

**COPY**



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

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Recessed Session—Thursday May 30, 1985,

at 9:00 A.M.

(Of the Regular Meeting Held on Wednesday, May 29, 1985)

at 10:00 A.M.

(Council Chamber—City Hall—Chicago, Illinois)

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**OFFICIAL RECORD.**

**HAROLD WASHINGTON**  
Mayor

**WALTER S. KOZUBOWSKI**  
City Clerk

### Attendance at Recessed Session.

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

Absent -- None.

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### Session Resumed After Recess.

On Thursday, May 30, 1985, at 10:10 A.M., (the hour appointed for the meeting was 9:00 A.M.) Honorable Harold Washington, Mayor, called the City Council to order. The 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Quorum present.

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### Invocation.

Honorable Harold Washington, Mayor, requested that everyone bow their heads for a moment of silent prayer.

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## REPORTS OF COMMITTEES.

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### COMMITTEE ON FINANCE.

Continued.

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AUTHORITY GRANTED FOR AMENDMENT TO CREDIT  
AGREEMENT WITH FIRST NATIONAL BANK OF  
CHICAGO FOR CHICAGO-O'HARE  
INTERNATIONAL AIRPORT.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance, transmitted therewith, authorizing an amendment for a one year extension of the \$25,000,000 credit agreement with First National Bank of Chicago for Chicago-O'Hare International Airport.

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

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schuler, Volini, Orr, Stone -- 44.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a duly constituted and existing municipality within the meaning of Section 1, Article VII of the 1970 Constitution of the State of Illinois (the "Constitution"), and is a home rule unit under Section 6(a), Article VII of the Constitution; and

WHEREAS, The City owns and operates an airport known as Chicago-O'Hare International Airport (the "Airport"), and is in the process of planning, designing and constructing a major redevelopment of the Airport; and

WHEREAS, At the request of the Airline Parties to the 1983 Airport Use Agreement, the City Council authorized the execution of a Credit Agreement on June 28, 1983 to provide for an interim borrowing to fund the Operation and Maintenance Reserve Fund to be payable solely out of amounts on deposit in the Junior Lien Obligation Debt Service Fund, as such term is defined in the Airport Use Agreement; and

WHEREAS, The expiration date of the Credit Agreement is June 30, 1985: and

WHEREAS, In order to maintain adequate funding of the Operation and Maintenance Reserve Fund it is necessary to extend the expiration date of the Credit Agreement; and

WHEREAS, The City, as a home rule unit pursuant to the Constitution, is authorized and empowered to issue its revenue obligations to finance the cost of the redevelopment of the Airport; now, therefore,

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

SECTION 1. The amendment of the Credit Agreement with The First National Bank of Chicago (the "Credit Agreement Amendment") in the form attached hereto as Exhibit A is hereby approved. All provisions of the June 28, 1983 Ordinance relating to the

authorization of the Credit Agreement are hereby reenacted and confirmed except insofar as such provisions conflict with the terms of this ordinance, in which case such conflicting provisions are hereby superceded.

SECTION 2. The Mayor, the City Comptroller and the City Clerk for and on behalf of the City are hereby authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this ordinance and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this ordinance. The Mayor, the City Comptroller and the City Clerk are hereby further authorized and directed for and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this ordinance or to evidence said authority and to discharge all of the obligations of the City hereunder.

SECTION 3. This ordinance shall be effective from and after its passage.

Exhibit A attached to this ordinance reads as follows:

*Exhibit A*

*Credit Agreement Amendment.*

This Amendment, dated \_\_\_\_\_, 1985 (the "Amendment") to the Credit Agreement dated as of June 30, 1983 (the "Credit Agreement") entered into between the City of Chicago, a home rule unit and a body politic and corporate (the "City") and The First National Bank of Chicago, a national banking association (the "Bank");

*Witnesseth:*

Whereas, the City is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution of the State of Illinois, and is a home rule unit under Section 6(a) of Article VII of the Constitution; and

Whereas, the City and The First National Bank of Chicago have entered into a Credit Agreement dated as of June 30, 1983; and

Whereas, the Credit Agreement provides that it will terminate on June 30, 1985; and

Whereas, the City has determined that it is desirable and in the public interest to extend the termination date of the Credit Agreement to June 30, 1986 and the Bank has agreed to this extension;

Now, therefore, in consideration of the mutual agreements herein contained, the parties hereto agree as follows:

1. Extension and Amendment of Credit Agreement.

a) The definition of "Termination Date" in Section 1.1 of the Credit Agreement is amended to read as follows:



"Termination Date' means the earlier of (a) any date as may be determined by (i) the Bank pursuant to Article VI hereof or (ii) by the City pursuant to Section 2.8 hereof or (b) June 30, 1986."

b) The maturity date specified in Section 2.3 of the Credit Agreement is hereby amended to June 30, 1986.

2. Amendment of Airport Junior Lien Obligation Revenue Note.

a) The Airport Junior Lien Obligation Revenue Note of the City dated as of June 30, 1983 shall be amended as set forth in Appendix A hereto, with appropriate insertions.

b) The amendment to the Airport Junior Lien Obligation Revenue Note shall be executed in the name of the City by the Mayor and the City Comptroller, by their manual signatures, shall be attested by the manual signature of the City Clerk and shall be sealed with the Corporate Seal of the City.

3. General.

As hereby amended or modified, the Credit Agreement and the Airport Junior Lien Obligation Revenue Note remain in full force and effect.

In Witness Whereof, the parties to this Amendment have caused it to be executed by their respective authorized officers on this \_\_\_\_\_ day of \_\_\_\_\_, 1985.

[Signature forms omitted for printing purposes.]

APPENDIX A TO THE CREDIT AGREEMENT AMENDMENT

AMENDMENT

ATTACHED TO AND FORMING A PART OF  
THE AIRPORT JUNIOR LIEN OBLIGATION REVENUE NOTE  
DATED JUNE 30, 1983

The Airport Junior Lien Obligation Note (the "Junior Lien Obligation Note") from the City of Chicago to The First National Bank of Chicago dated as of June 30, 1983 is hereby amended by extending the maturity date of the Junior Lien Obligation Note to June 30, 1986.

As hereby amended or modified the Junior Lien Obligation Note remains in full force and effect.

It Is Hereby Certified, Recited And Declared, that all acts conditions and things required by the constitution and statutes of the State of Illinois and the ordinance passed by the City Council on \_\_\_\_\_, 1985 authorizing the Amendment of the Credit Agreement dated as of June 30, 1983 between the City of Chicago and The First National Bank of Chicago (the "Ordinance") to exist, to have happened and to have been performed

precedent to and in the execution of this Amendment, exist, have happened and have been performed in due time, form and manner as required by law and that the Junior Lien Obligation Note as amended by this Amendment is within every debt and other limit prescribed by law.

In Witness Whereof, the City has caused this Amendment to the Junior Lien Obligation Note to be executed in its name by the manual signature of its Mayor and its Comptroller and its Corporate Seal to be affixed hereon, and attested by the manual signature of its City Clerk, all as of \_\_\_\_\_.

[Signature forms omitted for printing purposes.]

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APPROVAL GIVEN TO 1985 CAPITAL  
EQUIPMENT PURCHASE PROGRAM.

The Committee on Finance submitted a report recommending that the City Council pass, as amended, a proposed ordinance transmitted therewith, approving the 1985 Capital Equipment Purchase Program.

Alderman Kelley introduced the following amendment to the said proposed ordinance:

MOTION TO AMEND

I hereby move to amend an ordinance approving the 1985 Capital Equipment Purchase Program by inserting that language and those figures in italics and by striking that language bracketed as shown below:

FIRE

\*\*\*\*\*

|                              |                          |
|------------------------------|--------------------------|
| [2 -- Rehabilitation Squads] | [60,000.00]              |
| [2 -- New 55' Snorkels]      | [430,000.00]             |
| [Equipment]                  | [200,000.00]             |
| Subtotal Fire                | 1,835,000 [2,525,000.00] |

\*\*\*\*\*

DEPARTMENT OF POLICE

\*\*\*\*\*

|                    |                        |
|--------------------|------------------------|
| b. Vehicles        |                        |
| 57[181] Squad Cars | 678,300 [2,152,530.00] |

\*\*\*\*\*

Subtotal Police 4,003,300 [5,329,665.00]

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## STREETS AND SANITATION

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b. *Garbage Cart Program in 3 Wards*

-- *47,300 Carts*

1,868,500.00

-- *Retrofit of 52 Trucks*

147,865.00

\*\*\*\*\*

Subtotal Streets and Sanitation 5,006,465 [2,990,100]

Alderman Kelley then moved to adopt the foregoing amendment. The motion was lost by yeas and nays as follows:

*Yeas* -- Aldermen Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Streeter, Kelley, Sherman, Henry, W. Davis, Smith, Frost, Natarus, Oberman, Volini, Orr -- 19.

*Nays* -- Aldermen Roti, Vrdolyak, Huels, Majerczyk, Burke, Brady, Langford, Kellam, Sheahan, Stemberk, Krystyniak, Marzullo, Nardulli, Hagopian, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Hansen, McLaughlin, Orbach, Schulter -- 27.

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

*Yeas* -- Aldermen Roti, Vrdolyak, Huels, Majerczyk, Burke, Brady, Langford, Kellam, Sheahan, Stemberk, Krystyniak, Marzullo, Nardulli, Hagopian, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Hansen, McLaughlin, Orbach, Schulter -- 27.

*Nays* -- Aldermen Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Streeter, Kelley, Sherman, Henry, W. Davis, Smith, Frost, Natarus, Oberman, Volini -- 18.

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

The following is said ordinance as passed:

WHEREAS, The City Council authorized the issuance of 1985 General Obligation Daily Tender Notes on January 9, 1985 (C.J.P. p. 12608); and

WHEREAS, Series 1985C of said Notes was specifically issued for the purpose of funding certain capital purchases by the City; and

WHEREAS, Section 3 of said Ordinance provided that funds from Series C could only be spent for capital equipment designated in an ordinance adopted by the City Council; now, therefore,

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

SECTION 1. That pursuant to Section 3(b) (iii) of the 1985 General Obligation Daily Tender Note Ordinance passed by the City Council on January 9, 1985 (C.J.P. p. 12641), the 1985 Capital Equipment Purchase Program, as shown on Exhibit A attached hereto, is hereby approved in its entirety.

SECTION 2. That this ordinance shall be effective upon its due passage.

Exhibit A attached to this ordinance reads as follows:

| Department/Office         | No./Items                         | 1985<br>Amount   |
|---------------------------|-----------------------------------|------------------|
| Budget and Management     | Datacenter:                       |                  |
|                           | a. Mainframe Upgrade              |                  |
|                           | - Mainframe                       | \$2,300,000      |
|                           | - Disk Storage                    | 125,000          |
|                           | - Graphics Equipment              | 40,000           |
|                           | b. Citywide Complaint System      | <u>218,000</u>   |
|                           | Subtotal: Datacenter              | 2,683,000        |
|                           | Miscellaneous Equipment/Furniture | <u>500,000</u>   |
|                           | Subtotal Budget and Management    | <u>3,183,000</u> |
| Election Commissioners    | 10 Lektrievers                    | 155,000          |
|                           | 200 Binders                       | 45,000           |
|                           | 2 Mobile Units                    | <u>100,000</u>   |
|                           | Subtotal Election Commissioners   | <u>300,000</u>   |
| Fine Arts                 | 1 Microcomputer                   | 6,000            |
| Fire                      | 1 Hazardous Materials Van         | 75,000           |
|                           | 11 Pumpers Rehabbed               | 495,000          |
|                           | 7 Aerial Ladder Trucks Rehabbed   | 875,000          |
|                           | 10 Ambulances Rehabbed            | 250,000          |
|                           | 10 Battalion Chief Sedans         | 140,000          |
|                           | 2 Rehabilitated Squads            | 60,000           |
|                           | 2 New 55 Snorkels                 | 430,000          |
|                           | Equipment                         | <u>200,000</u>   |
|                           | Subtotal Fire                     | <u>2,525,000</u> |
| Graphics and Reproduction | 1 Microcomputer/Software          | 17,000           |

|                                                |     |                                                     |                     |
|------------------------------------------------|-----|-----------------------------------------------------|---------------------|
| Health                                         | 1   | Biomedical Analyser                                 | 210,000             |
| Law                                            |     | Furniture                                           | 63,425              |
|                                                |     | Computer Equipment                                  | <u>72,810</u>       |
|                                                |     | Subtotal Law                                        | <u>136,235</u>      |
| Liquor License Commission                      | 1   | Information Processor/<br>Dual Sheet Feeder         | 12,000              |
| Personnel                                      | 7   | Terminals                                           | 14,000              |
| Planning                                       | 1   | Plotter -- Computer<br>Mapping and Graphics         | 25,000              |
| Police                                         | a.  | Automated Fingerprint<br>Identification (ID):       |                     |
|                                                |     | - Automated ID System                               | 3,640,000           |
|                                                |     | - Integrated Crime ID System                        | 570,358             |
|                                                |     | - Terminal Replacements                             | 300,000             |
|                                                |     | - Office Automation                                 | 88,898              |
|                                                |     | - Less 1984 Equip. Note Balance                     | <u>(1,599,256)</u>  |
|                                                |     | Subtotal Auto. Fingerprint ID                       | <u>3,000,000</u>    |
|                                                | b.  | Vehicles:                                           |                     |
|                                                | 181 | Squad Cars                                          | 2,152,530           |
|                                                | 25  | Squadrol Cab and Chassis                            | <u>325,000</u>      |
|                                                |     | Subtotal Police Vehicles                            | <u>1,003,300</u>    |
|                                                |     | Subtotal Police                                     | <u>5,329,665</u>    |
| Public Works                                   |     | Computer Aided Design<br>and Drafting System        | 153,000             |
|                                                | 2   | Microcomputers                                      | <u>12,000</u>       |
|                                                |     | Subtotal Public Works                               | <u>165,000</u>      |
| Purchasing                                     |     | Office Automation/Word<br>Processing System         | 87,000              |
| Streets and Sanitation                         | a.  | Refuse Collection Trucks (10)<br>with cart flippers | 1,000,000           |
|                                                | b.  | Parking Meters (7,180)                              | 1,930,100           |
|                                                | c.  | Word Processing                                     | <u>60,000</u>       |
|                                                |     | Subtotal Streets and Sanitation                     | <u>2,990,100</u>    |
| TOTAL: 1985 CAPITAL EQUIPMENT PURCHASE PROGRAM |     |                                                     | <u>\$15,000,000</u> |

*Rules Suspended* -- APPRECIATION EXTENDED LIAM  
CANNIFFE, COUNSEL GENERAL OF IRELAND, FOR  
HIS DISTINGUISHED SERVICE IN CHICAGO.

Alderman Burke moved to *Suspend the Rules Temporarily* to take up out of the regular order of business a proposed resolution honoring Liam Canniffe, Counsel General of Ireland. The motion *Prevailed*.

Alderman Burke presented the following proposed resolution:

WHEREAS, Liam Canniffe, Counsel General of Ireland, has completed his tour of duty in Chicago and in July will return to Ireland for a new assignment in the Department of Foreign Affairs in Dublin; and

WHEREAS, No more gracious or learned a counsel has been sent to our City, and Chicagoans are all the better disposed to Mr. Canniffe because he fully appreciates Chicago's Irish pulse; and

WHEREAS, He is a model diplomat and has represented the great Republic of Ireland with superb skill, bringing us closer to the people of Ireland; and

WHEREAS, His honorable service in several appointments, among them Secretary of the Irish Embassy to the Holy See, will serve him well throughout his career; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, assembled this twenty-ninth day of May, 1985, extend our appreciation to Mr. Canniffe for his distinguished service in Chicago and our warmest good-bye to a great friend and further we include our best wishes to his family and send our earnest prayers with them as all return to the Emerald Isle; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to Mr. Canniffe.

Alderman Burke moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

Thereupon, on motion of Alderman Burke, the foregoing proposed resolution was *Adopted*.

The Mayor then invited Mr. Liam Canniffe to address the Council and its guests.

In his comments, Mr. Canniffe expressed his love and admiration for the City and its people. He stated that though his physical presence would no longer be in Chicago, Chicago would always be in his heart and in his thoughts.

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#### REGULAR ORDER OF BUSINESS RESUMED.

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#### ALLOCATION OF MOTOR FUEL TAX FUNDS AUTHORIZED FOR VARIOUS CITY-WIDE PROJECTS.

The Committee on Finance submitted a report recommending that the City Council pass fifteen proposed ordinances transmitted therewith authorizing the allocation of motor fuel tax funds for new street construction, sign/lane maintenance, utility payments and alley improvements in the amount of \$4,473,200.

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

*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schulter, Volini, Orr, Stone -- 44.

*Nays* -- None.

The following are said ordinances as passed (the italic heading in each case not being a part of the ordinance):

*Allocation of Motor Fuel Tax Funds Authorized for  
New Street Construction 1985-2 Motor  
Fuel Tax Project No. 85-06951-00-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 Two Hundred Five Thousand (\$205,000.00) 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 1985-2 M.F.T. Project No. 85-06951-00-PV for the engineering of the following new streets:

|                   |                                                                                                 |
|-------------------|-------------------------------------------------------------------------------------------------|
| N. Newcastle Ave. | - W. Berwyn Ave. to W. Higgins Ave.                                                             |
| N. Oak Park Ave.  | - W. Berwyn Ave. to W. Higgins Ave.                                                             |
| N. Normandy Ave.  | - From the existing pavement south of W. Carmen Ave., approximately 297 feet, to W. Berwyn Ave. |
|                   | - W. Higgins Ave. to W. Rascher Ave.                                                            |
| N. Natoma Ave.    | - From the existing pavement south of W. Carmen Ave., approximately 297 feet, to W. Foster Ave. |
| N. Nashville Ave. | - From the existing pavement south of W. Carmen Ave., approximately 297 feet, to W. Carmen Ave. |
| N. Neenah Ave.    | - W. Foster Ave. to W. Higgins Ave.                                                             |

|                  |                                                            |
|------------------|------------------------------------------------------------|
| N. Natchez Ave.  | - W. Carmen Ave. to W. Foster Ave.                         |
| N. Medina Ave.   | - N. Milwaukee Ave. to N. Austin Ave.                      |
| N. McCook Ave.   | - N. Medina Ave. to W. Peterson Ave.                       |
| W. Carmen Ave.   | - N. Rutherford Ave. to N. Natoma Ave.                     |
| W. Carmen Ave.   | - N. Spaulding Ave. to N. Kedzie Ave.                      |
| W. Balmoral Ave. | - N. Moody Ave. to N. Meade Ave.                           |
| W. Seminole St.  | - (N. Mobile Ave. - N. Northwest Hwy.) to N. Merrimac Ave. |
| W. Peterson Ave. | - N. Mulligan Ave. to N. Mobile Ave.                       |
|                  | - N. Melvina Ave. to N. Milwaukee 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 to 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.

