal of parking meters at the locations designated, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location
NATARUS (42nd Ward)	West Erie Street, at 221 (for the establishment of a loading zone;
MC LAUGHLIN (45th Ward)	North Milwaukee Avenue, at 4639 (meters 505-4068, 505-4069 and 505-4070).

Referred -- PARKING LIMITATION ESTABLISHED DURING
SPECIFIED HOURS ON PORTION OF SOUTH
BALTIMORE AVENUE.

Alderman Vrdolyak (10th Ward) presented a proposed ordinance to limit parking of vehicles for two hours in front of the premises at 13400-13424 South Baltimore Avenue during the hours of 7:00 A.M. to 8:00 P.M., which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- PROHIBITION AGAINST PARKING OF VEHICLES
AT ALL TIMES AT SUNDRY LOCATIONS.

The aldermen named below presented proposed ordinances to prohibit the parking of vehicles at all times at the locations specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location and Distance
VRDOLYAK (10th Ward)	South Manistee Avenue (east side) from the corner of East 95th Street to the viaduct at approximately 9441;

Alderman	Location and Distance
MADRZYK (13th Ward)	South Kilpatrick Avenue (east side) at 6545 (except for handicapped);
BRADY (15th Ward)	South Marshfield Avenue (east side) from West 60th Street to a point 150 feet south thereof;
SMITH (28th Ward)	West Van Buren Street (south side) from South Homan Avenue to South St. Louis Avenue;
	West Van Buren Street (north side) from South Trumbull Avenue to South St. Louis Avenue;
DAMATO (37th Ward)	North Central Avenue, at 1051;
CULLERTON (38th Ward)	West Addison Street (north side) adjacent to 7710 (driveway);
OBERMAN (43rd Ward)	North Freemont Avenue, at 2134 (except for handicapped);
MC LAUGHLIN (45th Ward)	North Laramie Avenue, at 4439 (except for handicapped);
STONE (50th Ward)	North Ridge Avenue, at 6300 (at either side of driveway).

Referred -- PROHIBITION AGAINST PARKING OF VEHICLES
DURING SPECIFIED HOURS ON PORTION OF SOUTH
HALSTED STREET.

Alderman Huels (11th Ward) presented a proposed ordinance to prohibit the parking of vehicles on South Halsted Street from South Archer Avenue to West 47th Street for the hours of 7:00 A.M. to 9:00 A.M. (east side) and 4:00 P.M. to 6:00 P.M. (west side) on Monday through Friday, which was *Referred to the Committee on Traffic Control and Safety.*

Referred -- ESTABLISHMENT OF RESIDENTIAL PERMIT
PARKING ZONE ON PORTIONS OF WEST
ROSCOE STREET.

Alderman Cullerton (38th Ward) presented a proposed order to establish a "Residential Permit Parking Zone" for vehicles on West Roscoe Street at 5900 block (both sides) at all times, which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- AMENDMENT OF RESIDENTIAL PARKING ZONES
AT SPECIFIED LOCATIONS.

The aldermen named below presented proposed ordinances to amend residential permit parking zones, as indicated below, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location and Distance
LAURINO (39th Ward)	North Drake Avenue, from 5732 to 5733 (instead of from West Ardmore Avenue to 5733 North Drake Avenue) -- Residential Parking Zone 1;
PUCINSKI (41st Ward)	North Oxford Avenue (both sides) from the first alley north of Northwest Highway to North Onarga Avenue (instead of from the first alley north of Northwest Highway to West Pratt Avenue) -- Residential Parking Zone 50.

Referred -- SURVEY TO ESTABLISH "RESIDENTIAL PERMIT
PARKING ZONE" ON SUNDRY STREETS.

Alderman O'Connor (40th Ward) presented a proposed order to cause a survey to be made to establish a "Residential Permit Parking Zone" on West Olive Street, Hollywood Avenue, West Edgewater Avenue from North Clark Street to North Hermitage, and on West Rosehill Drive from Clark Street to North Ravenswood Avenue (entrance to Rosehill Cemetery), which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- AMENDMENT OF PROHIBITION AGAINST PARKING
OF VEHICLES DURING SPECIFIED HOURS ON
PORTION OF SOUTH DR. MARTIN
LUTHER KING DRIVE.

Alderman Sawyer (6th Ward) presented a proposed ordinance to prohibit the parking of vehicles on both sides of South Dr. Martin Luther King Drive from East 95th Street to East

99th Street during the hours of 7:00 A.M. to 7:00 P.M. on Monday thru Friday (instead of from 7:00 A.M. to 9:00 A.M.), which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- DISCONTINUE PROHIBITION AGAINST PARKING
OF VEHICLES AT ALL TIMES ON PORTIONS
OF NORTH BOSWORTH AVENUE.

Alderman Oberman (43rd Ward) presented a proposed ordinance to discontinue the prohibition against the parking of vehicles at all times on the east side of North Bosworth Avenue from a point 210 feet south of West Diversey Parkway to a point 185 feet south thereof and on the west side of North Bosworth Avenue from a point 230 feet south of West Diversey Parkway to a point 130 feet south thereof, which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- PROHIBITION AGAINST PARKING OF VEHICLES
AT SUNDRY LOCATIONS.

Alderman Langford (16th Ward) presented two proposed orders for the prohibition of vehicular parking at all times at the locations specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

6326 South Aberdeen Street (except for handicapped);

6159 South Ada Street -- Mt. Carmel C.M.E. Church.

Referred -- INSTALLATION OF TRAFFIC SIGNS.

The aldermen named below presented proposed orders for the installation of traffic signs, of the nature indicated and at the locations specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location and Type of Sign
HUMES (8th Ward)	East 80th Street and South Drexel Avenue -- "Stop";
HUELS (11th Ward)	West 32nd Street and South Princeton Avenue -- "4-Way Stop";
HUELS for MAJERCZYK (12th Ward)	West 46th Street and South Lawler Avenue -- "3-Way Stop";

Alderman	Location and Type of Sign
BRADY (15th Ward)	West 66th Street and South Troy Street -- "2-Way Stop";
STREETER (17th Ward)	South Wentworth Avenue at West 82nd Street -- "Stop"; West 70th Street and South Lowe Avenue -- "Stop"; West 71st Street and South Union Avenue -- "Stop"; West 74th Street and South Harvard Avenue -- "Stop"; West 77th Street and South Sangamon Street -- "Stop"; West 78th Street and South Marshfield Avenue -- "Stop"; West 81st Street and South Perry Avenue -- "Stop";
KRYSTYNIAK (23rd Ward)	West 51st Street and South Harlem Avenue -- "All Way Stop"; West 57th Street and South Nordica Avenue -- "All Way Stop";
SANTIAGO (31st Ward)	North Hamlin Avenue at West Hirsch Street -- "Stop";
DAMATO (37th Ward)	West Le Moyne Avenue and North Luna Avenue -- "Stop";
HANSEN (44th Ward)	West Eddy Street and North Lakewood Avenue -- "Stop".

Referred-- AMENDMENT OF HOURS IN REFERENCE TO
SPECIFIED TRAFFIC WARNING SIGN.

Alderman Santiago (31st Ward) presented a proposed ordinance to amend the "No Turn On Red" restriction at the intersection of West North Avenue and North Pulaski Avenue to be effective at all times (instead of from 7:00 A.M. to 7:00 P.M.), which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- ESTABLISHMENT OF WEIGHT LIMITATION ON
PORTION OF SOUTH EWING AVENUE.

Alderman Vrdolyak (10th Ward) presented a proposed ordinance to fix a weight limit of five tons for trucks and commercial vehicles on South Ewing Avenue from East 112th Street to East 118th Street, which was *Referred to the Committee on Traffic Control and Safety*.

2. ZONING ORDINANCE AMENDMENTS.

Referred -- ZONING RECLASSIFICATIONS IN PARTICULAR
AREAS.

The aldermen named below presented two proposed ordinances for amendment of the Chicago Zoning Ordinance, for the purpose of reclassifying particular areas, which were *Referred to the Committee on Zoning*, as follows:

BY ALDERMAN HUELS (11th Ward):

To classify as an R4 General Residence District instead of an R3 General Residence District the area shown on Map No. 8-F bounded by

a line 24 feet south of W. 38th Street; S. Parnell Avenue; a line 93 feet south of W. 38th Street; and the alley next west of and parallel to S. Parnell Street.

BY ALDERMAN SCHULTER (47th Ward):

To classify as a B2-2 Restricted Retail District instead of a B2-1 Restricted Retail District the area shown on Map No. 11-H bounded by

W. Montrose Avenue; the alley east of N. Damen Avenue; a line 60.28 feet south of W. Montrose Avenue; and N. Damen Avenue.

3. CLAIMS.

Referred -- CLAIMS AGAINST CITY OF CHICAGO.

The aldermen named below presented seven proposed claims against the City of Chicago for the claimants named as noted respectively, which were *Referred to the Committee on Claims and Liabilities*, as follows:

Alderman

Claimant

NARDULLI (26th Ward)

Walter Nickel;

Alderman

Claimant

SMITH (28th Ward)

Henry Johnson;

GABINSKI (32nd Ward)

Mrs. Mary P. Janka;

KOTLARZ (35th Ward)

Martin Garson, Steve Kraus, Antonia M.
Boutin and CFR Leasing Corporation;

NATARUS (42nd Ward)

Randy P. McKey.

4. UNCLASSIFIED MATTERS

(Arranged in Order According to Ward Numbers).

Proposed ordinances, orders and resolutions were presented by the aldermen named below, respectively, and were acted upon by the City Council in each case in the manner noted, as follows:

Presented by

ALDERMAN ROTI (1st Ward):

Referred -- ISSUANCE OF PERMIT FOR CARNIVAL ON
PORTION OF WEST CULLERTON STREET.

A proposed order authorizing and directing the Commissioner of Public Works to issue the necessary permits to Pilsen Y.M.C.A. to hold a carnival on West Cullerton Street between South Blue Island and North Ashland Avenues and on South Laflin Street from West Cullerton Street north thereof to the alley for the period from May 30 to June 2, 1985, which was *Referred to the Committee on Beautification and Recreation.*

Referred -- ISSUANCE OF PERMIT FOR INSTALLATION OF
SIGN/SIGNBOARD AT SPECIFIED LOCATION.

Also, a proposed order directing the Commissioner of Inspectional Services to issue a sign permit to White Way Sign Company to install a sign/signboard at 555 West Roosevelt Road for River City Plaza, which was *Referred to the Committee on Zoning.*

Presented by

ALDERMAN RUSH (2nd Ward):

Referred -- ISSUANCE OF PERMIT FOR OPERATION OF
NEWSPAPER STAND AT SPECIFIED LOCATION.

A proposed order authorizing and directing the Commissioner of Public Works to issue a permit to John L. Ragland for the operation of a newspaper stand on the northeast corner of South King Drive and East 29th Street, in compliance with the Chicago Municipal Code, which was *Referred to the Committee on Streets and Alleys*.

Presented by

ALDERMAN EVANS (4th Ward):

CONGRATULATIONS EXTENDED TO JOHN HOWARD SHERMAN
UPON HIS INDUCTION TO PHILLIPS HIGH SCHOOL
HALL OF FAME.

A proposed resolution reading as follows:

WHEREAS, John Howard Sherman, outstanding athlete and teacher, is being inducted into the Wendell Phillips High School Hall of Fame; and

WHEREAS, John Howard Sherman, who has been a Chicago resident for over 50 years, has led distinguished careers on the field of professional football, in the military during World War II, and more recently in the field of education: he has been with the Chicago Board of Education since 1954; and

WHEREAS, A graduate of Wendell Phillips, George Williams College (B.S, 1954), and the University of Chicago (M.A., 1959), John Howard Sherman was also a professional football player for the New York Yankees football team (1949-52) and the Cleveland Browns (1952-54). Now a member of the Varsity Club, Sherman is the distinguished football coach and athletic director at Harlan High School, where he has been a leader for 25 years; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 25th day of April, 1985, A. D., do hereby offer our heartiest congratulations to John Howard Sherman upon his induction into the Wendell Phillips High School Hall of Fame, and extend to this outstanding Chicago citizen our very best wishes for many more years of happiness and success; and

Be It Further Resolved, That a suitable copy of this resolution be presented to John Howard Sherman.

Alderman Evans moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Evans, the foregoing proposed resolution was *Adopted*.

Presented by

ALDERMAN BEAVERS (7th Ward):

Referred -- PAYMENT OF SPECIAL POLICE LICENSE
FEES REQUIRED BY SOUTH CHICAGO
COMMUNITY HOSPITAL.

A proposed ordinance requiring South Chicago Community Hospital to pay a ten dollar license fee per license for the special police employed therein pursuant to Chapter 173, Section 6 of the Chicago Municipal Code, which was *Referred to the Committee on Finance*.

Presented by

**ALDERMAN BEAVERS (7th Ward) and
ALDERMAN VRDOLYAK (10th Ward):**

Referred -- ISSUANCE OF PERMIT FOR SIDEWALK SALE
ON PORTION OF SOUTH COMMERCIAL AVENUE,
ET CETERA.

A proposed order authorizing and directing the Commissioner of Public Works to issue the necessary permits to the South Chicago Chamber of Commerce to hold a sidewalk sale on South Commercial Avenue between East 85th and East 93rd Streets, on East 91st Street between South Exchange and South Houston Avenues, and on East 92nd Street between South Exchange and South Houston Avenues for the period from August 1 to August 4, 1985, which was *Referred to the Committee on Beautification and Recreation*.

Presented by

ALDERMAN HUTCHINSON (9th Ward):

Referred -- PETITIONING OF CHICAGO TRANSIT AUTHORITY
TO INSTALL SPECIFIED WALKWAY.

A proposed order petitioning the Chicago Transit Authority to install a concrete walkway at the two bus stops located on the southeast and northwest corners of East 109th Street and South King Drive for people boarding and exiting buses, which was *Referred to the Committee on Local Transportation*.

Referred -- INSTALLATION OF CATCHBASIN AND SEWER
AT SPECIFIED LOCATION.

Also, a proposed order authorizing and directing the Commissioner of Public Works to consider the installation of a catchbasin and sewer on the northeast corner of South State Street and East 127th Street, which was *Referred to the Committee on Streets and Alleys*.

Presented by

**ALDERMAN HUTCHINSON (9th Ward) and
ALDERMAN SHEAHAN (19th Ward):**

Referred -- COMMITTEE ON FINANCE URGED TO INVESTIGATE
STATUS OF STREET CONSTRUCTION PROGRAM.

A proposed resolution urging the City Council Committee on Finance to hold hearings to determine the status of the street construction program, defined and regulated in Chapter 200.4 of the Chicago Municipal Code, and to report its findings to the entire City Council thereafter, which was *Referred to the Committee on Finance*.

Presented by

ALDERMAN HUELS (11th Ward):

Referred -- INSTALLATION OF STREET LIGHT IN FRONT OF
3823 SOUTH HERMITAGE AVENUE.

A proposed order authorizing and directing the Commissioner of Public Works to consider the installation of a street light in front of 3823 South Hermitage Avenue, which was *Referred to the Committee on Finance*.

Presented for

ALDERMAN MAJERCZYK (12th Ward):

UNITED STATES POST OFFICE URGED TO ISSUE
COMMEMORATIVE STAMP HONORING PIONEER
AVIATORS STEPHAN DARIUS AND
STANLEY GIRENAS.

A proposed resolution, presented by Alderman Pucinski, reading as follows:

WHEREAS, Stephan Darius and Stanley Girenas, Americans of Lithuanian descent, were among the pioneer aviators who made a successful flight across the Atlantic Ocean; and

WHEREAS, The Postmaster General of the United States Postal Service is currently considering the issuance of a commemorative stamp honoring aviators Stephan Darius and Stanley Girenas, who are already duly recognized in the Air and Space Museum of the Smithsonian Institute in Washington, D. C.; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 25th day of April, 1985, A. D., do hereby memorialize the Honorable Paul N. Carlin, the Postmaster General of the United States Postal Service, and Belmont Faries, Chairman of the Citizen's Stamp Advisory Committee for the United States Postal Service, to bring about the issuance of a commemorative stamp, honoring pioneer aviators Stephan Darius and Stanley Girenas; and

Be It Further Resolved, That the City Clerk is hereby directed to send a certified copy of this resolution to the Honorable Paul N. Carlin, Postmaster General, United States Postal Service, and to Belmont Faries, Chairman, Citizens' Stamp Advisory Committee, United States Postal Service; and

Be It Further Resolved, That a suitable copy of this resolution be presented to Juozas Zadeikis, Chairman, Stamp Commemoration Committee, Lithuanian- American Community, U.S.A., Brighton Park Chapter.

Alderman Pucinski moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Pucinski, the foregoing proposed resolution was *Adopted*.

Referred -- SUBMISSION OF DOCUMENTATION TO COMMITTEE ON
HEALTH IN REFERENCE TO MENTAL HEALTH CONTRACTS.

Also, a proposed resolution, presented by Alderman Pucinski, petitioning the City of Chicago Department of Health to file with the City Council Committee on Health all documentation in regard to contracts entered into between the Bureau of Mental Health and so-called "Private Providers", which was *Referred to the Committee on Health*.

Presented by

ALDERMAN STREETER (17th Ward):

Referred -- ISSUANCE OF PERMIT FOR OPERATION OF NEWSPAPER
STAND AT SPECIFIED LOCATION.

A proposed order authorizing and directing the Commissioner of Public Works to issue a newspaper stand permit to Albert Chatman for the operation of a stand on the southeast corner of South Halsted Street and West 69th Street in compliance with the Chicago Municipal Code, which was *Referred to the Committee on Streets and Alleys*.

Presented by

ALDERMAN KELLAM (18th Ward):

INSTALLATION OF "4-WAY STOP" SIGNS AT WEST 80TH
STREET AND SOUTH CALIFORNIA AVENUE.

A proposed order reading as follows:

Ordered, That the Commissioner of Public Works is hereby authorized and directed to give consideration to the installation of "4-Way Stop" signs at the intersection of West 80th Street and South California Avenue.

Alderman Kellam moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed order. The motion *Prevailed*.

On motion of Alderman Kellam, the foregoing proposed order was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Referred -- ISSUANCE OF PERMIT FOR OPERATION OF NEWSPAPER
STAND AT SPECIFIED LOCATION.

Also, a proposed order to authorize and direct the Commissioner of Public Works to issue a permit to Harold V. McCadd for the operation of a newspaper stand on the southwest corner of West 83rd Street and South Ashland Avenue, in compliance with the Chicago Municipal Code, which was *Referred to the Committee on Streets and Alleys*.

Presented by

ALDERMAN SHEAHAN (19th Ward) and OTHERS:

Referred -- RESTORATION OF CHICAGO FIRE DEPARTMENT
SQUAD 6 TO SOUTHWEST SIDE OF CITY.

A proposed resolution, presented by Aldermen Sheahan, Kellam, Madrzyk, Burke and Brady, urging the City of Chicago to restore a Chicago Fire Department squad to the southwest side of the City upon completion of hearings, which was *Referred to the Committee on Police and Fire*.

Presented by

ALDERMAN KELLEY (20th Ward):

CONGRATULATIONS EXTENDED TO RONAN F. POZEN ON
OCCASION OF HIS ORDINATION.

A proposed resolution reading as follows:

WHEREAS, Ronan F. Pozen is a native Chicagoan raised in the McKinley Park Community; and

WHEREAS, After attending Saint Maurice Grammar School he entered the archdiocesan seminary system; graduating from Quigley Seminary South in 1977 and Niles College in 1981; and

WHEREAS, In September, 1981, Ronan began the final phase of his theological studies at Saint Mary of the Lake Seminary where he earned a Masters Degree in Divinity; and

WHEREAS, Through the course of his preparation for the priesthood, he has served at parishes throughout Chicago, including Precious Blood, Saint Richard, and most recently as a deacon at Our Lady of Victory on the City's northwest side; and

WHEREAS, On May 18, 1985, Ronan F. Pozen will be ordained to the Catholic priesthood at Holy Name Cathedral by His Eminence Joseph Cardinal Bernadin; now, therefore,

Be It Resolved, That the Mayor and members of the Chicago City Council in meeting assembled on this 25th day of April 1985 A.D. do hereby congratulate Ronan F. Pozen and his family on the occasion of his ordination and offer him our sincerest hopes for a bright future; and

Be It Further Resolved, That a suitable copy of this resolution be prepared and presented to Ronan F. Pozen.

Alderman Kelley moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Kelley, the foregoing proposed resolution was *Adopted*.

Referred -- ISSUANCE OF PERMIT FOR OPERATION OF NEWSPAPER
STAND AT SPECIFIED LOCATION.

Also, a proposed order to authorize and direct the Commissioner of Public Works to issue a permit to Henry Sylvers for the operation of a newspaper stand on the northwest corner of South King Drive and East 69th Street in compliance with the Chicago Municipal Code, which was *Referred to the Committee on Streets and Alleys*.

Presented by

ALDERMAN SHERMAN (21st Ward):

Referred -- AMENDMENT OF MOTOR FUEL TAX FUND ALLOCATION
IN REFERENCE TO TRAFFIC CONTROL SIGNALS AT
SPECIFIED INTERSECTION.

A proposed ordinance to amend the ordinance passed by the City Council on July 6, 1983 (C.J.P. p. 467) in reference to the motor fuel tax fund allocation figure to provide funding for the installation of a traffic control signal at West 95th Street and South Parnell Avenue, which was *Referred to the Committee on Finance*.

Presented by

ALDERMAN STEMBERK (22nd Ward):

Referred -- ISSUANCE OF PERMITS FOR STREET FAIRS AT
SPECIFIED LOCATIONS.

Four proposed orders authorizing and directing the Commissioner of Public Works to issue permits to various organizations to hold street fairs, which were *Referred to the Committee on Beautification and Recreation*, as follows:

Little Village Chicago Boys Club -- to hold a street fair on West 26th Street from South Kostner Avenue to the City limits for the period from May 30 to June 2, 1985;

Little Village Fair -- to hold a street fair on West 26th Street from South Kostner Avenue to the City limits for the period from May 30 to June 2, 1985;

26th Street Businessmen's Association -- to hold a street fair on West 26th Street from South Kostner Avenue to the City limits for the period from July 3 to July 7, 1985;

26th Street Businessmen's Association -- to hold a street fair on West 26th Street from South Kostner Avenue to the City limits for the period from September 13 to September 15, 1985.

Presented by

ALDERMAN KRYSTYNIAK (23rd Ward):

**CONGRATULATIONS EXTENDED TO FATHER EDWARD M. FLANNERY
ON HIS 50TH ANNIVERSARY AS PRIEST.**

A proposed resolution reading as follows:

WHEREAS, Father Edward M. Flannery will celebrate his 50th anniversary as a priest on April 27, 1985, with a Mass of Thanksgiving at 12:00 noon at Saint Rene Parish; and

WHEREAS, Father Edward M. Flannery was ordained April 27, 1936 at Saint Mary of the Lake Seminary in Mundelein, and he celebrated his first Mass at Saint Clement's Church, which he attended as a child; and

WHEREAS, Father Flannery served as a Chaplain in the United States Army in the South Pacific. After being wounded and hospitalized and receiving the Purple Heart, he then served as National Chaplain of the Military Order of the Purple Heart and became the National Chaplain of the Disabled Veterans; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 25th day of April, 1985, A.D., do hereby congratulate the Reverend Edward M. Flannery on 50 glowing years as a priest, and that we extend to this fine citizen our very best wishes for many more years of spiritual fulfillment and guidance; and

Be It Further Resolved, That a suitable copy of this resolution be presented to Father Edward M. Flannery.

Alderman Krystyniak moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Krystyniak, the foregoing proposed resolution was *Adopted*.

Presented by

ALDERMAN NARDULLI (26th Ward):

**BUILDING DECLARED PUBLIC NUISANCE
AND ORDERED DEMOLISHED.**

A proposed ordinance reading as follows:

WHEREAS, The building located at 2132 West Huron Street is so deteriorated and weakened that it is structurally unsafe and a menace to life and property in its vicinity; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The building located at 2132 West Huron Street is declared a public nuisance, and the Commissioner of Inspectional Services is authorized and directed to demolish the same.

SECTION 2. This ordinance shall be effective upon its passage.

On motion of Alderman Nardulli, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Referred -- GRANTING OF PERMISSION TO HOLD SIDEWALK
SALES AT SPECIFIED LOCATION.

Also, two proposed orders authorizing and directing the Commissioner of Public Works to grant permission to the organization listed below to hold sidewalk sales, which were *Referred* to the *Committee on Beautification and Recreation*, as follows:

North Avenue Boutique -- to hold a sidewalk sale in front of 2747 West North Avenue for the period of April 25-28, 1985;

North Avenue Boutique -- to hold a sidewalk sale in front of 2747 West North Avenue for the period of May 2-5, 1985;

North Avenue Boutique -- to hold a sidewalk sale in front of 2747 West North Avenue for the period of May 9-12, 1985;

North Avenue Boutique -- to hold a sidewalk sale in front of 2747 West North Avenue for the period of May 16-19, 1985;

North Avenue Boutique -- to hold a sidewalk sale in front of 2747 West North Avenue for the period of May 13-16, 1985;

North Avenue Boutique -- to hold a sidewalk sale in front of 2747 West North Avenue for the period of May 30-31, 1985.

Presented for

ALDERMAN W. DAVIS (27th Ward):

**DRAFTING OF ORDINANCE FOR VACATION OF
SPECIFIED PUBLIC WAYS.**

A proposed order, presented by Alderman Sawyer, reading as follows:

Ordered, That the Commissioner of Public Works is hereby directed to prepare an ordinance for the vacation of West Marble Place between South Halsted Street and the Kennedy Expressway; also all of the north-south and east-west 15-foot public alleys in the block bounded by West Marble Place, West Adams Street, South Halsted Street, and the Kennedy Expressway (No. 16-27-85-967); said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

On motion of Alderman Sawyer, the foregoing proposed order was *Passed*.

Presented by

ALDERMAN GABINSKI (32nd Ward):

***Referred* -- GRANTING OF PERMISSION TO HOLD SIDEWALK SALE
ON PORTION OF NORTH UNION AVENUE.**

A proposed order authorizing and directing the Commissioner of Public Works to grant permission to The Salvation Army for a sidewalk sale to be held in the 500 block of North Union Avenue on Saturday, May 11, 1985, in conjunction with their National Salvation Army Week...Open House/Street Sale, which was *Referred to the Committee on Beautification and Recreation*.

Presented by

ALDERMAN MELL (33rd Ward):

***Referred* -- AMENDMENT OF MUNICIPAL CODE CHAPTER 26 TO
REQUIRE TESTING OF MATERIALS TO INSURE MEETING
OF CONTRACT SPECIFICATIONS.**

A proposed ordinance amending Chapter 26 of the Chicago Municipal Code by inserting two new sections to be known as Section 26-27 and 26-28 which would require the testing of all materials, equipment and supplies contracted for purchase by the City to insure that such goods meet the specifications set forth in given contracts, which was *Referred to the Committee on Municipal Code Revision*.

Referred -- GRANTING OF PERMISSION TO HOLD SIDEWALK
SALES AT SPECIFIED LOCATION.

Also, two proposed orders authorizing and directing the Commissioner of Public Works to grant permission to the organization listed below to hold sidewalk sales, which were *Referred to the Committee on Beautification and Recreation*, as follows:

Fin DeSiglo Store -- to hold a sidewalk sale in front of 3130 West Armitage Avenue for the period of April 26-28, 1985;

Fin DeSiglo Store -- to hold a sidewalk sale in front of 3130 West Armitage Avenue for the period of May 3-5, 1985;

Fin DeSiglo Store -- to hold a sidewalk sale in front of 3130 West Armitage Avenue for the period of May 10-12, 1985;

Fin DeSiglo Store -- to hold a sidewalk sale in front of 3130 West Armitage Avenue for the period of May 14-16, 1985;

Fin DeSiglo Store -- to hold a sidewalk sale in front of 3130 West Armitage Avenue for the period of May 17-19, 1985;

Fin DeSiglo Store -- to hold a sidewalk sale in front of 3130 West Armitage Avenue on Friday, May 31, 1985.

Presented for

ALDERMAN FROST (34th Ward):

Referred -- PAYMENT OF SPECIAL POLICE LICENSE FEES REQUIRED
OF ROSELAND COMMUNITY HOSPITAL ASSOCIATION.

A proposed ordinance, presented by Alderman Hutchinson, requiring Roseland Community Hospital Association to pay a ten dollar license fee per license for the special police employed therein pursuant to Chapter 173, Section 6 of the Chicago Municipal Code, which was *Referred to the Committee on Finance*.

Presented by

ALDERMAN BANKS (36th Ward):

BOY SCOUTS OF AMERICA CONGRATULATED ON
OCCASION OF 75TH ANNIVERSARY.

A proposed resolution reading as follows:

WHEREAS, 1985 marks the 75th anniversary of the Boys Scouts of America; and

WHEREAS, The Boys Scouts of America has continuously served the youth of our great nation since 1910, membership from its inception numbering some 70 million; and

WHEREAS, Scouting has been made available to all youth regardless of race, religion or socio-economic status, and they are taught the highest principles of character, citizenship, fitness and community spirit; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 25th day of April, 1985, A.D., do hereby offer our congratulations to the Boy Scouts of America on 75 years of dedicated and highly beneficial service throughout these great United States, and that we also commend those community groups which provide volunteer adult leaders who make it possible for the Scouting program to bring its proven benefits to millions of youths in which each generation places its trust and hope; and

Be It Further Resolved, That a suitable copy of this resolution be presented to the Boy Scouts of America.

Alderman Banks move to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Banks, the foregoing proposed resolution was *Adopted*.

Presented by

**ALDERMAN KOTLARZ (35th Ward) and ALDERMAN
D. DAVIS (29th Ward):**

Referred-- COMMITTEE ON EDUCATION URGED TO HOLD
HEARING CONCERNING CHICAGO PUBLIC SCHOOL
SYSTEM AND SCHOOL IMPROVEMENT ACT.

A proposed resolution urging the Committee on Education to hold a hearing to address financial and leadership issues in the Chicago public school system and to consider the feasibility of City participation in State of Illinois school reform legislation, entitled the "School Improvement Act", which was *Referred to the Committee on Education*.

Presented by

ALDERMAN BANKS (36th Ward) and OTHERS:

Referred -- AMENDMENT OF MUNICIPAL CODE CHAPTER 27
CONCERNING OUTDOOR ADVERTISING SIGNS IN
RESIDENTIAL AREAS.