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*Allocation of Motor Fuel Tax Funds Authorized for  
New Street Construction 1985-1 Motor  
Fuel Tax Project No. 85-06950-00-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 Eighty-eight Thousand (\$188,000.00) 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 1985-1 M.F.T. Project No. 85-06950-00-PV for the engineering of the following new streets:

|                    |                                                                                                                           |
|--------------------|---------------------------------------------------------------------------------------------------------------------------|
| S. Drake Ave.      | - S. Archer Ave. to W. 43rd St.                                                                                           |
| S. Christiana Ave. | - W. 47th St. to W. 46th St.                                                                                              |
| W. 46th St.        | - From the existing pavement west of S. Christiana Ave., an average distance of approximately 110 feet, to S. Kedzie Ave. |
| W. 45th St.        | - S. Drake Ave. to S. Trumbull Ave.                                                                                       |
| W. 44th St.        | - S. Drake Ave. to S. Spaulding Ave.                                                                                      |
| W. 43rd St.        | - S. Drake Ave. to S. Kedzie 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 to 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.

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*Amendment of Ordinance Providing for Expenditure  
of Motor Fuel Tax Funds for Construction and  
Engineering Authorized for New Street  
Construction Fuel Tax Project  
No. 82-05043-00-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 8020 and 8021 of the Council Journal, providing for the engineering of M.F.T. Project No. 82-05043-00-PV be amended to increase the allocation of Motor Fuel Tax Funds from \$58,900.00 to \$1,100,000.00 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 One Hundred Thousand (\$1,100,000.00) Dollars 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 1982-2 M.F.T. Project No. 82-05043-00-PV for the engineering of the following new streets:

|                    |                                    |
|--------------------|------------------------------------|
| S. Homan Ave.      | - W. 105th St. to W. 104th St.     |
| S. Christiana Ave. | - W. 104th St. to W. 103rd St.     |
| S. Spaulding Ave.  | - W. 104th St. to W. 103rd St.     |
| S. Whipple St.     | - W. 105th St. to W. 103rd St.     |
| S. Sacramento Ave. | - W. 105th St. to W. 103rd St.     |
| W. 104th St.       | - S. Kedzie Ave. to S. Troy St.    |
| W. 104th St.       | - S. Albany Ave. to S. Whipple St. |

SECTION 2. The City Clerk is 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.

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*Motor Fuel Tax Funds for Reconstruction and  
Realignment of Portion of North Sheridan  
Road and West Sheridan Road.*

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

SECTION 1. That Section 1 of the ordinance of July 9, 1984, page 8032 of the Council Journal be amended by deleting therefrom the amount \$150,000.00 in line three and inserting in lieu thereof the amount \$210,000.00.

SECTION 2. 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 3. The City Clerk is directed to transmit two certified copies of this 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 4. This ordinance shall be in force and effect from and after its passage.

---

*Allocation of Motor Fuel Tax Funds For Street  
Sign Maintenance.*

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

SECTION 1. Authority is hereby given to the Commissioner of Public Works to expend the sum of \$460,606.00 from that portion of the Motor Fuel Tax Fund which has been or may be allotted to the City of Chicago for Traffic and Street Sign Maintenance of Improved Streets, County 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 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 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 voucher 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 Public Works.

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 Funds For  
Traffic Lane Line Maintenance.*

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

SECTION 1. Authority is hereby given to the Commissioner of Public Works to expend the sum of \$339,394.00 from that portion of the Motor Fuel Tax Fund which has been or may be allotted to the City of Chicago for Traffic Lane Line Maintenance of Improved Streets, County 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 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 voucher 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 Public Works.

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 for District 1 of said Department of Transportation.

SECTION 7. This ordinance shall be in force and effect from and after its passage.

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*Allocation of Motor Fuel Tax Funds For Energy  
Charges For traffic Signals City-Wide.*

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

SECTION 1. Authority is hereby given to the Commissioner of Public Works to expend the sum of \$1,600,000.00 from that portion of the Motor Fuel Tax Fund which has been or may be allotted to the City of Chicago for Traffic Signal Energy Charges, City-wide 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 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 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 voucher 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 monthly billing accounting principles.

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 (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 Funds Authorized  
For New Alley Construction 1985-11  
Motor Fuel Tax Project  
No. U-5038.*

*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-five Thousand Two Hundred (\$55,200.00) 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 1985-11 M.F.T. Project No. U-5038 for construction of the following new alleys:

- |             |                                                                                                      |
|-------------|------------------------------------------------------------------------------------------------------|
| Alley No. 1 | - Alley between<br>W. Cornelia Avenue, W. Roscoe Street, N. Oleander Avenue<br>and N. Oriole Avenue; |
| Alley No. 2 | - Alley between<br>W. Belmont Avenue, W. Barry Avenue, N. Olcott Avenue and<br>N. Oleander Avenue;   |
| Alley No. 3 | - Alley between<br>W. School Street, W. Belmont Avenue, N. Oconto Avenue and<br>N. Octavia Avenue;   |

Alley No. 4                      Alley between  
W. Waveland Avenue, W. Addison Street, N. Oketo Avenue and  
N. Osceola Avenue;

Alley No. 5                      Alley between  
W. Higgins Avenue, W. Belmont Avenue, N. Nottingham  
Avenue and N. Mont Clare 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.

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 principals 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.

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*Allocation of Motor Fuel Tax Fund Authorized For  
New Alley Construction 1985-12  
Motor Fuel Tax Project No. U-5039.*

*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-four Thousand Two Hundred (\$64,200.00) 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 1985-12 M.F.T. Project No. U-5039 for construction of the following new alleys:

- |               |                                                                                                         |
|---------------|---------------------------------------------------------------------------------------------------------|
| Alley No. 1 - | Alley between<br>S. Hillock Avenue, Railroad R.O.W.<br>S. Bonfield Avenue and S. Loomis Street;         |
| Alley No. 2 - | Alley between<br>C.B. & W. Railroad, W. 23rd Street<br>S. Trumbull Avenue and S. St. Louis Avenue;      |
| Alley No. 3 - | Alley between<br>W. Lunt Avenue, W. Ibsen Avenue<br>N. Odell Avenue and N. Osceola Avenue;              |
| Alley No. 4 - | Alley between<br>W. Winnemac Avenue, W. Argyle Street<br>N. Leclaire Avenue and N. Laramie Avenue, etc. |

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.

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.

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*Allocation of Motor Fuel Tax Fund Authorized For  
New Alley Construction 1985-13  
Motor Fuel Tax Project No. U-5040.*

*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-three Thousand Eight Hundred (\$73,800.00) 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 1985-13 M.F.T. Project No. U-5040 for construction of the following new alleys:

|               |                                                                                              |
|---------------|----------------------------------------------------------------------------------------------|
| Alley No. 1 - | Alley between<br>W. 80th Street, W. 81st Street<br>S. Winchester Avenue and S. Damen Avenue; |
|---------------|----------------------------------------------------------------------------------------------|

|               |               |
|---------------|---------------|
| Alley No. 2 - | Alley between |
|---------------|---------------|

W. 87th Street, W. 88th Street  
S. Throop Street and S. Ada Street;

Alley No. 3 - Alley between  
W. 88th Street, W. 89th Street  
S. Loomis Street and S. Bishop Street;

Alley No. 4 - Alley between  
W. 56th Street, W. 57th Street  
S. Natoma Avenue and S. Normandy 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 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.

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*Allocation of Motor Fuel Tax Fund Authorized For  
New Alley Construction 1985-14  
Motor Fuel Tax Project No. U-5041.*

*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-nine Thousand Two Hundred (\$69,200.00) 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 1985-14 M.F.T. Project No. U-5041 for construction of the following new alleys:

- |               |                                                                                                     |
|---------------|-----------------------------------------------------------------------------------------------------|
| Alley No. 1 - | Alley between<br>W. 88th Street, W. 89th Street<br>S. Paulina Street and S. Hermitage Avenue;       |
| Alley No. 2 - | Alley between<br>W. 88th Street, W. 89th Street<br>S. Marshfield Avenue and S. Paulina Street;      |
| Alley No. 3 - | Alley between<br>C.R.I & P. Railroad, W. 90th Street<br>S. Marshfield Avenue and S. Paulina Street; |
| Alley No. 4 - | Alley between<br>W. 101st Street, W. 102nd Street<br>S. State Street and S. Lafayette 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 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.

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*Allocation of Motor Fuel Tax Funds Authorized  
for New Alley Construction 1985-15  
Motor Fuel Tax Project No. U-5042.*

*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-eight Thousand Five Hundred (\$58,500.00) 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 1985-15 M.F.T. Project No. U-5042 for construction of the following new alleys:

- |             |                                                                                            |
|-------------|--------------------------------------------------------------------------------------------|
| Alley No. 1 | - Alley between E. 108th Street, E. 109th Street, S. Rhodes Avenue and S. Eberhart Avenue; |
| Alley No. 2 | - Alley between W. 103rd Street, W. 104th Street, S. State Street and S. Perry Avenue;     |
| Alley No. 3 | - Alley between W. 106th Place, W. 107th Street, S. Lafayette Avenue and S. Perry Avenue;  |
| Alley No. 4 | - Alley between W. 108th Street, W. 108th Place, S. State Street and S. Perry 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 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.

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*Allocation of Motor Fuel Tax Funds Authorized  
for New Alley Construction 1985-16.  
Motor Fuel Tax Project No. U-5043.*

*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 Nine Thousand Six Hundred (\$109,600.00) 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 1985-16 M.F.T. Project No. U-5043 for construction of the following new alleys:

- |             |                                                                                            |
|-------------|--------------------------------------------------------------------------------------------|
| Alley No. 1 | - Alley between W. 127th Street, W. 128th Place, S. Parnell Avenue and S. Wallace Street;  |
| Alley No. 2 | - Alley between W. 115th Street, W. 116th Street, S. Wentworth Avenue and S. Yale Avenue;  |
| Alley No. 3 | - Alley between W. 120th Street, W. 121st Street, S. Justine Street and S. Ashland Avenue; |
| Alley No. 4 | - Alley between W. Vermont Street, W. 128th Place, S. Union Avenue and S. Emerald 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 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.

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*Allocation of Motor Fuel Tax Funds Authorized  
for New Alley Construction 1985-17.  
Motor Fuel Tax Project No. U-5044.*

*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-seven Thousand Three Hundred (\$77,300.00) 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 1985-17 M.F.T. Project No. U-5044 for construction of the following new alleys:

- |             |                                                                                                |
|-------------|------------------------------------------------------------------------------------------------|
| Alley No. 1 | - Alley between E. 79th Street, E. 80th Street, S. Escanaba Avenue and S. Muskegon Avenue;     |
| Alley No. 2 | - Alley between E. 89th Street, E. 90th Street, S. Yates Boulevard and S. Oglesby Avenue;      |
| Alley No. 3 | - Alley between E. 100th Place, E. 101st Street, S. Dauphin Avenue and S. St. Lawrence Avenue; |
| Alley No. 4 | - Alley between W. 105th Street, W. 105th Place, S. St. Louis Avenue and S. Drake 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 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.

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*Allocation of Motor Fuel Tax Funds Authorized  
for New Alley Construction 1985-18.  
Motor Fuel Tax Project No. U-5045.*

*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-seven Thousand (\$67,000.00) Dollars from that part of the Motor Fuel Tax Fund which has been or may be allocated to the City of Chicago for New Alley Construction 1985-18 M.F.T. Project No. U-5045 for construction of the following new alleys:

- |             |                                                                                                                |
|-------------|----------------------------------------------------------------------------------------------------------------|
| Alley No. 1 | - Alley between E. 103rd Street, E. 104th Street, S. Dr. Martin Luther King Jr. Drive and S. Calumet Avenue;   |
| Alley No. 2 | - Alley between E. 104th Street, E. 105th Street, S. Eberhart Avenue and S. Vernon Avenue;                     |
| Alley No. 3 | - Alley between E. 104th Street, E. 105th Street, South Vernon Avenue and S. Dr. Martin Luther King Jr. Drive; |
| Alley No. 4 | - Alley between W. 114th Place, W. 115th Street, S. Elizabeth Street and S. Throop Street.                     |

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.

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AUTHORITY GRANTED FOR EXECUTION OF REDEVELOPMENT  
AGREEMENT AND LOAN AND SECURITY AGREEMENT  
WITH PAUL STUCK AND ASSOCIATES,  
LIMITED.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith, authorizing the execution of certain redevelopment and loan and security agreements with Paul Stuck and Associates, Ltd., d/b/a Recycled Office Furniture Systems, Inc., whereby H.U.D. Section 108 Program and Illinois Fixed Rate Loan Funds will be lent, and land write-down funds will be given to assist the company in acquiring, rehabilitating and equipping property located at 2503 South Blue Island 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, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schuler, Volini, Orr, Stone -- 44.

*Nays* -- None.

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, An economic development plan known as the Chicago Plan for Economic Development, which among other things, provides for various forms of economic assistant programs, such as the Cooperative Land Purchases Program, has been approved by the U.S. Department of Commerce, Economic Development Administration; and

WHEREAS, The Department of Economic Development of the City of Chicago has funds available to it for economic development activities from the following sources:

- (i) the U.S. Department of Commerce, Economic Development Administration for financial assistance in the form of grants to acquire real estate within the City, and known as the Cooperative Land Purchases Program;
- (ii) the U.S. Department of Housing and Urban Development funds for long term subordinated mortgages, and known as the H.U.D. Section 108 Demonstration Loan Program, and
- (iii) Federal Community Service Block Grant Funds through the State of Illinois, for rehabilitation and acquisition of machinery and equipment for business development, and known as the Illinois Fixed Rate Loan Program; and

WHEREAS, Paul Stuck and Associates, Ltd. an Illinois corporation d/b/a Recycled Office Furniture Systems, Inc., has applied to the City for economic assistance as part of its business expansion program; and

WHEREAS, The Economic Development Commission of the City of Chicago by 3 resolutions adopted April 11, 1985, approved the applications of Paul Stuck for financial assistance as follows:

- (i) \$75,000 from the Cooperative Land Purchases Program;
- (ii) \$400,000 from H.U.D. Section 108 Demonstration Loan Program;
- (iii) \$130,000 from the Illinois Fixed Rate Loan Program; and

WHEREAS, Upon the basis of the aforesaid 3 resolutions, the City of Chicago is willing to provide the above mentioned sums to Paul Stuck to assist in the acquisition, rehabilitation and equipping of the property located at 2503 South Blue Island Avenue as part of Paul Stuck's business expansion program, which will result in the retention of 35 permanent jobs and the creation of approximately 90 new, permanent job opportunities within 36 months following commencement of the development; 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, on behalf of the City of Chicago, and upon review of the Corporation Counsel as to form and legality, agreements with Paul Stuck and Associates, Ltd., d/b/a Recycled Office Furniture Systems, Inc., as follows:

- (i) a Redevelopment Agreement by which the City will provide \$75,000 under the Cooperative Land Purchases Program to assist in the acquisition of property located at 2503 South Blue Island Avenue, Chicago, Illinois, a copy of which is attached hereto as Exhibit A;
- (ii) a Loan and Security Agreement by which the City will loan \$400,000 to assist in the acquisition of the aforesaid Blue Island property, a copy of which is attached hereto as Exhibit B;
- (iii) a Loan and Security Agreement by which the City will loan \$130,000 to assist in the rehabilitation and equipping of the aforesaid Blue Island property, a copy of which is attached hereto as Exhibit C.

SECTION 2. The Commissioner of Economic Development is further authorized to enter into and execute such additional agreements, documents and understandings as may be necessary to implement the above described financial transactions.

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

Exhibits A, B and C attached to this ordinance read as follows:

*Exhibit A**Redevelopment Agreement.*

This Agreement made as of the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, between the City of Chicago, Illinois ("City"), by and through its Department of Economic Development, with offices at 20 North Clark Street, 28th Floor, Chicago, Illinois 60602 ("DED"), Paul D. Stuck, individually, individuals residing at 1321 West Berwyn Avenue, Chicago, Illinois 60640 (collectively, "Purchaser"), Paul Stuck and Associates, Ltd., d/b/a Recycled Office Furniture Systems, Inc., with offices at 1503 South Blue Island Avenue, Chicago, Illinois ("Developer"), and Cosmopolitan National Bank, not personally, but as Trustee under Land Trust at 801 North Clark Street, Chicago, Illinois 60610.

*Recitals:*

Whereas, DED was established February 10, 1982 by ordinance of the City Council of the City of Chicago as the successor agency to the Economic Development Commission; 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 development in the City of Chicago; and

Whereas, DED has received a federal grant from the United States Department of Commerce in the amount of \$7,700,000 for the funding of the Chicago Plan for Economic Development ("Plan"), which among other things provides for the City to contribute funds to reduce the acquisition costs of the real estate component of development projects to make that element of such projects competitive with alternative sites outside the City; and

Whereas, Seller and Purchaser have executed an agreement dated June 1, 1984, as amended June 8, 1985 ("Sale Contract"), on the sale and purchase of that certain realty commonly known as 2503 South Blue Island Avenue, Chicago, Illinois 60608 ("Property") for the total amount of \$425,000, which Purchaser will extend a long term lease to the company, Recycled Officer Furniture Systems, Inc. to expand its current manufacturing and fabricating facility, warehouse, distribution center and office operations ("Project"); and

Whereas, Purchaser has requested City assistance in acquiring the Property, by providing funds from the Plan to write-down the cost of the Property \$.50 per square foot; and

Whereas, The Economic Development Commission, pursuant to the Chicago Plan for Economic Development, by resolution dated April 11, 1985, approved Purchaser's request; and

Whereas, Purchaser has represented that the Project will result in the retention of 35 permanent jobs, and create an estimated 30 new, permanent jobs;

Now, therefore, the parties hereto agree as follows:

Section I. Incorporation of Recitals.

The above Recitals are hereby expressly incorporated herein and made a part hereof

Section II. Consideration.

In consideration of Seller and Purchaser having executed the Sale Contract for the Property, and Purchaser executing this Agreement obligating itself to rehabilitate the Property pursuant to Section III herein, the City hereby agrees to pay Seller at the time of closing a sum equal to \$.50 times the total square footage of the Property as determined by a plat survey completed prior to the closing.

Section III. Redevelopment Plan.

Purchaser shall: (i) prepare or cause Recycled Office Furniture Systems, Inc. to prepare the Property for expansion of its current use as a combined manufacturing and fabricating facility, warehouse, distribution center and offices facility of approximately 150,000 square feet; (ii) develop plans and specifications for the expansion in conformity with all applicable state and local laws and regulations; (iii) use the Property in accordance with applicable zoning laws; and (iv) complete aforesaid expansion no later than June 1, 1986.

Section IV. Employment.

Developer shall use its best efforts to increase its total employment to approximately 90 permanent employees at the Property within 36 months of execution of this Agreement.

Section V. Conveyance of Property.

(a) Conveyance of the Property shall occur through an escrow to be established for that purpose with such institution and upon such terms as are mutually satisfactory to the parties hereto.

(b) Purchaser shall cause the deed to be filed in the Office of the Recorder of Deeds of Cook County, Illinois.

(c) The sale and conveyance shall, in any event, be closed no later than December 31, 1985.

(d) The City shall record this Agreement with the Cook County Recorder of Deeds upon execution hereof

(e) In the event that Purchaser (i) prior to the conveyance of the property, assigns or attempts to assign this Agreement or any rights hereunder or (ii) fails to pay the purchase price and take title to the property under tender of conveyance by Seller in conformance with the Sale Contract and this Agreement, the City may in its sole discretion declare this Agreement terminated and of no further force or effect on the parties hereto.

Section VI. Evidence of Financing.

Purchaser shall submit evidence as to equity capital of not less than \$789,000 and any commitment necessary for mortgage or other financing in an amount sufficient to accomplish the purchase and Redevelopment Plan not later than 10 days after execution of this Agreement.

#### Section VII. Completion of Improvements.

Purchaser shall complete or cause to be completed the Redevelopment Plan described in Section III no later than June 1, 1986.

#### Section VIII. Time of the Essence.

Time is of the essence of this Agreement.

#### Section IX. Certificate of Completion.

Promptly after completion of the improvements in accordance with this Agreement, the City will furnish Purchaser with an appropriate instrument so certifying. The certification by the City shall be a conclusive determination of satisfaction of Purchaser to construct the improvements and shall be in a form suitable for recording with the Cook County Recorder of Deeds. If the City shall refuse or fail to provide the certification, the City shall, within 30 days after written request by Purchaser provide Purchaser with a written statement indicating in adequate detail how Purchaser has failed to complete the construction or rehabilitation of the improvements in conformity with this Agreement, or is otherwise in default, and what measures or acts will be necessary in the opinion of the City to take or perform in order to obtain the certification.

#### Section X. Transfer or Abandonment of Project or Property.

(a) Purchaser shall not sell, assign, convey or transfer, in whole or in part, the Property or any interest therein until seven years after disbursement of funds under this Agreement without prior written approval of the City, except Purchaser may mortgage the Property pursuant to Section XI herein; provided, however, that Purchaser may elect to place title to the Property in a land trust of which Purchaser is the sole beneficiary in which event the Purchaser shall cause the land trustee to acknowledge and consent to this Agreement, in writing;

(b) Notwithstanding anything herein to the contrary, a total cessation of Paul Stuck and Associates, Ltd. d/b/a Recycled Office Furniture Systems, Inc. business or a sale of Paul Stuck and Associates, Ltd. d/b/a Recycled Office Furniture, Inc. assets to an independent party will not be deemed a violation of this Section X provided that the business operations of Paul Stuck and Associates, Ltd. d/b/a Recycled Office Furniture Systems, Inc. (or its successor interest) remain on the Property or at another site within the City of Chicago.

#### Section XI. Limitation Upon Encumbrance of Property.

Prior to the completion of the improvements as set forth in Section III as certified by the City, neither Purchaser nor any successor in interest to the Property shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien

upon the Property, or suffer any encumbrance or lien to be made on or attached to the Property, except for the purposes only of obtaining funds to the extent necessary for constructing and equipping the improvements as set forth in Section III, including funds necessary for architects, engineers, surveyors, legal, title and financing fees, costs and charges.

#### Section XII. Mortgagees Not Obligated to Construct.

Notwithstanding any of the provisions of this Agreement, the holder of any mortgage authorized by this Agreement (including any holder who obtains title to the Property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, but not including (a) any other party who thereafter obtains title to the Property or such part from or through such holder, or (b) any other purchaser at foreclosure sale other than the holder of the mortgage itself) shall not be obligated by the provisions of this Agreement to construct or complete the construction of the improvements set forth in Section III or to guarantee such construction or completion; nor shall any covenant or other provisions be construed to so obligate such holder. Nothing in this Section or any other section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided or permitted in this Agreement.

#### Section XIII. Enforced Delay in Performance.

Neither the City nor Purchaser nor any successor in interest shall be considered in breach or default of its obligations with respect to the preparation of the Property for redevelopment, or the commencement or completion of construction of the improvements, in the event of enforced delay in the performance of such obligations due to causes beyond its control or without its fault or negligence. The time for the performance of the obligations shall be extended for the period of the enforced delay, as determined by the City, if the party seeking the extension shall request it in writing of the other party.

#### Section XIV. Maintaining Records and Right to Inspect/Access to Project.

(a) All books, records and other documents of Purchaser relating to this Agreement shall be subject to the right of access by any duly authorized representative of the City for purposes of inspection, copy, audit or examination.

(b) Any duly authorized representative of the City shall, at all reasonable times, after the closing of the Sale Contract, have access to any portion of the Property.

(c) The rights to inspect and access shall extend until the completion of Purchaser's obligations under this Agreement, and until final settlement and conclusion of all issues arising hereunder.

#### Section XV. Conflict of Interest; City's Representatives not Individually Liable.

No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement; nor shall any such member, official or employee participate in



any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested. No member, official or employee of the City shall be personally liable to Purchaser or any successor in interest in the event of any default or breach by the City or for any amount which may become due to Purchaser or its successors or on any obligations under the terms of this Agreement.

#### Section XVI. Survival of Agreement.

This Agreement shall survive any transfer of title to the Property to the Purchaser or any successor in interest to the Purchaser, and shall not be merged with any deed or other instrument given pursuant to such a transfer.

#### Section XVII. Default.

A default shall have existed and be continuing under this Agreement if the obligations set forth in Sections III, IV, VII, X, XI, XIX and XX are not met in the time and manner set forth therein.

#### Section XVIII. Remedies.

(a) Upon the occurrence of a default of this Agreement, the City shall give written notice thereof to the Purchaser.

(b) If the default shall exist and be continuing for a period in excess of 60 days after receipt of the aforesaid notice, by the Purchaser, Purchaser shall upon written demand by the City, immediately return to the City all funds advanced plus interest from the date of disbursement of said funds by the City to the Purchaser at the rate charged from time to time by Continental Illinois National Bank and Trust Company of Chicago to its most creditworthy customers upon 90 day unsecured loans.

(c) Notwithstanding anything herein to the contrary, Seller shall not be liable for any default of this Agreement except a default of Seller under the Sale Contract.

#### Section XIX. Non-discrimination.

Purchaser agrees that, while it shall have any interest in the Property, it shall not discriminate on the basis of race, color, religion, sex or national origin in the sale, lease, use or occupancy of the Property or any improvement located or to be erected thereon, or any part thereof. 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 against those parties who from time to time have an interest in the Property in accordance with administrative or legal proceedings applicable thereto.

#### Section XX. Equal Employment Opportunity.

Purchaser for itself and its successors and assigns agrees that, during the construction of the improvements provided in Section III of this Agreement:

(a) Developer will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin. Purchaser will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, 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, rates of pay, or other forms of compensation, and selection for training, including apprenticeship. Purchaser agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

(b) Purchaser will, in all solicitations 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.

(c) Purchaser will include the provisions of paragraphs (a) and (b) in every contract, and will require the inclusion of these provisions in every subcontract entered into by any of its contractors, so that such provisions will be binding upon each such contractor or subcontractor, as the case may be.

(d) 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 which breaches this covenant.

#### Section XXI. Miscellaneous.

(a) This Agreement shall be binding upon the successors, assigns and/or transferees of Purchaser.

(b) Any and all notices given or required hereunder shall be in writing and deemed given on the second day following the day on which the same has been placed in the U.S. Mail, first class, registered with return receipt requested, postage and fees prepaid, and addressed as follows:

If to City:

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

If to Purchaser:

Paul D. Stuck  
1321 West Berwyn Avenue  
Chicago, Illinois 60640

If to Seller:

Cosmopolitan National Bank Trust No. 2915  
801 North Clark Street  
Chicago, Illinois 60610

If to Developer:

Paul Stuck and Associates, Ltd. d/b/a  
Recycled Office Furniture Systems, Inc.  
2503 South Blue Island Avenue  
Chicago, Illinois 60608

(c) 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.

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

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

[Signature forms omitted for printing purposes.]

STATE OF ILLINOIS    )  
                                  )ss;  
COUNTY OF COOK     )

I, the undersigned, a Notary Public in and for the County and State aforesaid, Do Hereby Certify that the above-named officer of \_\_\_\_\_ (the "Bank") personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as Officer of the Bank and as the own free and voluntary act of the Bank for the uses and purposes therein set forth:

Given under my hand and Notarial Seal this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires  
\_\_\_\_\_

*Exhibit B*

*HUD Section 108 Subordinated Mortgage  
Loan And Security Agreement*

This Agreement made on or as of the \_\_\_\_\_ day of \_\_\_\_\_, 1985, between the City of Chicago, by and through its Department of Economic Development, having its offices located at 20 North Clark Street, Suite 2800, Chicago, Illinois, and Paul Stuck and Associates d/b/a Recycled Office Furniture Systems, Inc., (The "Company") an Illinois corporation having its principal offices located at 2503 South Blue Island, Chicago, Illinois 60608.

*Witnesseth:*

Whereas, the Department of Economic Development of the City of Chicago (hereinafter referred to as the "DED" or "Lender"), was established on the 10th of February, 1982 by ordinance of the City Council of the City of Chicago; and

Whereas, the 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 from the United States Department of Housing and Urban Development ("HUD"), under Section 108 of the Housing and Community Development Act of 1974, as amended; and

Whereas, DED desires to loan to Company, and Company desires to borrow from DED, the sum of \$400,000.00 ("108 Loan") for purposes of aiding in the acquisition and rehabilitation of certain parcels of real estate located at 2305 South Blue Island Avenue, Chicago, Illinois (Premises) pursuant to resolution of the Economic Development Commission of the City of Chicago, dated April 11, 1985.

Now, Therefore, in consideration of the premises set forth herein Borrower agrees to borrow monies from Lender, and Lender agrees to lend monies to Borrower, upon the following terms and conditions.

Section I. General Definitions and Terms.

1. The following words, terms and/or phrases shall have the meanings set forth thereafter and such meanings shall be applicable to the singular and plural form thereof

(A) "Affiliate" shall mean any "Person" (hereinafter defined) in which one or more stockholders of Borrower, (Subsidiary) (hereinafter defined), and/or "Parent" (hereinafter defined), jointly and/or severally, now or at any time or times hereafter have an equity or other ownership interest equal to or in excess of fifty percent (50%) of the total equity of or other ownership interest in such Person.

(B) "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) or by oral agreement or operation of law or otherwise.

(C) "Charges" shall mean all national, federal, state, county, city, municipal and/or other governmental (or any instrumentality, division, agency, body or department thereof including without limitation the Department of Economic Development of the City of Chicago) taxes, levies, assessments, charges, liens, claims or encumbrances upon and/or relating to the "Security" (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.

(D) "Financials" shall mean those financial statements described herein.

(E) "Indebtedness" shall mean all obligations and liabilities of Borrower to any Person (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 owed, due or payable, however evidenced, created, incurred, acquired or owing and however arising, whether under written or oral agreement, operation of law, or otherwise. Indebtedness includes, without limiting the generality of the foregoing: (i) obligations or liabilities of any Person that are secured by any lien, claim, encumbrance, or security interest upon property owned by Borrower even though Borrower has not assumed or become liable for the payment thereof; and (ii) obligations or liabilities created or arising under any lease or real or personal property, or conditional sale or other title retention agreement with respect to property used and/or acquired by Borrower, even though the rights and remedies of the lessor, seller and/or lender thereunder are limited to repossession of such property.

(F) "Other Agreements" shall mean all agreements, instruments and documents including without limitation, guarantees, mortgages, deeds of trust, pledges, powers of attorney, consents, assignments, contracts, notices, security agreements, leases, financing statements and all other written matter heretofore, now, and/or from time to time hereafter executed by and/or on behalf of Borrower and delivered to Lender by Borrower.

(G) "Parent" shall mean any corporation now or at any time or times hereafter, owning or controlling (alone or with Borrower, any Subsidiary and/or any other Person), at least a majority of the issued and outstanding "Stock" or Borrower or any Subsidiary.

(H) "Person" shall mean any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation institution, entity, party or government (whether national, federal, state, county, city, municipal or otherwise, including without limitation, any instrumentality, division, agency, body or department thereof).

(I) "Stock" shall mean all shares, interests, participations or other equivalents (however designated) of or in a corporation, whether or not voing, including but not

limited to common stock, warrants, preferred stock, convertible debentures and all agreements, instruments and documents convertible, in whole or in part, into any one or more or all of the foregoing.

(J) "Subsidiary" shall mean any corporation at least a majority of whose issued and outstanding stock now or at any time or times hereafter is owned by Borrower and/or one or more Subsidiaries.

Except as otherwise defined in this Agreement, all words, terms and/or phrases used herein shall be defined by the applicable definition therefore (if any) in the Uniform Commercial Code, as adopted in the State of Illinois.

2. Borrower covenants, warrants and represents to Lender that 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 the Other Agreements, shall survive the execution, delivery and acceptance thereof by the parties thereto and the closing of the transactions described therein or related thereto, and shall be true from the time of Borrower's execution of this Agreement to the end of the original term and each renewal term hereof (if any).

3. This Agreement and the Other Agreements may not be modified, altered or amended except by an agreement in writing signed by Borrower and Lender. Borrower may not sell, assign or transfer this Agreement, or the Other Agreements or any portion thereof, including without limitation Borrower's rights, titles, interests, remedies, powers and/or duties thereunder. Borrower hereby consents to Lender's sale, assignment, transfer or other disposition, at any time and from time to time hereafter, of this Agreement, or the Other Agreements, or any portion thereof, including without limitation Lender's rights, titles, interests, remedies, powers and/or duties.

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. Any suspension or waiver by Lender of an "Event of Default" (hereinafter defined), by Borrower under this Agreement or the Other Agreements shall not suspend, waive or affect any other Event of Default by Borrower under this Agreement or the Other Agreements, whether the same is prior or subsequent thereto, and whether of the same or of a different type. None of the undertakings, agreements, warranties, covenants and representations of Borrower contained in this Agreement or the Other Agreements, and no Event of Default by the Borrower under this Agreement or the Other Agreements shall be deemed to have been suspended or waived by Lender unless such suspension or waiver is by an instrument in writing signed by Lender and directed to Borrower specifying such suspension or waiver.

5. This Agreement and the Other Agreements shall be binding upon and inure to the benefits of the successors and assigns of Borrower and Lender. This provision, however, shall not be deemed to modify Paragraph 4 hereof

6. Except as otherwise specifically provided in this Agreement, Borrower waives presentment, demand and protest, and notice of presentment, protest, default, nonpayment, maturity, release, compromise, settlement, extension or renewal of any or all

commercial paper, contract rights, documents, instruments, chattel paper and guarantees at any time held by Lender on which Borrower may in any way be liable and hereby ratifies and confirms whatever Lender may do in this regard.

7. The provisions of the other Agreements are incorporated in this Agreement by this reference thereto. Except as otherwise provided in this Agreement and except as otherwise provided in Other Agreements by specific reference to the applicable provision of this Agreement, if any provision contained in this Agreement is in conflict with, or inconsistent with any provision in Other Agreements, the provision contained in this Agreement shall govern and control.

8. Until Lender is notified by Borrower to the contrary in writing by registered or certified mail directed to Lender's principal office, the signature upon this Agreement or upon any of the Other Agreements of a "Designated Person" (as that term is defined in Borrower's Secretary's Certificate of even date herewith constituting one of the \_\_\_\_\_) shall bind Borrower and be deemed to be the act of Borrower affixed pursuant to and in accordance with resolutions duly adopted by Borrower's Board of Directors.

## Section II. Loan.

1. The 108 Loan shall be made upon the following terms and conditions:

- (A) the principal sum shall be \$400,000.00;
- (B) the term shall be 19 years;
- (C) the rate of interest charged per annum shall be 1% above the interest charged on 19 year U. S. Treasury Bonds to be sold on or about the date of execution of this Agreement.
- (D) principal payments together with interest thereon will commence on the 1st day of the month following the execution date of this Agreement, and will be due and payable on said 1st day of each succeeding month thereafter until paid in full.
- (E) the 108 Loan is to be applied by the company in part payment for acquisition and rehabilitation of the Premises (the "Project").
- (F) said 108 Loan made by DED to the Company shall be secured as provided in Section III of this Agreement, and the Company shall execute at DED's request, a mortgage, assignments of leases and rents, and such other documents as DED may reasonably request, and in form suitable for recording with the Cook County Recorder of Deeds.
- (G) DED agrees to subordinate its Loan Agreements provided that any senior lien should not exceed \$600,000.00.
- (H) the Company agrees that it will cause all current outstanding loans and/or liens to be subordinated to this 10% Loan if such subordination is necessary to assure

that the DED occupies no less than a second secured lien position on all of the collateral described in Section III. No later than the date of closing, the Company shall furnish to DED documents satisfactory to the DED which evidence the Company's compliance with this provision.