A proposed ordinance, presented by Aldermen Banks, Stone, Cullerton, Madrzyk, Schuler, Sheahan, Hagopian, McLaughlin, Huels, O'Connor, Gabinski, Pucinski and Laurino, to amend Chapter 27 of the Chicago Municipal Code by adding thereto a new section to be known as Section 27-371.1 prohibiting the display of any commercial outdoor advertising signs within any single family residential district or general residential district as classified and defined within the Chicago Zoning Ordinance, which was *Referred to the Committee on Traffic Control and Safety*.

Presented by

ALDERMAN CULLERTON (38th Ward):

SISTER JANET MARIE STRZEPEK CONGRATULATED ON
HER 50TH ANNIVERSARY IN TEACHING
PROFESSION.

A proposed resolution reading as follows:

WHEREAS, Sister Janet Marie Strzepek, C.S.F.N., is celebrating her 50th anniversary in the teaching profession; and

WHEREAS, The career of Sister Janet Marie Strzepek, who is of the Sisters of the Holy Family of Nazareth, has spanned several states but has been concentrated for many years in the Chicagoland area. A graduate of DePaul University with an M.A. from Marquette University, Sister Janet Marie is currently teaching at Saint Ladislaus School, 3330 North Lockwood Avenue, on Chicago's great northwest side, and celebrates her golden anniversary with her many friends and a large number of students, past and present; and

WHEREAS, The leaders of this great City of Chicago are cognizant and proud of the standard of excellence which Sister Janet Marie Strzepek has always brought to the young minds in whom we place so much hope; now, therefore,

Be It Resolved, That we the Mayor and members of the City Council of the City of Chicago, gathered here this 25th day of April, 1985, A.D., do hereby congratulate Sister Janet Marie Strzepek on 50 Golden Years in the teaching profession, and express to this outstanding citizen our extreme gratitude for her surpassing excellence in bringing education and spiritual guidance to so many of our fortunate young people; and

Be It Further Resolved, That a suitable copy of this resolution be presented to Sister Janet Marie Strzepek.

Alderman Cullerton moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Cullerton, the foregoing proposed resolution was *Adopted*.

Presented by

ALDERMAN O'CONNOR (40th Ward):

**DRAFTING OF ORDINANCES DIRECTED FOR VACATIONS
OF SPECIFIED PUBLIC ALLEYS.**

Two proposed orders reading as follows:

Ordered, That the Commissioner of Public Works is hereby directed to prepare an ordinance for the vacation of the southerly 130 feet, more or less, of the northwesterly-southeasterly 16-foot public alley and providing for the dedication of a north-south 16-foot public alley running south of West Gunnison Street from the north terminus of that part of the northwesterly-southeasterly alley to be vacated, all in the block bounded by West Ainslie Street, West Gunnison Street, North Rockwell Street and North Lincoln Avenue for McDonald's Corporation (No. 12-40-85-963); said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

Ordered, That the Commissioner of Public Works is hereby directed to prepare an ordinance for the vacation of the west 125.37 feet of the east-west 16 foot public alley north of West Lawrence Avenue in the block bounded by West Ainslie Street, West Lawrence Avenue, North Kedzie Avenue, and North Troy Street (No. 12-40-85-966); said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

On separate motions made by Alderman O'Connor, each of the foregoing proposed orders was *Passed*.

Referred -- CANCELLATION OF FEES FOR ESTABLISHMENT
OF SPECIFIED RESIDENTIAL PERMIT PARKING
ZONE AREA.

Also, a proposed order authorizing and directing the City Comptroller to cancel fees for the establishment of a residential permit parking zone area for West Olive Street, West Hollywood Avenue, and West Edgewater Avenue from North Clark Street to North Hermitage Avenue and also on West Rosehill Drive from North Clark Street to North Ravenswood Avenue, which was *Referred to the Committee on Finance*.

Presented by

ALDERMAN PUCINSKI (41st Ward):

CONGRATULATIONS EXTENDED TO 102ND INFANTRY REGIMENT
ON OCCASION OF THEIR 32ND REUNION.

A proposed resolution reading as follows:

WHEREAS, The 102nd Infantry Regiment served their country in the armed forces from September, 1950 through December 1952; and

WHEREAS, A number of the unit personnel were from Chicago and a many still live in Chicago, two of which are members of the VFW Post 3579 in Edison Park; and

WHEREAS, The 102nd Infantry Regiment will hold its first reunion in thirty- two years on May 3-5, 1985; and

WHEREAS, Chicago will be the Host City of the reunion to be held at the Hyatt Regency O'Hare; now, therefore,

Be It Resolved, That we, the Mayor and the members of the City Council, do hereby extend our sincerest congratulations to the 102nd Infantry Regiment on their 32nd reunion; and

Be It Further Resolved, That a suitable copy of this resolution be presented to the 102nd Infantry Regiment.

Alderman Pucinski moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Pucinski, the foregoing proposed resolution was *Adopted*.

Referred -- DESIGNATION OF CRIPPEN HOUSE AT 5622
NORTH NEWARK AVENUE AS CITY LANDMARK.

Also, a proposed resolution to designate the Crippen House, located at 5622 North Newark Avenue, as a Chicago landmark, which was *Referred to the Committee on Cultural Development and Historical Landmark Preservation*.

Presented by

ALDERMAN NATARUS (42nd Ward):

**PROHIBITION OF PARKING AND ESTABLISHMENT OF
TOW-AWAY ZONE DURING SPECIFIED HOURS ON
PORTIONS OF NORTH STATE STREET.**

A proposed ordinance reading as follows:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That vehicular parking be prohibited on the west side of North State Street from West Cedar Street to West Elm Street from 6:00 P.M. to 6:00 A.M. and a tow-away zone be established thereto.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

Alderman Natarus moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed ordinance. The motion *Prevailed*.

On motion of Alderman Natarus, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

***Referred* -- GRANTING OF PERMISSION TO HOLD SIDEWALK
SALE ON PORTION OF NORTH LA SALLE STREET.**

Also, a proposed order authorizing and directing the Commissioner of Public Works to grant permission to Morrie Mages to hold a sidewalk sale in front of 620 North LaSalle Street for the period from May 22 to May 27, 1985, which was *Referred to the Committee on Beautification and Recreation*.

***Referred* -- ISSUANCE OF PERMIT FOR 11TH ANNUAL WELLS
STREET ART AND CRAFT FAIR ON PORTION OF
NORTH WELLS STREET.**

Also, a proposed order authorizing and directing the Commissioner of Public Works to issue a permit to Old Town Chamber of Commerce to hold the 11th Annual Wells Street Art and Craft Fair on North Wells Street between West North Avenue and West Schiller Street for the period from June 8 to June 9, 1985, which was *Referred to the Committee on Beautification and Recreation.*

Presented by

ALDERMAN OBERMAN (43rd Ward):

*Referred-- GRANTING OF PERMISSION TO HOLD SIDEWALK
SALE ON PORTION OF NORTH CLARK STREET.*

A proposed order authorizing and directing the Commissioner of Public Works to grant permission to Bonnie Hardwick, c/o Francis Parker School P.T.A. to hold a sidewalk sale in front of 2234 North Clark Street on Saturday, May 4, 1985, which was *Referred to the Committee on Beautification and Recreation.*

*Referred-- ISSUANCE OF PERMIT FOR STREET FAIR
ON PORTION OF NORTH LINCOLN AVENUE.*

Also, a proposed order authorizing and directing the Commissioner of Public Works to issue a permit to Community Arts Foundation/Body Politic Theater, Incorporated to hold a street fair in the 2200 block of North Lincoln Avenue for the period from June 1 to June 2, 1985, which was *Referred to the Committee on Beautification and Recreation.*

Presented by

**ALDERMAN OBERMAN (43rd Ward) and
ALDERMAN ORR (49th Ward):**

*Referred-- AMENDMENT TO 1985 ANNUAL APPROPRIATION
ORDINANCE.*

A proposed ordinance amending sundry line items within the 1985 Annual Appropriation Ordinance for the City of Chicago, which was *Referred to the Committee on Finance.*

Presented by

ALDERMAN HANSEN (44th Ward):

DRAFTING OF ORDINANCE DIRECTED FOR VACATION
OF SPECIFIED PRIVATE ALLEY.

A proposed order reading as follows:

Ordered, That the Commissioner of Public Works is hereby directed to prepare an ordinance for the vacation of the private alley south and southwesterly of and adjoining Parcel 3 as created by and as designated on Plat of Abbott's Subdivision recorded in Recorder's Office on March 10, 1884 as Document No. 329937, in Book 10, page 86, all in Cook County, Illinois; said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

On motion of Alderman Hansen, the foregoing proposed order was *Passed*.

Referred -- PAYMENT OF SPECIAL POLICE LICENSE FEE
BY ILLINOIS MASONIC MEDICAL CENTER.

Also, a proposed ordinance requiring Illinois Masonic Medical Center to pay a ten dollar license fee per license for the special police employed therein pursuant to Chapter 173, Section 6 of the Chicago Municipal Code, which was *Referred to the Committee on Finance*.

Presented by

ALDERMAN SCHULTER (47th Ward):

Referred -- CREATION OF MUNICIPAL UTILIZATION STUDY
PANEL TO CONSIDER PROPOSED USE OF SPECIFIED
CABLE SYSTEM WITHIN CITY.

A proposed resolution creating a Municipal Utilization Study Panel to form a plan detailing the City's proposed use of Communications and Cable of Chicago, Incorporated cable system within the City of Chicago, which was *Referred to the Committee on Cable Television*.

Presented by

ALDERMAN ORR (49th Ward):

DRAFTING OF ORDINANCE DIRECTED FOR VACATION
OF SPECIFIED PUBLIC ALLEY, ET CETERA.

A proposed order reading as follows:

Ordered, That the Commissioner of Public Works is hereby directed to prepare an ordinance for the vacation of all of the east-west and northwesterly- southeasterly 14-foot public alley in the area bounded by West Juneway Terrace, North Haskins Avenue, North Hermitage Avenue, and the Chicago Transit Authority property; also providing for the opening of a triangular area as additional right of way for North Haskins Avenue at the northwest corner of North Hermitage Avenue; also, the opening as additional right of way for alley purposes at the southwest corner of the intersection of the first north-south 14-foot public alley north of West Juneway Terrace and the first north-south 14- foot public alley east of Chicago Avenue (Evanston); also, the opening of a north- south public way running north from West Juneway Terrace and located east of a line 184 feet east of Chicago Avenue (Evanston) as measured on the north line of West Juneway Terrace, for the Department of Housing (No. 30-49-85-969); said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

On motion of Alderman Orr, the foregoing proposed order was *Passed*.

Presented by

ALDERMAN STONE (50th Ward):

**ADAM HARTMAN CONGRATULATED ON HIS OUTSTANDING
ACHIEVEMENT IN SCIENCE FIELD.**

A proposed resolution reading as follows:

WHEREAS, Adam Hartman, a 17 year old senior at Lane Technical High School, has participated in the annual Chicago Public Schools Student Science Fair for the past three years; and

WHEREAS, Adam Hartman, at this year's 35th Annual Student Science Fair won one of the top four honors for his study of "Fast-Slow Twitch Fibers as Linked to Pigments"; and

WHEREAS, Adam Hartman has the distinction of representing Chicago at the International Science and Engineering Fair in Shreveport, Louisiana, in May, and is also one of 50 students to be chosen to take his project to the Illinois Junior Academy of Science later this spring; and

WHEREAS, The future of America lies with its youth; now, therefore,

Be It Resolved, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 25th day of April, 1985, do hereby extend their congratulations to Adam Hartman for his outstanding achievement in the field of science; and

Be It Further Resolved, That an appropriate and suitable copy of this resolution be prepared and sent to Adam Hartman.

Alderman Stone moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Stone, the foregoing proposed resolution was *Adopted*.

**5. FREE PERMITS, LICENSE FEE EXEMPTIONS, CANCELLATION
OF WARRANTS FOR COLLECTION, AND WATER RATE
EXEMPTIONS, ETC.**

Proposed ordinances, orders, etc., described below were presented by the aldermen named, and were *Referred to the Committee on Finance*, as follows:

FREE PERMIT:

BY ALDERMAN SMITH (28th Ward):

Bethel New Life, Inc. -- for rehabilitation of existing structure on the premises known as 4320 W. Madison Street.

LICENSE FEE EXEMPTIONS:

BY ALDERMAN RUSH (2nd Ward):

Coretta Scott King Y.W.C.A. Day Care Center (Y.W.C.A. of Metropolitan Chicago), 436 E. 39th Street.

Hyde Park Jewish Community Center (Michael Reese Medical Center Extension Program Pre-School), 2800 S. Ellis Avenue.

BY ALDERMAN VRDOLAYK (10th Ward):

Salvation Army Headstart Day Care Center (South Deering), 10536 S. Bensley Avenue.

BY ALDERMAN HUELS (11th Ward):

Fellowship House Day Care Center (Chicago Youth Centers), 844 W. 32nd Street.

BY ALDERMAN BRADY (15th Ward):

Lithuanian Montessori Children's Center, 2743 W. 69th Street.

BY ALDERMAN KELLEY (20th Ward):

Harriet M. Harris, Y.W.C.A. Child Development Center (Y.W.C.A. of Metropolitan Chicago), 6200 S. Drexel Avenue.

Parkway Day Care Center, 500 E. 67th Street.

BY ALDERMAN SHERMAN (21st Ward):

The Salvation Army Headstart Center, 1501 W. 87th Street.

BY ALDERMAN HENRY (24th Ward):

Chicago Youth Centers, ABC Child Development, 3415 W. 13th Place.

BY ALDERMAN D. DAVIS (29th Ward):

Austin Y.M.C.A. of the Y.M.C.A. of Metropolitan Chicago, 501 N. Central Avenue.

Loretto Hospital, 645 S. Central Avenue.

Mars Hill Pre-School, Inc., 5916 W. Lake Street.

BY ALDERMAN GABINSKI (32nd Ward):

Chicago Youth Centers Day Care Center, 1170 W. Erie Street.

BY ALDERMAN CULLERTON (38th Ward):

Wings Watson Park Pre-School, 6337 W. Cornelia Avenue.

BY ALDERMAN LAURINO (39th Ward):

Congregation Shaare Tikvah Day Care Center, 5800 N. Kimball Avenue.

BY ALDERMAN NATARUS (42nd Ward):

Chicago Youth Centers/Green Homes, 1230 N. Larrabee Street.

Chicago Youth Centers/Lower North Child Development, 1000 N. Sedgwick Street.

BY ALDERMAN OBERMAN (43rd Ward):

Christopher House Day Care Center and Headstart Program, 2507 N. Greenview Avenue.

Moody Church Early Childhood Center, 1609 N. LaSalle Street.

Waldorf School Association Day Care Center, 2135 N. Kenmore Avenue.

BY ALDERMAN HANSEN (44th Ward):

Resurrection Church Pre-School, 3309 N. Seminary Avenue.

Temple Sholom Day Care Center, 3480 N. Lake Shore Drive.

BY ALDERMAN VOLINI (48th Ward):

Christopher House Day Care Center, 1100 W. Lawrence Avenue.

Salvation Army Emergency Lodge Headstart Program, 4800 N. Marine Drive.

CANCELLATION OF WARRANTS FOR COLLECTION:

BY ALDERMAN RUSH (2nd Ward):

Illinois Institute of Technology, 3300 S. Federal Street -- building and mechanical ventilation inspections (2).

BY ALDERMAN BLOOM (5th Ward):

LaRabida Children's Hospital and Research Center, E. 65th Street at Lake Michigan -- sign inspections.

University of Chicago, 5801 S. Ellis Avenue -- boiler inspections.

WATER RATE EXEMPTION:

BY ALDERMAN BLOOM (5th Ward):

The University of Chicago, 5801 S. Ellis Avenue.

REFUND OF FEES:

BY ALDERMAN D. DAVIS (29th Ward):

Austin Messiah Lutheran Church, 908 North Waller Avenue -- Refund of Boiler Inspection No. Pl-414250 for the amount of \$58.00.

BY ALDERMAN LAURINO (39th Ward):

Congregation Shaare Tikvah, 5800 N. Kimball Avenue -- Refund of day care license fee for the amount of \$75.00.

**APPROVAL OF JOURNAL OF
PROCEEDINGS.**

JOURNAL (April 18, 1985).

Alderman Burke moved to *Correct* the printed Official Journal of the regular meeting held on Thursday, April 18, 1985, as follows:

Page 15141 -- by deleting the parcel designation "2-13" appearing in the first line from the top of the page and inserting "2-31" in lieu thereof;

Page 15141 -- by deleting the date "October 14, 1984" appearing in the tenth line from the top of the page and inserting "November 14, 1983" in lieu thereof;

Page 15141 -- by deleting the date "October 14, 1984" appearing in the sixth line from the bottom of the page and inserting "November 14, 1983" in lieu thereof;

Page 15141 -- by deleting the month "October" appearing in the third line from the bottom of the page and inserting "November" in lieu thereof; and

Page 15142 -- by deleting the parcel number "2-13" appearing in the eleventh line from the top of the page and inserting "2-31" in lieu thereof.

The motion *Prevailed*.

JOURNAL (April 18, 1985).

The City Clerk submitted the printed Official Journal of the Proceedings of the regular meeting held on April 18, 1985, at 10:00 A.M., signed by him as such City Clerk.

Alderman Beavers moved to *Correct* the said printed Official Journal as follows:

"I hereby move to correct the Journal of Proceedings of the Chicago City Council of April 18, 1985 on CJP 15256 by striking the word "Jeffery" and inserting in lieu thereof the word "Marquette", said number 5 item on page 15256 to read as follows:

79th Street between Marquette Avenue and Yates (7th Ward) \$183,500

\$35,000 was allocated in original C.D.B.G. Year X program for engineering and design. \$183,500 will make it possible to initiate construction early in the spring of 1985."

The motion *Prevailed*.

Alderman Krystyniak moved to further *Correct* the said printed Official Journal as follows:

Pages 15175-15176 -- by deleting the ordinance printed in its entirety and inserting the following in lieu thereof:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Municipal Code of Chicago, Chapter 29, Section 29-5, is hereby amended by adding the italic language as follows:

29-5	Vehicle	Fee
	Passenger automobiles, ambulances and hearses	\$50.00
	Passenger automobiles only, not more than one vehicle, registered to a person 65 years of age or older, upon satisfactory proof of age	25.00
	Motor bicycles, motor tricycles or mopeds	25.00
	Municipally owned vehicles	No Fee
	Vehicles licensed to disabled veterans <i>or to persons who, while serving in the United States Armed Forces, were taken prisoner of war</i>	No Fee
	School and Church Buses	No Fee
	All other vehicles, including trucks, tractor-semi- trailer units, motor buses, recreational vehicles, and trailers:	
	14,000 lbs. or less	70.00
	14,001-36,000 lbs.	105.00
	over 36,000 lbs.	170.00

The license fee for each vehicle shall be 50% greater than the amount hereinbefore specified if the license is not purchased before July 1.

If such vehicle has been purchased or lawfully acquired by the applicant on or after December sixteenth of any current year, the fee to be paid shall be a sum equal to one-half of the annual license fee hereinbefore specified as a license fee for the balance of such year. Before any applicant shall be entitled to a pro-rated license as provided for in this section, the said applicant shall furnish an affidavit in form satisfactory to the City Comptroller stating that the vehicle for which the license is applied for was purchased or otherwise obtained by the applicant on or after December sixteenth of the current year, and shall exhibit to the City Comptroller the bill of sale covering the vehicle for which license is sought. All applicants that do not comply with the requirements for a pro-rated license shall be subject to a full annual license fee.

License fees for the period January 1, 1980 to June 30, 1980 shall be one-half of the annual license fee as hereinbefore specified. Thereafter the annual license fee shall apply in full for annual periods as specified in Section 29-4.

SECTION 2. The Municipal Code of Chicago, Chapter 29, Section 29-7, is hereby amended by adding the italic language as follows:

29-7. The City Clerk shall deliver to the holder of any license for an automobile, recreation vehicle, motor truck, motor ambulance or hearse, motor coach or motor bus, a sticker license emblem, which shall bear the words "Vehicle Tax" and "Chicago," and the numerals designating the year for which such license is issued, a reproduction of the corporate seal of the City, the names of the Mayor and the City Clerk, the name of the class to which such vehicle belongs, and a number identical with the number of such license. *In addition, sticker license emblems issued either to disabled veterans or to former prisoners of war, pursuant to Section 29-5, shall bear the word "Veteran".*

Such sticker emblem shall be affixed, in accordance with the instructions printed thereon which are made a part hereof, and without the use of supplemental adhesives, at the lower righthand corner on the inside of the glass portion of the windshield of such motor vehicle, approximately one inch from the right and lower sections of the frame of such windshield.

The City Clerk shall change annually the predominant background colors of such sticker license emblems.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

The motion to correct *Prevailed*.

Thereupon, Alderman Burke moved to *Approve* said printed Official Journal *As Corrected* and to dispense with the reading thereof. The question being put, the motion *Prevailed*.

UNFINISHED BUSINESS.

AUTHORITY GRANTED FOR EXEMPTION OF HOSPITALS FROM PAYMENT OF UNCOLLECTED TAXES AS PROVIDED IN MUNICIPAL CODE CHAPTER 156.1.

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Finance, deferred and published in the Journal of the Proceedings of March 27, 1985, pages 14846-14847, recommending that the City Council pass a proposed ordinance authorizing the exemption of hospitals from payment of uncollected taxes as provided in Municipal Code, Chapter 156.1.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Smith, D. Davis, Hagopian, Santiago, Gabinski, Kotlarz, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 40.

Nays -- None.

Alderman Langford and Alderman Hansen were excused from voting under the provisions of Rule 14 of the Council's Rules of Order.

The following is said ordinance as passed:

WHEREAS, Hospitals have been exempt from the payment of permit fees, license fees, inspection fees and other City revenue measures; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That prior to the effective date of this ordinance, hospitals as defined in Chapter 137 of the Municipal Code of the City of Chicago, shall not be required to pay the City of Chicago any uncollected tax, applicable penalty or applicable interest as provided for in Chapter 156.1 of the Municipal Code of the City of Chicago.

SECTION 2. That from and after the effective date of this ordinance, hospitals shall be exempt from the collection of any tax as provided for in Chapter 156.1 of the Municipal Code of the City of Chicago from their employees.

SECTION 3. This ordinance shall be in force and effect from and after its passage and publication.

AUTHORITY GRANTED FOR ALLOCATION OF 2.5 PERCENT OF COMMUNITY
DEVELOPMENT BLOCK GRANT FUNDS TO RESTORE
"LIGHTED SCHOOLHOUSE PROGRAM".

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Finance, deferred and published in the Journal of the Proceedings of April 18, 1985, pages 15029-15031, recommending that the City Council adopt a proposed resolution authorizing the allocation of 2.5 percent of Community Development Block Grant Funds to restore the "Lighted Schoolhouse Program".

On motion of Alderman Burke, the said proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 44.

Nays -- None.

The following is said resolution as adopted:

WHEREAS, The use of school buildings as social centers began in Chicago a century ago and has been acclaimed throughout the nation and abroad leading to its inclusion in the Encyclopedia Britannica; and

WHEREAS, This program met with great success during and after the depression when it became known as the "Lighted Schoolhouse" and was a valuable part of Chicago children's lives until 1975; and

WHEREAS, The use of school buildings after school hours is not only the ideal but the most efficient and economic way to bring valuable recreational and cultural activities to the children in all communities; and

WHEREAS, Students of today are encouraged to attend schools best suited to their educational needs although those schools may be some distance so that today's children are in particular need of recreational opportunities in their communities to maintain the friendships and sense of neighborhood so important to their development as good citizens; and

WHEREAS, The incidence of youth involvement in gang membership is sharply on the rise and has become so serious that the Mayor has created the Mayor's Task Force on Gang Crime; and

WHEREAS, There is a compelling need for alternatives to gang membership for our youth so that they can develop into valued citizens with a sense of belonging and pride in their community; and

WHEREAS, Present costs preclude using traditional budget funds to keep schools open after school hours; and

WHEREAS, The Community Development Block Grant Program makes funds available to today's cities for "expansion and improvement of community services" and "...better arrangement of...recreational and other needed activity centers" and "...the provision of recreational opportunities" are specifically eligible under the guidelines and are also worthy of allocation under the local option category of the program; and

WHEREAS, Community development funds are most valuable when they provide the most benefit to the most citizens and promise benefits that will go forward many generations; and

WHEREAS, The Chicago Board of Education is experienced in administering "Lighted Schoolhouse" and the Department of Human Services has personnel and programs to offer where sites can be made available; and

WHEREAS, Each Chicago Public School has either a Parent Teacher Association or school council or both and these parents and community volunteers have traditionally served the "Lighted Schoolhouse" by planning and staffing programs and activities most suited to their particular school; and

WHEREAS, An allocation of 2.5% of Chicago's Community Development Block Grant Funds would allow an equal pre-school opportunity for "Lighted Schoolhouse" to be open from October through April for the equivalent of two (2) afternoons per week with the presence of a Board of Education site director and an equal per-child allotment for supplies and equipment; and

WHEREAS, Each public school in Chicago that does not have an extended day program would be responsible for planning its own program and would be funded as soon as its own plan and volunteer staff were in place; now, therefore,

Be It Resolved, By the City Council of the City of Chicago that the Economic Development Committee and the Committee on Finance be urged to make the allocation of 2.5% of future Community Development Block Grant funds to restore the "Lighted Schoolhouse" program for all of Chicago's children.

AUTHORITY GRANTED FOR CREATION OF PROGRAM
OVERSIGHT PANEL TO ADMINISTER "LIGHTED
SCHOOLHOUSE PROGRAM".

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Finance deferred and published in the Journal of the Proceedings of April 18, 1985, pages 15031-15032, recommending that the City Council adopt a proposed resolution authorizing the creation of a program oversight panel to administer the "Lighted Schoolhouse Program".

On motion of Alderman Burke, the said proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 44.

Nays -- None.

The following is said resolution as adopted:

WHEREAS, The "Lighted Schoolhouse" program is an institution in Chicago which has been responsible for the development of outstanding citizens who have brought great honor and pride to the City of Chicago throughout the years; and

WHEREAS, The "Lighted Schoolhouse" has enjoyed the talents and teaching skills of many of Chicago's finest educators and public figures including Myra Bradwell, Robert Maynard Hutchins, and Superintendent-designate Manford Byrd as well as the late Mayor Richard J. Daley; and

WHEREAS, The "Lighted Schoolhouse" program requires a considerable investment of both public funds through the Community Development Block Grant program and private funds through corporate and business donations; and

WHEREAS, The administration of the "Lighted Schoolhouse" program requires the skills of individuals in a variety of disciplines and the participation of various departments

of the City of Chicago including the Departments of Human Services, Economic Development, and the Chicago Board of Education as well as others; and

WHEREAS, All interested governmental units and private industry should be involved with the administration of the "Lighted Schoolhouse" program to provide oversight and experience as well as to foster cooperation between government and private industry in community-based programming; now, therefore,

Be It Resolved, That the City of Chicago does hereby create a Program Oversight Panel for Community School Utilization to administer the "Lighted Schoolhouse" program and the funding thereof.

**AUTHORITY GRANTED FOR ALLOCATION OF MOTOR FUEL
TAX FUNDS FOR VARIOUS STREET AND ROAD
PROGRAMS FOR YEAR 1985.**

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Finance, deferred and published in the Journal of the Proceedings of April 18, 1985, pages 15050 and 15059-15094, recommending that the City Council pass a series of ordinances authorizing the allocation of Motor Fuel Tax Funds for various street and road programs for the year 1985.

Alderman Burke presented the following amendment:

I hereby move to amend those ordinances on Council Journal pages 15050 through 15094 which contain Sections pertaining to recall of laid-off persons on a strict seniority basis by deleting from those ordinances any and all reference to recall of laid-off City employees or any person or a City of Chicago reinstatement, re-employment, promotion, or employment list on a strict seniority basis. The particular ordinances which this amendment will apply to are as follows:

		C.J.P. Page	Section
1.	Maint. Improved Streets	\$6,100,000 15059	9
2.	Curb and Gutter	3,879,803 15060	9
3.	Street Cleaning	4,801,915 15061	7
4.	Snow and Ice Control	5,000,000 15064	7
5.	Replace Traffic Signals	750,000 15063	7
6.	Arterial		

Relamping	1,220,264	15066	7
7. Bridge Maint.	5,000,000	15075	7

On motion of Alderman Burke, the foregoing proposed amendment was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 44.

Nays -- None.

Thereupon, on motion of Alderman Burke, the said proposed ordinances, as amended, were *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 44.

Nays -- None.

Said ordinances, as passed, read respectively as follows (the italic heading in each case not being a part of the ordinance):

*Allocation of Motor Fuel Tax Funds Authorized for
Repairs to Pavements in Improved Streets, County
or State Highways During Year 1985.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That authority is hereby given to make repairs to pavements in Improved Streets, County Highways or State Highways for the period beginning January 1, 1985 and ending December 31, 1985 by use of the asphaltic street repair materials, concrete street repair material or other standard street repair materials, as required to bring the pavements and their appurtenances to a good state of repair, at a cost not to exceed \$6,100,000 to be paid from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago.

SECTION 2. That there is hereby allocated the sum of \$6,100,000 for repairs to pavements in Improved Streets, County Highways or State Highways which shall be work for which estimates are to be filed with the Division of Highways, Department of Transportation of the State of Illinois for the period beginning January 31, 1985 and ending December 31, 1985.

SECTION 3. That the Commissioner of Streets and Sanitation shall prepare the necessary specification and estimates for these repairs and shall do same, either by day labor or contract.

SECTION 4. Motor Fuel Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

SECTION 5. The City Comptroller shall set up a separate account for this project. The Commissioner of Streets and Sanitation shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 6. The operating department shall maintain a separate ledger account for each project utilizing standard account classifications acceptable under generally accepted accounting principals with all charges for direct and indirect expenses delineated, categorized, and detailed for each such project.

SECTION 7. The City Comptroller and the City Treasurer are authorized and directed to make disbursements for said fund when properly approved by the Commissioner of Streets and Sanitation.

SECTION 8. The City Clerk is directed to transmit two (2) certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois, Springfield, Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 9. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Funds Authorized for
Repairs to Curbs and Gutters in Improved
Streets, County and State Highways
During 1985.
(Section Curb and Gutter.)*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Authority is hereby granted to reconstruct curb and combined curb and gutters in various improved streets, County Highways or State Highways for the period beginning January 31, 1985 and ending December 31, 1985. Where necessary, the project shall include new pavement, sidewalk, curb and gutter and drainage structures lying adjacent to or in the path of said repair or reconstruction. The cost shall not exceed \$3,879,803 to be paid from that part of Motor Fuel Tax Funds which has been or may be allocated to the City of Chicago.