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

3. Borrower warrants and represents to Lender that Borrower shall use the proceeds of all loans made by Lender to Borrower pursuant to this Agreement and other Agreements solely for legal and proper corporate purposes (duly authorized by its Board of Directors) and consistent with all applicable laws and statutes.

4. Borrower hereby authorizes and directs Lender to disburse, for and on behalf of Borrower and for Borrower's account, the proceeds of the loan(s) made by Lender to Borrower pursuant to this Agreement to such Person or Persons as an Officer or director of Borrower shall direct, whether in writing or orally.

### Section III. Security.

1. Security for the Loan shall consist of a mortgage in favor of DED, upon the Premises, including but not limited to all buildings, fixtures and equipment; assignments of Leases and Rents; and all other assets of Borrower comprising the Project. The mortgage and assignments may be subordinated to the mortgage and assignments of another lender in an amount not to exceed \$600,000.00 the mortgage shall include a clause providing that a default under any other mortgage of Borrower pertaining to the Project which is not cured in a timely manner under the terms of said defaulted mortgage or waived by mortgagor, shall constitute

2. Borrower warrants and represents to and covenants with Lender that: (a) Lender's security interest in the Security is now and at all times hereafter shall be perfected and have a priority; (b) the offices and/or locations where Borrower keeps the Security and Borrower's books and records concerning the Security are at the location set forth on Exhibit "A", attached hereto and made a part hereof, and Borrower shall not remove such books and records therefrom and shall not keep any of such books and records at any other office or location unless Borrower gives Lender written notice thereof at least 30 days prior thereto and the same is within the continental United States of America; (c) all books, records and other documents relating directly to the receipt and disbursement of this 108 Loan shall be subject to audit and examination by and duly authorized representative of DED or of the U.S. Department of Housing and Urban Development. Such right shall extend until one year after the total amount of the 108 Loan, including principal and all accrued interest, is repaid by the Company to DED; (d) that in occupying these facilities 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 is and/or will be located as set forth in Exhibit "A"; nor is Borrower's expansion into the above-described property being undertaken with the intention of closing down or curtailing any already existing operation(s); and (e) the address specified on Exhibit "A" hereto include and designate Borrower's chief executive office, chief place of business and other



offices and places of business and are Borrower's sole offices and places of business. Borrower, by written notice delivered to Lender at least thirty (30) days prior thereto, shall advise Lender to Borrower's opening of any new office or place of business or its closing of any existing office or place of business and any new office or place of business shall be within the continental United States of America.

3. Lender, in its sole and absolute discretion, without waiving or releasing any obligation, liability or duty of Borrower under this Agreement or the Other Agreements or any Event of Default, may at any time or times hereafter, but shall be under no obligation to pay, acquire and/or accept an assignment of any security interest, lien, encumbrance or claim asserted by any Person against the Security. All sums paid by DED in respect thereof and all costs, fees and expenses, including reasonable attorney's fees, court cost, expenses and other charges relating thereto incurred by Lender on account thereof shall be payable by Borrower to Lender, on demand.

4. Borrower shall execute and/or deliver to Lender, at any time and from time to time hereafter at the request of Lender, all agreements, instruments, documents and other written matter (hereinafter individually and/or collectively referred to as "Supplemental Documentation"), that Lender may reasonably request, in a form and substance acceptable to Lender, to perfect and maintain perfected Lender's security interest in the Security and to consummate the transactions contemplated by this Agreement and the Other Agreements.

5. Borrower shall furnish Lender with a commitment for an ALTA policy for mortgage title insurance in the amount of \$1,000,000.00 insuring that Lender will be the holder of a second lien on the Premises, free of encumbrances and other exceptions to title other than those approved in advance by Lender and not subordinated to any interest except the interest of the construction Lender and succeeding permanent Lender in an amount not to exceed the amount permitted in this Agreement.

In addition, Borrower shall furnish to Lender, insurance policies, forms and amounts and with coverages satisfactory to the first mortgagee, incurring the Premises and Project against loss or damage by fire or other casualty, under the "all risk" form of coverage with extended coverage and for such other hazards as Lender may require and naming Lender as loss payee. Said policies shall contain mortgage loss payable clauses, reasonably satisfactory to Lender naming Lender as mortgagee, subject to first mortgage, and which policies shall not be cancellable, terminable or subject to amendment without at least 30 days' prior written notice to Lender.

Further, Borrower shall keep and maintain at its sole expense whatever flood hazard insurance may be required by the DED as a condition precedent to procuring this 108 Loan, or in lieu thereof, Borrower warrants and represents to and covenants with DED that it will comply with the flood insurance purchase requirements of Section 102 (a) of the Flood Disaster Protection Act of 1973. Pub. L. 93-234, 87 Stat. 975, approved December 31, 1973, the provisions of Executive Order 11296, relating to evaluation of flood hazards, and Executive Order 11288 relating to the prevention, control and abatement of water pollution, all as amended from time to time.

6. Upon an Event of Default, Borrower, irrevocably, hereby makes, constitutes and appoints Lender (and all Persons designated by Lender for the purpose) as Borrower's true and lawful attorney (and agent-in-fact) to sign the name of the Borrower on the Supplemental Documentation and to deliver the Supplemental Documentation to such Persons as Lender in its sole and absolute discretion may elect.

7. Lender (by any of its officers, employees and/or agents) shall have the right at any time or times during Borrower's usual business hours, to inspect the Security and all related records to verify the condition of said Security. After an Event of Default, all costs, fees and expenses incurred by Lender, or for which Lender has become obligated, in connection with such inspection and/or verification shall be payable by Borrower to Lender.

#### Section IV. Warranties, Representations and Covenants.

1. Except as disclosed in the Financials, Borrower warrants and represents to and covenants with Lender that: (a) Borrower is and at all times hereafter shall be a corporation duly organized and existing and in good standing under the laws of the state of its corporation 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 and the Other Agreements; (c) the execution, delivery and/or performance by Borrower of this Agreement and the Other Agreements shall not, by the lapse of time, the giving of notice or otherwise, constitute a violation of any applicable law or a 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 Security, free and clear of all liens, claims, security interests and encumbrances except those of Lender; (e) Borrower is now and at all times hereafter solvent and able to pay its debts as they mature, and Borrower now owns and shall at all times hereafter own property whose fair salable value is greater than the amount required to pay its indebtedness to DED under this Agreement; (f) Borrower now has and shall have at all times hereafter capital sufficient to carry on its business and transactions and all businesses and transactions in which it is about to engage; (g) there are no actions or proceedings which are pending or threatened against Borrower which might result in any material and adverse change in its financial condition or materially affect its assets or the Security; (h) Borrower is not subject to the renegotiation of any government contracts; (i) Borrower possesses adequate assets, licenses, patents, copyrights, trademarks and trade names to continue to conduct its business as previously conducted by it and Borrower will not be in breach of any if lender should exercise any of its rights pursuant to this Agreement against the Security; (j) Borrower has and is in good standing with respect to all government permits, certificates, consents and Franchises necessary to continue to conduct its business as previously conducted by it and to own or lease and operate its properties as now owned or leased by it; (k) Borrower is not a party to any contract or agreement or subject to any charge, corporate restriction; judgment, decree or order materially and adversely affecting its business, property, assets, operations, or condition, financial or otherwise; (l) Borrower is not in violation of any applicable statute, regulation or ordinance of the United States of

America, of any state, city, town, municipality, county or of any other jurisdiction, or of any agency thereof, in any respect materially and adversely affecting its business, property, assets, operations or condition, financial or otherwise; (m) 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; (n) the Financials fairly and accurately present the assets, liabilities and financial conditions and results of operations of Borrower and such other persons described therein as of and for the periods ending on such dates and have been prepared in accordance with generally accepted accounting principles consistently applied; and (o) there has been no material and adverse change in the assets, liabilities or financial condition of Borrower since the date of the Financials.

2. Borrower warrants and represents to and covenants with Lender that 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 Security to any person or permit, grant, or suffer or permit a lien, claim or encumbrance upon any of the Security; (b) permit or suffer any levy, attachment or restraint to be made affecting any of the Security; (c) permit or suffer any receiver, trustee or assignee for the benefit of creditors to be appointed to take possession of any of the Security; (d) merge or consolidate with or acquire any Person; (e) 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 the Security; (f) other than in the ordinary course of its business, make any investment in the securities of any person, provided, however, notwithstanding the foregoing, Borrower may make investments in certificates of deposit of a banking institution having a net worth in excess of \$10,000,000.00 or in securities of the United States of America or commercial paper with PI rating (all of the foregoing maturing within one (1) year); (g) guarantee or otherwise, in any way, become liable with respect to the obligations or liabilities of any person except by endorsement of instruments or items of payment for deposit to the general account of Borrower or for delivery to Lender on account of Borrower's Liabilities; (h) make any material change in Borrower's capital structure or in any of its business objectives, purposes and operations which might in any way adversely affect the repayment of Borrower's Liabilities; (i) other than as specifically permitted in or contemplated by this Agreement, encumber, pledge, mortgage, sell, lease or otherwise, any of Borrower's assets; (j) make distributions of Borrower's property or assets.

3. (a) Borrower shall pay promptly when due, all of the Charges; and (b) Borrower shall not permit the Charges to arise, or to remain, and will promptly discharge the same. In the event Borrower, at any time or times hereafter, shall fail to pay the Charges or to obtain such discharges, Borrower shall so advise Lender thereof in writing; Lender may, without waiving or releasing any obligation or liability of Borrower hereunder or Event of Default, in its sole and absolute discretion, at any time or times thereafter, 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 contained in this Agreement to the contrary, Borrower may permit or suffer the Charges to attach to its assets and may dispute, without prior payment

thereof, the Charges provided that Borrower, in good faith, shall be contesting the same in an appropriate proceeding and if the same are in excess of \$5,000.00, in the aggregate at any time during the original term or any renewal term, Borrower has given Lender such additional Security and assurances as Lender, in its exclusive, sole and absolute right and discretion, deems necessary under the circumstances.

4. (a) Borrower covenants with Lender that Borrower shall keep books of account and prepare financial statements and shall cause to be furnished to Lender the following (all of the foregoing and following to be kept and prepared in accordance with generally accepted accounting principles applied on a basis consistent). (b) As soon as available but not later than one hundred twenty (120) days after the close of each fiscal year of Borrower, a balance sheet of Borrower as at the end of, and the related statement of Operations for, such year and reconciliation of capital for such year-all certified by a firm of independent certified public accountants; or in the event such audited financial statements have not been compiled, a financial statement certified by an officer of the Company, until the period set forth in Section III of the Agreement. (c) In addition, the Company agrees to submit to the DED quarterly and/or semi-annual financial statements of the Company "prepared, etc." as requested by the DED. (d) Such other data and information (financial and otherwise) as Lender, from time to time, may request bearing upon or related to the Security, Borrower's financial condition and/or results of operations.

#### Section V. Assurance of Projected Jobs.

Borrower will use its best efforts to create or cause to be created approximately ninety (90) full-time, permanent job opportunities after completion of the project for which this 108 Loan is being granted.

Borrower will use its best efforts to maintain approximately 35 present full-time, permanent job opportunities, as well as the creation of the 34 new job opportunities.

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

#### Section VI. Labor Standards.

If buildings or facilities are to be constructed or improved with funds provided under this 108 Loan, the Company will meet, and all other parties entering into agreements with the Company for the construction or improvement of facilities or buildings shall be required by the Company in all such agreements to meet the labor standards and prevailing wage schedules of the Davis-Bacon Act, as amended (40 U.S.C. 276 a-5) and Borrower shall use its best efforts to employ not less than 50% of construction workers from residents of the City of Chicago, and shall utilize not less than 25% minority owned businesses on subcontracts executed by Borrower.

#### Section VII. Accessibility to the Handicapped.

If construction or part or all of the Company's facilities is to be financed, in whole or in part, by this 108 Loan, the Company agrees to comply with the accessibility to the handicapped standards found in 41 CFR 101-19.6.

Section VIII. Default.

(1) The occurrence of any one of the following events shall constitute a default ("Event of Default") by Borrower under this Agreement: (a) if Borrower fails or neglects to perform, keep or observe any term, provision, condition, covenant, warranty or representation contained in this Agreement or in the Other Agreements, which is required to be performed, kept or observed by Borrower and the same is not cured within thirty (30) days after the mailing of written notice thereof from Lender to Borrower; (b) if any material statement, report or certificate made or delivered by Borrower, and any of its officers, employees or agent, to Lender is not true and correct; (c) if Borrower fails to pay Borrower's Liabilities, when due and payable or declared due and payable; (d) if the Security or any other of Borrower's assets are attached, seized, subjected to a writ or distress warrant, or are levied upon or come within the possession of any receiver, trustee, custodian or assignee for the benefit of creditors and the same is not terminated or dismissed within sixty (60) days thereafter; (e) if Borrower shall make an assignment for the benefit of its creditors or if any case or proceeding is filed by Borrower for its dissolution or liquidation; (f) if Borrower is enjoined, restrained or in any way prevented by court order from conducting all of any material part of its business affairs or is a petition under any section or chapter of the Bankruptcy Act or any similar law or regulation is filed against Borrower or is any case or proceeding is filed against Borrower for its dissolution or liquidation and such injunction, restraint or petition is not dismissed or stayed within sixty (60) days after the entry or filing thereof; (g) if an application is made by Borrower for the appointment of a receiver, trustee or custodian for the Security or any other of Borrower's assets; (h) if an application is made by any Person other than Borrower for the appointment of a receiver, trustee, or custodian for the Security or any other of Borrower's assets and the same is not dismissed within sixty (60) days after the application therefor; (i) except as permitted in Section III (3) above, if a notice of lien, levy or assessment is filed of record with respect to all or any of Borrower's assets by the United States or any department, agency or instrumentality thereof or by any state, county, municipal or other governmental agency, or if any taxes or debts owing at any time or times hereafter to any one of them becomes a lien or encumbrance upon the Security or any other of Borrower's assets and the same is not released within thirty (30) days after the same becomes a lien or encumbrance upon the Security or any other of Borrower's assets and the same is not released within thirty (30) days after the same becomes a lien or encumbrance; or (j) if Borrower is in default in the payment of the first mortgage and such default is declared and is not cured within the time, if any, specified therefor in any agreement governing the same.

(2) All of Lender's rights and remedies under this Agreement and the Other Agreements are cumulative and nonexclusive.

Upon an Event of Default or the occurrence of any one of the events described in Paragraph (1) (notwithstanding Borrower's right to cure the same thereafter), without notice by Lender to or demand by Lender or Borrower. Liabilities shall be due and payable forthwith.

(3) Upon an Event of Default, Lender, in its sole and absolute discretion, may exercise any one or more of the rights and remedies accruing to it or under the relevant state statutes and any other applicable law upon default by a debtor.

(4) Any notice required to be given by Lender of a sale, lease, other disposition of the Security or any other intended action by Lender, deposited in the United States mail, postage prepaid and duly addressed to Borrower at its principal place of business specified at the beginning of this Agreement not less than ten (10) days prior to such proposed action, shall constitute commercially reasonable and fair notice to Borrower thereof.

(5) Upon an Event of Default, Borrower agrees that Lender may, if Lender deems it reasonable, postpone or adjourn any such sale from time to time by an announcement at the time and place of sale or by announcement at the time and place of such postponed or adjourned sale, without being required to give a new notice of sale. Borrower agrees that Lender has no obligation to preserve rights against prior parties to the Security.

(6) If at any time or times on or after an Event of Default Lender employs counsel for advice or other representation (a) with respect to the security, this Agreement or the Other Agreements, (b) to represent Lender in any litigation, contest, dispute, suit or proceeding or to commence, defend or intervene or to take any other action in or with respect to any litigation, contest, dispute, suit or proceeding (whether instituted by Lender, Borrower or any other Person) in any way or respect relating to the Security, this Agreement, the Other Agreement or Borrower's affairs; (c) to enforce any rights of Lender against Borrower or any other Person which may be obligated to Lender by virtue of this Agreement or the Other Agreements, including, without limitation, the Obligors; and/or (d) to attempt to or enforce Lender's security interest in the Security, the reasonable attorney's fees arising from such services and all expenses, costs, charges and other fees of such counsel or of Lenders in any way or respect arising in connection with or relating to any of the events described in this paragraph shall be paid by Borrower to Lender. Without limiting the generality of the foregoing, such expenses, costs, charges and fees include: (8) accountant's fees, costs and expenses; (ii) court costs and expenses; (iii) court reporter fees, costs and expenses; (iv) long distance telephone charges; (v) telegram charges; (vi) expenses for travel, lodging and food; and (vii) expenses incurred in fulfilling in whole or in part, any order of any Obligor from which an Account has arisen or will arise.

(7) Upon the occurrence of any one of the events described in Paragraph (1) above, notwithstanding Borrower's right to cure the same before it becomes an Event of Default, Lender, if it determines that the Security or the payment of Borrower's Liabilities is jeopardized, may enforce such of its rights and remedies under this Article as Lender deems necessary or proper.

#### Section IX. Disclaimer or Relationship.

The Company agrees that nothing contained in this Agreement nor any act of the DED or of the U.S. Department of Commerce, Economic Development Administration, or of any of the parties, shall be deemed or construed by any of the parties or by third persons, to create any relationship of third party beneficiary, principal and agent, limited or general partnership, joint venture, or of any association or relationship involving the DED.

#### Section X. Time of the Essence.

Time is of the essence under this Agreement.

## Section XI. Notice.

All notices required to be given hereunder shall be given by certified or registered United States mail, postage paid, and addressed as follows:

If to DED:

Commissioner,  
Department of Economic Development  
City of Chicago  
20 North Clark Street  
Suite 2800  
Chicago, IL 60602

If to Paul Stuck and Assoc.  
d/b/a Recycled Office  
Furniture:

Paul Stuck and Associates d/b/a  
Recycled Office Furniture  
Systems, Inc.  
2503 South Blue Island  
Chicago, Illinois 60608

## Section XII. Governing Law.

This Agreement is executed and delivered and is to be performed in the State of Illinois, and shall be construed and enforced in accordance with and governed by the laws of the State of Illinois, including all matters of construction, validity and performance.

## Section XIII. Severability.

Each covenant and agreement contained in this Agreement is intended to be, and shall be construed to be, a separate and independent covenant. If any term contained in this Agreement or in the Note or any application thereof shall be invalid and unenforceable, the remainder of this Agreement and the Note and any other application or such term shall not be affected thereby.

In Witness Whereof, the Company and the City of Chicago, by and through the Department of Economic Development have caused this Agreement to be signed in their names and on their behalf as of the \_\_\_\_th day of \_\_\_\_\_.

[Signature forms omitted for printing purposes.]

*Exhibit C**Loan and Security 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 Paul Stuck and Associates, Ltd., d/b/a Recycled Office Furniture Systems, Inc.

an Illinois corporation with principal offices at 2503 South Blue Island Avenue, Chicago, Illinois 60608 ("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 from the State of Illinois in the amount of \$694,000; and

Whereas, Borrower desires to borrow and Lender desires to lend the sum of \$130,000 ("Loan") for the purposes of purchasing machinery and equipment and working capital; 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 2503 South Blue Island Avenue, Chicago, Illinois 60608, and all leasehold improvements 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 Bank Americana Business Credit Corporation.

### Section 3. Loan.

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

3.01. The principal sum of the Loan shall be \$130,000.

3.02. The term of the Loan shall be 10 years.

3.03. The rate of interest charged on the Loan, per annum, shall be 3%.

3.04 Repayment of the Loan shall be in 120 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 1st day of the month commencing on the 1st day of the first full month after disbursement of the Loan proceeds.

3.05 Borrower expressly agrees that Loan proceeds shall be used only in amounts and for purposes of 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 Goods, 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.

4.02 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.

4.03 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.

4.04 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 \$

4.05 Borrower agrees that Paul Stuck 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 Duly executed First Source Agreement with Lender in substantially the form attached hereto as Exhibit A.

5.02 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.

5.03 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.

5.04 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.

5.05 Personal Guarantee of repayment of the Loan.

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

#### 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 Article 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 the Financials submitted thereafter; and (j) there has been no material and adverse change in 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 Liability 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 35 present full-time jobs; and shall use its best efforts to create approximately 26 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 loans.

### 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. Labor Standards.

If Loan proceeds are used for construction, Borrower shall be required to meet (including all contractors of Borrower) labor standards and prevailing wage schedules of the Davis-Bacon Act, as amended (40 U.S.C. 276-a-5).)

#### Section 13. Prepayment.

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

#### Section 14. 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:

Recycled Office Furniture Systems, Inc.  
2503 South Blue Island Avenue  
Chicago, Illinois 60608  
Attention: Mr. Paul Stuck

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.]

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EXECUTION OF REVOLVING LOAN FUND AGREEMENT  
AUTHORIZED FOR FLAVOR FRESH FOOD  
CORPORATION.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith, authorizing the execution of a revolving loan agreement in the amount of \$100,000 to Flavor Fresh Food Corporation for a project located at 4401 South Oakley 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, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schulter, Volini, Orr, Stone -- 44.

Nays -- None.

The following is said ordinance as passed:

WHEREAS, The Department of Economic Development ("DED") has funds available to it through the United States Department of Commerce, Economic Development Administration for a Revolving Loan Fund under Title IX of the Public Works and Economic Development Act of 1971, as amended, and supplementary funds available to it from the United States Department of Housing and Urban Development; and

WHEREAS, By resolution of the Economic Development Commission of the City of Chicago dated April 11, 1985, it was recommended that DED provide a loan to Flavor Fresh Foods Corporation in the amount of \$100,000 to assist Flavor Fresh to expand its business activities; and

WHEREAS, The recommended loan is consistent with the primary purpose of the Department of Economic Development through the attraction and expansion of industrial and commercial development in the City of Chicago, thereby creating, among other things additional employment opportunities for the citizens of the City; and

WHEREAS, The recommended loan to Flavor Fresh is also consistent with DED's goals of improving services to smaller companies and encouraging minority entrepreneurship pursuant to the Chicago Plan for Economic Development; now, therefore,

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

SECTION 1. The Commissioner of Economic Development is hereby authorized, upon the granting of satisfactory security of repayment and subject to review by the Corporation Counsel as to form and legality, to enter into and execute, on behalf of the City of Chicago, a Revolving Loan Fund Loan to Flavor Fresh Foods Corporation in the amount of \$100,000, said 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 agreements, documents and understandings as may be necessary to implement said Revolving Loan Fund Loan to Flavor Fresh Foods Corporation.

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

Exhibit A attached to this ordinance reads as follows:

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 60602 and Flavor Fresh Foods Corporation, an Illinois corporation, with principal offices at 4401 South Oakley Avenue, Chicago, Illinois 60609 ("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 from the U. S. Department of Commerce, Economic Development Administration ("EDA") in the amount of \$2,200,000 for a Revolving Loan Fund Program; and

Whereas, Borrower desires to borrow and Lender desires to lend the sum of \$100,000 ("Loan") for the purposes of land acquisition, rehabilitation and purchasing equipment;

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 "Junior Lender" shall mean Simborg Industrial Real Estate.

2.07. "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.

2.08. "Property" shall mean that certain real estate located at 4401 South Oakley Avenue, Chicago, Illinois 60609, and all buildings, facilities and structures now existing or hereafter erected thereon.

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

2.10. "Senior Lender" shall mean National Boulevard Bank of Chicago.

Section 3. Loan.

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

3.01. The principal sum of the Loan shall be \$100,000.00.

3.02. The term of the Loan shall be 7 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 creditworthy 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 July 1985.

3.04. Repayment of the Loan shall be in 84 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 25th day of the month commencing on the 25th day of the first full month after disbursement of the Loan proceeds in the amount(s) set forth on Lender's statement to Borrower.

3.05. Borrower expressly agrees that Loan proceeds shall be used only in amounts and for purposes as follows: for the acquisition of the Property, construction rehabilitation and purchase of equipment to be used 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 \$249,000 plus additional advances actually made by Senior Lender upon Borrower's failure to perform to obligations under the Senior Financing.

4.07. Borrower agrees that James Benton and James Marshall 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. 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 therefor.

#### 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 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 5.03.

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 U.S. Department of Commerce, Economic Development Administration ("EDA") as shall be required by Lender and/or 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 EDA.

7.02. Any duly authorized representative of the Lender or EDA 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 14 present full-time jobs; and shall use its best efforts to create approximately 8 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 8, 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 loans.

#### 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 8 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 of 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. Labor Standards.

If Loan proceeds are used for construction, Borrower shall be required to meet (including all contractors of Borrower) labor standards and prevailing wage schedules of the Davis-Bacon Act, as amended (40 U.S.C. 276-a-5)).

#### Section 13. Prepayment.

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

#### Section 14. Equal Employment.

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

14.1. 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.

14.2. 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.

14.3. 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 15. 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 16. 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 17. 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 18. Non-Assignability.

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

18.02. 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 19. Additional Provisions.

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

19.02. 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<br>of the City of Chicago<br>Room 2800<br>20 North Clark Street<br>Chicago, Illinois 60602<br>Attention: Commissioner |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|

|                 |                                                                                                                      |
|-----------------|----------------------------------------------------------------------------------------------------------------------|
| If To Borrower: | Flavor Fresh Foods Corporation<br>4401 South Oakley Avenue<br>Chicago, Illinois 60609<br>Attention: Mr. James Benton |
|-----------------|----------------------------------------------------------------------------------------------------------------------|

|                 |                                                                                                                         |
|-----------------|-------------------------------------------------------------------------------------------------------------------------|
| With Copies To: | Corporation Counsel of the City of Chicago<br>Room 511-City Hall<br>121 North LaSalle Street<br>Chicago, Illinois 60602 |
|-----------------|-------------------------------------------------------------------------------------------------------------------------|

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

19.03. 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.

19.04. 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.]

STATE OF ILLINOIS     )  
                                      ) SS:  
COUNTY OF COOK     )

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that the above-named officer of \_\_\_\_\_ (the "Company"), personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as Officer of the Company and as the own free and voluntary act of the Company for the uses and purposes therein set forth:

GIVEN under my hand and Notarial Seal this \_\_\_\_ day of \_\_\_\_\_, 198\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires \_\_\_\_\_

\_\_\_\_\_  
AUTHORITY GRANTED FOR EXECUTION OF C.D. FLOAT LOAN AND  
MULTI-FAMILY REHABILITATION LOAN FOR GUYON  
APARTMENTS PROJECT.

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

WHEREAS, The Department of Housing of the City of Chicago (the "City") is responsible for assuring the existence of a sufficient stock of safe, decent housing for the citizens of Chicago through encouraging and providing financial assistance for the rehabilitation of existing residential buildings and construction of new residential buildings; and

WHEREAS, Bethel New Life, Inc., an Illinois not-for-profit corporation ("Bethel") has proposed to rehabilitate the Guyon Hotel, located at 116 North Pulaski Avenue, into a 114 unit residential facility and associated commercial uses on the ground floor (the "Project"); and

WHEREAS, The City, as recipient of Community Development Block Grant Funds ("C.D. Funds") made available pursuant to the Housing and Community Development Act of 1974, as amended, (the "Act") may currently utilize available but unexpended C.D. Funds for low-interest construction and development loans to private developers ("C.D. Float Loan") for eligible community development projects (an "Eligible Project"), provided

that in the event the unexpended C.D. Funds are required for City programs, said funds are immediately returned to the City; and

WHEREAS, The City has determined that the Project is an Eligible Project for the receipt of financing from C.D. Funds available to the City under the Act; and

WHEREAS, The City has further determined that the proposed development is an eligible project under the City's Multi-Family Rehabilitation Loan Program; and

WHEREAS, Bethel has requested the City to provide construction financing through a Multi-Family Rehabilitation Loan not to exceed \$806,000 and a C.D. Float Loan not to exceed \$2,500,000 ("Construction Financing"); and

WHEREAS, The City is willing to execute, with Bethel, construction loan documentation required to evidence a C.D. Float Loan not to exceed \$2,500,000 and a Multi-Family Rehabilitation Loan not to exceed \$806,000, both loans to be fully collateralized; now, therefore,

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

SECTION 1. The Commissioner of Housing is hereby authorized to make a Multi-Family Rehabilitation Loan not to exceed \$806,000, and to negotiate and make a C.D. Float Loan not to exceed \$2,500,000 with Bethel, said loans to be at the interest rate of not less than 3% per annum for a term of not greater than 36 months, to be used for the rehabilitation of the Project. Such C.D. Float Loan will be backed by an irrevocable letter of credit or other credit facility equivalent, in the full principal amount of the loan, running to and for the benefit of the City. Said letter of credit or other credit facility shall be from an institution and subject to such terms as the City Comptroller shall deem satisfactory. The Multi-Family Rehabilitation Loan will be secured by a mortgage in favor of the City.

SECTION 2. The Mayor, Commissioner, or Budget Director, as appropriate, is authorized to notify H.U.D. of the City's intent to make the above C.D. Float Loan and to seek any necessary procedural guidelines from H.U.D.

SECTION 3. The Mayor, the Commissioner, the Budget Director, the Comptroller and the City Clerk are authorized to execute all documents, subject to approval as to form and legality by the Corporation Counsel, and take all actions which may be necessary to implement the terms of this ordinance.

SECTION 5. This ordinance shall be effective 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, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schulter, Volini, Orr, Stone -- 44.

Nays -- None.

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AUTHORITY GRANTED FOR ISSUANCE OF MULTI-FAMILY  
HOUSING REVENUE BONDS, SERIES 1985 FOR  
ORLEANS/ILLINOIS PROJECT.

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

WHEREAS, The City of Chicago, Illinois (the "City") is a body politic and corporate under the laws of the State of Illinois and 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 may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare, to license, to tax and to incur debt; and

WHEREAS, It is necessary and in the best interests of the City to (1) provide for and promote the public health, safety and welfare; (2) relieve conditions of unemployment and encourage the increase of industrial and commercial activities and economic development of the City, so as to reduce the evils attendant upon unemployment; (3) provide for efficient, well planned urban growth and development, including the prevention and elimination of slum areas and urban blight and (4) preserve and increase the City's ad valorem tax base; 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 rental housing which persons, including those of low and moderate income, can afford and that such housing shortage is harmful to the health, prosperity, economic stability and general welfare of the City and adversely affects the tax base; and

WHEREAS, Private enterprise and investment have been unable, without assistance, to provide the needed decent, safe and sanitary rental housing or to provide sufficient mortgage financing at reasonable rates for such rental housing; and

WHEREAS, Pursuant to an ordinance adopted by the City Council of the City on April 25, 1984, the City has entered into a Memorandum of Agreement with Orleans-Illinois Venture, an Illinois limited partnership (the "Owner"), regarding the issuance of revenue bonds by the City to assist in financing the acquisition of the real estate located at Orleans and Illinois Streets in the City, and the construction and equipping thereon of a residential rental housing complex, including parking and recreational facilities and a limited amount of retail space, currently expected to be known as Orleans-Illinois Apartments, consisting of approximately 401 dwelling units, at least 20% of which will be occupied by persons of low or moderate income (the "Project"); and

WHEREAS, It is necessary and desirable in order to increase the supply of decent, safe and sanitary rental 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 assist in financing the acquisition, construction and equipping of the Project located within the City; and

WHEREAS, It is proposed that the Trustee (as hereinafter defined), as the mortgagee of record, make a F.H.A.-insured mortgage loan (the "Mortgage Loan") to American National Bank and Trust Company of Chicago, not individually, but solely as trustee under a Trust Agreement dated as of June 1, 1985, known as Trust No. 64315 (the "Mortgagor") to enable the Mortgagor, on behalf of the Owner, to accomplish the acquisition, construction and equipping of the Project, all as set forth in the Financing Agreement and Indenture hereinafter referred to; and

WHEREAS, An application has been filed with the Federal Housing Administration ("F.H.A."), an organizational unit within the United States Department of Housing and Urban Development ("H.U.D.") for insurance of the advances made by the Trustee under the Mortgage Loan pursuant to the provisions and the requirements of Section 221(d) (4) of the National Housing Act of 1934, as amended; and

WHEREAS, It is proposed that in furtherance of the purposes set forth and in order to provide moneys to fund the Mortgage Loan, the City shall issue its Multi-Family Housing Revenue Bonds, Series 1985 (F.H.A. Insured Mortgage Loan -- Orleans-Illinois Project) in an aggregate principal amount not to exceed \$32,000,000 (the "Bonds"); and

WHEREAS, Paine Webber, Incorporated and Continental Illinois National Bank and Trust Company of Chicago (the "Underwriters") have submitted to the City a proposed form of Bond Purchase Agreement (hereinafter defined) relating to the Bonds; and

WHEREAS, The City has held a public hearing concerning the issuance of the Bonds following reasonable public notice of such hearing in accordance with the requirements of Section 103(k) of the Internal Revenue Code of 1954, as amended; and

WHEREAS, Copies of a Bond Purchase Agreement, an Official Statement, a Financing Agreement, an Indenture and a Supplemental Agreement (as respectively defined hereafter) have been presented to and are before this meeting; now, therefore,

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

SECTION 1. The following words and terms as used in this Ordinance shall have the following meanings unless the context clearly indicates another or different meaning or intent:

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement to be entered into by the City, the Owner and the Underwriters, as approved by this Ordinance, relating to the purchase of the Bonds.

"Bonds" shall mean the Multi-Family Housing Revenue Bonds, Series 1985 (F.H.A. Insured Mortgage Loan -- Orleans-Illinois Project) of the City in an aggregate principal

amount not to exceed \$32,000,000 authorized to be issued pursuant to this Ordinance and Article II of the Indenture.

"City" shall mean the City of Chicago, Illinois.

"Financing Agreement" shall mean the Financing Agreement relating to the Project, to be entered into by the Mortgagor, the Owner, the City and the Trustee, as approved by this Ordinance, as the same may be amended from time to time in accordance with its terms.

"Indenture" shall mean the Indenture relating to the Bonds, to be entered into by the City and the Trustee, as approved by this Ordinance, as the same may be supplemented from time to time in accordance with its terms.

"Mortgage Loan" shall mean the F.H.A.-insured mortgage loan relating to the Project to be funded from Bond proceeds.

"Mortgagor" shall mean LaSalle National Bank, Chicago, Illinois, not individually but solely as trustee under a Trust Agreement dated as of August 10, 1983 known as Trust No. 106806, and any successor owner of the Project.

"Owner" shall mean Orleans-Illinois Venture, an Illinois limited partnership.

"Official Statement" means the preliminary Official Statement describing the Bonds, as the same may be completed and corrected at the time the Bond Purchase Agreement is executed and approved as the final Official Statement for distribution by the Underwriters.

"Project" is defined in the preambles to this Ordinance.

"Project Costs" shall mean and include the sum total of all reasonable or necessary costs incidental to the acquisition, construction, equipping and financing of the Project, including, without limitation, the following: the cost of studies and surveys; plans and specifications; architectural and engineering services; underwriting fees; legal, accounting, marketing and other special services relating to the Project or incurred in connection with the issuance and sale of the Bonds; necessary commitment, application and other fees to federal, state and local governmental agencies for any requisite permits, licenses and other approvals for construction, for assisted financing or otherwise; acquisition and installation of equipment, appliances and other items of personal property; the relocation of utilities, public ways and parks; demolition, construction, rehabilitation, reconstruction, repair or remodeling of existing buildings, landscaping and site development and all other necessary and incidental expenses, including trustee, servicer and rating agency fees and expenses, attorneys fees and expenses, initial debt service reserves, together with interest on the Mortgage Loan to a date not more than six months subsequent to the estimated date of completion; any premium for mortgage insurance or other insurance with respect to the Bonds; and such other expenses as the City may deem appropriate to effectuate the purposes of this Ordinance.



"Supplemental Agreement" shall mean the Supplemental Agreement as to Tax Exemption relating to the Bonds and the Project, to be entered into by the Mortgagor, the Owner, the City and the Trustee, as approved by this Ordinance, as the same may be amended from time in accordance with its terms.

"Trustee" shall mean Continental Illinois National Bank and Trust Company of Chicago, and its successors in trust.

"Underwriters" shall mean Paine Webber Incorporated, New York, New York and Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois.