SECTION 2. That there is hereby allocated the sum of \$3,879,803 for repairs to curbs and gutters in improved streets, County Highways or State Highways which shall be for work for which estimates are to be filed with the Division of Highways, Department of Transportation of the State of Illinois for the period beginning January 1, 1985 and ending December 31, 1985.

SECTION 3. That the Commissioner of Streets and Sanitation shall prepare the necessary specifications and estimates for these repairs and shall do same, either by day labor or contract.

SECTION 4. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

SECTION 5. The City Comptroller shall set up a separate account for this project. The Commissioner of Streets and Sanitation shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 6. The operating department shall maintain a separate ledger account for each project utilizing standard account classifications acceptable under generally accepted accounting principals with all charges for direct and indirect expenses delineated, categorized, and detailed for each such project.

SECTION 7. The City Comptroller and the City Treasurer are authorized and directed to make disbursements for said fund when properly approved by the Commissioner of Streets and Sanitation.

SECTION 8. The City Clerk is hereby directed to transmit two (2) certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois, Springfield, Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 9. This ordinance shall be in force and effect from and after its passage.

*Expenditure of Motor Fuel Tax Funds Authorized for
Street Cleaning Maintenance of Improved Streets,
County or State Highways During Year 1985.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Authority is hereby given to the Commissioner of Streets and Sanitation to expend the sum of \$4,801,915 from the part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for Street Cleaning Maintenance of Improved

Streets, County Highways and State Highways by day labor during the period commencing January 1, 1985 and ending December 31, 1985.

SECTION 2. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

SECTION 3. The City Comptroller shall set up a separate account for this project. The Commissioner of Streets and Sanitation shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 4. The operating department shall maintain a separate ledger account for each project utilizing standard account classifications acceptable under generally accepted accounting principals with all charges for direct and indirect expenses delineated, categorized, and detailed for each such project.

SECTION 5. The City Comptroller and the City Treasurer are authorized and directed to make disbursements for said fund when properly approved by the Commissioner of Streets and Sanitation.

SECTION 6. The City Clerk is hereby directed to transmit two (2) certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois, Springfield, Illinois through the District Engineer of District 1 of said Division of Highways.

SECTION 7. That this ordinance shall be in force and effect from and after its passage.

*Authority Granted for Expenditure of Motor Fuel Tax
Funds to Maintain Traffic Signals of Improved
Streets, County Highways and State Highways
During 1985.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Authority is hereby given to the Commissioner of Streets and Sanitation to maintain traffic signals through the City by day labor and/or contract, for the period from January 1, 1985 to and including December 31, 1985, at a cost of \$750,000 to be paid for out of that part of the Motor Fuel Funds which have been or may be allotted to the City of Chicago.

SECTION 2. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

SECTION 3. The City Comptroller shall set up a separate account for this project. The Commissioner of Streets and Sanitation shall not expend or authorize the expenditure in excess of the amount shown without having had the prior approval of the City Council.

SECTION 4. The operating department shall maintain a separate ledger account for each project utilizing standard account classifications acceptable under generally accepted accounting principals with all charges for direct and indirect expenses delineated, categorized, and detailed for each such project.

SECTION 5. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said fund when properly approved by the Commissioner of Streets and Sanitation.

SECTION 6. The City Clerk is directed to transmit two (2) certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Department of Transportation.

SECTION 7. This ordinance shall be in force and effect from and after its passage.

*Authority Granted for Expenditure of Motor Fuel Tax
Funds for Snow and Ice Control Maintenance of
Improved Streets, County Highways and State
Highways During 1985.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Authority is hereby given to the Commissioner of Streets and Sanitation to expend the sum of \$5,000,000 from the part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for snow and ice control maintenance of improved streets, county highways and state highways by day labor during the period commencing January 1, 1985 and ending December 31, 1985.

SECTION 2. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

SECTION 3. The City Comptroller shall set up a separate account for this project. The Commissioner of Streets and Sanitation shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 4. The operating department shall maintain a separate ledger account for each project utilizing standard account classifications acceptable under generally accepted

accounting principals with all charges for direct and indirect expenses delineated, categorized, and detailed for each such project.

SECTION 5. The City Comptroller and the City Treasurer are authorized and directed to make disbursements for said fund when properly approved by the Commissioner of Streets and Sanitation.

SECTION 6. The City Clerk is directed to transmit two (2) certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois, Springfield, Illinois through the District Engineer of District 1 of said Division of Highways.

SECTION 7. That this ordinance shall be in force and effect from and after its passage.

*Authority Granted for Expenditure of Motor Fuel Tax
Funds to Maintain Street Lighting on Other Than
Arterial Streets, Energy Costs of Improved
Streets, County Highways and State
Highways During 1985.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Authority is hereby given to the Commissioner of Streets and Sanitation to maintain street lighting on other than arterial streets through the City by day labor and/or contract, for the period from January 1, 1985 to and including December 31, 1985 at a cost of \$256,000.00 to be paid for out of that part of the Motor Fuel Funds which have been or may be allotted to the City of Chicago.

SECTION 2. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

SECTION 3. The City Comptroller shall set up a separate account for this project. The Commissioner of Streets and Sanitation shall not expend or authorize the expenditure in excess of the amount shown without having had the prior approval of the City Council.

SECTION 4. The operating department shall maintain a separate ledger account for each project utilizing standard account classifications acceptable under generally accepted accounting principals with all charges for direct and indirect expenses delineated, categorized, and detailed for each such project.

SECTION 5. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said fund when properly approved by the Commissioner of Streets and Sanitation.

SECTION 6. The City Clerk is directed to transmit two (2) certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Department of Transportation.

SECTION 7. This ordinance shall be in force and effect from and after its passage.

*Authority Granted for Expenditure of Motor Fuel Tax
Funds to Maintain Street Lighting on Arterial
Streets, County Highways and State
Highways During 1985.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Authority is hereby given to the Commissioner of Streets and Sanitation to maintain street lighting on arterial streets through the City by day labor and/or contract, for the period from January 1, 1985 to and including December 31, 1985 at a cost of \$1,220,264.00 to be paid for out of that part of the Motor Fuel Funds which have been or may be allotted to the City of Chicago.

SECTION 2. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

SECTION 3. The City Comptroller shall set up a separate account for this project. The Commissioner of Streets and Sanitation shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 4. The operating department shall maintain a separate ledger account for each project utilizing standard account classifications acceptable under generally accepted accounting principals with all charges for direct and indirect expenses delineated, categorized, and detailed for each such project.

SECTION 5. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said fund when properly approved by the Commissioner of Streets and Sanitation.

SECTION 6. The City Clerk is directed to transmit two (2) certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Department of Transportation.

SECTION 7. This ordinance shall be in force and effect from and after its passage.

*Amendment of Ordinance Providing for Expenditure
of Motor Fuel Tax Funds for Construction
Authorized for New Street Construction,
78-05032-00-PV.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the ordinance passed by the City Council on December 27, 1984 and appearing on pages 14608 and 14609 of the Council Journal, providing for the construction of M.F.T. Project No. 78-05032-00-PV be amended to increase the allocation of Motor Fuel Tax Funds from \$1,750,000.00 to \$2,080,000.00 so that Section 1 of the said ordinance shall read as follows:

Section 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of Two Million Eighty Thousand Dollars (\$2,080,000.00) from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Street Construction 1978-15, M.F.T. Project No. 78-05032-00-PV, in the construction of the following new streets:

S. Carondelet Ave.	- E. 130th St. north to C.W. Ry. (IIB-PA-CPI&P)
S. Buffalo Ave.	- E. 110th St. to E. 109th St.
S. Mackinaw Ave.	- E. 133rd St. to 132nd St.
S. Mackinaw Ave.	- E. 109th St. to 108th St.
S. Green Bay Ave.	- E. 113th St. to E. 110th St.
S. Green Bay Ave.	- E. 109th St. to E. 108th St.
S. Avenue O	- E. 105th St. to E. 103rd St.
S. Avenue N	- E. 102nd St. to E. 101st St.
S. Avenue M	- E. 132nd St. to E. 131st St.
E. 132nd St.	- S. Avenue N to S. Avenue M
E. 105th St.	- from legal limits west of S. Green Bay Ave. to S. Avenue O.

SECTION 2. The City Clerk is hereby directed to transmit two (2) certified copies of this ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, Springfield, Illinois through the District Engineer for District One of the said Division of Highways.

SECTION 3. This ordinance shall be in force and effect from and after its passage and approval.

*Amendment of Ordinance Providing for Expenditure
of Motor Fuel Tax Funds for Construction
Authorized for New Street Construction,
78-05031-00-PV.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the ordinance passed by the City Council on April 13, 1984 and appearing on pages 5947 and 5948 of the Council Journal, providing for the construction of M.F.T. Project No. 78-05031-00-PV be amended to increase the allocation of Motor Fuel Tax Funds from \$1,240,000.00 to \$1,285,000.00 so that Section 1 of the said ordinance shall read as follows:

Section 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of One Million Two Hundred Eighty-five Thousand Dollars (\$1,285,000.00) from that part of the Motor Fuel Tax Fund which has been or may be allotted to the City of Chicago for New Street Construction 1978-14, M.F.T. Project No. 78-05031-00-PV, in the construction of the following new streets:

S. Christiana Ave.	- W. 112th Pl. to W. 111th St.
S. Spaulding Ave.	- W. 112th Pl. to W. 111th St.
S. Sawyer Ave.	- W. 112th Pl. to W. 111th St.
S. Albany Ave.	- W. 113th St. to W. 111th St.
S. Sacramento Ave.	- W. 113th St. to W. 111th St.
W. 113th St.	- S. Kedzie Ave. to S. Troy St.
W. 112th Pl.	- S. Homan Ave. to S. Kedzie Ave.

SECTION 2. The City Clerk is hereby directed to transmit two certified copies of this ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, Springfield, Illinois through the District Engineer for District One of the said Division of Highways.

SECTION 3. This ordinance shall be in force and effect from and after its passage and approval.

*Allocation of Motor Fuel Tax Fund Authorized for New
Street Construction 1982-3 Motor Fuel Tax Project
No. 82-05044-00-PV.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of One Hundred Fifty-seven Thousand (\$157,000) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Street Construction 1982-3, M.F.T. Project No. 82-05044-00-PV, for the engineering of the following new streets:

S. Harding Ave.	- W. 106th St. north to the first east-west alley south of W. 105th St.
S. Springfield Ave.	- W. 107th St. to W. 104th St.
S. Avers Ave.	- from its legal limits south of W. 104th St. to W. 104th St.

S. Hamlin Ave.	- W. 105th St. to W. 103rd St.
S. Lawndale Ave.	- W. 107th St. to W. 105th St.
S. Millard Ave.	- W. 107th St. north to existing pavement
W. 106th St.	- S. Pulaski Rd. to S. Hamlin Ave.
W. 105th St.	- S. Pulaski Rd. to S. Hamlin Ave.
W. 104th St.	- S. Pulaski Rd. to S. Hamlin Ave.
W. 104th St.	- S. Lawndale Ave. to S. Millard Ave.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Purchasing Agent of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace, or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Funds Authorized for
New Street Construction 1982-8 Motor Fuel
Tax Project Number 82-05049-00-PV.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of One Hundred Sixty-two Thousand (\$162,000.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Street Construction 1982-8 M.F.T. Project No. 82-05049-00-PV, for the engineering of the following new streets:

S. University Ave.	- E. 81st St. to E. 80th St.
S. Chappel Ave.	- E. 94th St. to E. 93rd St.
S. Merrill Ave.	- E. 94th St. to E. 93rd St.
S. Luella Ave.	- E. 93rd St. to E. 92nd St.
S. Yates Ave.	- E. 96th St. to E. 95th St.
S. Bensley Ave.	- E. 103rd St. to E. 102nd St.
S. Essex Ave.	- E. 90th St. to S. Anthony Ave.
S. Hoxie Ave.	- E. 103rd St. to E. 102nd St.
S. Hoxie Ave.	- E. 101st St. to E. 97th St.
E. 97th Pl.	- from 358 ft. west of S. Hoxie Ave. to S. Hoxie Ave.
E. 94th St.	- S. Luella Ave. to S. Oglesby Ave.
E. 88th St.	- from its legal limits west of S. Calumet Ave. to S. Calumet Ave.
E. 88th St.	- from the R/W of N.Y.C. & ST. L.R.R. to S. Kimbark Ave.
E. 74th St.	- S. Ridgeland Ave. to S. Constance Ave.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Purchasing Agent of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace, or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall

perform such necessary work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Amendment of Ordinance Providing for Expenditure of
Motor Fuel Tax Funds for Construction and
Engineering Authorized for New Street
Construction, 79-05036-00-PV.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the ordinance passed by the City Council on July 9, 1984 and appearing on pages 8026 and 8027 of the Council Journal, providing for the engineering of M.F.T. Project No. 79-05036-00-PV be amended to increase the allocation of Motor Fuel Tax Funds from \$80,900.00 to \$1,715,000.00 so that Section 1 of the said ordinance shall read as follows:

Section 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of One Million Seven Hundred Fifteen Thousand Dollars (\$1,715,000.00) from that part of the Motor Fuel Tax Fund which has been or may be allotted to the City of Chicago for New Street Construction 1979-1 M.F.T. Project No. 79-05036-00-PV in the construction and engineering of the following new streets:

S. Meade Ave.	- W. 55th St. to S. Archer Ave.
N. Lockwood Ave.	- W. Agatite Ave. to 262.5 ft. north of W. Windsor Ave.
S. Leamington Ave.	- W. 45th St. to W. 44th St.
S. Shields Ave.	- from 571 ft. south of W. 57th St. to W. 57th St.
W. 61st St.	- S. Mulligan Ave. to S. Austin Ave.
W. 59th St.	- S. Harlem Ave. to S. New England Ave.
W. 44th St.	- S. Laramie Ave. to S. Laverne Ave.

SECTION 2. The City Clerk is hereby directed to transmit two certified copies of this ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, Springfield, Illinois through the District Engineer for District One of said Division of Highways.

SECTION 3. This ordinance shall be in force and effect from and after its passage and approval.

*Allocation of Motor Fuel Tax Fund Authorized for
New Street Construction 1982-5 Motor Fuel
Tax Project No. 82-05046-00-PV.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of One Hundred Twenty-two Thousand (\$122,000.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Street Construction 1982-5 M.F.T. Project No. 82-05046-00-PV, for the engineering of the following new streets:

S. Trumbull Ave.	- from its legal limits south of W. 105th Pl. to W. 105th St.
S. Homan Ave.	- W. 107th St. to W. 105th St.
S. Christiana Ave.	- from existing pav't. south of W. 106th St. to W. 105th St.
S. Spaulding Ave.	- W. 106th St. to W. 105th St.
S. Sawyer Ave.	- W. 107th St. to W. 106th St.
W. 105th Pl.	- S. Central Park Ave. to S. St. Louis Ave.
W. 105th St.	- S. Central Park Ave. to S. Drake Ave.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Purchasing Agent of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace, or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Funds Authorized for
New Street Construction 1982-6 Motor Fuel
Tax Project Number 82-05047-00-PV.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of One Hundred Forty Thousand (\$140,000.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Street Construction 1982-6 M.F.T. Project No. 82-05047-00-PV, for the engineering of the following new streets:

S. Hamlin Ave.	- W. 114th Pl. to W. 113th St.
S. Ridgeway Ave.	- W. 114th St. to W. 113th St.
S. Lawndale Ave.	- W. 114th Pl. to W. 113th Pl.
S. Millard Ave.	- W. 114th Pl. to W. 112th Pl.
W. 114th St.	- S. Hamlin Ave. to S. Ridgeway Ave.
W. 113th Pl.	- S. Lawndale Ave. to S. Millard Ave.
W. 112th Pl.	- S. Hamlin Ave. to S. Central Pk. Ave.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Purchasing Agent of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace, or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any

vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Funds Authorized for
Bridge Maintenance and Repair Program
During Year 1985.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate \$5,000,000.00 from the part of the Motor Fuel Tax Fund which has been or may be allotted to the City of Chicago for the maintenance, repair and painting of existing bridges, viaducts and appurtenances related thereto, including exterior lighting and electronic visual aids, located in the City of Chicago, for the period beginning January 1, 1985 and ending December 31, 1985 and the said sum to be kept in an account separate from other Motor Fuel Tax Fund accounts, and to be divided into five portions as follows:

- A. For repairs of an emergency nature and miscellaneous repairs.
- B. For minor repairs and preventive maintenance, movable bridges.
- C. For minor repairs of fixed bridges.
- D. For major repairs.
- E. For the preparation of studies, designs, plans and estimates for the repair of existing bridges, viaducts and appurtenances related thereto.

TOTAL: \$5,000,000

SECTION 2. The Commissioner of Public Works is authorized to expend from said funds the amounts necessary for the maintenance of each listed structure or group of structures as set forth in Section 1 above. The City Comptroller shall set up a separate account for each structure or group of structures as set forth in Section 1 above.

The Commissioner of Public Works shall not expend or authorize the expenditure for any class of work for any sum in excess of the amount set forth opposite each structure or group of structures and the City Comptroller shall not authorize the payment of any vouchers in excess of said amounts without in each case having had the prior approval of the City Council. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for said purposes and for all necessary engineering to be performed by the Bureau of Engineering and incidental costs, including the employment of testing engineers, and consulting engineers, for the payment of other expenses in connection with said purposes, and to cause said work to be done by the Bureau of Engineering by day labor or under contract. At the written request of the Commissioner of Public Works, upon requisition issued by the Bureau of Engineering, accompanied by plans and specifications therefore, the City Purchasing Agent is authorized to advertise and receive bids for such work, materials, supplies and equipment as may be requested by said Commissioner of Public Works.

The operating department shall maintain a separate ledger account for each project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized, and detailed for each such project.

If it should become necessary for the prosecution of the foregoing work to remove, relocate, replace or adjust any part of the water-distributing system, street-lighting system, signal and fire-alarm and traffic-control systems of the City, the appropriate City Department shall charge the cost thereof to that portion of the Motor Fuel Tax Fund allocated for the project described in this ordinance. In connection with the performance of the work herein authorized together with the supervision, inspection and engineering therefor, authority is granted for the storage inside street limits within 500 feet of the structure being repaired or maintained, of materials, machinery, equipment, vehicles and other facilities used in connection therewith. If it should become necessary to remove, relocate, replace and adjust any part of the equipment of any other governmental agency, such governmental agency may be requested by the Bureau of Engineering to perform such work, the cost thereof to be charged to that portion of the Motor Fuel Tax Fund allocated for the project described in this ordinance.

SECTION 3. Motor Fuel Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 4. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 5. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said fund when properly approved by the Commissioner of Public Works.

SECTION 6. The City Clerk is directed to transmit two certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 7. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Funds Authorized for New
Alley Construction 1985-2 Motor Fuel
Tax Project Number U-5025.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of Forty-seven Thousand Nine Hundred (\$47,900.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-2 M.F.T. Project No. U-5025 for the engineering of the following new alleys:

Alley No. 1 --	Alley between W. Pratt Ave., N. Onarga Ave., N. Olympia Ave. and N. Oxford Ave.
Alley No. 2 --	Alley between W. Berwyn Ave., W. Foster Ave., N. Oketo Ave. and N. Osceola Ave.
Alley No. 3 --	Alley between W. Thorndale Ave., W. Ardmore Ave., N. Ozark Ave. and N. Canfield Ave.
Alley No. 4 --	Alley between W. Estes Ave., W. Greenleaf Ave., N. Wolcott Ave. and N. Damen Ave.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Board of Local Improvements of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Fund Authorized for
New Alley Construction 1985-3 Motor Fuel
Tax Project Number U-5026.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of Sixty-eight Thousand Five Hundred (\$68,500.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-3 M.F.T. Project No. U-5026 for the engineering of the following new alleys:

Alley No. 1 --	Alley between W. 61st Street, W. 62nd Street, S. Natoma Avenue and S. Normandy Avenue
Alley No. 2 --	Alley between I.H.B. Railroad, W. 60th Street, S. Menard Avenue and S. Monitor Avenue
Alley No. 3 --	Alley between Belt Railroad, W. 60th Street, S. Monitor Avenue and S. Mayfield Avenue
Alley No. 4 --	Alley between W. 32nd Street, W. 33rd Street, S. Ridgeway Avenue and S. Hamlin Avenue.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Board of Local Improvements of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of

the amount shown and the City Comptroller shall not authorize the approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Fund Authorized for
New Alley Construction 1985-4 Motor Fuel
Tax Project Number U-5027.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of One Hundred Thousand Two Hundred (\$100,200.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-4 M.F.T. Project No. U-5027 for the engineering of the following new alleys:

Alley No. 1 --	Alley between W. 64th Street, W. 65th Street, Chicago Union Transfer Railroad and S. Knox Avenue
Alley No. 2 --	Alley between W. 64th Street, W. 64th Place, S. St. Louis Avenue and S. Central Park Avenue.
Alley No. 3 --	Alley between W. 90th Street, W. 91st Street, S. May Street and S. Racine Avenue
Alley No. 4 --	Alley between W. 64th Place, W. 65th Street, S. Latrobe Avenue and S. Lockwood Avenue.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Board of Local Improvements of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Fund Authorized for
New Alley Construction 1985-5 Motor
Fuel Tax Project Number U-5028.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of Eighty-one Thousand Eight Hundred (\$81,800.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-5 M.F.T. Project No. U-5028 for the engineering of the following new alleys:

Alley No. 1 --	Alley between E. 85th Street, S. South Chicago Avenue, S. Yates Boulevard and S. Oglesby Avenue
Alley No. 2 --	Alley between E. 80th Street, E. 81st Street, S. Bennett Avenue and S. Constance Avenue
Alley No. 3 --	Alley between E. 84th Street, E. 84th Place, S. Cregier Avenue and S. East End Avenue
Alley No. 4 --	Alley between S. Anthony Avenue, E. 89th Street, S. Yates Avenue and S. Oglesby Avenue.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Board of Local Improvements of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of

the amount shown and the City Comptroller shall not authorize the approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Fund Authorized
for New Alley Construction 1985-6 Motor
Fuel Tax Project Number U-5029.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of Forty-six Thousand Five Hundred (\$46,500.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-6 M.F.T. Project No. U-5029 for the engineering of the following new alleys:

Alley No. 1 --	Alley between W. 98th Street, W. 98th Place, S. Princeton Avenue and S. Harvard Avenue
Alley No. 2 --	Alley between E. 101st Street, E. 102nd Street, S. Prairie Avenue and S. Indiana Avenue
Alley No. 3 --	Alley between E. 100th Street, E. 101st Street, S. Vernon Avenue and S. King Drive
Alley No. 4 --	Alley between E. 102nd Street, E. 102nd Place, S. Dauphin Avenue and S. St. Lawrence Avenue.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Board of Local Improvements of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Funds Authorized
for New Alley Constuction 1985-7 Motor
Fuel Tax Project Number U-5030.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of One Hundred Sixteen Thousand Four Hundred (\$116,400.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-7 M.F.T. Project No. U-5030 for the engineering of the following new alleys:

Alley No. 1 --	Alley between W. 108th Street, W. 109th Street, S. Eggleston Avenue and S. Normal Avenue
Alley No. 2 --	Alley between W. 108th Street, W. 109th Street, S. Normal Avenue and S. Parnell Avenue
Alley No. 3 --	Alley between W. 90th Street, W. 91st Street, S. Aberdeen Street and S. May Street
Alley No. 4 --	Alley between E. 91st Street, E. 92nd Street, S. Yates Avenue and S. Oglesby Avenue.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Board of Local Improvements of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of

the amount shown and the City Comptroller shall not authorize the approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Fund Authorized
for New Alley Construction 1985-8 Motor
Fuel Tax Project Number U-5031.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of Fifty-six Thousand Five Hundred (\$56,500.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-8 M.F.T. Project No. U-5031 for the engineering of the following new alleys:

Alley No. 1 --	Alley between W. 122nd Street, W. 123rd Street, S. LaSalle Street and S. Wentworth Avenue;
Alley No. 2 --	Alley between W. Vermont Street, W. 128th Place, S. Emerald Avenue and S. Halsted Street;
Alley No. 3 --	Alley between E. 122nd Place, E. 123rd Street, S. Michigan Avenue and S. State Street;
Alley No. 4 --	Alley between W. 127th Place, W. 128th Street P.C.C. & St. Louis Railroad and S. Parnell Avenue.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Board of Local Improvements of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Funds Authorized
for New Alley Construction 1985-9 Motor
Fuel Tax Project Number U-5032.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of Eighty-one Thousand Five Hundred (\$81,500.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-9 M.F.T. Project No. U-5032 for the engineering of the following new alleys:

Alley No. 1 --	Alley between W. 68th Street, W. 69th Street, S. Oakley Avenue and S. Claremont Avenue
Alley No. 2 --	Alley between W. 69th Street, W. 70th Street, S. Winchester Avenue and S. Damen Avenue
Alley No. 3 --	Alley between W. 81st Street, W. 82nd Street, S. Honore Street and S. Wolcott Avenue
Alley No. 4 --	Alley between W. 81st Street, W. 82nd Street, S. Wolcott Avenue and S. Winchester Avenue.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Board of Local Improvements of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of

the amount shown and the City Comptroller shall not authorize the approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Fund Authorized
for New Alley Construction 1985-10 Motor
Fuel Tax Project Number U-5033.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of Ninety Thousand Three Hundred (\$90,300.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-10 M.F.T. Project No. U-5033 for the engineering of the following new alleys:

Alley No. 1 --	Alley between E. 120th Street, E. 120th Place, S. Indiana Avenue and S. Michigan Avenue
Alley No. 2 --	Alley between E. 125th Place, E. 126th Place, S. Indiana Avenue and S. Edbrooke Avenue
Alley No. 3 --	Alley between W. 111th Street, W. 111th Place, S. Aberdeen Street and S. Racine Avenue
Alley No. 4 --	Alley between W. 111th Street, W. 112th Street, S. Normal Avenue and S. Parnell Avenue.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Board of Local Improvements of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Authority Granted for Expenditure of Motor
Fuel Tax Funds for Street Light Energy
Costs of Improved Streets, County
Highways and State Highways
During 1985.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Authority is hereby given to the Commissioner of Streets and Sanitation to pay street light energy cost on streets through the City for the period from January 1, 1985 to and including December 31, 1985, at a cost of \$4,438,000.00 to be paid for out of that part of the Motor Fuel Funds which have been or may be allotted to the City of Chicago.

SECTION 2. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

SECTION 3. The City Comptroller shall set up a separate account for this project. The Commissioner of Streets and Sanitation shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 4. The operating department shall maintain a separate ledger account for each project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for each such project.

SECTION 5. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said fund when properly approved by the Commissioner of Streets and Sanitation.

SECTION 6. The City Clerk is directed to transmit two (2) certified copies of this ordinance to the Division of Highways, Department of Transportation of the State of Illinois, through the District Engineer of District 1 of said Department of Transportation.

SECTION 7. This ordinance shall be in force and effect from and after its passage.

*Allocation of Motor Fuel Tax Fund Authorized for
New Alley Construction 1985-1 Motor Fuel
Tax Project Number U-5024.*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Comptroller and the City Treasurer with the approval of the Department of Transportation of the State of Illinois are authorized and directed to allocate the sum of Seventy-five Thousand Two Hundred (\$75,200.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-1 M.F.T. Project No. U-5024 for the engineering of the following alleys:

Alley No. 1 --	Alley between W. 53rd St., W. 54th St., Grand Trunk and Western Railroad R.O.W. and S. Millard Ave.
Alley No. 2 --	Alley between W. 50th St., S. Archer Ave., S. Komensky Ave. and S. Karlov Ave.
Alley No. 3 --	Alley between N. Clybourn Ave., W. Barry Ave., N. Western Ave. (Triangle)
Alley No. 4 --	Alley between W. Eddy St., N. Elston Ave., N. Albany Ave. and N. Troy St.

SECTION 2. The Commissioner of Public Works is authorized to expend from said fund any sum necessary for all work in connection with the engineering and construction of said improvement, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 3. The Board of Local Improvements of the City of Chicago is hereby authorized to advertise and receive bids for the said improvement when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 4. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City department shall perform such necessary engineering and construction work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the improvement in Section 1 of this ordinance.

SECTION 5. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax Funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 6. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 7. The operating department shall maintain a separate ledger account for this project utilizing standard account classifications acceptable under generally accepted accounting principles with all charges for direct and indirect expenses delineated, categorized and detailed for this project.

SECTION 8. The City Comptroller and the City Treasurer are authorized and directed to make disbursements from said allocation when properly approved by the Commissioner of Public Works.

SECTION 9. The City Clerk is directed to transmit two (2) certified copies of the ordinance to the Division of Highways of the Department of Transportation of the State of Illinois through the District Engineer of District 1 of said Division of Highways.

SECTION 10. This ordinance shall be in force and effect from and after its passage.

*Maintenance and Repair of Sidewalks Specifically
Designated as Motor Fuel Tax Fund Projects
and Expenditures Therefore Authorized
(Sidewalk Repair 1985).*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Authority is hereby given for the maintenance and repair of existing sidewalks with the exception of those that are vaulted. Where necessary, the project shall include the adjustment of drainage structures and other municipally owned utilities. The project shall be known as "Sidewalk Repair 1985".

SECTION 2. The City of Chicago will share equally with the owners of the property abutting defective sidewalks in the cost of the maintenance and repairs. In addition the City of Chicago will pay 75% of the cost of sidewalk repair for those Senior Citizens who own and occupy single family residences or apartment buildings of four (4) units or less. A Senior Citizen being defined as one who is at least 65 years of age. There is allocated from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago, the sum of \$3,000,000.00 which shall be the City's cost of the maintenance and repairs.

SECTION 3. The Commissioner of Public Works is hereby authorized to formulate and publish all necessary rules and regulations for, to receive applications for, to make investigations and surveys for, to prepare specifications and estimates for and to supervise the maintenance and repair of the sidewalks, all subject to the approval of the Department of Transportation of the State of Illinois.

SECTION 4. The Purchasing Agent of the City of Chicago is hereby authorized to advertise and receive bids for the project when approved by the Department of Transportation of the State of Illinois and to enter into all necessary contracts therefore.

SECTION 5. If it should become necessary to remove, relocate, replace or adjust any part of the water distributing system, street lighting system, signal and fire alarm equipment or traffic control system of the City, the appropriate City Department shall perform such necessary work with its own forces and charge the cost thereof to that part of the Motor Fuel Tax Fund allocated for the project in Section 2 of this ordinance.

SECTION 6. Motor Fuel Tax Funds allocated for this project shall not be transferred to any other Motor Fuel Tax project or Motor Fuel Tax funds allocated for any other project shall not be transferred to this project, in either instance, without the prior approval of the City Council.

Upon certification of the completion of this project by the State of Illinois, Department of Transportation, this project shall be terminated by ordinance and any remaining Motor Fuel Tax Funds allocated shall be returned to the Motor Fuel Tax Fund.

SECTION 7. The City Comptroller shall set up a separate account for this project. The Commissioner of Public Works shall not expend or authorize the expenditure in excess of the amount shown and the City Comptroller shall not authorize the payment of any vouchers in excess of the amount shown without having had the prior approval of the City Council.

SECTION 8. The City Clerk is hereby directed to transmit two (2) certified copies of this ordinance to the Division of Highways of the Department of Transportation of the State of Illinois, Springfield, Illinois through the District Engineer of District 1 of the said Division of Highways.

SECTION 9. This ordinance shall be in force and effect from and after its passage and approval.

At this point in the proceedings, Honorable Harold Washington, Mayor, relinquished the Chair to President Pro Tem. Alderman Eugene Sawyer.

ACCEPTANCE OF GRANT FROM CHICAGO COMMUNITY
TRUST TO DEPARTMENT OF CULTURAL
AFFAIRS.

On motion of Alderman McLaughlin, the City Council took up for consideration the report of the Committee on Cultural Development and Historical Landmark Preservation deferred and published in the Journal of the Proceedings of March 20, 1985, pages 14550 and 14555, recommending that the City Council adopt a proposed resolution accepting a grant from the Chicago Community Trust to the Chicago Department of Cultural Affairs for the purpose of creating the Chicago Long Range Cultural Plan.

On motion of Alderman McLaughlin, the said proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said resolution as adopted:

WHEREAS, The flourishing of the arts and humanities in Chicago has been shown both to enrich the quality of life of Chicagoans and also to spur economic development and the renaissance of the neighborhoods; and

WHEREAS, Appropriate planning is necessary to ensure that the resources and benefits of the arts and humanities are shared by all Chicagoans; and

WHEREAS, The Chicago Department of Cultural Affairs has begun work which will culminate in the first Chicago Long Range Cultural Plan; and

WHEREAS, The Chicago Community Trust, a community foundation which has served the people of Chicago since 1915, has authorized a grant to the Chicago Department of Cultural Affairs which will fund the research and drafting of the Chicago Long Range Cultural Plan; now, therefore,

Be It Resolved, That the Mayor and the members of the Chicago City Council acknowledge with thanks and accept the grant of the Chicago Community Trust to the Chicago Department of Cultural Affairs for the purposes of creating, in accordance with the Department's programs and objectives, the Chicago Long Range Cultural Plan.

AUTHORITY GRANTED FOR AMENDMENT OF 1983 AIRPORT
USE AGREEMENT AND TERMINAL FACILITIES
AGREEMENT WITH AMERICAN AIRLINES.

On motion of Alderman Damato, the City Council took up for consideration the report of the Committee on Aviation deferred and published in the Journal of the Proceedings of February 27, 1985, pages 14246 thru 14285, recommending that the City Council pass a proposed ordinance authorizing an amendment to the 1983 Airport Use Agreement and Terminal Facilities Agreement with American Airlines.

Alderman Bloom moved to re-refer the proposed ordinance to the Committee on Aviation.

Alderman Damato moved to *Lay on the Table* the proposed motion to re-refer. The motion *Prevailed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Kellam, Sheahan, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Hansen, McLaughlin, Orbach, Schuler, Stone -- 37.

Nays -- Aldermen Tillman, Evans, Bloom, Streeter, D. Davis, Oberman, Volini, Orr -- 8.

At this point in the proceedings, Alderman Beavers moved the *Previous Question*. The motion *Prevailed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Tillman, Evans, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Nardulli, D. Davis, Hagopian, Gabinski, Banks, Damato, Cullerton, Laurino, Pucinski, Natarus, Hansen, McLaughlin, Orbach, Schulter, Volini, Stone -- 37.

Nays -- Aldermen Bloom, Smith, Oberman, Orr -- 4.

Thereupon, on motion of Alderman Damato, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Orbach, Volini, Stone -- 39.

Nays -- Aldermen Bloom, Oberman, Orr -- 3.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

Alderman Burke was excused from voting under the provisions of Rule 14 of the Council's Rules of Order.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Mayor, the Commissioner of Aviation and the City Comptroller, subject to the approval of the Corporation Counsel, are authorized to execute an amendment to Exhibits J and K of the Airport Use Agreement and Terminal Facilities Lease of 1983 by and between the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois ("City"), and American Airlines, a corporation organized and existing under the laws of the State of Delaware ("Airline"), said amendment to be substantially in the following terms:

AMENDMENT NO. 2-A

TO

AIRPORT USE AGREEMENT AND TERMINAL FACILITIES LEASE.

This Amendment No. 2-A to Airport Use Agreement and Terminal Facilities Lease ("Amendment No. 2-A") made and entered into as of this _____ day of _____, 1985, by and between the City of Chicago, a municipal corporation

and home rule unit of local government organized and existing under the laws of the State of Illinois ("City"), and American Airlines, a corporation organized and existing under the laws of the State of Delaware ("Airline").

Witnesseth:

Whereas, City and Airline have entered into an Airport Use Agreement and Terminal Facilities Lease dated as of February 1, 1983 as amended by Amendment No. 1 and Amendment No. 2 to Airport Use Agreement and Terminal Facilities Lease dated respectively as of April 1, 1983 and June 1, 1983 (the "1983 Use Agreement") under which City has leased certain areas in the terminal buildings to Airline; and

Whereas, the City and Airline desire to further amend the 1983 Use Agreement; now, therefore,

In consideration of the premises and of the mutual covenants and agreements herein contained, City and Airline agree to amend the 1983 Use Agreement by deleting in their entirety Exhibits J and K to the 1983 Use Agreement and substituting therefor, the attached Exhibits J and K.

In Witness Whereof, City has caused this Amendment No. 2-A to be executed on its behalf by its Mayor, pursuant to due authorization of the City Council of City, and its seal to be hereunto affixed and attested by the City Clerk of City, and Airline has caused this Amendment No. 2-A to be executed on its behalf by its Vice President and its Secretary, pursuant to due authorization of its Board of Directors, all as of the day and year first above written.

[Signature forms omitted for printing purposes.]

[Exhibits attached to this Agreement are printed on pages 15934
thru 15971 of this Journal.]

SECTION 2. This ordinance shall be in force and effect from and after its passage.

AUTHORITY GRANTED FOR AMEDEMMENT OF 1983
AIRPORT USE AGREEMENT AND TERMINAL
FACILITIES AGREEMENT WITH
USAir AIRLINES.

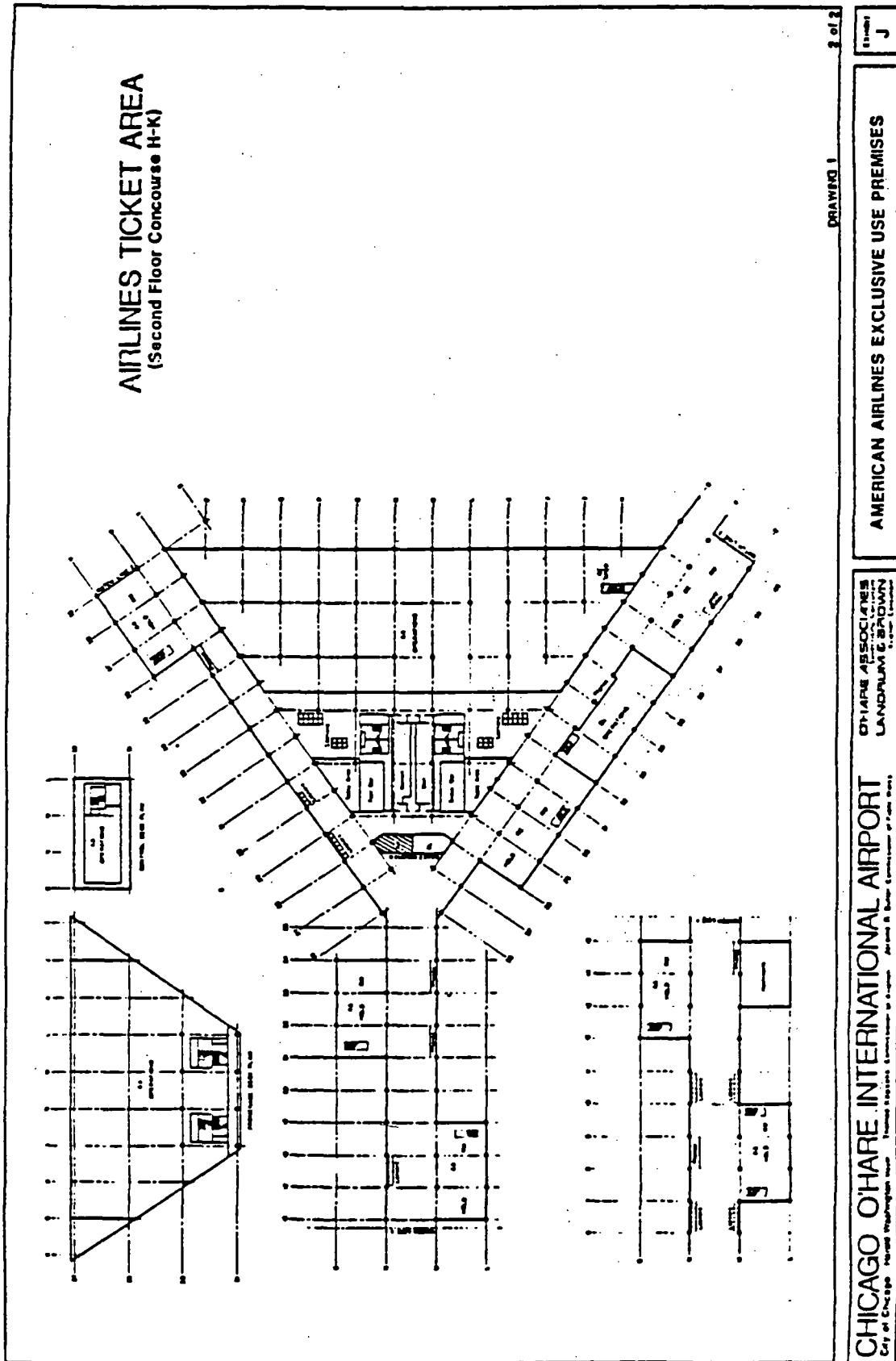
On motion of Alderman Damato, the City Council took up for consideration the report of the Committee on Aviation deferred and published in the Journal of the Proceedings of February 27, 1985, pages 14247 and 14286 thru 14299, recommending that the City Council pass a proposed ordinance authorizing an amendment to the 1983 Airport Use agreement and Terminal Facilities agreement with USAir Airlines.

(Continued on page 15972)

4/25/85

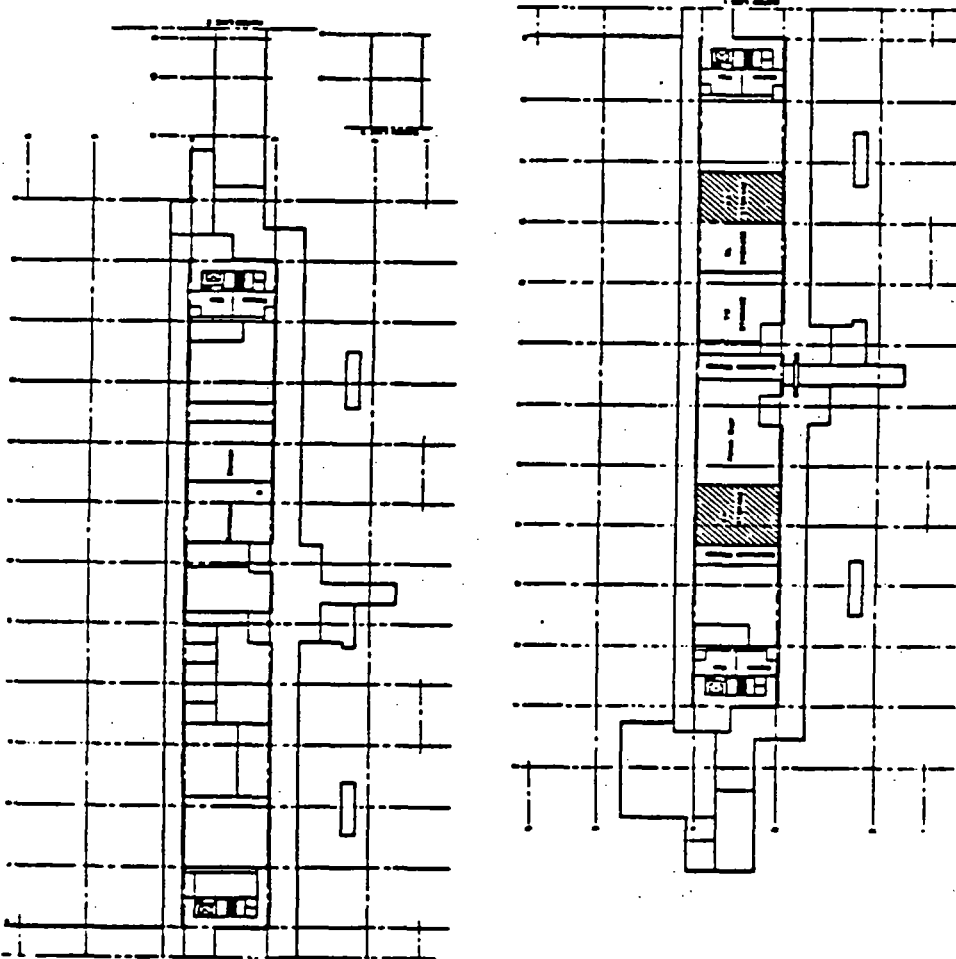
UNFINISHED BUSINESS

15935



AIRLINES OPERATIONS AREA

(Basement Floor Terminal 3)



DRAWING 2 1 of 8

1

AMERICAN AIRLINES EXCLUSIVE USE PREMISES

ONLINE ASSOCIATES
NADREB 2 MARCENAL
LANDRUM 2 BROWN

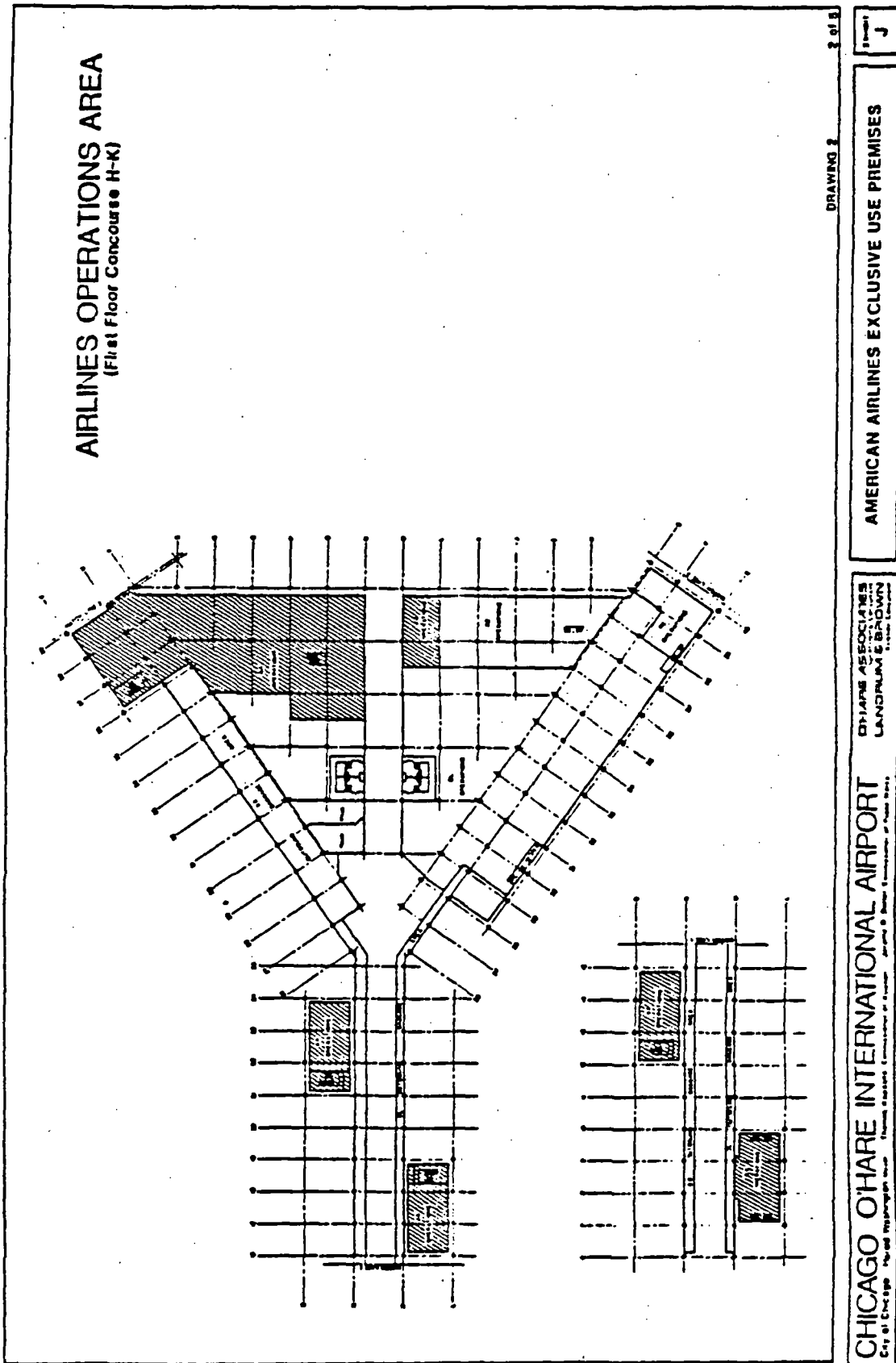
CHICAGO O'HARE INTERNATIONAL AIRPORT

JAN 22 1985

4/25/85

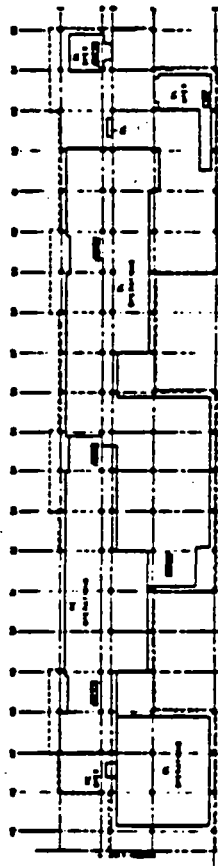
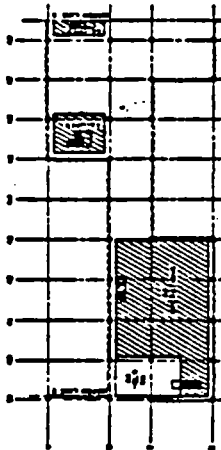
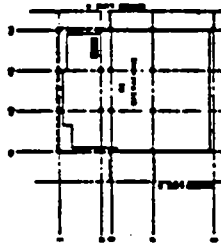
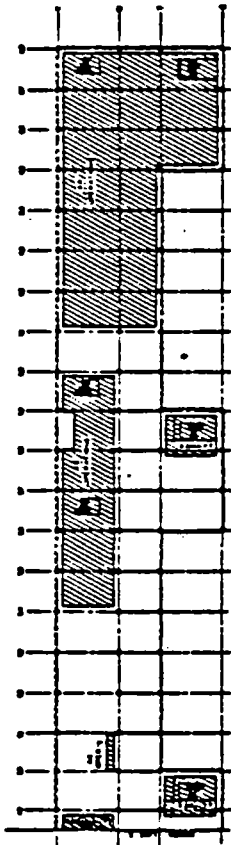
UNFINISHED BUSINESS

15937



JAN 27 1985

AIRLINES OPERATIONS AREA
(First Floor Concourse H-K)



DRAWING 2 3 of 8

J

AMERICAN AIRLINES EXCLUSIVE USE PREMISES

OTIAPR ASSOCIATES
LANDRUM & BROWN
ARCHITECTS

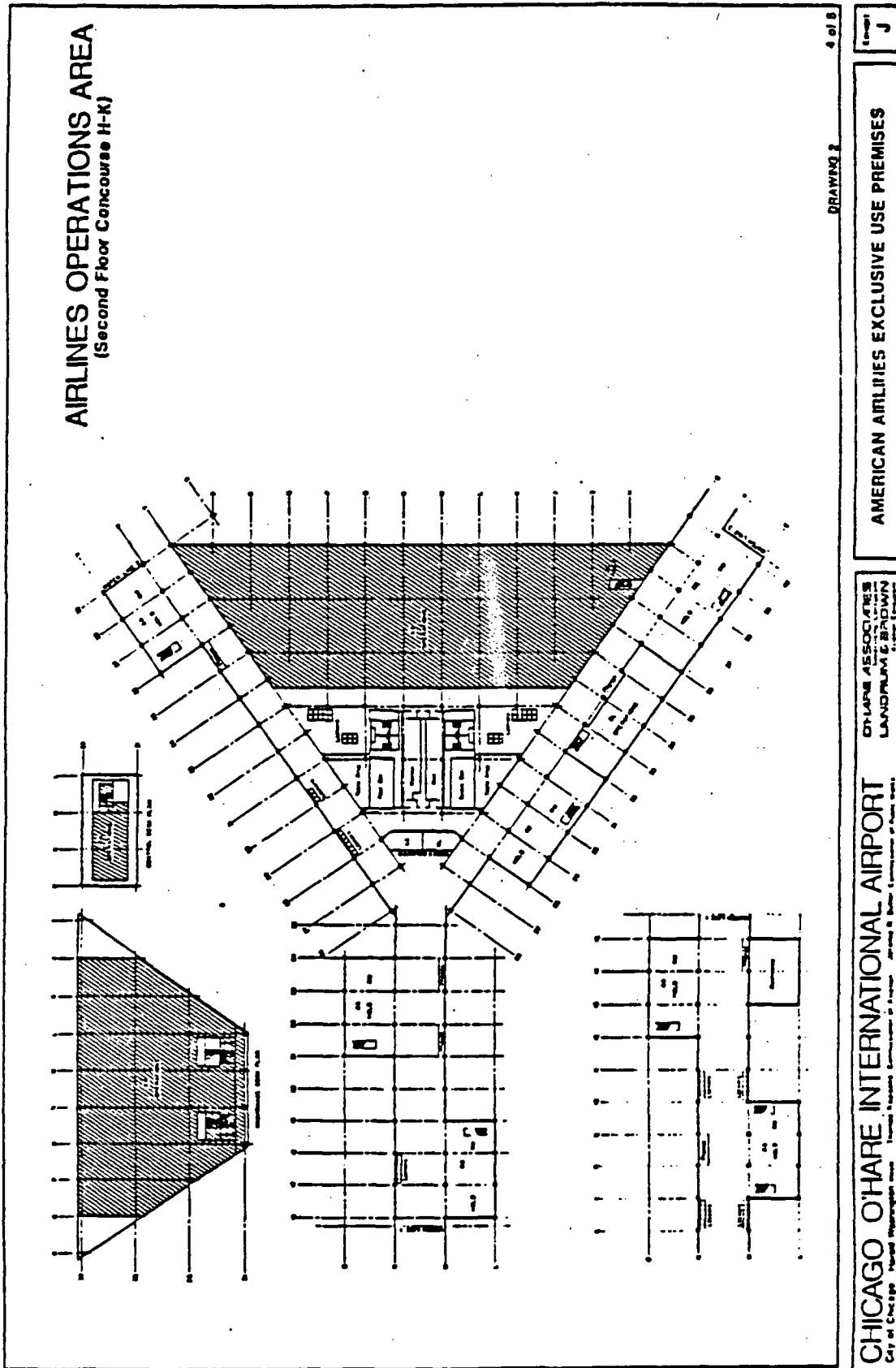
CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago
Technical Services
Division of Building Construction
Department of Public Works

JAN 2 2 1985

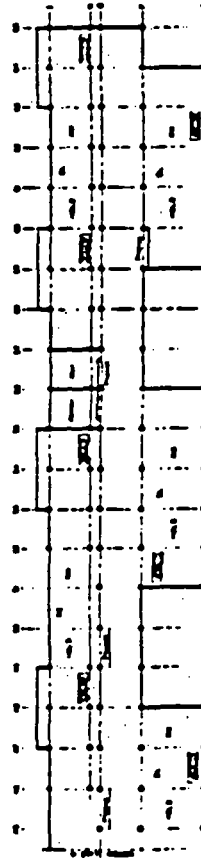
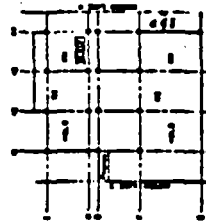
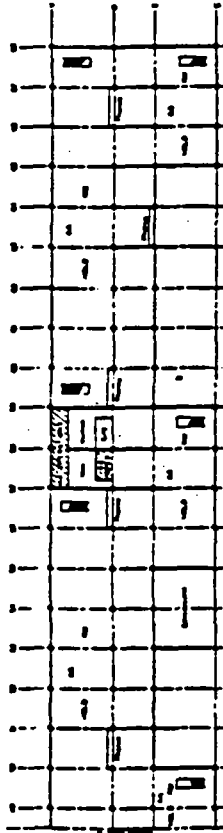
4/25/85

UNFINISHED BUSINESS

15939



AIRLINES OPERATIONS AREA
(Second Floor Concourse H-K)



DRAWING 2 6 of 6

J

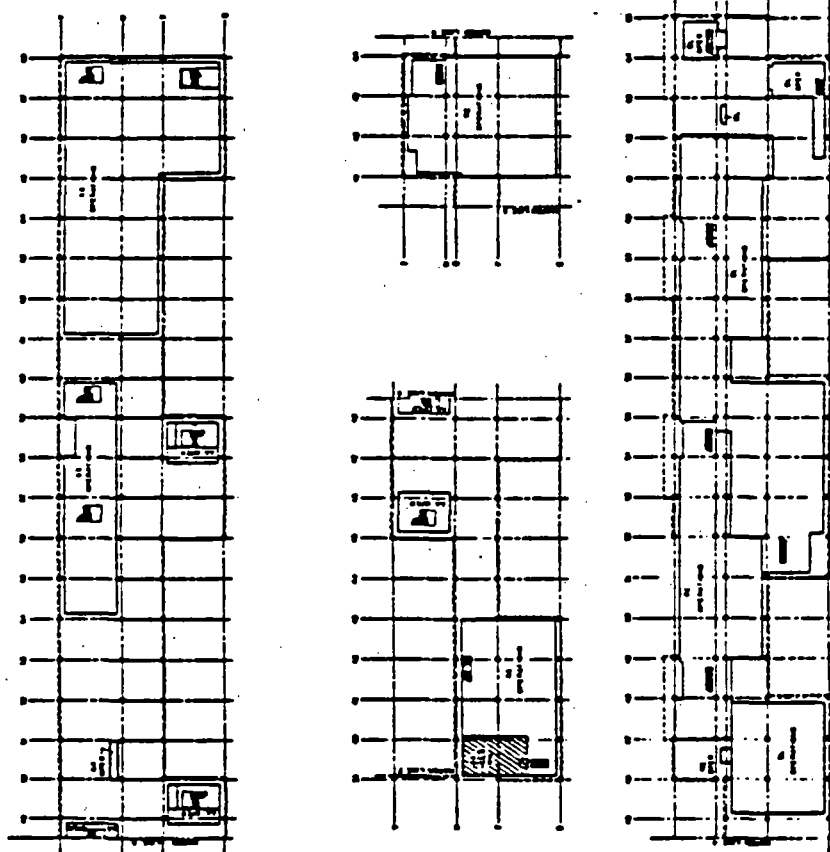
AMERICAN AIRLINES EXCLUSIVE USE PREMISES

DIANE ASSOCIATES
LANDRUM & BROWN
ARCHITECTS

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Federal Transportation Service, Terminal Building, Construction of Phase 2, 2nd Floor, Concourse H-K

JAN 22 1985

AIRLINES HOLD AREA
(First Floor Concourse H-K)



1 of 3

UNIVERSITY

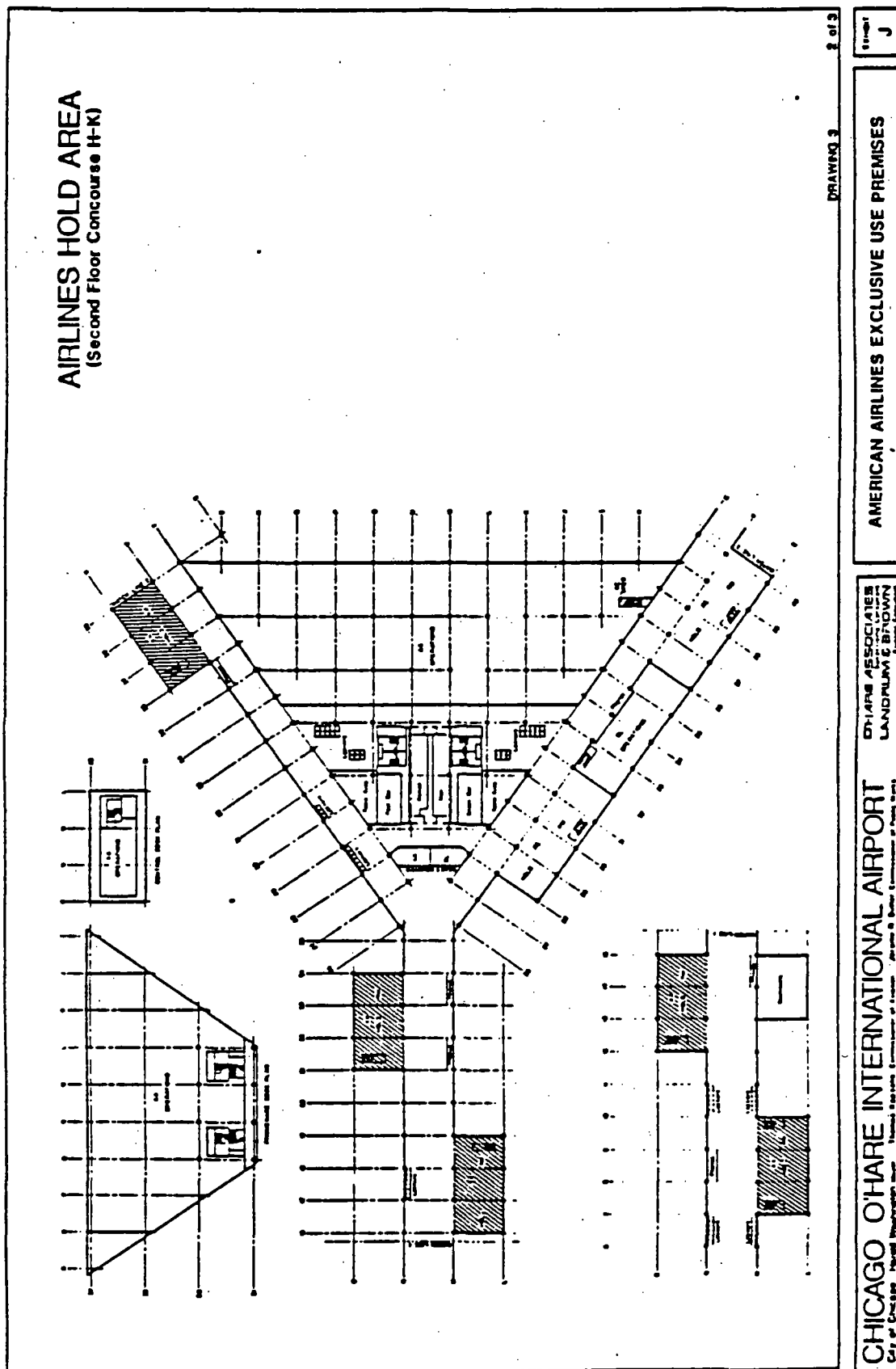
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AMERICAN AIRLINES EXCLUSIVE USE PREMISES