SECTION 2. In order to promote the general welfare of the City and its inhabitants by increasing the City's ad valorem tax base and in furtherance of the other public purposes set forth above, the Project is authorized to be financed as described herein. A portion of the total estimated cost of the Project will be financed by the issuance of the Bonds hereinafter authorized and the loan of the proceeds thereof to the Mortgagor pursuant to the Financing Agreement and the Indenture. It is hereby found and declared that the financing of the Project and the use of the Project by the Mortgagor and the Owner is necessary to accomplish the public purposes described herein and in the preambles hereto, and, that in order to further secure the Bonds, the mortgaging of the Project by the Mortgagor to the Trustee, as the mortgagee of record, pursuant to a mortgage and the assignment by the City to the Trustee of its rights and interests under the Mortgage Loan pursuant to the Indenture is necessary and proper.

SECTION 3. For the purpose of financing a portion of the Project Costs, the City does hereby authorize the issuance of Bonds to be designated "City of Chicago, Illinois, Multi-Family Housing Revenue Bonds, Series 1985 (FHA Insured Mortgage Loan -- Orleans-Illinois Project)" in the aggregate principal amount of not to exceed \$32,000,000. The Bonds shall be subject to redemption prior to maturity upon the terms and conditions set forth in the Indenture and shall be sold to the Underwriter at a price of not less than 95% of the aggregate principal amount thereof (less any original issue discount which may be used in the marketing of the Bonds), plus (in the case of Current Interest Bonds, as defined in the Indenture) accrued interest thereon from the date of the Bonds to the Closing Date (as defined in the Bond Purchase Agreement). The Bonds shall mature on such dates and in such principal amounts and shall bear interest at such rate or rates (not to exceed thirteen percent (13%) per annum) and payable at such time or times, all as shall be approved by the Mayor or City Comptroller at the time the Bond Purchase Agreement is executed.

SECTION 4. The Bonds together with interest thereon, shall be limited obligations of the City secured by the Trust Estate, as defined in the Indenture, and payable solely from the revenues and receipts derived from the Mortgage Loan and other assets and funds held under the Indenture, including without limitation moneys attributable to the Bond proceeds, F.H.A. insurance proceeds, certain funds established under the Indenture and the income from the temporary investment thereof, and shall be a valid claim of the owner thereof only against the Trust Estate held by the Trustee under the Indenture. The Bonds and the interest thereon shall not be deemed to constitute a debt or liability of the United States of America, the City, the State of Illinois or any political subdivision thereof, and their issuance shall not, directly or indirectly or contingently, obligate the City, the State of Illinois or any political subdivision thereof to levy any form of taxation therefor or to

make any appropriation for their payment. Nothing in the Bonds or in the Indenture or the proceedings of the City and authorizing the issuance of the Bonds or in this Ordinance shall be construed to authorize the City to create a debt of the City, the State of Illinois or any political subdivision thereof within the meaning of any constitutional or statutory provision of the State of Illinois. The nature of the obligation represented by the Bonds is as more fully set forth in the Indenture.

SECTION 5. The Bonds shall be executed on behalf of the City in the manner provided in the Indenture. If any of the officials or officers who shall have signed or sealed any of said Bonds shall cease to be such officials or officers of the City before the Bonds so signed and sealed shall have been actually authenticated by the Trustee or delivered by the City, such bonds nevertheless may be authenticated, issued and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds had not ceased to be such official or officials or officer or officers of the City; and also any such Bonds may be signed and sealed on behalf of the City by those persons who, at the actual date of the execution of such Bonds, shall be the proper officials or officers of the City, although at the normal date of such Bonds any such person shall not have been such official or officer of the City.

SECTION 6. The Indenture is hereby approved in substantially the form presented to this meeting and filed in the official records of the City Clerk, and the Mayor or the City Comptroller of the City is hereby authorized and directed to execute, acknowledge and deliver the Indenture on behalf of the City, attested by the City Clerk, with such changes, insertions and completions therein as shall be approved by such persons executing such document (subject to the limitations set forth in Section 3 hereof), their execution to constitute conclusive evidence of such approval, and the City Clerk or Deputy City Clerk is hereby authorized and directed to affix to the Indenture the corporate seal of the City. The Trustee is further authorized and directed to execute such instruments, agreements and documents as may be required by H.U.D. or F.H.A in connection with the Mortgage Loan.

SECTION 7. The Bond Purchase Agreement is hereby approved in substantially the form presented to this meeting and filed with the official records of the City Clerk, and the Mayor or City Comptroller of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement on behalf of the City with such changes, insertions and completions therein with respect to the aggregate principal amount, interest rate or rates, interest payment date, maturity and redemption dates, and the purchase price of the Bonds (subject to the limitations set forth in Section 3 hereof) and other matters as shall be approved by such persons executing such document, such execution to constitute conclusive evidence of such approval, and the sale of the Bonds pursuant to the Bond Purchase Agreement is hereby authorized, approved and directed.

SECTION 8. The Financing Agreement is hereby approved in substantially the form presented to this meeting and filed with the official records of the City Clerk, and the Mayor or the City Comptroller of the City is hereby authorized and directed to execute, acknowledge and deliver the Financing Agreement on behalf of the City, attested by the City Clerk or Deputy City Clerk, with such changes, insertions and completions therein as shall be approved by such persons executing such document, their execution to constitute conclusive evidence of such approval, and the City Clerk or Deputy City Clerk is hereby authorized and directed to affix to the Financing Agreement the corporate seal of the City.

The proper officials of the City are further authorized to take all action necessary to cause the Owner and the Mortgagor to comply with the requirements set forth in the Financing Agreement.

SECTION 9. The Supplemental Agreement is hereby approved in substantially the form presented to this meeting and filed with the official records of the City Clerk, and the Mayor or the City Comptroller of the City is hereby authorized and directed to execute, acknowledge and deliver the Supplemental Agreement on behalf of the City, attested by the City Clerk or Deputy City Clerk, with such changes, insertions and completions therein as shall be approved by such persons executing such document, their execution to constitute conclusive evidence of such approval, and the City Clerk or Deputy City Clerk is hereby authorized and directed to affix to the Supplemental Agreement the corporate seal of the City. The proper officials of the City are further authorized to take all action necessary to cause the Owner and the Mortgagor to comply with the requirements set forth in the Supplemental Agreement.

SECTION 10. The distribution of the final Official Statement by the Underwriters is hereby approved. Each copy of the Official Statement shall state that the City has not participated in the preparation of the Official Statement and has not made an independent investigation with respect to the information contained therein and the City assumes no responsibility for the accuracy or completeness of the information contained therein other than the information contained under the heading "The City" and "No Litigation" to the extent applicable to the City.

SECTION 11. The appointment of Continental Illinois National Bank and Trust Company of Chicago, as Trustee under the Indenture is hereby authorized, approved and confirmed.

SECTION 12. The Mayor, City Comptroller, City Clerk and Deputy City Clerk for and on behalf of the City be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this Ordinance and the Indenture, the execution and delivery of the Bonds and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance. The Mayor, City Comptroller, City Clerk and Deputy City Clerk be, and they hereby are, further authorized and directed for and on behalf of the City, to execute all documents, certificates and other instruments that may be required under the terms of the Bond Purchase Agreement, the Financing Agreement, the Supplemental Agreement or the Indenture or that may be required for the carrying out of the authority conferred by this Ordinance or to evidence said authority and to exercise and otherwise take all necessary action to the full realization of the rights and purposes of the City under the Bond Purchase Agreement, the Financing Agreement, the Supplemental Agreement and the Indenture and to discharge all of the obligations of the City hereunder and thereunder.

SECTION 13. All financing fees collected pursuant to the issuance of the Bonds shall be expended for expenses of the City resulting from the issuance or anticipated issuance of the Bonds, including but not limited to expenses relating to the regulation or supervision of the Project as required by the Financing Agreement and Supplemental Agreement or any other similar agreement that may be entered into by the City in order to preserve the

federal tax-exempt status of the interest on the Bonds. Such expenditure shall occur at the direction of the Commissioner of Housing with the approval of the City Comptroller.

SECTION 14. The Mayor and the City Comptroller may each designate another person to act as their respective proxy and to affix their respective signature to the Bonds, whether in temporary or definitive form, and any instrument, agreement, certificate or document required to be signed by the Mayor or the City Comptroller pursuant to this Ordinance. In such case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, agreements, certificates and documents which such person shall be authorized to sign as proxy for the Mayor and the City Comptroller, respectively. A written signature of the Mayor or of the City Comptroller, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with the signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed with the City Clerk. When the signature of the Mayor is placed on an instrument, agreement, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the City Comptroller is placed on an instrument, agreement, certificate or document at the direction of the City Comptroller in the specified manner, the same, in all respects, shall be binding on the City as if signed by the City Comptroller in person.

SECTION 15. If any section, paragraph, clause or provision of this Ordinance shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof

SECTION 16. To the extent that any statutes, or ordinances, resolutions or orders of the City, or parts thereof, are in conflict with the provisions of this Ordinance, the provisions of this Ordinance shall be controlling.

SECTION 17. This ordinance shall be in full force and effect upon its adoption and approval.

[Bond Purchase Agreement, Financing Agreement, Indenture,  
Preliminary Official Statement, and Supplemental  
Agreement as to Tax Exemption omitted for  
printing purposes but on file and  
available for public inspection  
in the Office of the City  
Clerk.]

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

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schulter, Volini, Orr, Stone -- 44.

Nays -- None.

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AUTHORITY GRANTED FOR INSTALLATION OF WATER  
MAINS AT SUNDRY LOCATIONS.

The Committee on Finance submitted a report recommending that the City Council pass three proposed orders transmitted therewith, authorizing the installation of water mains at sundry locations.

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

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schulter, Volini, Orr, Stone -- 44.

Nays -- None.

The following are said orders as passed:

*Ordered*, That the Commissioner of Water is hereby authorized to install water mains in West 68th Street between South Morgan Street and South May Street; 1053 feet of 8-inch ductile iron water pipe; at the total estimated cost of \$116,795.63, chargeable to Account Number 200-(7930) -- Construction. The above work is to be done under Order No. A-00068.

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*Ordered*, That the Commissioner of Water is hereby authorized to install water mains in West Washburne Avenue from South Western Avenue to 520 feet W.W.L. of South Western Avenue; and the installation of one fire hydrant in West 115th Place at 238 feet W.W.L. of South Western Avenue; 586 feet of 12-inch ductile iron water pipe; at the total estimated cost of \$78,408.35, chargeable to the 1985 Appropriation Ordinance Account Number 200-(7930) -- Construction. The above work is to be done under Order No. 71594.

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*Ordered*, That the Commissioner of Water is hereby authorized to install water mains in North LeClaire Avenue between West Chicago Avenue and West Augusta Boulevard; 1273 feet of 8-inch ductile iron water pipe; at the total estimated cost of \$159,444.09 chargeable to the 1985 Appropriation Ordinance Account Number 200-(7930) -- Construction. The above work is to be done under Order No. 71596.

*AUTHORITY GRANTED FOR ISSUANCE OF FREE PERMITS  
AND REFUND OF FEES FOR CERTAIN CHARITABLE,  
EDUCATIONAL AND RELIGIOUS INSTITUTIONS.*

The Committee on Finance to which had been referred (May 15, 1985) sundry proposed ordinances and orders, transmitted therewith, to authorize the issuance of free permits and refund of fees for certain charitable, educational and religious institutions, submitted separate reports recommending that the City Council pass said proposed ordinances and orders.

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

*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schulter, Volini, Orr, Stone -- 44.

*Nays* -- None.

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

**FREE PERMITS.**

*Ella Flagg Young School.*

*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 Ella Flagg Young School, 1434 N. Parkside Avenue, for rehabilitation of premises by Ilice Construction Co., Inc., 5639-5641 W. Diversey Avenue on the premises known as 1434 N. Parkside Avenue.

Said building shall be used exclusively for educational 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.

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*Francis Parker School.*

*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 Francis Parker School, for remodeling of existing structure on the premises known as 330 W. Webster Street.

Said building shall be used exclusively for educational 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.

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*Neighborhood Housing.*

*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 Neighborhood Housing, 749 N. Central Avenue, for renovating structure on the premises known as 701-709 N. Central Avenue/5700- 5716 W. Race Avenue.

Said building shall be used exclusively for housing 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.

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*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 installation of additional elevators on the premises known as 250 E. Superior Street/Wesley Pavilion.

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.

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*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 renovating the 17th floor of 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.

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*John M. Palmer Elementary School.*

*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 John M. Palmer Elementary School, 5051 N. Kenneth Avenue, for rehabilitation work and construction by Ilice Construction Company -- 5639 W. Diversey Avenue -- 237-1555 on the premises known as 5051 N. Kenneth Avenue.

Said building shall be used exclusively for educational 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.

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REFUND OF FEES.

*Action Community Coalition Child Care Center.*



Ordered, That the City Comptroller is hereby authorized and directed to refund Day Care License fee, in the amount of \$75.00, to Action Community Coalition Child Care Center, 5251 W. North Avenue.

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Irene Pukula.

Ordered, That the City Comptroller is hereby authorized and directed to refund a portion of the 1984 Vehicle Sticker License Fee, to Irene Pukula, 2145 W. 50th Place, who is a Senior Citizen.

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CITY COMPTROLLER AUTHORIZED AND DIRECTED TO CANCEL  
WARRANTS FOR COLLECTION ISSUED AGAINST CERTAIN  
CHARITABLE, EDUCATIONAL AND RELIGIOUS  
INSTITUTIONS.

The Committee on Finance to which had been referred on May 15, 1985, sundry proposed orders for cancellation of specified warrants for collection issued against certain charitable, educational and religious institutions, submitted reports recommending that the City Council pass the following substitute proposed order:

Ordered, That the City Comptroller is hereby authorized and directed to cancel specified warrants for collection issued against certain charitable, educational and religious institutions, as follows:

| Name and Address                                     | Warrant Number<br>and Type of<br>Inspection | Amount  |
|------------------------------------------------------|---------------------------------------------|---------|
| Augustana Hospital<br>2035 N. Lincoln Avenue         | D3-585925<br>(Sign)                         | \$60.00 |
| Austin Messiah<br>900 N. Waller Avenue               | P1-414250<br>(Fuel Burn. Equip.)            | 58.00   |
| Chicago Youth Centers<br>611 West Adams Street       | A1-500846<br>(Elev.)                        | 30.00   |
| Inner City Impact<br>2704 West North Avenue          | A1-501314<br>(Elev.)                        | 30.00   |
| Lutheran Day Nursery<br>1802 N. Fairfield Avenue     | A1-500437<br>(Elev.)                        | 30.00   |
| Norwegian Old Peoples Home<br>6016 North Nina Avenue | R1-501330<br>(Driveway Insp.)               | 75.00   |

| Name and Address                                       | Warrant Number<br>and Type of<br>Inspection | Amount   |
|--------------------------------------------------------|---------------------------------------------|----------|
| Winthrop Towers (H.U.D.)<br>4848 North Winthrop Avenue | B1-501726<br>(Bldg. Insp.)                  | \$149.50 |

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

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schuler, Volini, Orr, Stone -- 44.

Nays -- None.

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AUTHORITY GRANTED FOR INSTALLATION OF ALLEY AND STREET  
LIGHTS AT SPECIFIED LOCATIONS.

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

*Ordered*, That the Commissioner of Public Works is hereby authorized and directed to give consideration to the installation of alley lights in a new subdivision bounded by N. Newland Avenue, W. Argyle Street, N. Sayre Avenue and W. Strong Street.

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*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 4615 N. Winchester Avenue.

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*Ordered*, That the Commissioner of Public Works is hereby authorized to install an alley light at the rear of the premises at 5331 W. Madison Street.

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*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 5620 W. Belmont Avenue.

Ordered, That the Commissioner of Public Works is hereby authorized and directed to give consideration to the installation of a street light at approximately 5518 W. Race Avenue.

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

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schulter, Volini, Orr, Stone -- 44.

Nays -- None.

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AUTHORITY GRANTED FOR CANCELLATION OF EXISTING  
WATER RATES FOR UNIVERSITY OF CHICAGO.

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. Pursuant to Section 185-47 of the Municipal Code of Chicago, the Commissioners of Water and Sewers is hereby authorized and directed to cancel existing water rates in the amount of \$316.27 charged to The University of Chicago, for their premises located at 5608-5642 S. Stony Island Avenue.

SECTION 2. This ordinance shall be in full 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, Beavers, Humes, Hutchinson, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Marzullo, Nardulli, W. Davis, Smith, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Hansen, McLaughlin, Schulter, Volini, Orr, Stone -- 44.

Nays -- None.

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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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*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 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 Fire Department herein named. The payment of any of these bills shall not be construed as an 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 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 the favor of the proper claimants and charged to Account No. 100.9112.937:

[Regular Orders printed on pages 16823 thru 16828 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 page 16829 of this Journal.]

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*Placed on File* -- REPORTS OF SETTLEMENTS OF SUITS  
AGAINST THE CITY DURING THE MONTH OF  
MARCH, 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 March, 1985.

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

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COMMITTEE ON AVIATION.

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AUTHORIZATION GIVEN FOR AMENDMENT TO HANGAR SITE LEASE  
AGREEMENT WITH CITY AND UNITED AIRLINES,  
INCORPORATED AT CHICAGO-O'HARE  
INTERNATIONAL AIRPORT.

The Committee on Aviation submitted the following report:

CHICAGO, May 28, 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 November 30, 1984, by the Department of Aviation) authorizing an amendment to hangar site lease agreement between the City of Chicago and United Airlines, Inc., at Chicago-O'Hare International Airport.

(Continued on page 16830)

5/30/85

## REPORTS OF COMMITTEES

16823

POLICE--PERS

## CITY POLICE PERS

COUNCIL MEETING OF 5/27/85

## POLICE PERS

| EMPLOYEE NAME | RANK       | UNIT OF ASSIGNMENT | DATE INVOICED                    | AMOUNT TOTAL    |
|---------------|------------|--------------------|----------------------------------|-----------------|
| BEREU         | PICAPPO    | POLICE OFFICER     | NARCOTIC GENERAL ENFORCEMENT     | 2/21/85 162.00  |
| AGE           | DONALD J   | POLICE OFFICER     | TWENTY-SECOND DISTRICT           | 1/27/85 171.55  |
| ALDRICH       | KEITH W    | POLICE OFFICER     | TWENTY-SECOND DISTRICT           | 2/13/85 137.00  |
| ALSTON        | HILLMAN    | POLICE OFFICER     | FOURTH DISTRICT                  | 1/16/85 72.50   |
| ALTOBELLE     | DEWIS      | POLICE OFFICER     | EIGHTEENTH DISTRICT              | 2/25/85 159.50  |
| AMARI JR      | LOUIS V    | POLICE OFFICER     | ELEVENTH DISTRICT                | 2/13/85 127.00  |
| AMICI         | DANIEL     | POLICE OFFICER     | GANG CRIMES ENFORCEMENT DIVISION | 1/21/85 244.50  |
| ANDLER        | ROBERT P   | POLICE OFFICER     | TWENTY-FIFTH DISTRICT            | 1/21/85 312.50  |
| ARENS         | PATRICK C  | POLICE OFFICER     | FIFTEENTH DISTRICT               | 2/28/85 129.00  |
| AZLAN         | RICHARD M  | POLICE OFFICER     | TWENTY-SECOND DISTRICT           | 1/21/85 50.00   |
| BABE          | ROBERT W   | POLICE OFFICER     | PUBLIC TRANSPORTATION M.T.S.     | 2/20/85 240.00  |
| BABICZ        | ROBERT C   | POLICE OFFICER     | TWENTY-FIFTH DISTRICT            | 1/14/85 74.50   |
| BALICKI       | LYLIA M    | POLICE OFFICER     | FOURTEENTH DISTRICT              | 2/20/85 205.00  |
| BANASZKIEWICZ | RICHARD    | POLICE OFFICER     | FIFTEENTH DISTRICT               | 1/17/85 516.00  |
| BARNETT       | CLYVELAND  | POLICE OFFICER     | FIFTEENTH DISTRICT               | 1/24/85 112.25  |
| BELL          | KENNETH    | POLICE OFFICER     | TWENTY-SECOND DISTRICT           | 2/27/85 159.30  |
| BELLA         | PETER W    | POLICE OFFICER     | TENTH DISTRICT                   | 2/23/85 130.50  |
| BELLAVIA      | RONALD J   | SERGEANT           | TENTH DISTRICT                   | 2/24/85 244.00  |
| BENNETT       | DANIEL B   | SERGEANT           | YOUTH DIVISION AREA THREE        | 2/12/85 199.00  |
| BICKEL        | RAYMOND    | POLICE OFFICER     | NINETEENTH DISTRICT              | 2/27/85 129.00  |
| BIGDAKE       | PATRICK J  | POLICE OFFICER     | SIXTH DISTRICT                   | 1/25/85 51.55   |
| BIVIN         | CARROLL L  | POLICE OFFICER     | CARLINE UNIT                     | 1/22/85 37.00   |
| BOSSE         | ERNEST     | POLICE OFFICER     | GANG CRIMES ENFORCEMENT DIVISION | 1/7/85 147.00   |
| BRANICK       | GERALD     | POLICE OFFICER     | EIGHTEENTH DISTRICT              | 1/15/85 25.00   |
| BRENNAN       | EDWARD     | POLICE OFFICER     | GANG CRIMES ENFORCEMENT DIVISION | 1/27/85 197.00  |
| BRENNAN       | THOMAS P   | POLICE OFFICER     | PUBLIC TRANSPORTATION M.T.S.     | 1/23/85 109.00  |
| BRIENNECA     | JUNY T     | POLICE OFFICER     | TENTH DISTRICT                   | 2/17/85 137.50  |
| BRUGGER       | PAUL R     | POLICE OFFICER     | THIRTEENTH DISTRICT              | 1/7/85 507.00   |
| BUCK          | ROBERT P   | POLICE OFFICER     | NINETEENTH DISTRICT              | 2/11/85 249.00  |
| BUTAC         | DANIEL E   | POLICE OFFICER     | THIRTY-FOURTH DISTRICT           | 12/31/74 269.15 |
| BURTON        | PHILLIP    | POLICE OFFICER     | SECOND DISTRICT                  | 12/22/79 149.00 |
| BUTTS         | DOLFINO    | SERGEANT           | NINTH DISTRICT                   | 2/24/85 41.50   |
| BUTSEN        | JAMES J    | POLICE OFFICER     | FIFTEENTH DISTRICT               | 2/12/85 451.00  |
| CALLAHAN      | MICHAEL    | FIREFIGHTER        | FOURTH DISTRICT                  | 2/12/85 132.50  |
| CAMDEN        | PATRICK T  | POLICE OFFICER     | SECOND DISTRICT                  | 2/15/85 37.00   |
| CARABELLI     | DOMINIC L  | POLICE OFFICER     | ELEVENTH DISTRICT                | 1/21/85 194.00  |
| CASCI         | LAWRENCE J | FIREFIGHTER        | SEVENTEENTH DISTRICT             | 2/17/85 100.00  |
| CATTANUEA     | FRANK      | POLICE OFFICER     | NINTH DISTRICT                   | 1/24/85 29.00   |
| CATTESON      | EDWARD G   | POLICE OFFICER     | NINTH DISTRICT                   | 1/24/85 27.00   |
| CELINSKY      | JUDITH R   | POLICE OFFICER     | SIXTH DISTRICT                   | 1/22/85 113.15  |
| COHEN         | JOEY       | POLICE OFFICER     | THIRTY-FOURTH DISTRICT           | 5/14/81 151.00  |
| COHEN         | DAVID P    | POLICE OFFICER     | NINETEENTH DISTRICT              | 1/27/85 59.45   |
| COBLEY        | MICHAEL    | POLICE OFFICER     | THIRTEENTH DISTRICT              | 1/21/85 129.00  |
| COTTER        | WALTER     | POLICE OFFICER     | SIXTH DISTRICT                   | 2/22/79 50.00   |
| COYLE         | ROBERT J   | POLICE OFFICER     | FOURTH DISTRICT                  | 1/13/85 117.00  |
| CULLINAN      | THOMAS J   | POLICE OFFICER     | SIXTH DISTRICT                   | 2/10/85 109.00  |
| CUNNINGHAM    | WILLIAM J  | POLICE OFFICER     | FOURTH DISTRICT                  | 1/27/85 107.00  |
| CUNNINGHAM    | DAVID F    | POLICE OFFICER     | TWENTY-SECOND DISTRICT           | 1/21/85 225.00  |
| CUNNINGHAM    | JUNY R     | POLICE OFFICER     | THIRTEENTH DISTRICT              | 2/22/85 109.00  |



5/30/85

## REPORTS OF COMMITTEES

16825

REPORT DATE 5/30/85  
PAGE 141-FFFF-370

CITY OF CHICAGO

DEPT. OF POLICE

COMMITTEE REPORT OF 5/27/85

ATTACHED LIST

| DEPARTMENT | EMPLOYEE NAME | POSITION       | ASSIGNED UNIT                       | ASSIGNMENT DATE | TOTAL  |
|------------|---------------|----------------|-------------------------------------|-----------------|--------|
| DEPARTMENT | EDWARD A      | DEPARTMENT     | FIRST DISTRICT                      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | SECOND DISTRICT                     | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | THIRD DISTRICT                      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | FOURTH DISTRICT                     | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | FIFTH DISTRICT                      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | SIXTH DISTRICT                      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | SEVENTH DISTRICT                    | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | EIGHTH DISTRICT                     | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | NINTH DISTRICT                      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | TENTH DISTRICT                      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | ELEVENTH DISTRICT                   | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | TWELFTH DISTRICT                    | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | THIRTEENTH DISTRICT                 | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | FOURTEENTH DISTRICT                 | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | FIFTEENTH DISTRICT                  | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | SIXTEENTH DISTRICT                  | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | SEVENTEENTH DISTRICT                | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | EIGHTEENTH DISTRICT                 | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | NINETEENTH DISTRICT                 | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | TWENTIETH DISTRICT                  | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | ADMINISTRATIVE                      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | TRAINING                            | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | RESEARCH                            | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | INVESTIGATION                       | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | COMMUNITY RELATIONS                 | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CRIMINAL JUSTICE                    | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | TRAFFIC                             | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | INTELLIGENCE                        | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | LABORATORY                          | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | RECORDS MANAGEMENT                  | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | FINANCE                             | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | LEGAL COUNSEL                       | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF OF POLICE                     | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | DEPUTY CHIEF OF POLICE              | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | ADJUTANT GENERAL                    | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF CLERK                         | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF BOOKKEEPER                    | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF MESSENGER                     | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF WATCHMAN                      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF TOLP                          | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF TRUCK DRIVER                  | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF MOTORCYCLE DRIVER             | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF PLUMBER                       | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF PAINTER                       | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF ELECTRICIAN                   | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF MECHANIC                      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF TAILOR                        | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF SHOE MAKER                    | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF HAT MAKER                     | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF COAT MAKER                    | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF DRESS MAKER                   | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF UNDERWEAR MAKER               | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF LINGERIE MAKER                | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Hosiery Maker                 | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Knitwear Maker                | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Sportswear Maker              | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Outerwear Maker               | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Accessories Maker             | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Leather Goods Maker           | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Jewelry Maker                 | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Optical Goods Maker           | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Perfumery Maker               | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Cosmetics Maker               | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Hair Care Products Maker      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Baby Products Maker           | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Pet Products Maker            | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Toy Products Maker            | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Stationery Maker              | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Printing Products Maker       | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Book Binding Maker            | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Paper Products Maker          | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Plastics Products Maker       | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Rubber Products Maker         | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Glass Products Maker          | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Metal Products Maker          | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Wood Products Maker           | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Textile Products Maker        | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Food Products Maker           | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Beverage Products Maker       | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Tobacco Products Maker        | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Pharmaceutical Products Maker | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Chemical Products Maker       | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Petroleum Products Maker      | 7/1/75          | 100.00 |
| DEPARTMENT | EDWARD A      | POLICE OFFICER | CHIEF Miscellaneous Products Maker  | 7/1/75          | 100.00 |





[illegible]

[illegible]

5/30/85

## REPORTS OF COMMITTEES

16829

## CITY COUNCIL REPORTS

COUNCIL MEETING OF 5/22/85

## THIRD PARTY REPORTS

| PERSONNEL EMPLOYED | NAME      | POSITION       | DATE     | UNIT OF ASSIGNMENT             | VOUCHER TOTAL |
|--------------------|-----------|----------------|----------|--------------------------------|---------------|
| ADAMS              | JOHN      | POLICE OFFICER | 5/19/83  | YOUTH DIVISION AREA TWO        | 100.00        |
| ADAMS              | CHARLES   | POLICE OFFICER | 12/21/84 | TWENTY-FIFTH DISTRICT          | 245.00        |
| ANDERSON           | ROBERT A  | POLICE OFFICER | 1/27/85  | NINTH DISTRICT                 | 4745.00       |
| BARRETT            | WILLIAM P | POLICE OFFICER | 1/14/85  | EIGHTEENTH DISTRICT            | 211.50        |
| BEUTELST           | FRANK     | POLICE OFFICER | 12/13/84 | ENFORCEMENT SECTION            | 45.00         |
| COCHRAN            | ROBERT D  | POLICE OFFICER | 2/24/84  | PUBLIC TRANSPORTATION M.T.S.   | 2391.09       |
| CONLON             | LEROY J   | POLICE OFFICER | 1/24/85  | CENTRAL INVESTIGATION UNIT     | 912.00        |
| CROWELL            | DAVID A   | POLICE OFFICER | 11/19/84 | NINETEENTH DISTRICT            | 4435.60       |
| CYDE               | MICHAEL T | POLICE OFFICER | 1/14/84  | ENFORCEMENT SECTION            | 324.00        |
| DEBK               | ALFARO    | POLICE OFFICER | 11/24/84 | TWENTY-FIFTH DISTRICT          | 567.75        |
| DEBICK             | ALFARO S  | POLICE OFFICER | 12/24/83 | ENFORCEMENT SECTION            | 45.00         |
| DEFFIN             | KEVIN     | POLICE OFFICER | 2/22/85  | SEVENTH DISTRICT               | 527.00        |
| HOWARD             | M.C.      | POLICE OFFICER | 1/11/85  | ENFORCEMENT SECTION            | 70.00         |
| JONES              | TUTTIE    | POLICE OFFICER | 1/30/85  | ELEVENTH DISTRICT              | 124.00        |
| KEIM               | JOSEPH    | POLICE OFFICER | 2/18/84  | EIGHTH DISTRICT                | 34.00         |
| LEWIS              | CON P     | POLICE OFFICER | 1/30/85  | TWENTY-FOURTH DISTRICT         | 242.00        |
| LINDSEIAN          | ROBERT J  | POLICE OFFICER | 2/21/85  | EIGHTH DISTRICT                | 242.00        |
| LOTTIO             | JAMES     | POLICE OFFICER | 2/12/85  | DETECTIVE DIV AREA 2 VIOLENT C | 291.00        |
| MARTINEZ           | JOSIE     | POLICE OFFICER | 10/17/84 | TWELFTH DISTRICT               | 522.00        |
| MAYES              | RONALD C  | POLICE OFFICER | 2/24/85  | SEVENTEENTH DISTRICT           | 232.00        |
| PIAZZA             | PETER J   | POLICE OFFICER | 2/23/85  | FOURTH DISTRICT                | 200.10        |
| RADEEN             | ALFARO C  | POLICE OFFICER | 2/12/85  | TWENTY-THIRD DISTRICT          | 244.00        |
| RICE               | MICHAEL P | POLICE OFFICER | 2/10/85  | SEVENTEENTH DISTRICT           | 50.00         |
| RODRIGUEZ          | JOSE M    | POLICE OFFICER | 2/24/85  | FOURTEENTH DISTRICT            | 490.00        |
| ROSS               | WILLIAM F | POLICE OFFICER | 7/12/85  | NINTH DISTRICT                 | 55.00         |
| ROSE               | ALBERT J  | SE-DEANT       | 2/22/85  | GOVERNMENT SECURITY DETAIL     | 252.00        |
| ROTHMAN            | MICHAEL J | POLICE OFFICER | 2/24/85  | SEVENTEENTH DISTRICT           | 332.00        |
| RYAN               | DAVID S   | POLICE OFFICER | 12/28/84 | TWENTY-SECOND DISTRICT         | 64.00         |
| SCHWICK            | DAVID A   | POLICE OFFICER | 1/22/85  | NINTH DISTRICT                 | 522.00        |
| SCHWICK            | RAYMOND R | POLICE OFFICER | 1/23/83  | PUBLIC HOUSING DIVISION-NORTH  | 30.00         |
| SHAW               | LAWRENCE  | POLICE OFFICER | 2/24/85  | YOUTH DIVISION AREA FIVE       | 250.00        |
| SHAW               | MICHAEL   | POLICE OFFICER | 1/24/85  | FOURTH DISTRICT                | 12.00         |
| SHAW               | JAMES     | POLICE OFFICER | 2/10/85  | SEVENTEENTH DISTRICT           | 50.00         |
| VALMONT            | JOHN      | POLICE OFFICER | 2/12/85  | ELEVENTH DISTRICT              | 40.00         |
| WALKER             | DAVE J    | POLICE OFFICER | 2/26/85  | FIFTH DISTRICT                 | 2245.64       |
| WALKER             | THOMAS G  | POLICE OFFICER | 2/12/85  | SEVENTEENTH DISTRICT           | 210.75        |
| WILLIAMS           | JOHN      | POLICE OFFICER | 12/27/84 | SIXTH DISTRICT                 | 577.75        |
| WILLIAMS           | WILLIAM   | POLICE OFFICER | 2/22/85  | TWENTY-THIRD DISTRICT          | 131.00        |
| WILLIAMS           | MAY       | POLICE OFFICER | 2/22/85  | NINETEENTH DISTRICT            | 224.00        |
| WILLIAMS           | MICHAEL   | POLICE OFFICER | 1/12/85  | DISTRICT RELIEF I              | 1123.25       |
| WILLIAMS           | JOSEPH    | POLICE OFFICER | 2/22/85  | AMBULANCE DT                   | 591.75        |

(Continued from page 16822)

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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

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 the Mayor is authorized to execute and the City Clerk to attest, subject to approval of the City Comptroller and the Commissioner of Aviation and approval as to form and legality of the Corporation Counsel, an amendment to an agreement, authorized by ordinance passed by the City Council on April 12, 1961 (C.J.P. p. 4702) with United Air Lines, Inc. at Chicago-O'Hare International Airport, said amendment to be in the following form:

*Hangar Site Lease Amendment.*

This Amendment, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1984, 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 United Air Lines, Inc., a corporation organized and existing under the law of the State of Delaware ("United").

*Witnesseth:*

Whereas, Capitol Airlines ("Capitol") by that certain Assignment, Indenture and Agreement dated March 7, 1961, assigned to United and United accepted all of Capitol's right, title, and interest in and to that certain Hangar and Hangar Site Lease, dated January 1, 1959, by and between Capitol and City (the "Capitol Lease") and the City duly

consented and agreed to said Assignment, Indenture and Agreement on May 1, 1961 (the "Agreement"); and

Whereas, the Agreement amended the Capitol Lease by relocating the Capitol Hangar Site (herein called the "Demised Premises") to the area shown of Exhibit I attached hereto; and

Whereas, United desires to further amend the Capitol Lease to incorporate an area that is contiguous with and adjacent to the Demised Premises and the City is willing to lease such areas to United by Amendment to the Capitol Lease as hereinafter provided; Now, therefore, in consideration of the premises and of the mutual covenants and agreements herein contained, City and United agree as follows:

1. Lease of Premises. Section 1.01 of the Capitol Lease is hereby further amended by deleting the phrase "as CAP on Exhibit A-1" appearing in the fourth line thereof and substituting therefor the phrase "as (Relocated CAP) UAL 12.2023 AC and (New Area) UAL 4.0405 AC and the (Shaded Area) UAL 1.3092 AC on Exhibit I", and (ii) by deleting the period after the word "described" in the last line thereof, substituting a comma therefor and adding the phrase "said Demised Premises constituting 17.5520 acres."