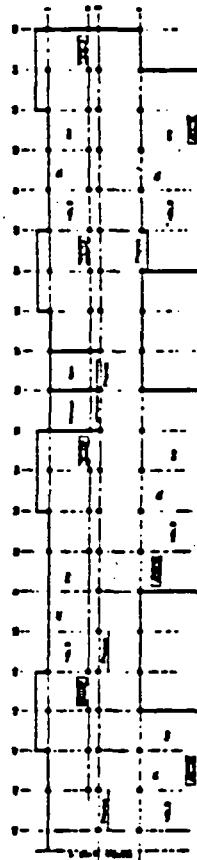
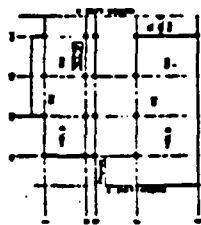
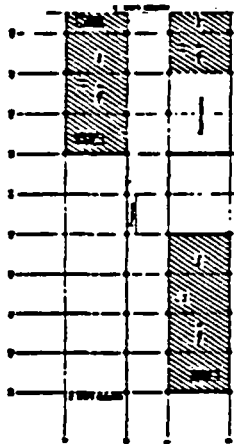
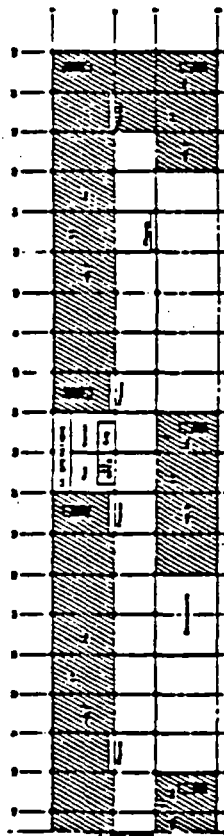
ONTARIO ASSOCIATION
OF
LANDRUM & BROWN

CHICAGO O'HARE INTERNATIONAL AIRPORT

JAN 22 1985



AIRLINES HOLD AREA
(Second Floor Concourse H-K)



DRAWING 3 3 of 3

J

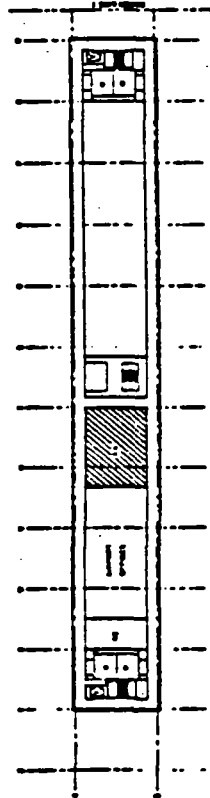
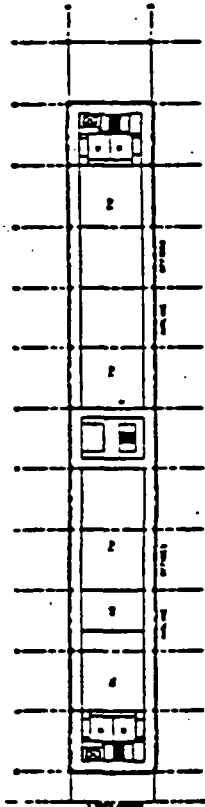
AMERICAN AIRLINES EXCLUSIVE USE PREMISES

CHARE ASSOCIATES
LANDPLANNING & DESIGN

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago Regional Transportation Authority
Terminal Expansion, Construction of Terminal, Airside & Other Improvements at Phase Three

JAN 27 1985

AIRLINES MEZZANINE AREA
(Mezzanine Floor Terminal 3)



DRAWING 4

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, 140 West Washington, Room 1400
Technical & Planning Department of Transportation, Division of Airport Administration of Public Works

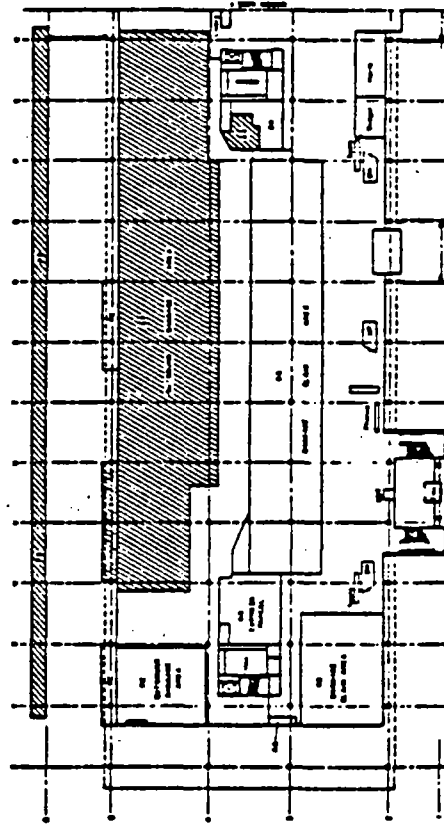
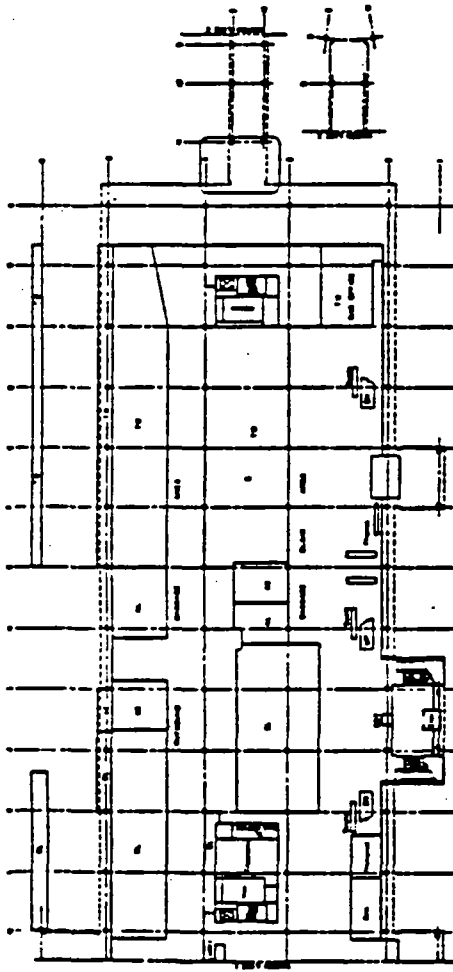
OTI ASSOCIATES
LANDRUM & BROWN
Architects

AMERICAN AIRLINES EXCLUSIVE USE PREMISES

J

JAN 22 1985

**AIRLINES OUTBOUND
BAGGAGE AREA**
(First Floor Terminal 3)



DRAWING 8
1 of 2

Sheet
J

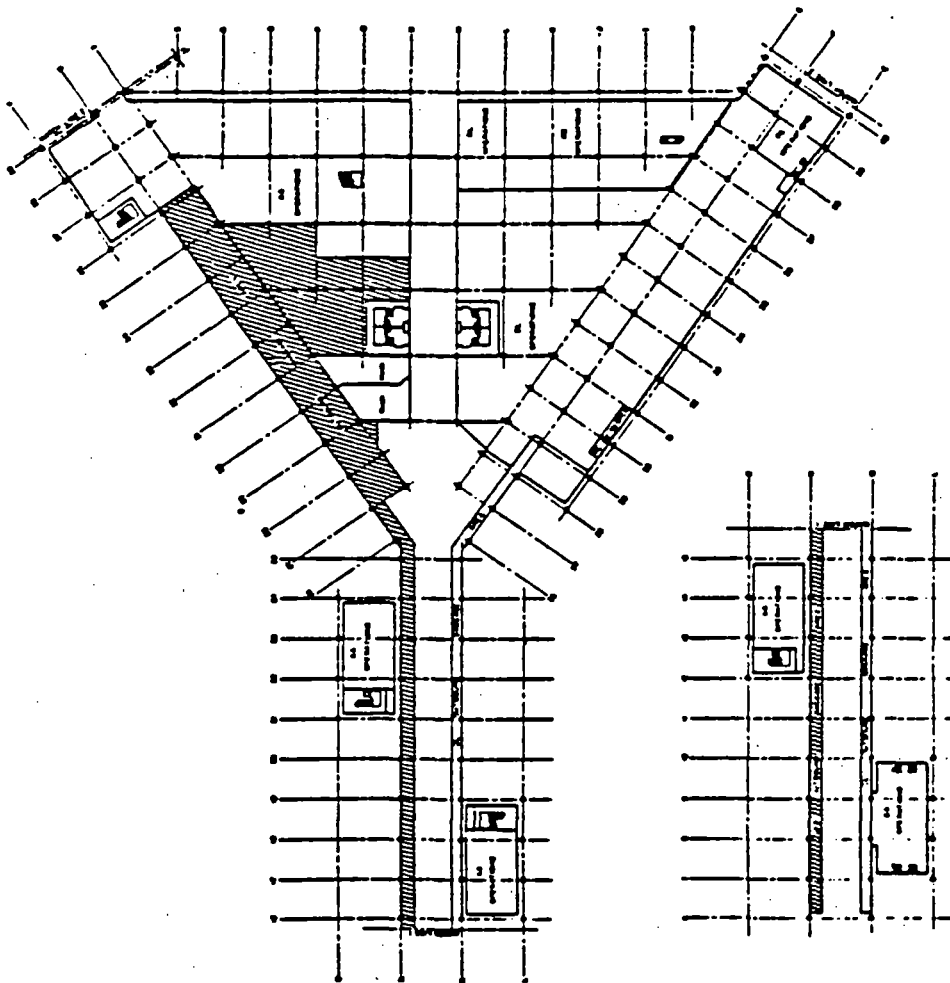
AMERICAN AIRLINES EXCLUSIVE USE PREMISES

OTI & ASSOCIATES
LANDRUM & BROWN
ARCHITECTS

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Terminal 3, Baggage Claim, Concessions, and Ticketing
Terminal 3, Baggage Claim, Concessions, and Ticketing

JAN 2 2 1985

AIRLINES OUTBOUND
BAGGAGE AREA
(First Floor Concourse H-K)



DRAWING 8

2 of 2

J

AMERICAN AIRLINES EXCLUSIVE USE PREMISES

OTIAMS ASSOCIATES
LAND PLANNING & DESIGN

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Planning Department, 1100 North Dearborn Street, Chicago, Illinois 60642

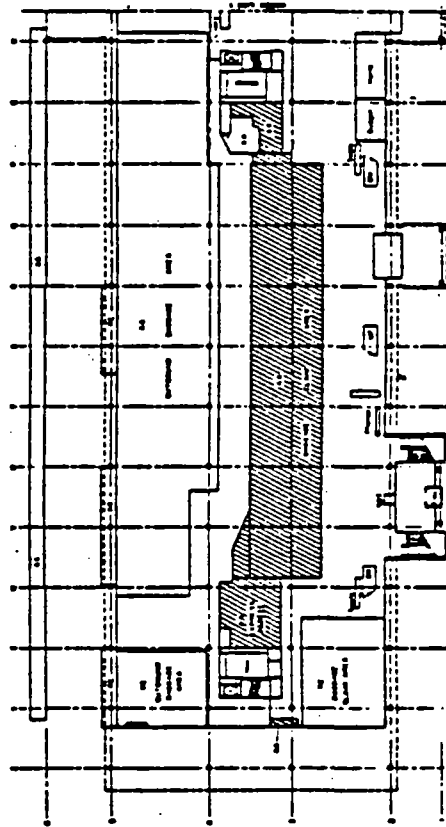
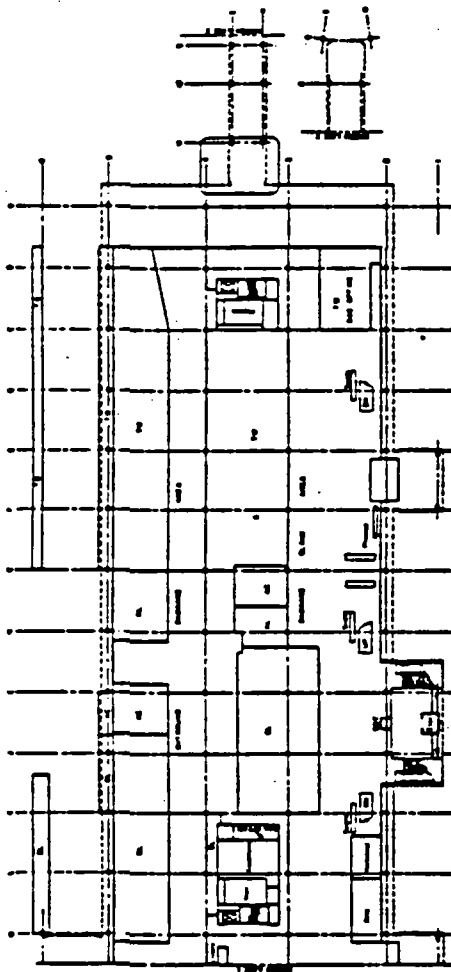
JAN 2 2 1985

4/25/85

UNFINISHED BUSINESS

15947

**AIRLINES BAGGAGE
CLAIM AREA**
(First Floor Terminal 3)



DRAWING 6

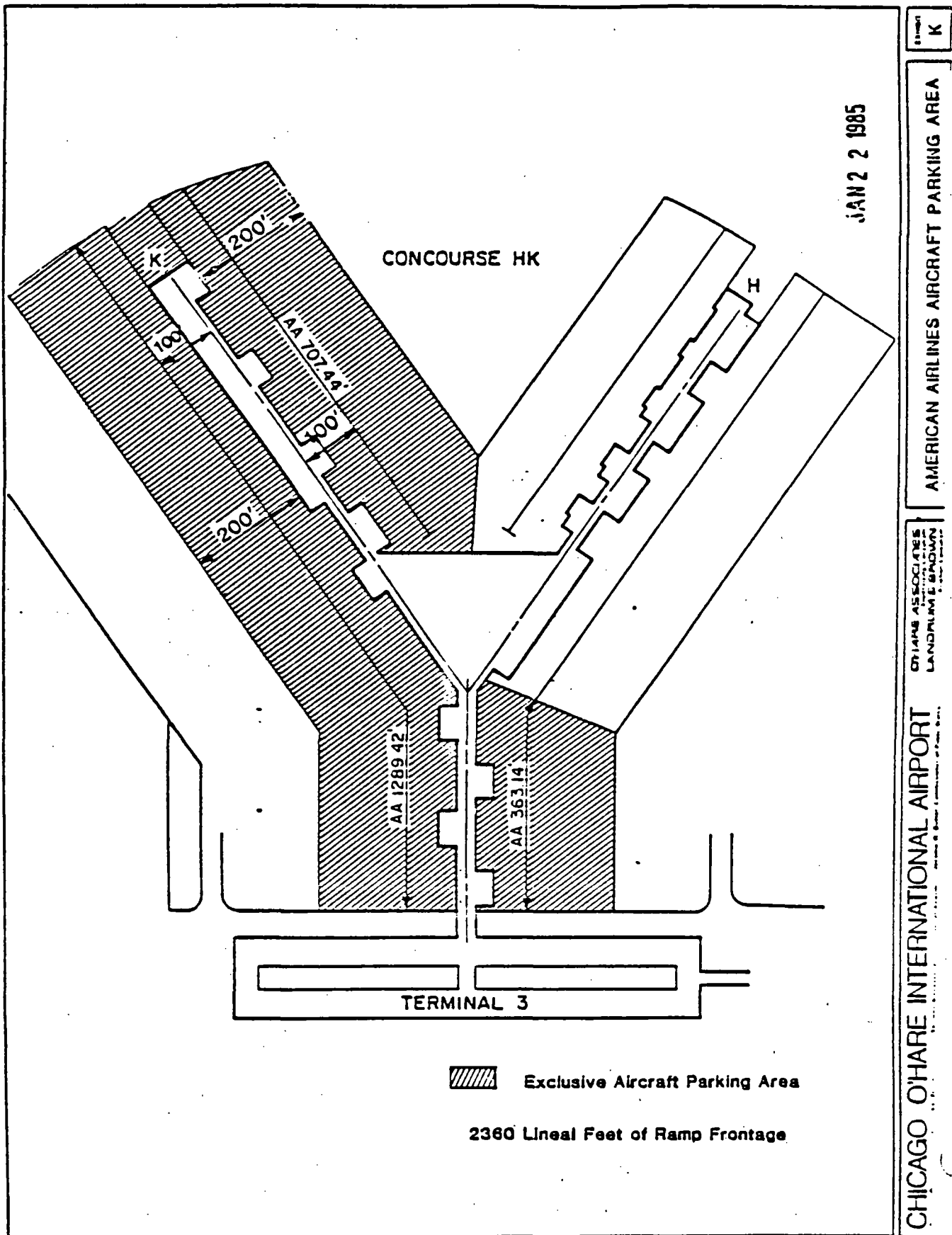
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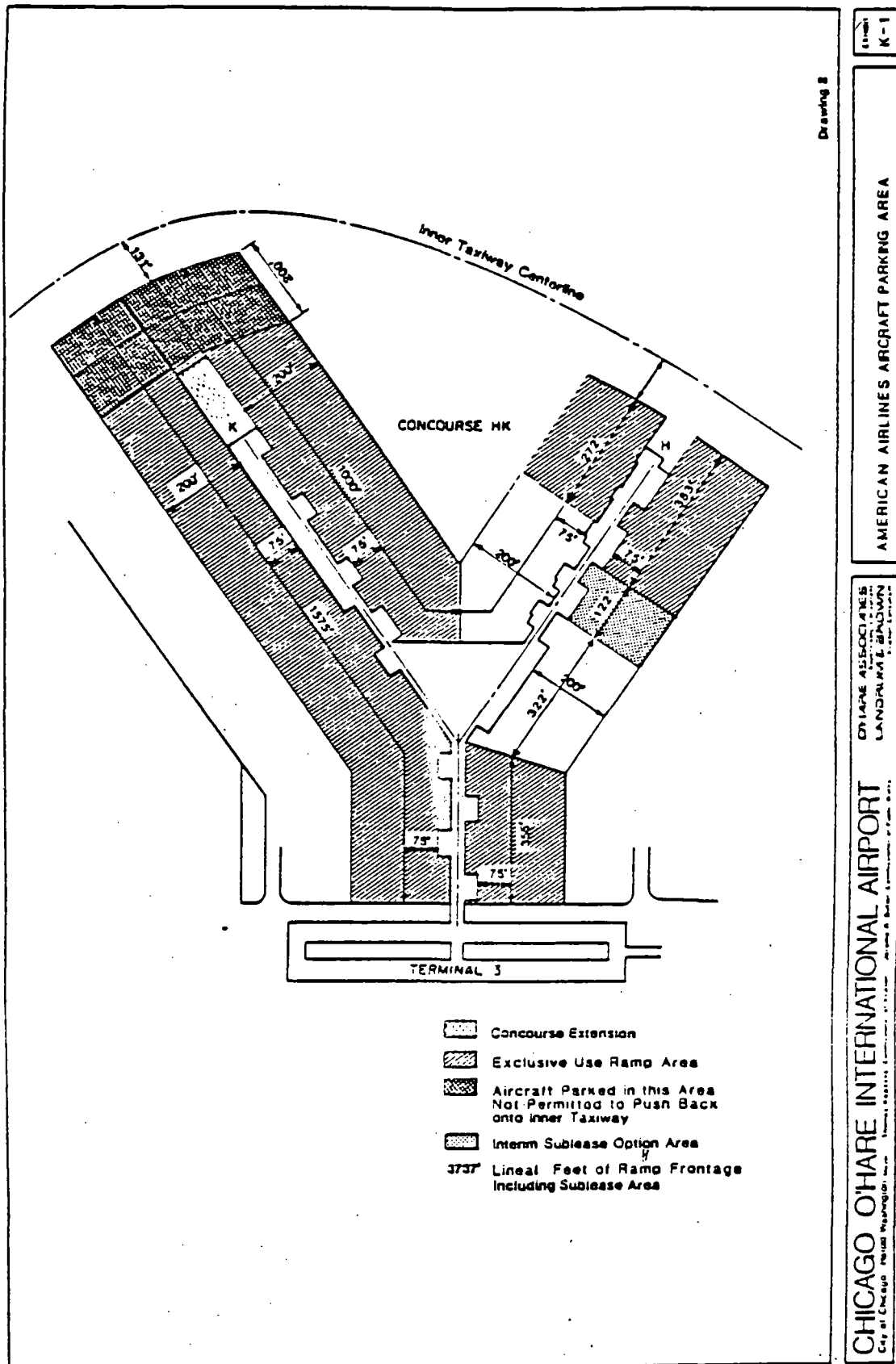
AMERICAN AIRLINES EXCLUSIVE USE PREMISES

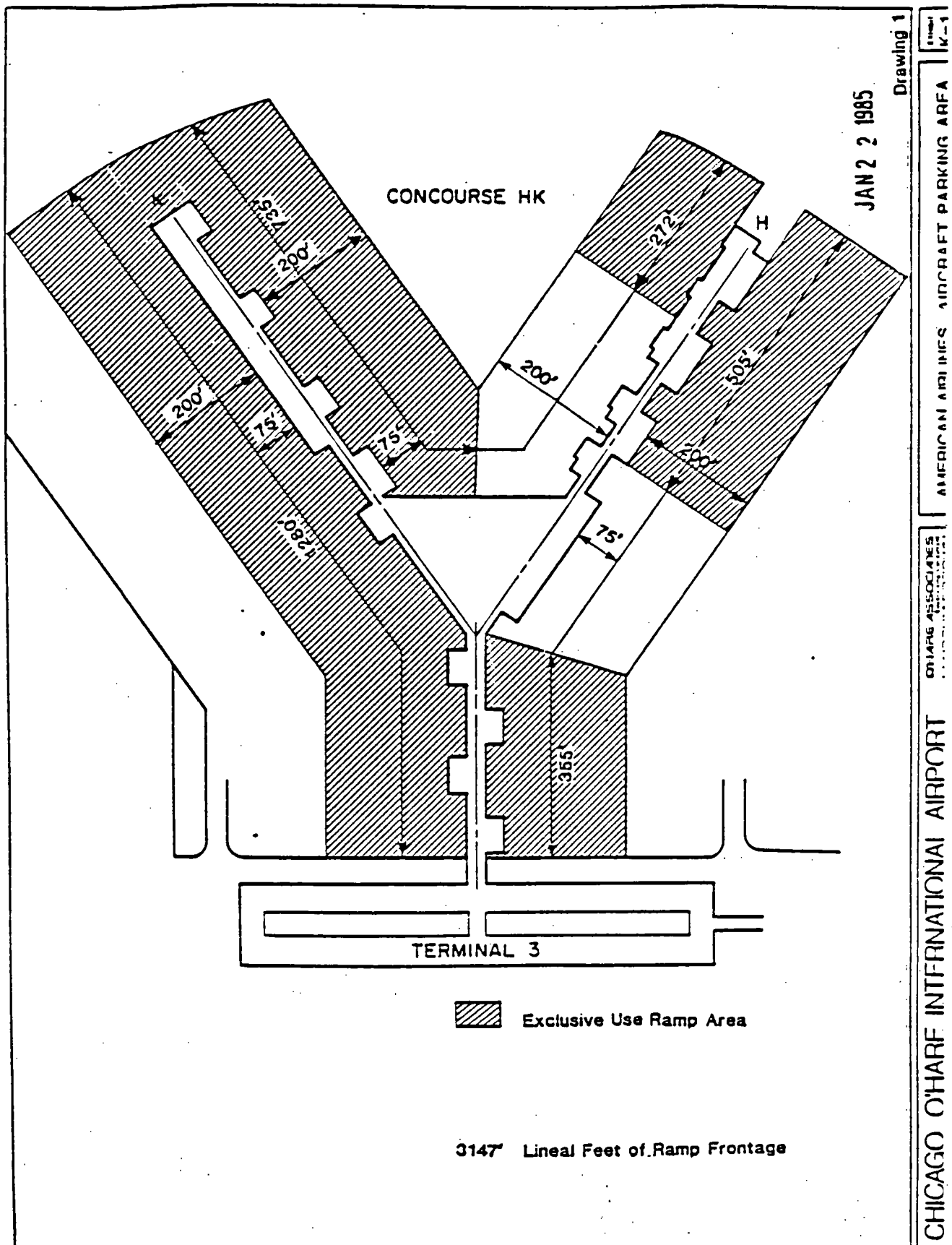
CHAIKIN ASSOCIATES
LANDRUM & BROWN
ARCHITECTS

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Illinois
Terminal 3 Baggage Claim Area
Drawing 6 of 6
Scale: 1/8" = 1'-0"

JAN 2 2 1985



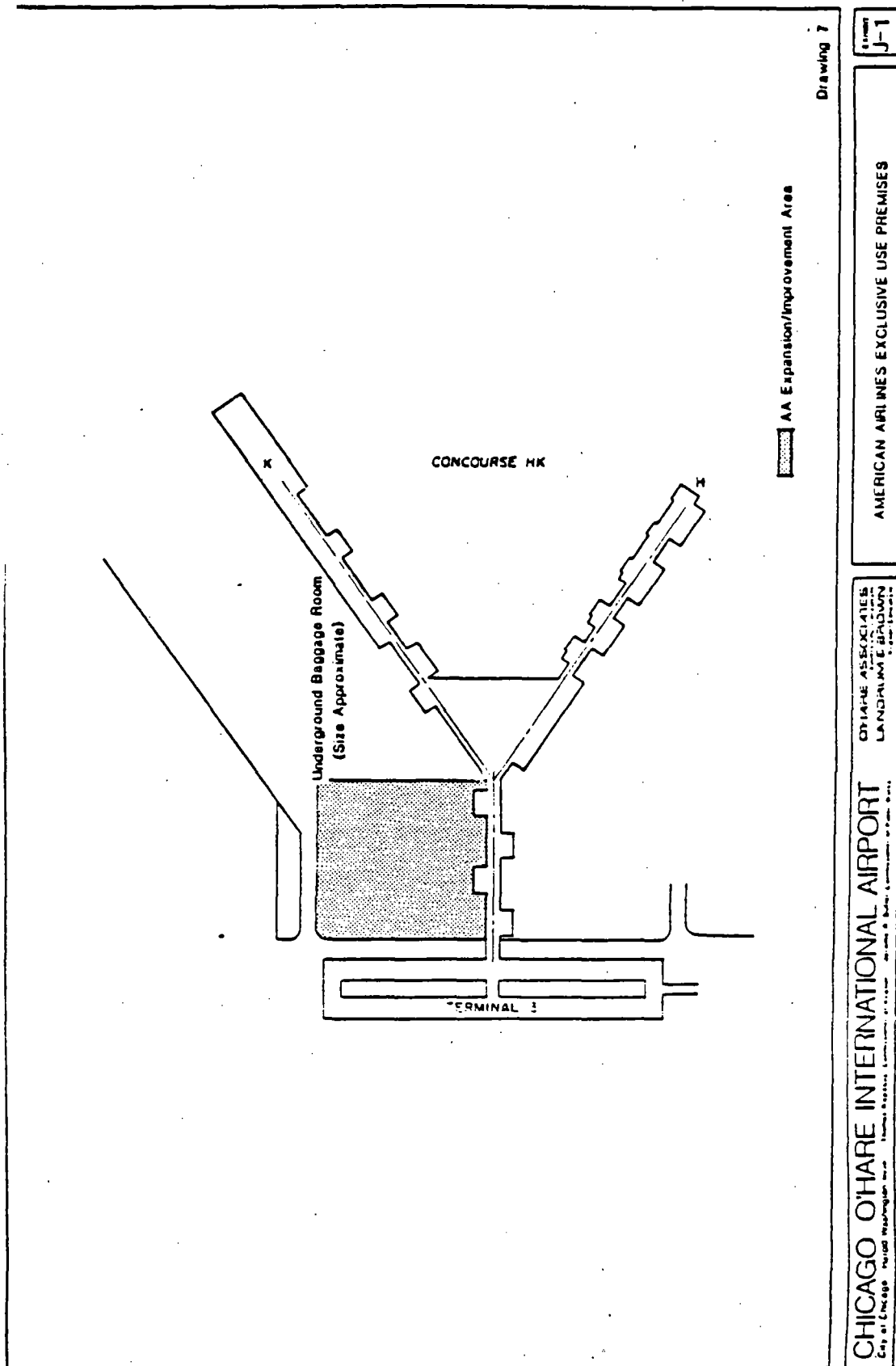




4/25/85

UNFINISHED BUSINESS

15951



J-1

AMERICAN AIRLINES EXCLUSIVE USE PREMISES

OTIS ASSOCIATES
LANDMARK BROWN

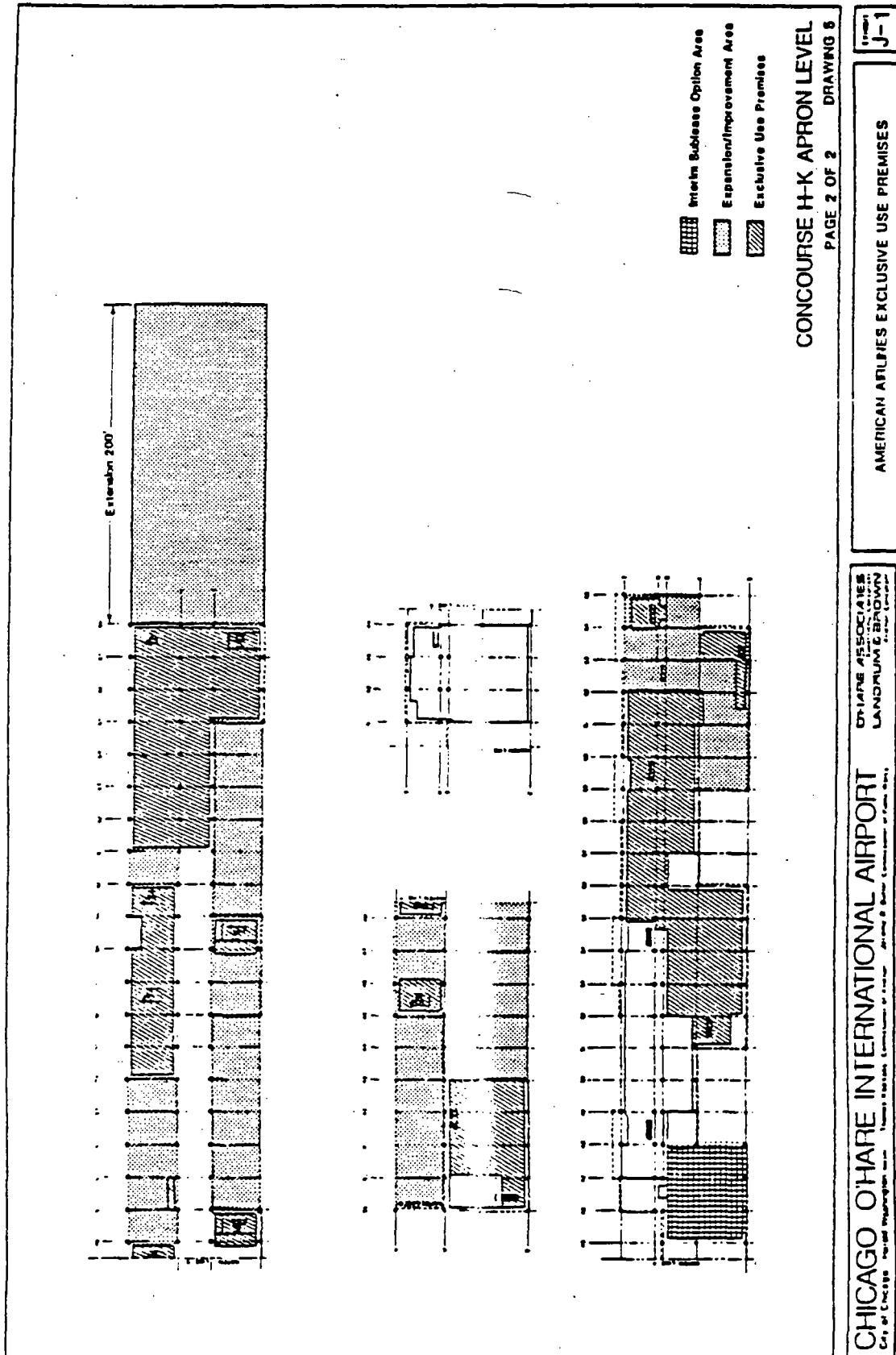
CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Illinois

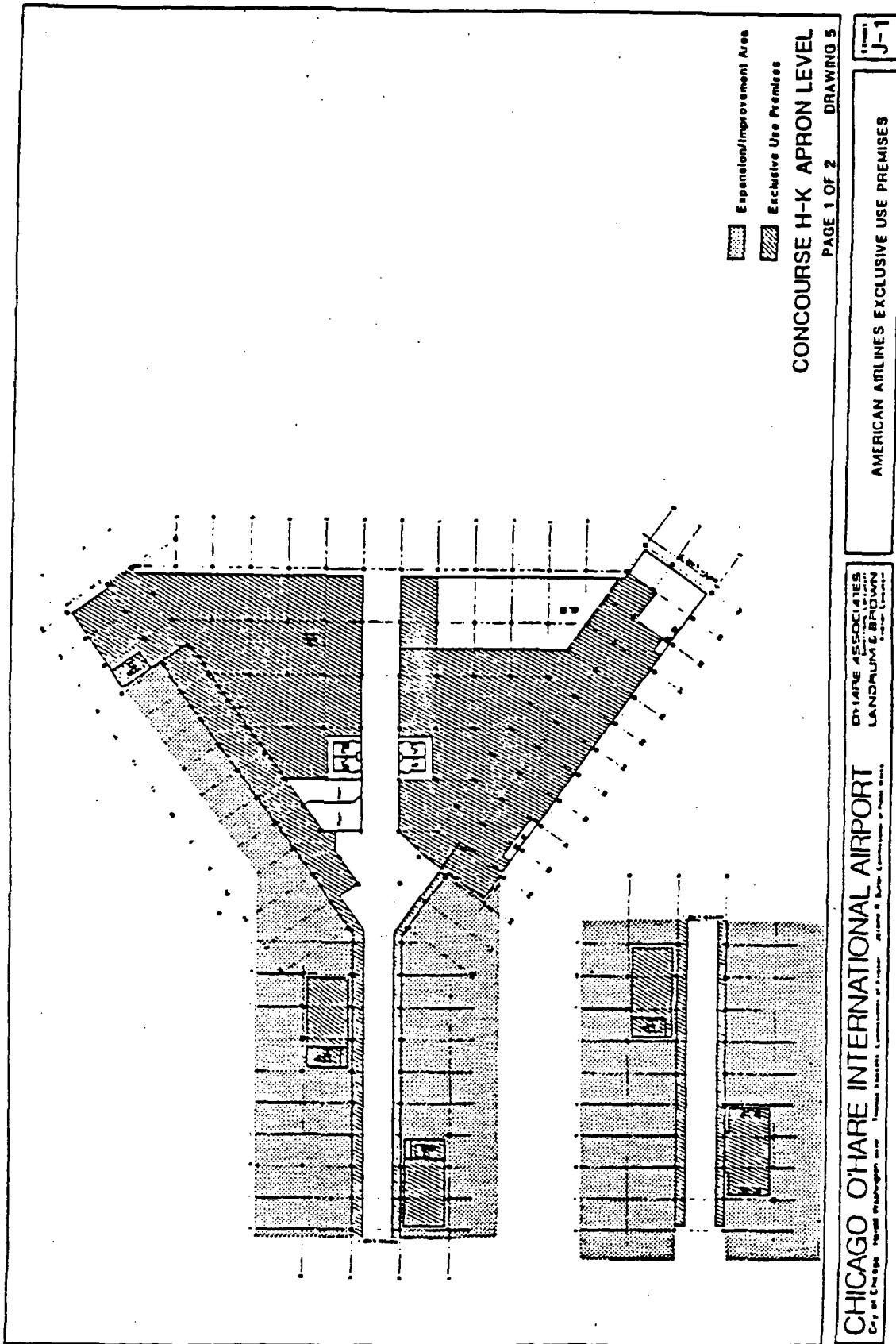
JAN 2 2 1985

4/25/85

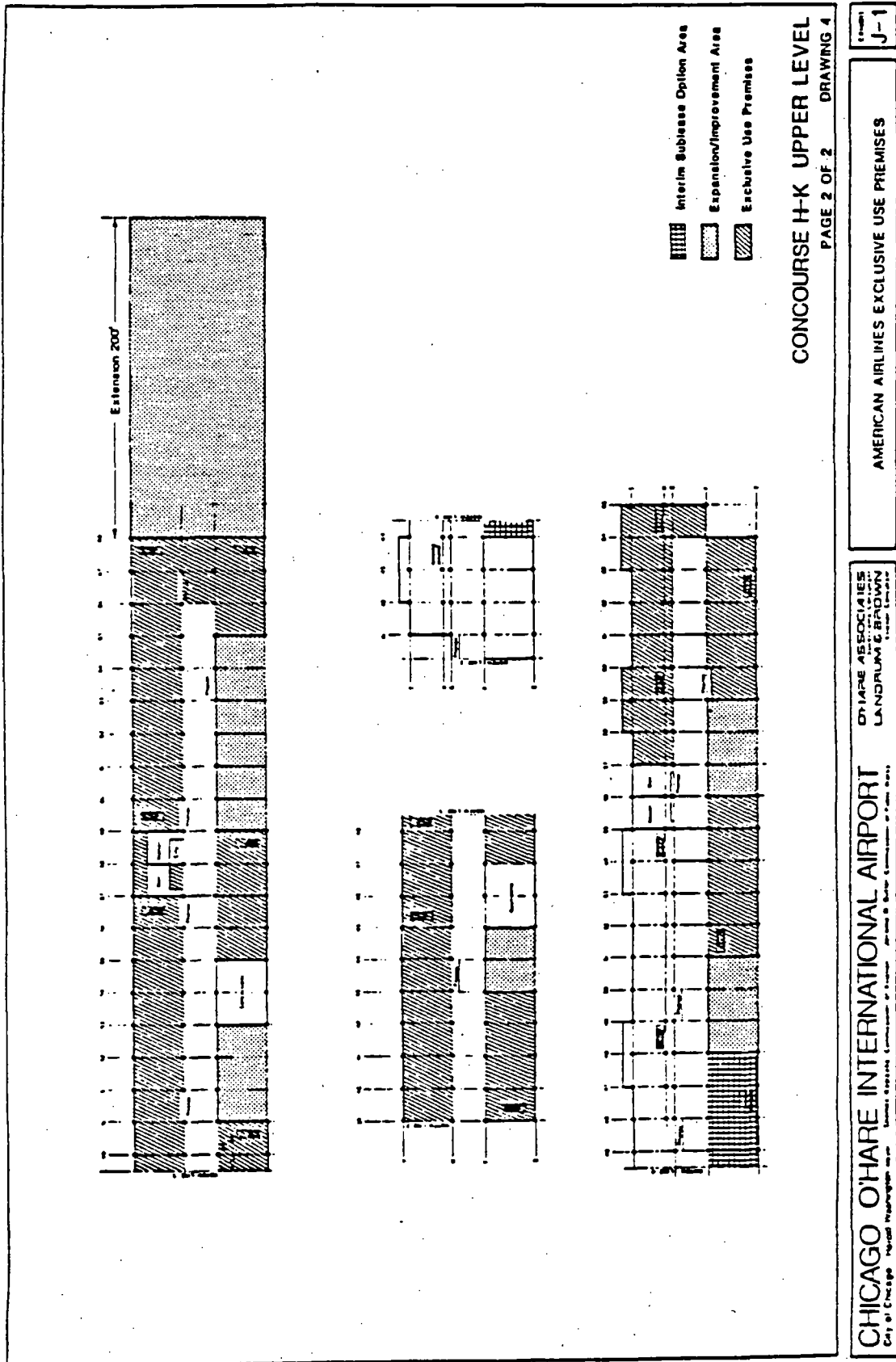
UNFINISHED BUSINESS

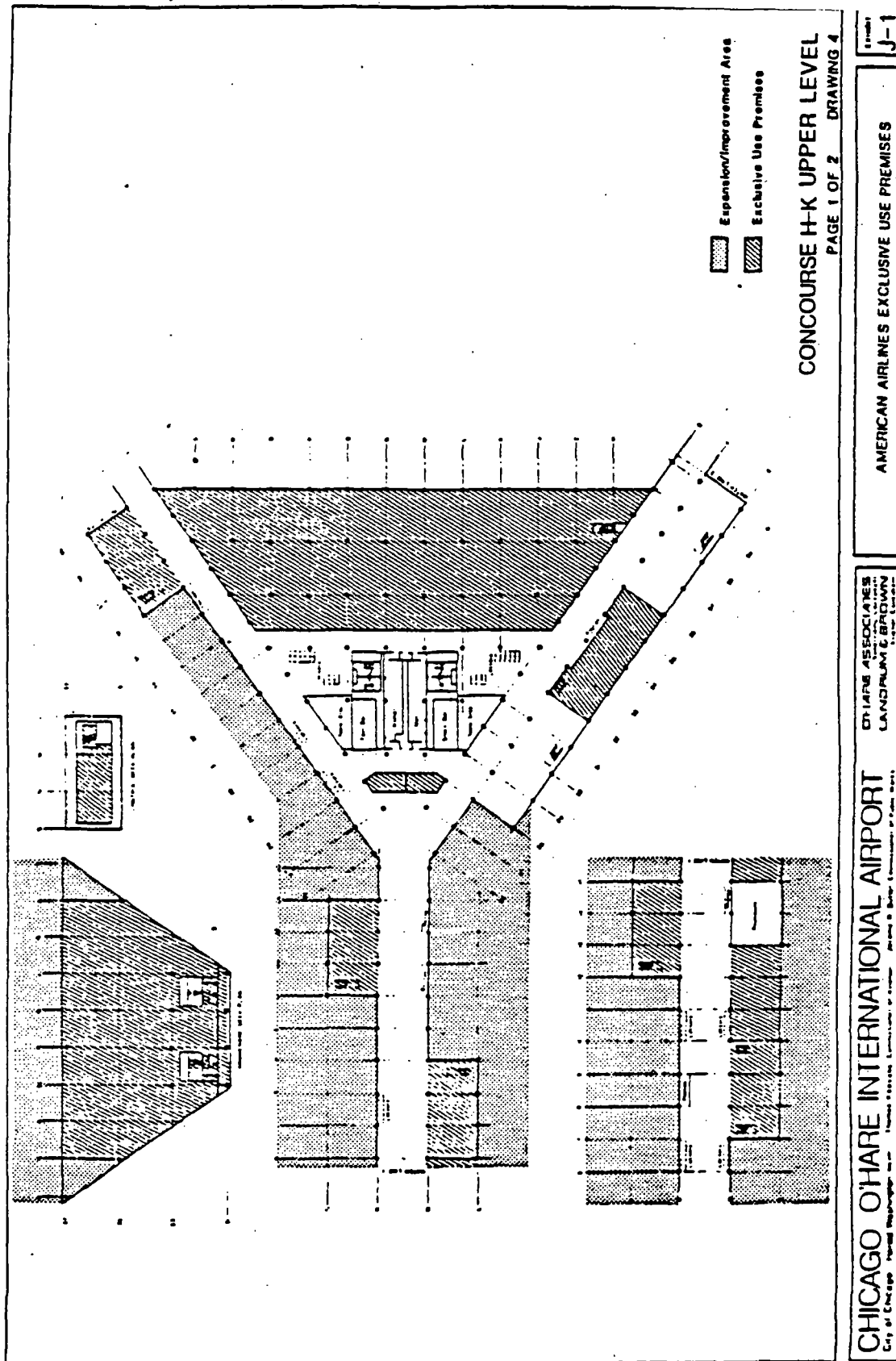
15953



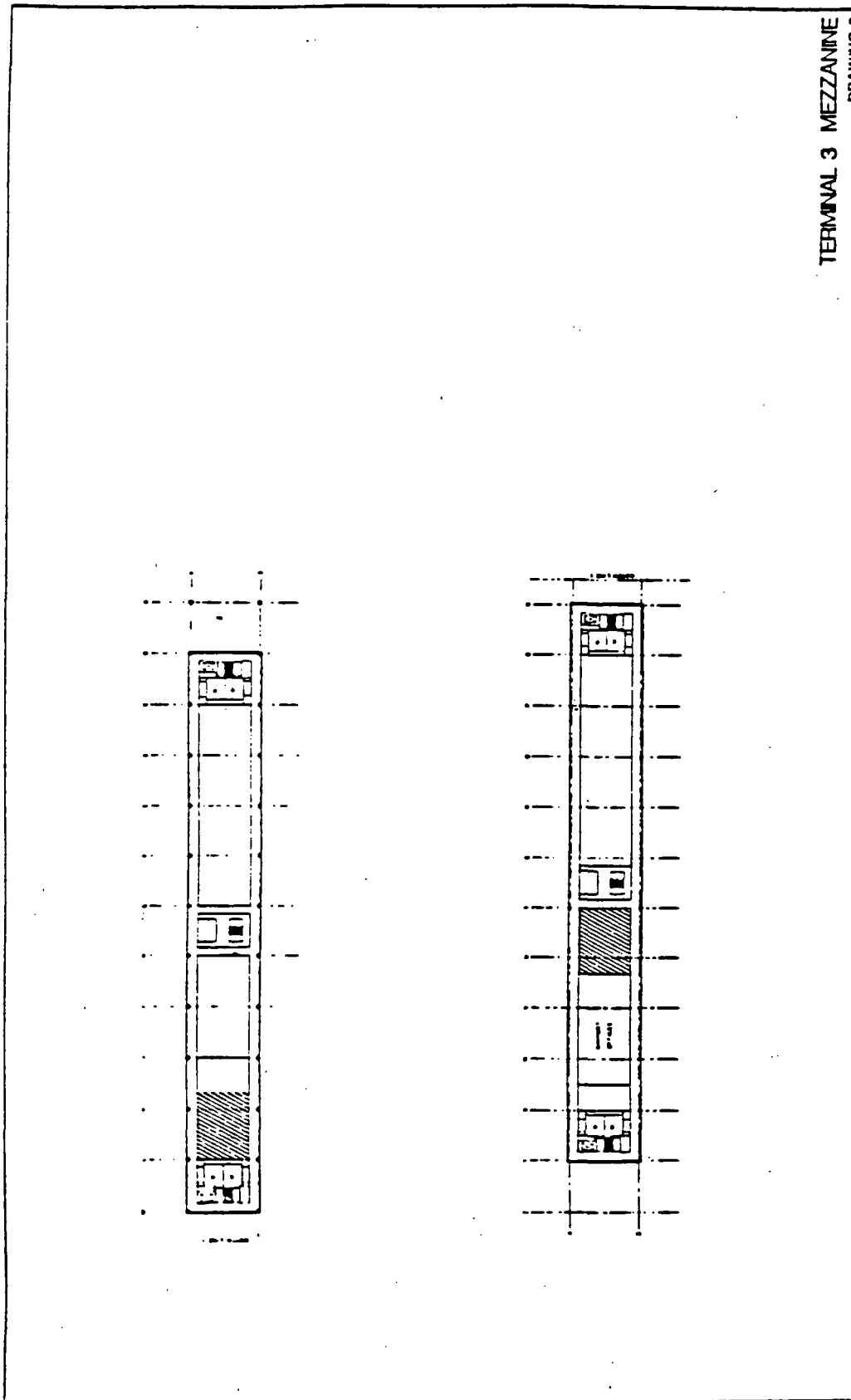


JAN 2 2 1985





JAN 2 ? 1985



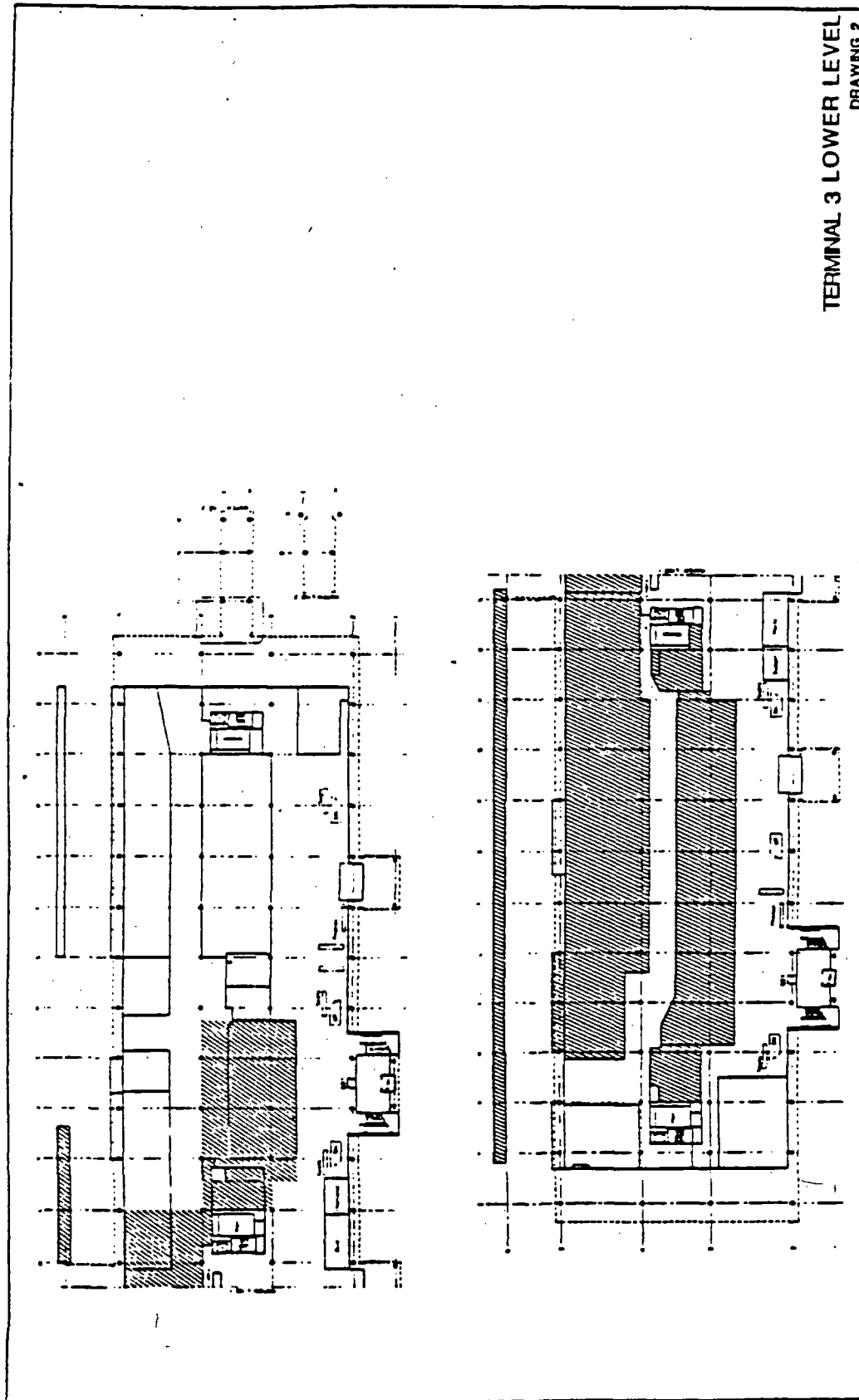
TERMINAL 3 MEZZANINE
DRAWING 3

15957
J-1

AMERICAN AIRLINES EXCLUSIVE USE PREMISES

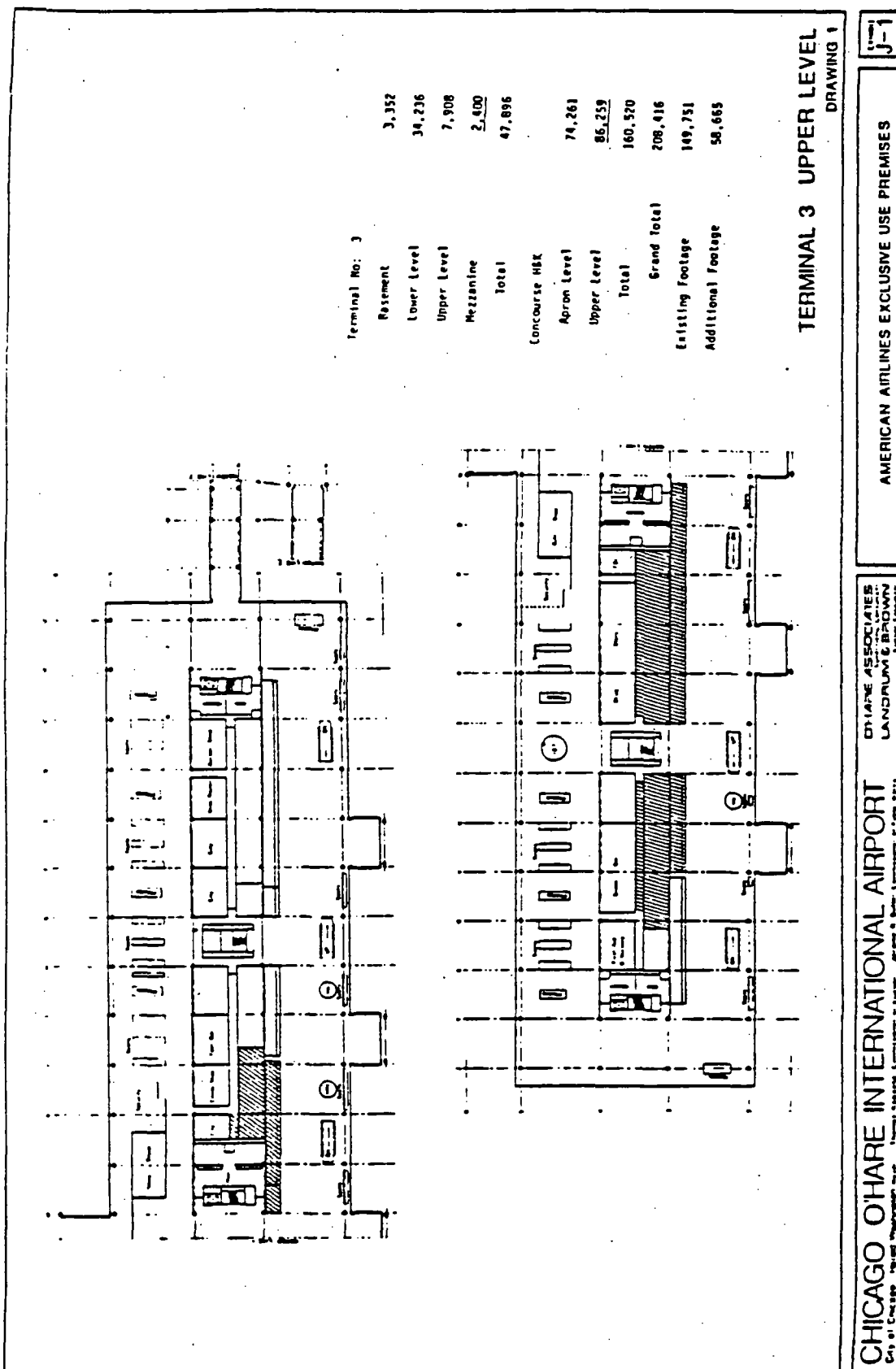
CHICAGO ASSOCIATES
150 N. LAUREL
CHICAGO, ILL. 60610
ARCHITECTS

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Richard J. Daley Center, 100 N. Dearborn Street, Chicago, Illinois 60602



TERMINAL 3 LOWER LEVEL
DRAWING 2

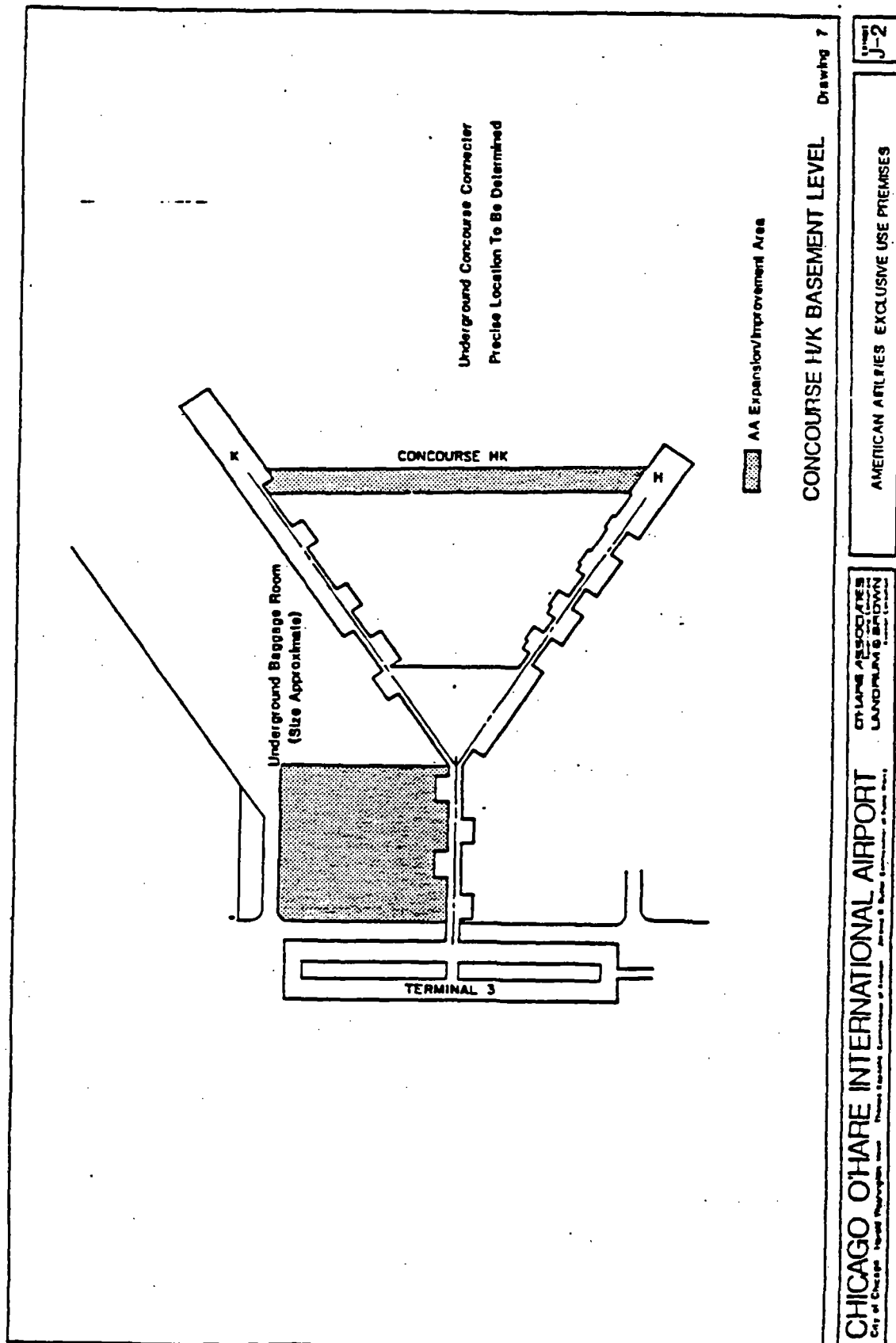
CHICAGO O'HARE INTERNATIONAL AIRPORT City of Chicago, Illinois	CH-141-1-1 LANDSCAPE ARCHITECTS	AMERICAN AIRLINES EXCLUSIVE USE PREMISES	J-1

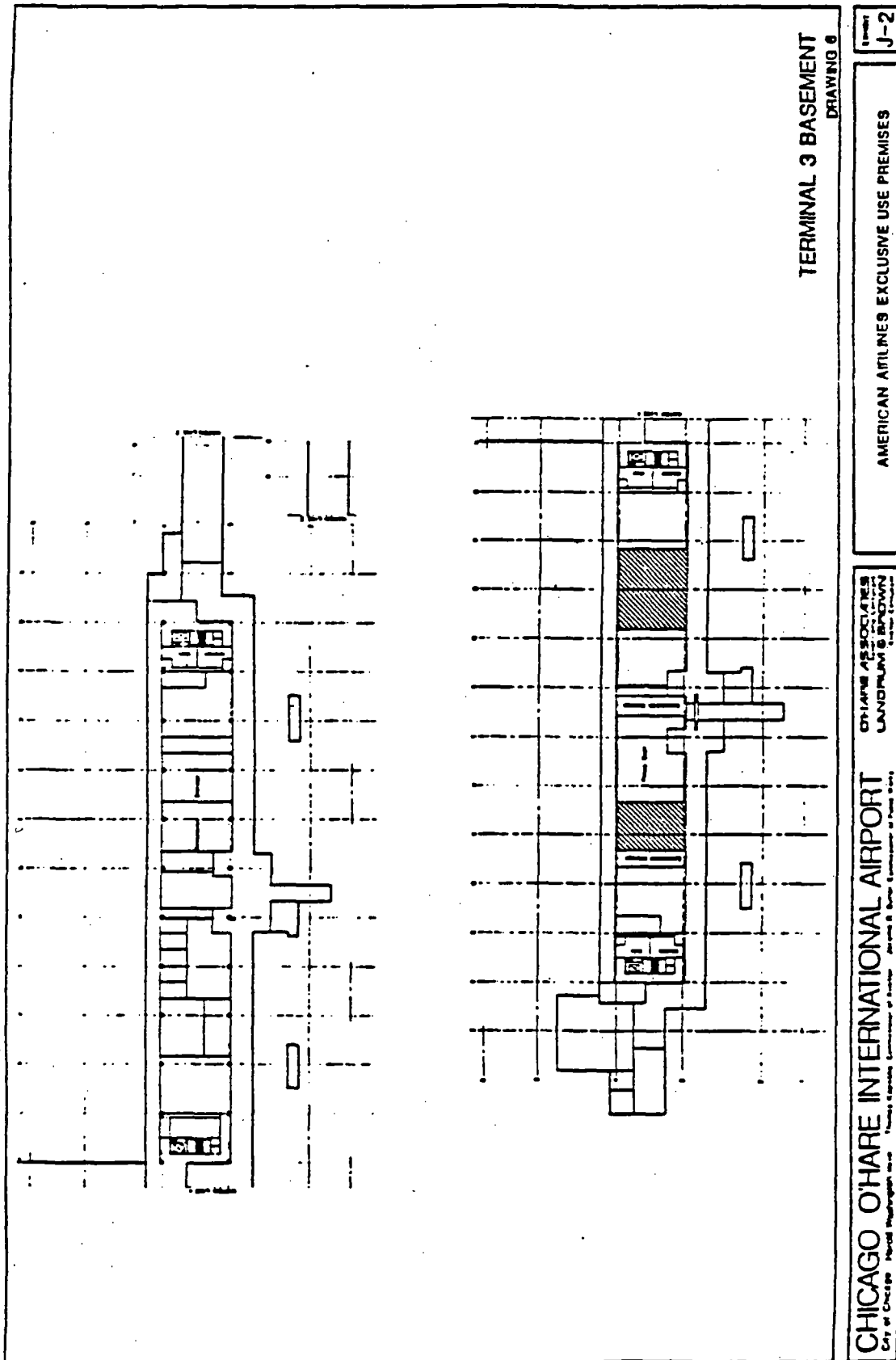


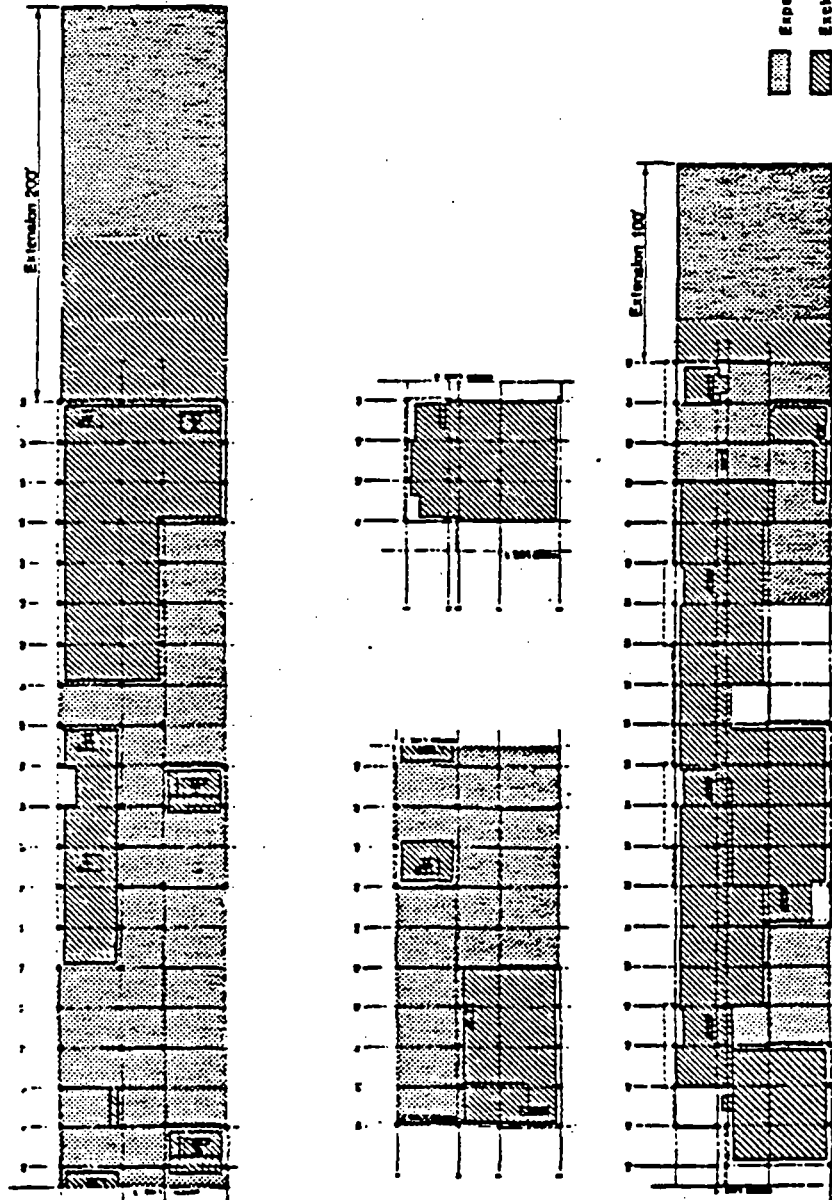
AIRLINE'S PHASE II EXCLUSIVE USE PREMISESEXHIBIT J-1

(a) City and Airline agree that Airline's Phase II Exclusive Use Premises in Terminal Building No. 3 and Concourses H and K, which are depicted in the Drawings of this Exhibit J-1, shall comprise approximately 208,416 square feet, of which 149,751 square feet shall be deemed Airline's Existing Footage, and approximately 58,665 square feet shall be deemed Airline's Additional Footage.

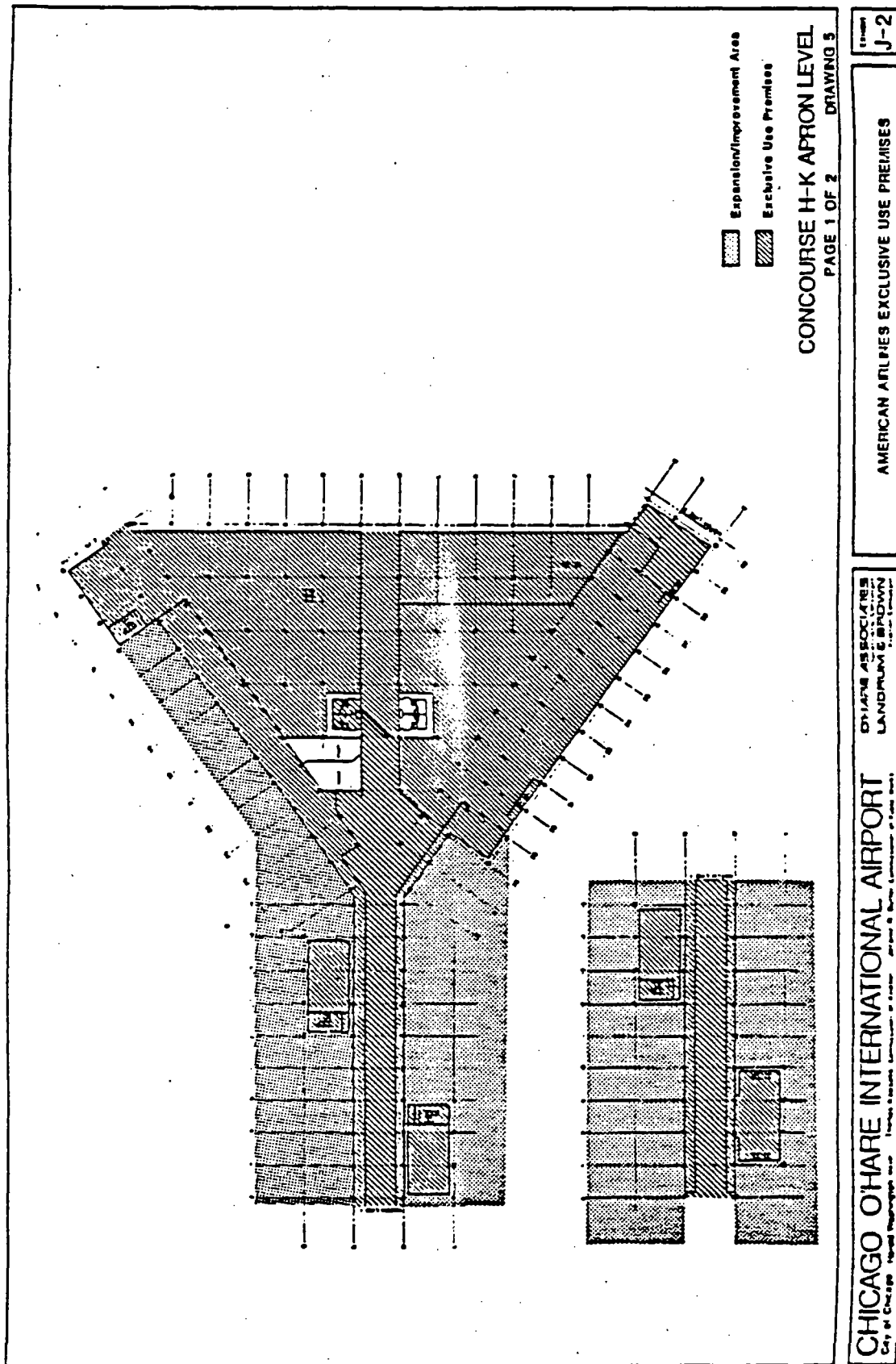
(b) City and Airline agree that the exact configuration of the Exclusive Use Premises depicted in the Drawings of this Exhibit J-1 is subject to changes and refinements prior to Airline's Date of Beneficial Occupancy with regard thereto, which changes and refinements shall be subject to approval by City and Airline, and that when final decisions have been made and all necessary construction drawings are completed, appropriate amendments shall be made to this Exhibit J-1. In addition, City and Airline agree that the exact configuration of the Exclusive Use Premises which shall be added under and pursuant to the four Special Facility Use Agreements, dated as of December 1, 1983 by and between City and American and the four Special Facility Use Agreements, dated as of December 1, 1984 by and between City and Airline will further change the configuration of the total Exclusive Use Premises, and that when all necessary construction drawings for such additions are completed, appropriate amendments shall be made to this Exhibit J-1.

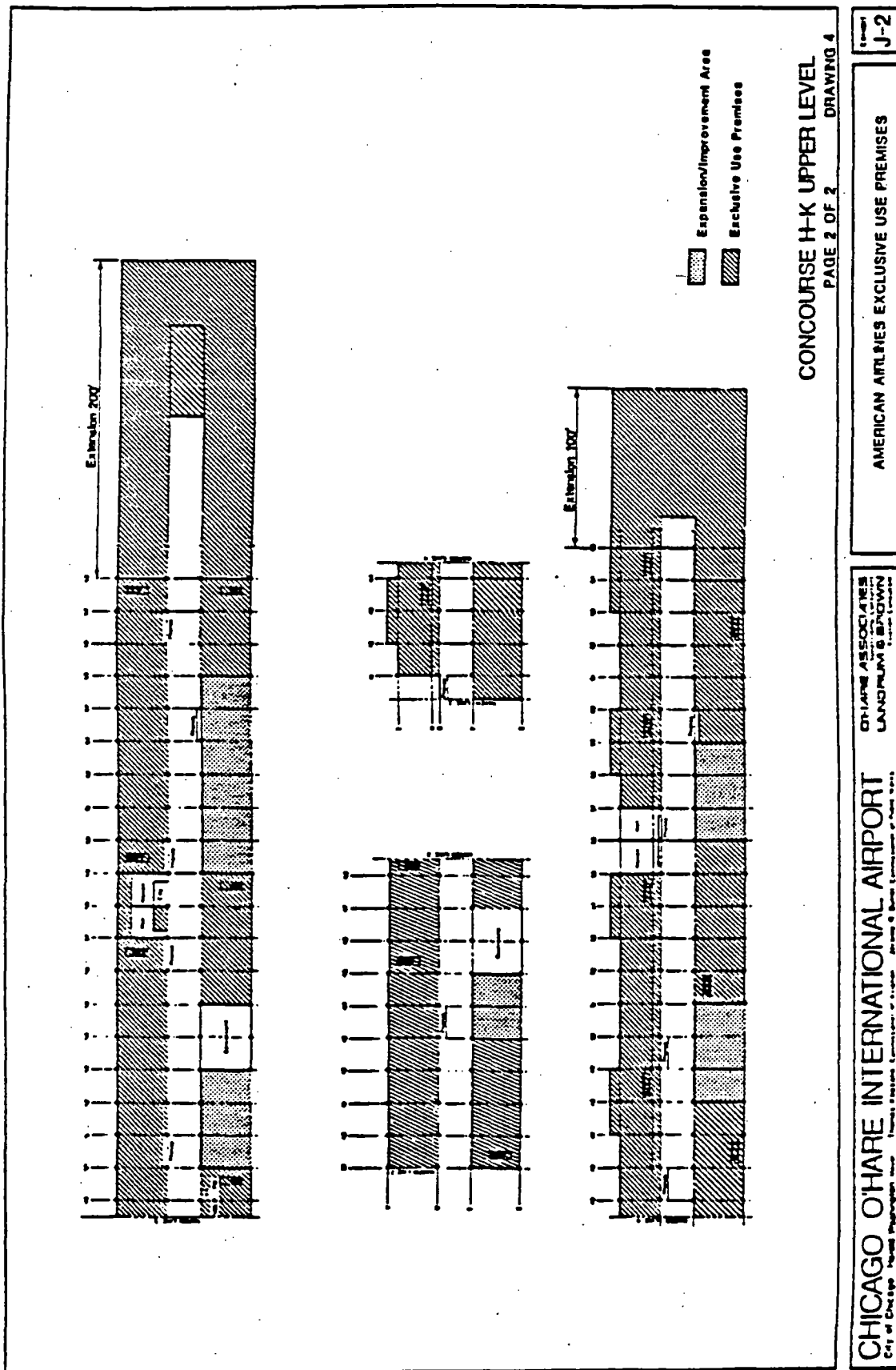


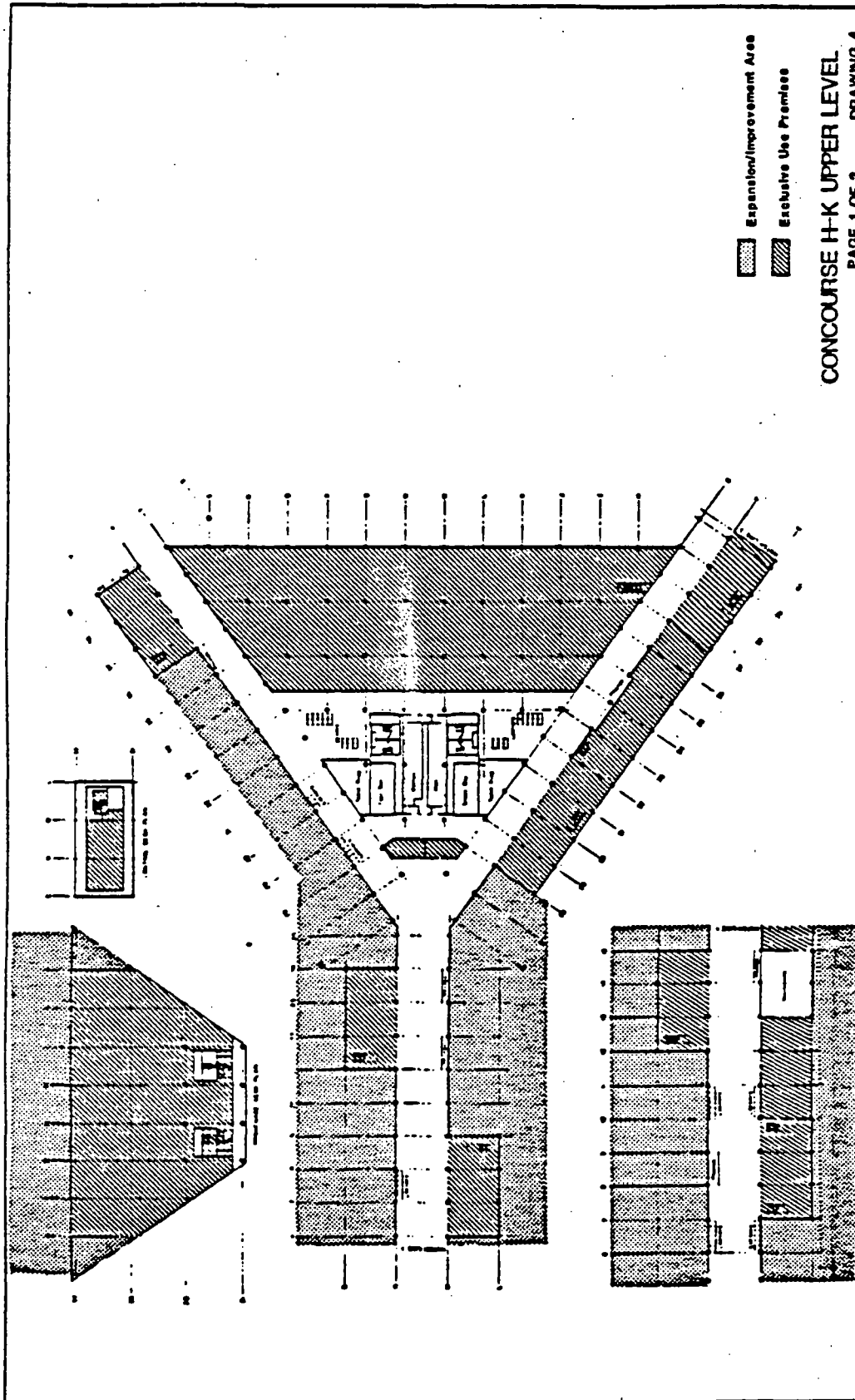




CONCOURSE H-K APRON LEVEL
PAGE 2 OF 2
DRAWING 6







CHICAGO O'HARE INTERNATIONAL AIRPORT

City of Chicago, Illinois Department of Transportation, Office of the Director, Office of Planning and Development

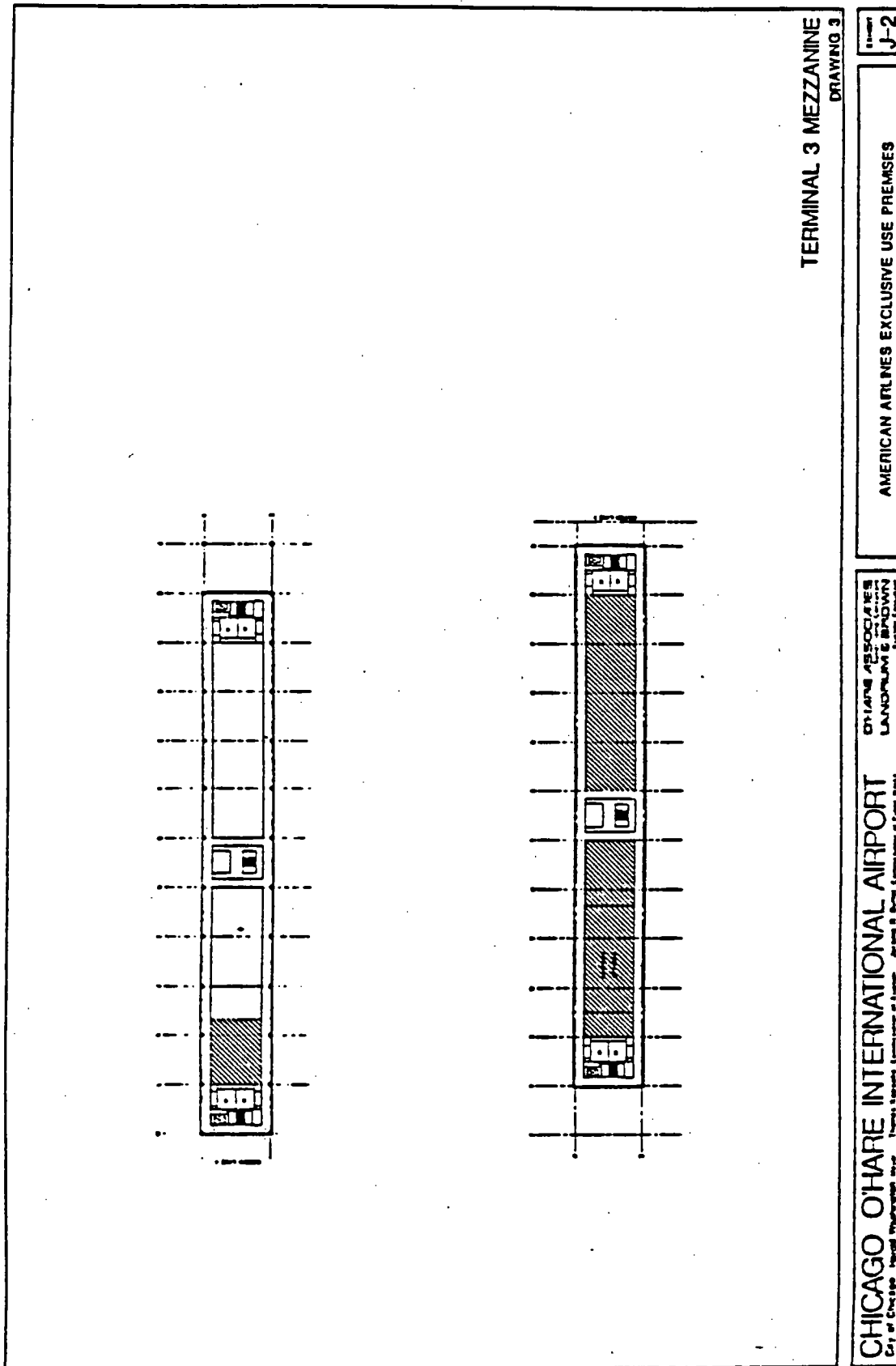
CHICAGO ASSOCIATES

LANDRUM & BROWN

Architects

AMERICAN AIRLINES EXCLUSIVE USE PREMISES

J-2



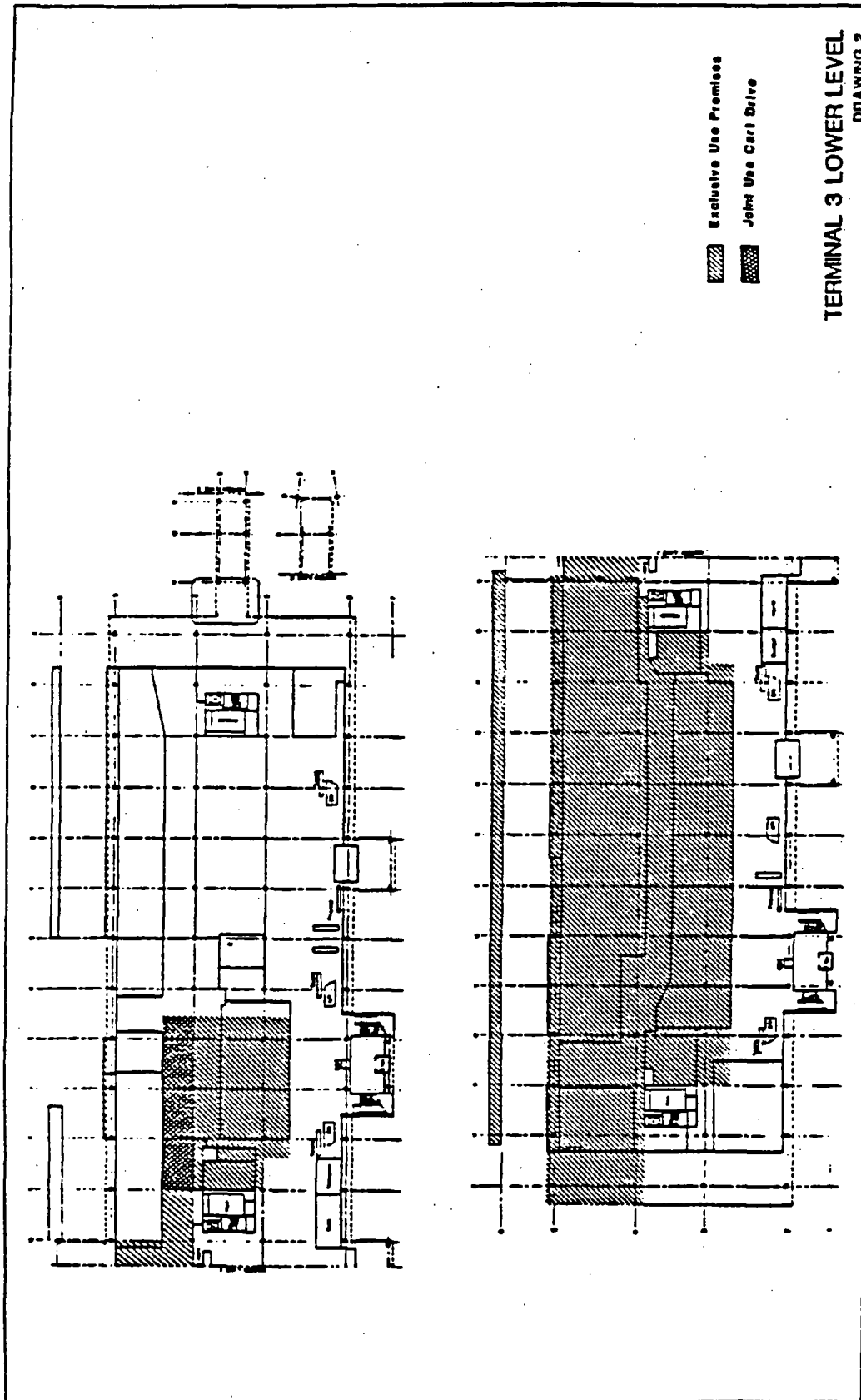
TERMINAL 3 MEZZANINE
DRAWING 3

J-2

AMERICAN AIRLINES EXCLUSIVE USE PREMISES

CHICAGO ASSOCIATES
ARCHITECTS
LANDSCAPE ARCHITECTS
PLANNERS & ENGINEERS

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Airport Department, 1000 North Dearborn Street, Chicago, Illinois 60642



Sheet
J-2

AMERICAN AIRLINES EXCLUSIVE USE PREMISES

OTI & ASSOCIATES
LAND PLANNING & DESIGN
1100 N. LAKE STREET, SUITE 100
CHICAGO, ILL. 60610

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Illinois
1100 N. LAKE STREET, SUITE 100
CHICAGO, ILL. 60610

AIRLINE'S PHASE III EXCLUSIVE USE PREMISESEXHIBIT J-2

(a) City and Airline agree that Airline's Phases III Exclusive Use Premises in Terminal Building No. 3 and Concourse H and K, which are depicted in the Drawings of this Exhibit J-2, shall comprise approximately 296,697 square feet, of which 149,751 square feet shall be deemed Airline's Existing Footage, and approximately 146,946 square feet shall be deemed Airline's Additional Footage.

(b) City and Airline agree that the exact configuration of the Exclusive Use Premises depicted in the Drawings of this Exhibit J-2 is subject to changes and refinements prior to Airline's Date of Beneficial Occupancy with regard thereto, which changes and refinements shall be subject to approval by City and Airline, and that when final decision have been made all necessary construction drawings are completed, appropriate amendments shall be made to this Exhibit J-2. In addition, City and Airline agree that the exact configuration of the Exclusive Use Premises which shall be added under and pursuant to the four Special Facility Use Agreements, dated as of December 1, 1983 by and between City and American and the four Special Facility Use Agreements, dated as of December 1, 1984 by and between City and Airline will further change the configuration of the total Exclusive Use Premises, and that when all necessary construction drawings for such additions are completed, appropriate amendments shall be made to this Exhibit J-2.

(Continued from page 15933)

On motion of Alderman Damato, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas--Aldermen Roti, Rush, Tillman, Evans, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Orbach, Volini, Stone--39.

Nays--Aldermen Bloom, Oberman, Orr--3.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

Alderman Burke was excused from voting under the provisions of Rule 14 of the Council's Rules of Order.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Mayor, the Commissioner of Aviation and the City Comptroller, subject to the approval of the Corporation Counsel, are authorized to execute amendment to Exhibits J and K of the Airport Use Agreement and Terminal Facilities Lease of 1983 by and between the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois ("City"), and USAir Airlines, a corporation organized and existing under the laws of the State of Delaware ("Airline"), said amendment to be substantially in the following terms:

AMENDMENT NO. 2-A
TO
AIRPORT USE AGREEMENT AND TERMINAL FACILITIES LEASE.

This Amendment No. 2-A to Airport Use Agreement and Terminal Facilities Lease ("Amendment No. 2-A") made and entered into as of this _____ day of _____, 1985, by and between the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois ("City"), and USAir Airlines, a corporation organized and existing under the laws of the State of Delaware ("Airline").

Witnesseth:

Whereas, City and Airline have entered into an Airport Use Agreement and Terminal Facilities Lease dated as of February 1, 1983, as amended by Amendment No. 1 and Amendment No. 2 to Airport Use Agreement and Terminal Facilities Lease dated respectively as of April 1, 1983 and June 1, 1983 (the "1983 Use Agreement") under which City has leased certain areas in the terminal buildings to Airline; and

Whereas, the City and Airline desires to further amend the 1983 Use Agreement; now, therefore,

In consideration of the premises and of the mutual covenants and agreements herein contained, City and Airline agree to amend the 1983 Use Agreement by deleting in their entirety Exhibits J and K to the 1983 Use Agreement and substituting therefor, the attached Exhibits J and K.

In Witness Whereof, City has caused this Amendment No 2-A to be executed on its behalf by its Mayor, pursuant to due authorization of the City Council of City, and its seal to be hereunto affixed and attested by the City Clerk of City, and Airline has caused this Amendment No. 2-A to be executed on its behalf by its Vice President and its Secretary, pursuant to due authorization of its Board of Directors, all as of the day and year first above written.

[Signature forms omitted for printing purposes.]

[Exhibits attached to this agreement printed on pages
15974 thru 15985 of this Journal.]

SECTION 2. This ordinance shall be in force and effect from and after its passage.

MISCELLANEOUS BUSINESS.

Referred -- ASSIGNMENT OF ALDERMAN DOROTHY TILLMAN
TO CERTAIN STANDING COMMITTEES
OF CITY COUNCIL.

Alderman Rush presented a proposed resolution which would assign Alderman Dorothy Tillman (3rd Ward) to two additional standing committees of the City Council, which was *Referred to the Committee on Committees and Rules.*

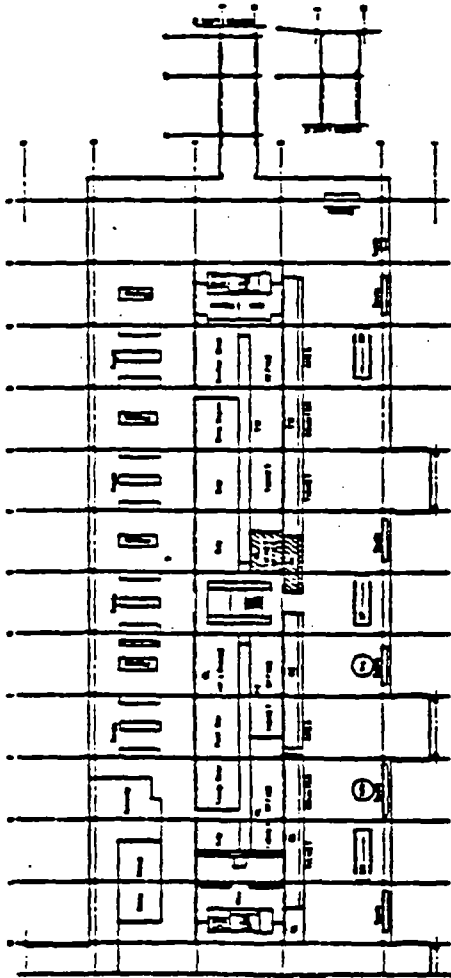
Presence of Visitors Noted.

Honorable Harold Washington, Mayor, called the Council's attention to the presence of the following visitors:

Students from Polyvalante du Roche High School, Grand Mere, Quebec, Canada, introduced by Alderman Hutchinson (9th Ward). The students were warmly applauded by all the members of the City Council and assembled guests.

(Continued on page 15986)

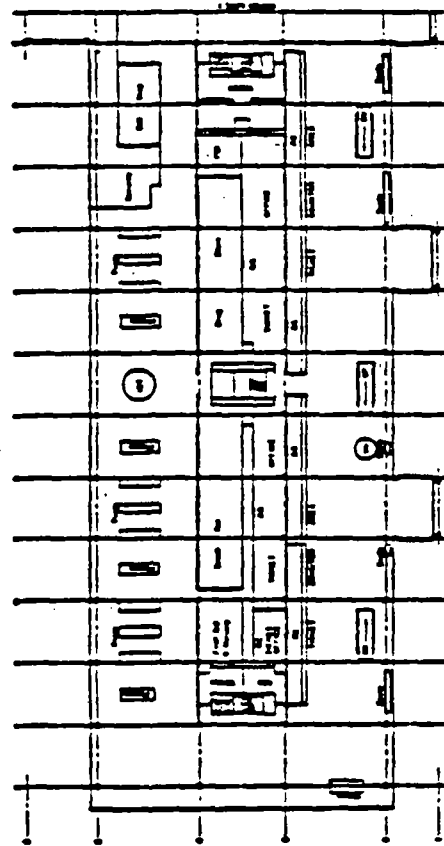
AIRLINES TICKET AREA (Second Floor Terminal 3)



Terminal No 3	
Basement	0
Lower Level	1,046
Upper Level	372
Mezzanine	0
Total	2,018

Concourse D	
Apron Level	4,025
Upper Levels	5,795
Total	9,820

Grand Total 11,838



DRAWING 1

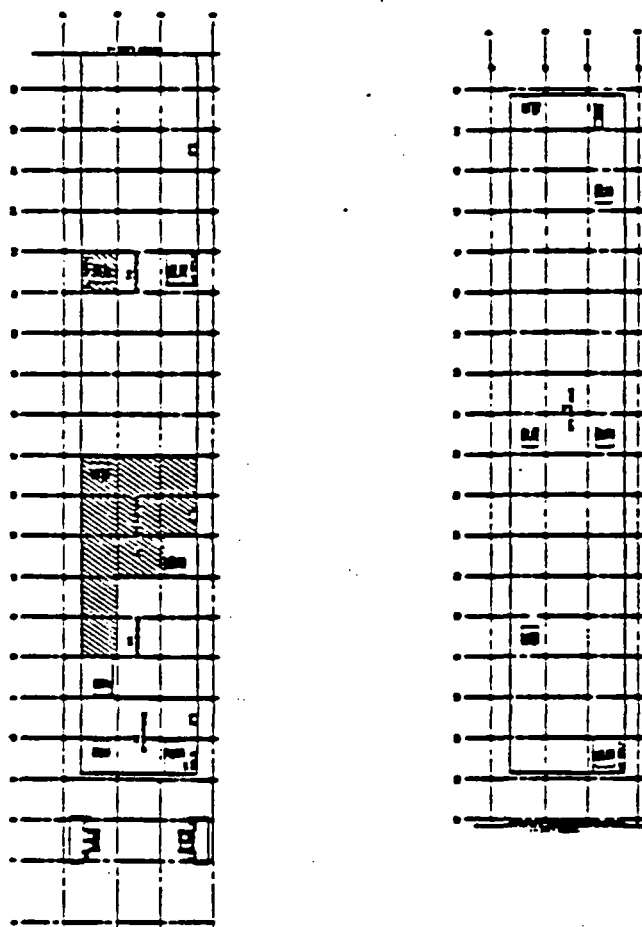
CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago
James M. Byrne Mayor

OTLAW ASSOCIATES
LANDSCAPE ARCHITECTS
1111 North Dearborn
Chicago, Illinois 60610

USARI AIRLINES EXCLUSIVE USE PREMISES

15974

AIRLINES OPERATIONS AREA
(First Floor Concourse G)



DRAWING 1

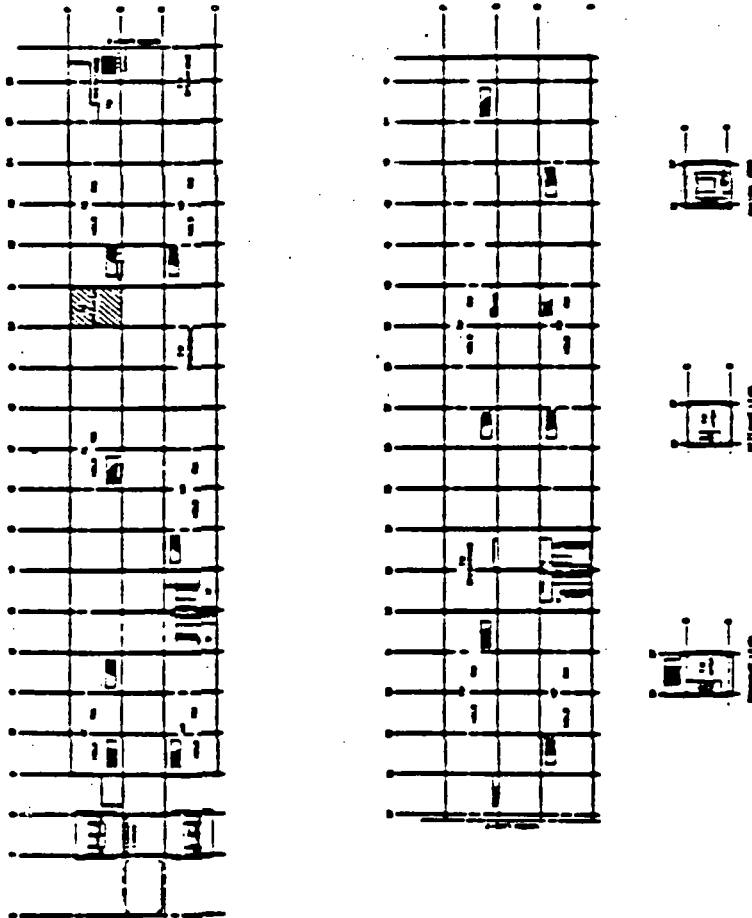
1.

USAF AIRLINES EXCLUSIVE USE PREMISES

NACOSIS IS WITHDRAWN

CHICAGO O'HARE INTERNATIONAL AIRPORT

AIRLINES OPERATIONS AREA
(Second Floor Concourse A)



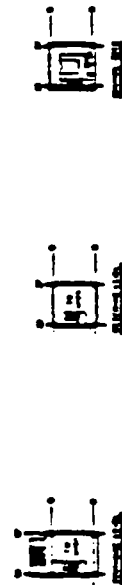
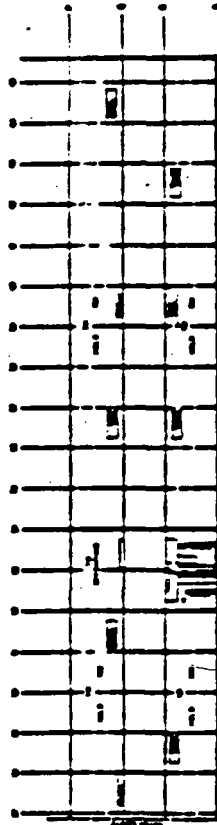
DRAWING 2 2 of 1

USAA AIRLINES EXCLUSIVE USE PREMISES

CHICAGO ASSOCIATES
ARCHITECTS
LANDSCAPE ARCHITECTS
100 N. LAKE STREET, SUITE 1000
CHICAGO, ILL. 60601

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Department of Transportation, Bureau of Planning and Development, Office of Airports
James M. Spang, Mayor
Thomas R. Spang, Commissioner of Streets, Parks & Public Works
James M. Spang, Commissioner of Public Works

AIRLINES HOLD AREA
(Second Floor Concourse G)



DRAWING 8

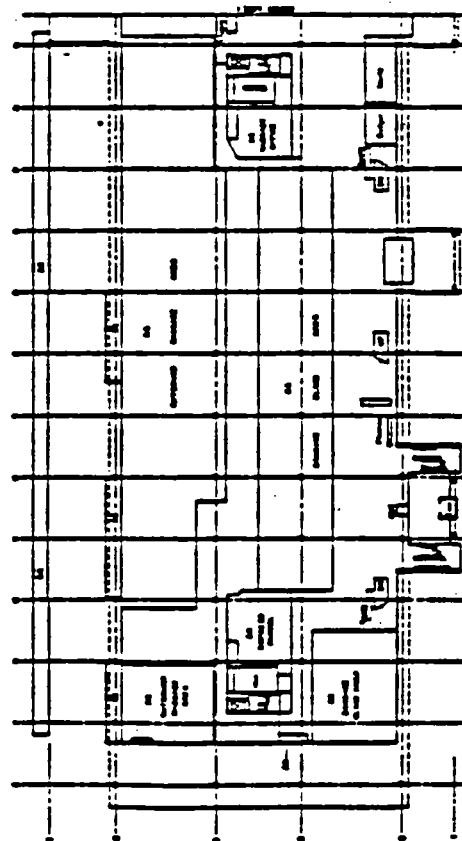
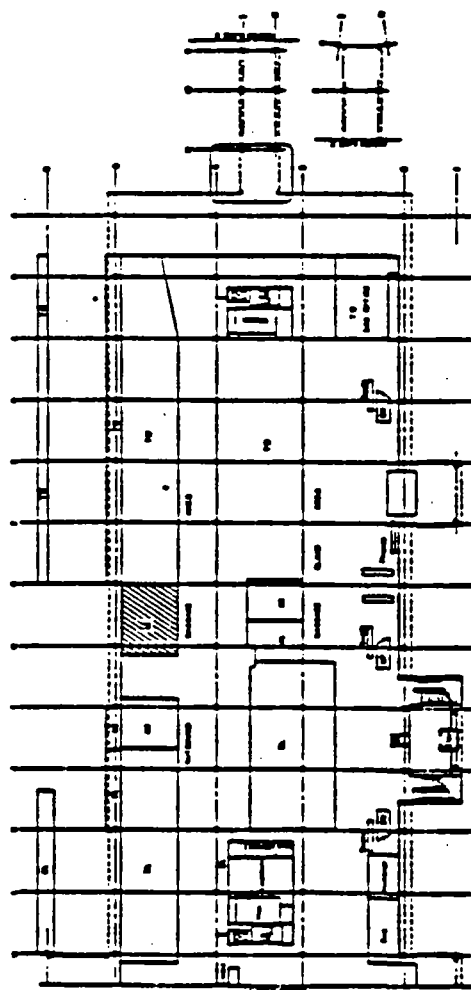
CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago
James M. Byrne Mayor
James M. Byrne Mayor
James M. Byrne Mayor

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago
James M. Byrne Mayor
James M. Byrne Mayor
James M. Byrne Mayor

USAR AIRLINES EXCLUSIVE USE PREMISES

1-800-368-3688

**AIRLINES OUTBOUND
BAGGAGE AREA**
(First Floor Terminal 3)



DRAWING 4

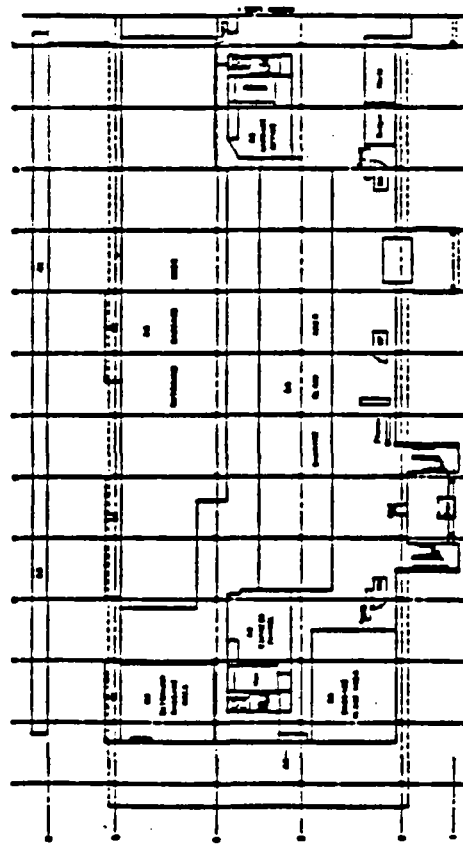
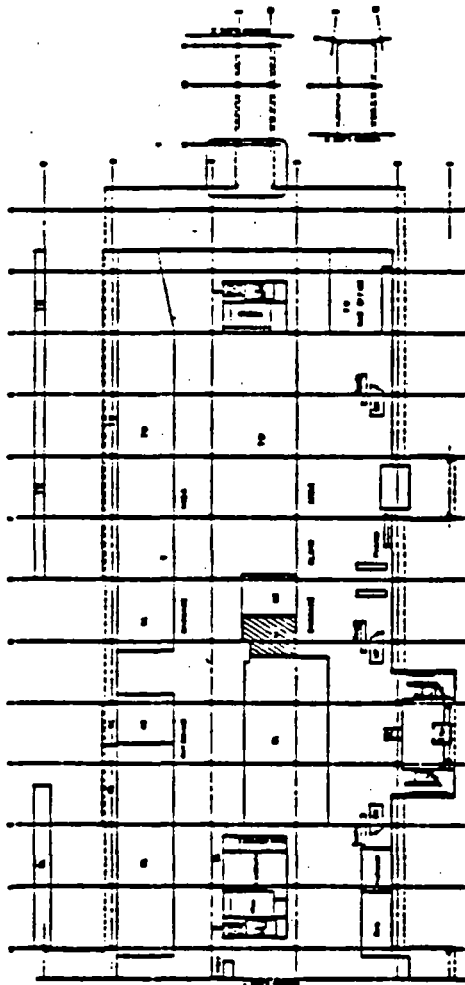
CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago
June 14, 1985
Chicago Department of Transportation
Chicago Department of Transportation
Chicago Department of Transportation

**CHICAGO ASSOCIATES
LANDSCAPE ARCHITECTS**
Chicago, Illinois

US AIRLINES EXCLUSIVE USE PREMISES

Sheet
J

**AIRLINES BAGGAGE
CLAIM AREA**
(First Floor Terminal 3)



DRAWING 8

Sheet
J

US AIR AIRLINES EXCLUSIVE USE PREMISES

CHICAGO ASSOCIATES
LANDSCAPE ARCHITECTS
1000 N. LAKE SHORE DRIVE
CHICAGO, ILL. 60611

CHICAGO OHARE INTERNATIONAL AIRPORT
City of Chicago
James M. Byrne, Mayor
Thomas E. Spence, Commissioner of Finance
James B. Butler, Commissioner of Public Works

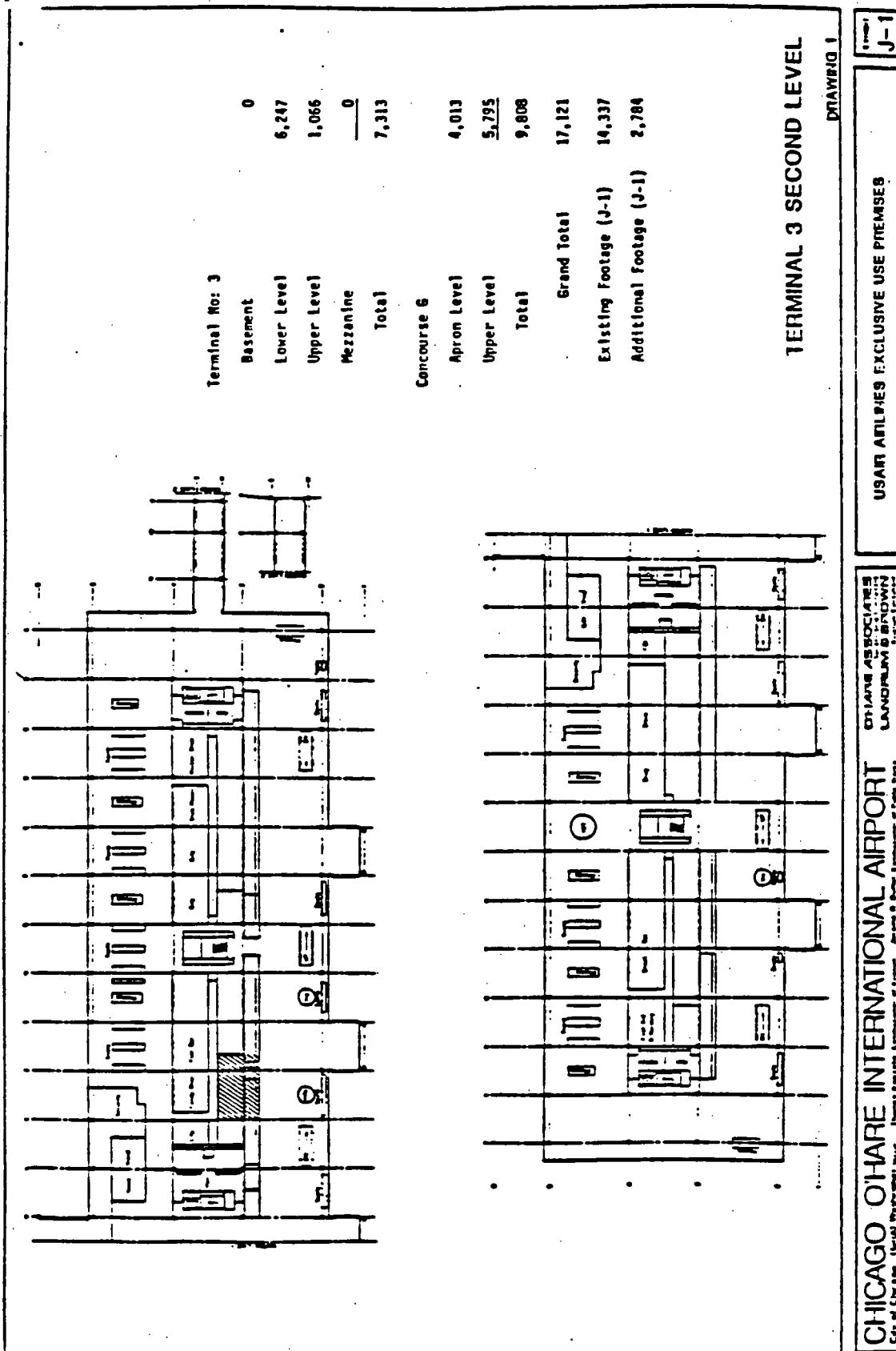
U S Air

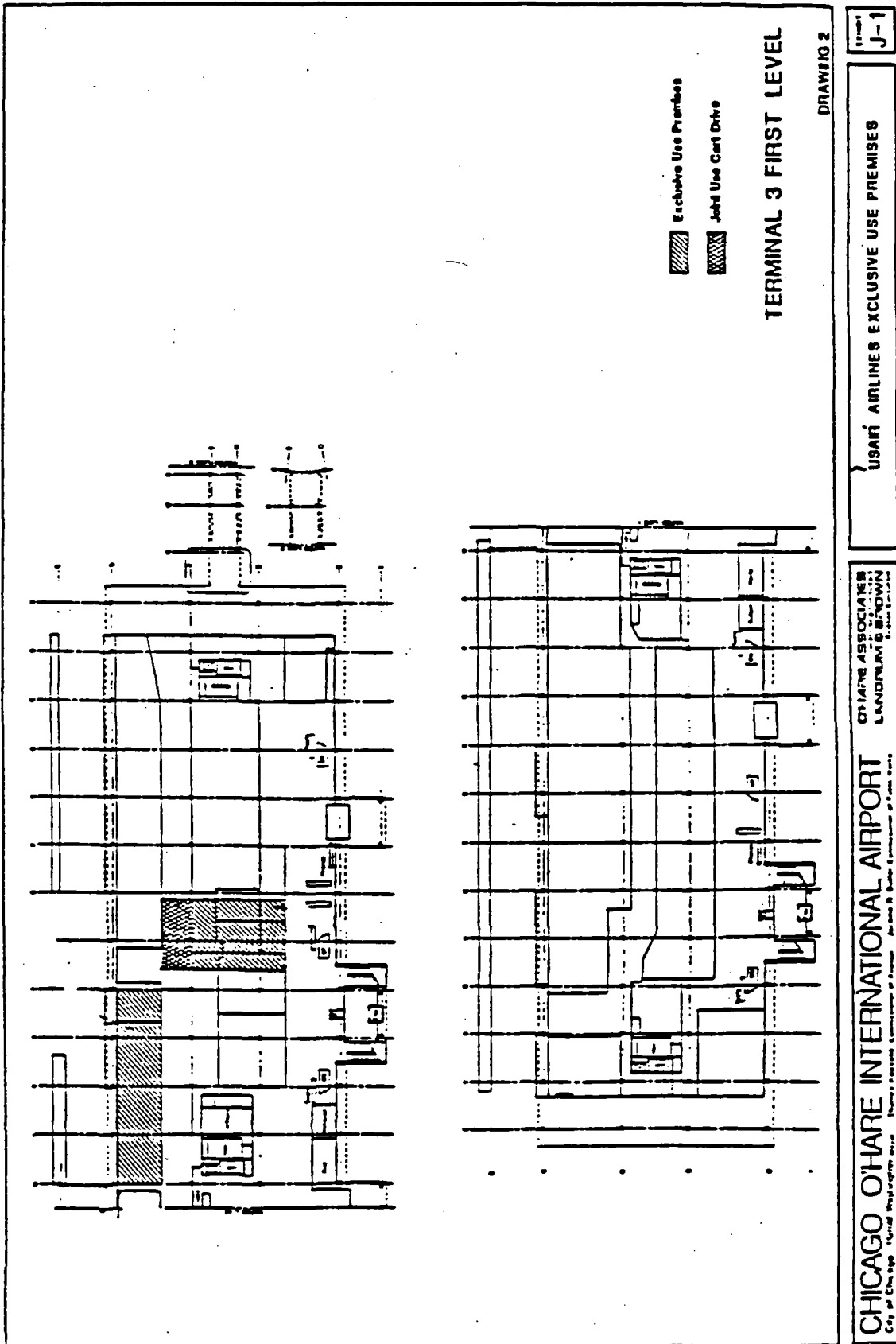
EXHIBIT J-1AIRLINE'S PHASE II EXCLUSIVE USE PREMISES

(a) City and Airline agree that Airline's Phase II Exclusive Use Premises in Terminal Building No. ____ and Concourse G, which are depicted in the Drawings of this Exhibit J-1, shall comprise approximately _____ square feet, of which 13,186 square feet shall be deemed Airline's Existing Footage, and approximately _____ square feet shall be deemed Airline's Additional Footage, which designation may be changed pursuant to subparagraph (b) below.

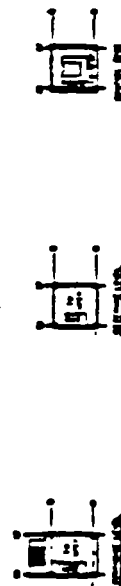
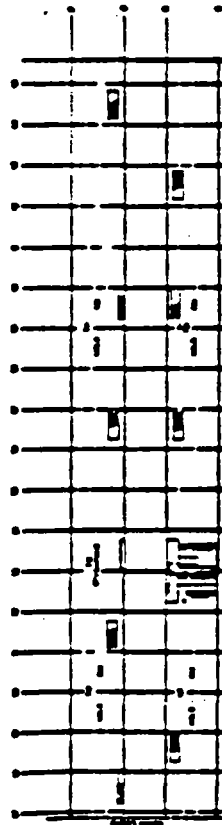
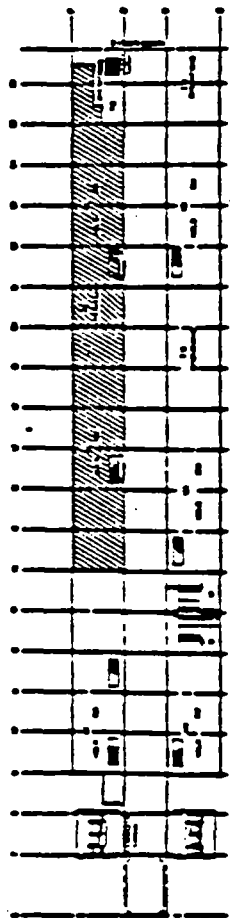
(b) City and Airline agree that the exact configuration of the Exclusive Use Premises are subject to changes and refinements prior to Airline's date of Beneficial Occupancy with regard thereto, which changes and refinements shall be subject to approval by City and Airline, and that when final decisions have been made and all necessary construction drawings are completed, appropriate amendment shall be made to this Exhibit J-1.

(c) City agrees that it will use its best efforts in resolving the final building space arrangements with all tenants to provide Airline with a baggage service office of 150 square feet on the lower level of the Terminal Building in reasonable proximity to Airline's baggage claim area.





AIRLINES HOLD AREA
(Second Floor Concourse Q)



DRAWING 3

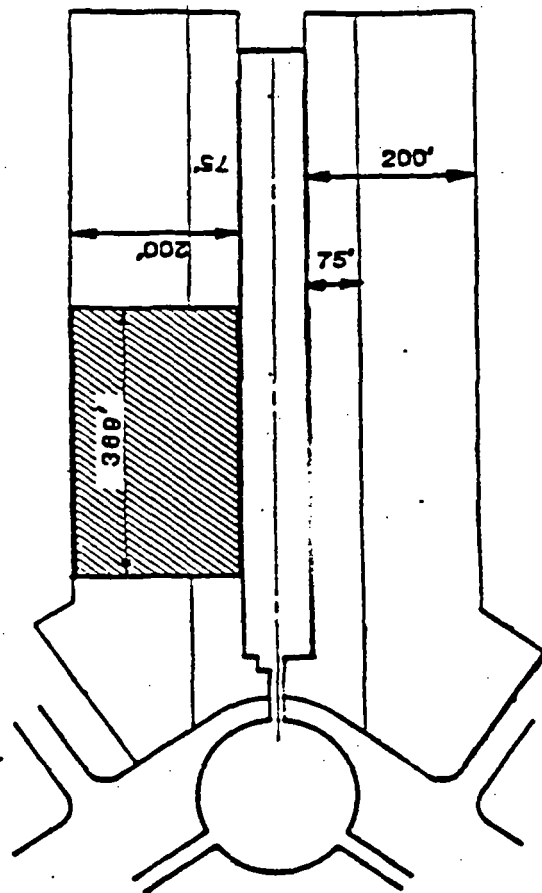
CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Illinois
Planning & Design Division
Department of Public Works

CHICAGO ASSOCIATES
LANDPLANNING & DESIGN
1100 North Dearborn Street
Chicago, Illinois 60610

USART AIRLINES EXCLUSIVE USE PREMISES

1 of 1
J-1

CONCOURSE G



Exclusive Aircraft Parking Area
369' Lineal Feet of Ramp Frontage

K-1

USAR AIRLINES EXCLUSIVE USE PREMISES

CHICAGO O'HARE INTERNATIONAL AIRPORT
LANDING & TAKEOFF

CHICAGO O'HARE INTERNATIONAL AIRPORT
City of Chicago, Illinois
Official Airport Map
Copyright © 1985
Scale: 1" = 1000'

(Continued from page 15973)

Time Fixed for Next Succeeding Regular Meeting.

By unanimous consent, Alderman Burke thereupon presented a proposed ordinance which reads as follows:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the next succeeding regular meeting of the City Council of the City of Chicago to be held after the meeting held on Thursday, the twenty- fifth (25th) day of April, 1985, at 10:00 A.M. be and the same is hereby fixed to be held on Wednesday, the fifteenth (15th) day of May, 1985, at 10:00 A.M., in the Council Chamber in the City Hall.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

On motion of Alderman Burke, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 47.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Adjournment.

Thereupon, Alderman Burke moved that the City Council do *Adjourn*. The motion *Prevailed* and the City Council *Stood Adjourned* to meet in regular meeting on Wednesday, May 15, 1985, at 10:00 A.M., in the Council Chamber in the City Hall.



WALTER S. KOZUBOWSKI,
City Clerk.