2. Rentals. Article III shall be amended (i) by inserting a comma after the first word of the first paragraph "Airline" and adding the phrase "for the 12.2023 AC comprising the Relocated CAP premises," and (ii) by adding, after the second paragraph of Article III, three new paragraphs reading as follows:

Airline shall also begin payment on July 1, 1984, for the 5.3497 acres consisting of the New Area and the Shaded Area, of a monthly rental, in advance, of Six Thousand Seven Hundred Ninety-six and 82/100 Dollars (\$6,796.82) which is based on a rental rate of 35¢ per square foot per year. This rental rate will be adjusted every 5 years of the remaining term of this agreement beginning July 1, 1989 by multiplying the 35¢ per square foot per year rate by a fraction, the numerator of which is the Producer Price Index/All commodities ("PPI") published by the United States Department of Labor Statistics (1967 = 100) for each of the scheduled years of adjustment (Years of Adjustment) and the denominator of which is the PPI for 1984.

As soon as is reasonably feasible in the Years of Adjustment, the City shall furnish the Tenant with a statement showing (i) the amount of the new monthly rental for the next 5 years, calculated according to the formula set forth in the paragraph immediately hereinabove, and (ii) the amount of any deficiency or excess with respect to the new monthly ground rental. Tenant shall pay any deficiency to City as shown by such statement within 30 days after receipt of such statement. Tenant shall have an option, should there be an excess, of either asking for a refund or requesting that the excess be credited against payments next due hereunder.

If the manner in which the PPI is determined by the Department of Labor shall be substantially revised, an adjustment shall be made in such revised index which would produce results equivalent, as nearly as possible, to those which would have obtained if the PPI had not been so revised. If the 1967 average shall no longer be used as an index of 100, such change shall constitute a substantial revision. If the PPI shall

become unavailable to the public because publication is discontinued, or otherwise, City will substitute therefor a comparable index based upon changes in the cost of living or purchasing power of the dollar published by any other governmental agency or, if no such index shall then be available, a comparable index published by a major bank or other financial institution or by a university or a recognized financial publication.

3. Exhibits. Exhibit A and Exhibit A-1 attached to the Capitol Lease shall be and they are hereby deleted from the said Lease and Exhibit I attached hereto is hereby substituted therefor.

4. Except as amended hereinabove, said Capitol Lease shall be and remain in all other respects in full force and effect in accordance with its terms.

Execution of this Amendment authorized by ordinance of the City Council of the City of Chicago, passed \_\_\_\_\_ (C.J.P. pp. \_\_\_\_\_).

In Witness Whereof, the City has caused this Amendment 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 United has caused this amendment to be executed on its behalf by its Vice President and its Assistant 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.]

*Hangar Site Rental Calculation.*

A. *Existing Rentals -- (Relocated CAP)*

|                              | Per Year    | Per Month  |
|------------------------------|-------------|------------|
| 12.2023 AC@ \$.0459/sf/yr. = | \$24,408.00 | \$2,034.00 |

B. *Rentals for Additional Areas*

1. *New Area:*

|                                                           |             |            |
|-----------------------------------------------------------|-------------|------------|
| 484.66' x 363.15' (avg.)<br>= 176,004 sf.@ \$.35/sf/yr. = | \$61,601.40 | \$5,133.45 |
|-----------------------------------------------------------|-------------|------------|

2. *Shaded Area:*

|                                               |             |            |
|-----------------------------------------------|-------------|------------|
| 1096.74' x 52.00' = 57,030 s.f.@ .35/sf/yr. = | \$19,960.50 | \$1,663.37 |
|-----------------------------------------------|-------------|------------|

Totals subject to escalation under Section  
2 hereof:

\$81,561.90

\$6,796.82

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

[Exhibit I printed on page 16834 of this Journal.]

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AUTHORITY GRANTED TO EXECUTE SECOND AMENDMENT  
TO CARGO SITE LEASE AGREEMENT BETWEEN CITY  
AND TRANS WORLD AIRLINES, INCORPORATED.

The Committee on Aviation submitted the following report:

CHICAGO, May 28, 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 December 26, 1984 by the Department of Aviation) authorizing agreement between the City of Chicago and Trans World Airlines, Inc., second amendment to Cargo Site Lease, 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:

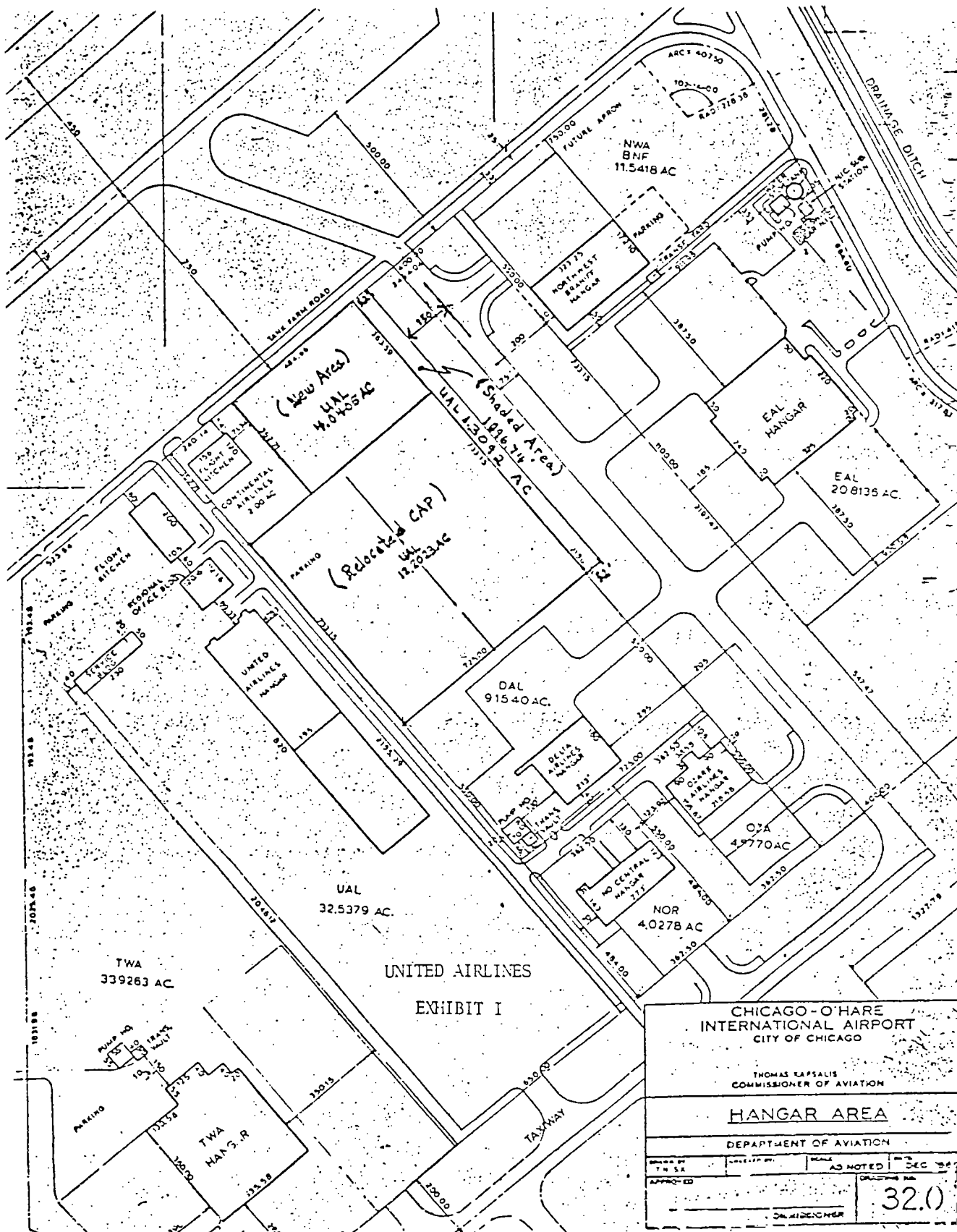
*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*Nays* -- None.

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

(Continued on page 16835)





(Continued from page 16833)

The following is said ordinance as passed:

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

SECTION 1. That the Commissioner of Aviation and the City Comptroller, subject to approval as to form and legality by the Corporation Counsel, are authorized to execute in behalf of the City of Chicago an amendment to Cargo Building Site Lease with Trans World Airlines, Inc., at Chicago-O'Hare International Airport, passed by the City Council March 25, 1964, (C.J.P. pp. 2363-2369), as amended, said amendment to be in the following form:

*Second Amendment to Agreement Between The City of  
Chicago and Trans World Airlines, Inc.*

This Agreement made and entered into, this \_\_\_\_\_ day of \_\_\_\_\_ A.D., 19\_\_\_\_, by and between the City of Chicago, a municipal corporation of the State of Illinois, hereinafter referred to as "City" and Trans World Airlines, Inc., a Delaware corporation qualified to do business in the State of Illinois, hereinafter referred to as "Airline".

*Witnesseth:*

Whereas, City and Airline have heretofore entered into an agreement under date of March 27, 1964, authorized by City Council March 25, 1964, (C.J.P. pps. 2363-2369), hereinafter referred to as "said agreement", in and by which City among other provisions granted to Airline, certain privileges or premises to be occupied and used for the purposes therein stated, located at Chicago O'Hare International Airport, in the City of Chicago, Counties of Cook and DuPage, and State of Illinois;

Now, Therefore, City, in consideration of the provisions and conditions set forth in said agreement, does hereby amend said agreement, and Airline hereby accepts said privileges or premises therein set forth and upon the terms, conditions and provisions set forth and stated therein (to which reference is hereby made, and which the parties agree will be incorporated and shall be considered to be incorporated herein, by this reference thereto) except in so far and only in so far as said privileges, premises, terms, conditions and provisions are modified, changed or amended by the further provisions of this agreement.

It is hereby further agreed that the sole modification of, changes in, and amendments to, said Lease, which are hereby made thereon, and which shall be applicable to all renewals and extensions as may be made and provided for therein, are as follows:

1. The first paragraph appearing in Section 1.01 - Lease of Premises - Use of Demised Premises, of said agreement, reading as follows:

"Section 1.01 - Lease of Premises - Use of Demised Premies

City does hereby lease to Airline, and Airline does hereby lease from City an area of 12.00 acres (hereinafter, together with any buildings and improvements now or

hereafter located thereon, referred to as the "Demised Premises") located at the Airport in the easterly portion of the Cargo Area shown as outlined in "Red" and described in Exhibit A-1, attached hereto, and by this reference made a part hereof, together with the facilities, rights, and privileges hereinafter described. It is understood and agreed that the north portion, eighty-one (81) by five hundred ninety-five (595) feet, totaling forty-eight thousand one hundred ninety-five (48,195) square feet (or 1.1064 acres) of the Demised Premises, shall be used only for the parking of automobiles of Airline's employees, agents, guests, patrons, and invitees, and for no other purpose whatsoever. City shall have the right, at any time, to enter upon the area of aforesaid Demised Premises, to install, repair, maintain, and replace any public utilities as may now traverse the Demised Premises and any future public utilities as may be necessary to be installed."

shall be and the same is hereby modified, changed and amended to read as follows:

**Section 1.01 - Lease of Premises - Use of Demised Premises**

City does hereby lease to Airline, and Airline does hereby lease from City and area of 11.847 acres (hereinafter together with any buildings and improvements now of hereafter located thereon, referred to as the "Demised Premises") located at the Airport in the easterly portion of the Cargo Area shown as outlined in "Red" and described in Exhibit A-1, attached hereto, and by this reference made a part hereof, together with the facilities, rights, and privileges hereinafter described. It is understood and agreed that the north portion, eighty-one (81) by five hundred ninety-five (595) feet totaling forty-eight thousand one hundred ninety-five (48,195) square feet (or 1.1064 acres) of the Demised Premises, shall be used only for the parking of automobiles of Airline's employees, agents, guests, patrons, and invitees, and for no other purpose whatsoever. City shall have the right, at any time, to enter upon the area of aforesaid Demised Premises, to install, repair, maintain, and replace any public utilities as may now traverse the Demised Premises, and any future public utilities as may be necessary to be installed.

2. The first paragraph appearing in Article III - Rentals, of said agreement, reading as follows:

"As rental for the Demised Premises, and all of the rights granted hereunder, Airline shall pay on or before the first day of each calendar month a monthly rental (hereinafter called "ground rental") of Two Thousand and no/100 Dollars (\$2,000.00). Said payments are to be made in advance, commencing on the effective date of this lease".

shall be and the same is hereby modified, changed and amended to read as follows:

As rental for the Demised Premises, and all of the rights granted hereunder, Airline shall pay on or before the first day of each calendar month a monthly rental (hereinafter called "ground rental") of One Thousand Nine Hundred Seventy-four and 46/100 Dollars (\$1,974.46). Said payments to be made in advance, commencing on the effective date of this lease.

It is, therefore, agreed that except solely as hereinabove modified, change and amended, the privileges, premises, terms, conditions and provisions of said agreement shall govern, this amendment of said agreement and any and all further renewals or extensions thereof for any subsequent period which may be affected or made under and in accordance therewith.

Execution of this amendment authorized by ordinance of the City Council of the City of Chicago passed \_\_\_\_\_ (C.J.P. pp. \_\_\_\_\_), which date shall be the effective date hereof.

In Witness Whereof, the parties hereto have caused this instrument to be executed under their respective seals on the day and year first above written.

[Signature forms omitted for printing purposes.]

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

[Exhibit A-1 printed on page 16838 of this Journal.]

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AUTHORITY GRANTED TO EXECUTE SECOND AMENDMENT  
TO CARGO SITE LEASE AGREEMENT BETWEEN  
CITY AND CONTINENTAL AIRLINES,  
INCORPORATED.

The Committee on Aviation submitted the following report:

CHICAGO, May 28, 1985.

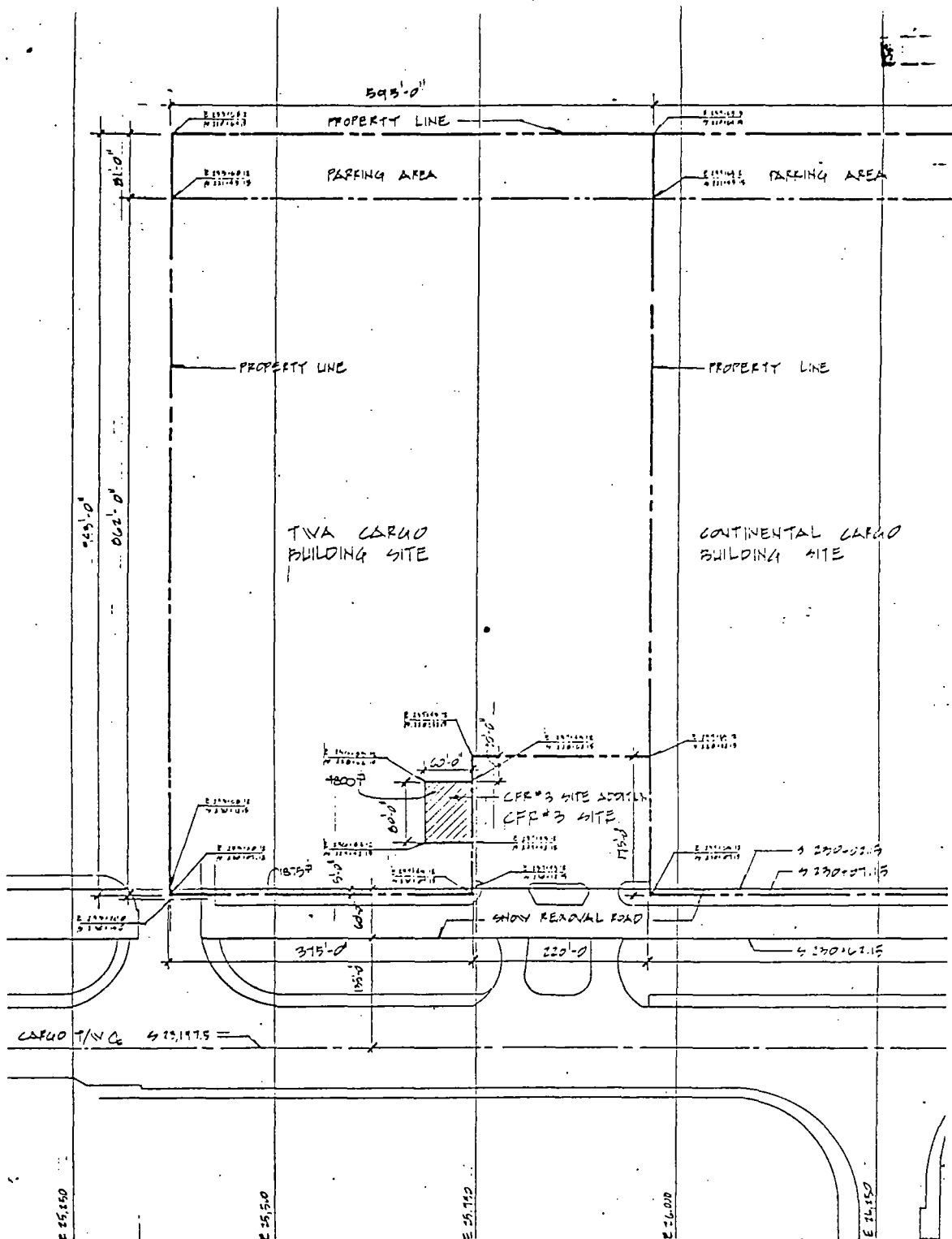
*To the President and Members of the City Council:*

Your Committee on Aviation begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (which was referred on December 26, 1984, by the Department of Aviation) authorizing agreement between the City of Chicago and Continental Airlines, Inc., second amendment to Cargo Site Lease, 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.

(Continued on page 16839)



(Continued from page 16837)

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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

*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 the Commissioner of Aviation and the City Comptroller, subject to approval as to form and legality by the Corporation Counsel, are authorized to execute in behalf of the City of Chicago an amendment to Cargo Building Site Lease with Continental Airlines, Inc., at Chicago-O'Hare International Airport, passed by the City Council August 25, 1966, (C.J.P. pps. 7134-7140), as amended, said amendment to be in the following form:

*Second Amendment to  
Cargo Building Site Lease  
Between The City of Chicago and  
Continental Air Lines, Inc.*

This Agreement made and entered into, this 1st day of June A.D., 1984, by and between the City of Chicago, a municipal corporation of the State of Illinois, hereinafter referred to as "City" and Continental Air Lines, Inc., a corporation organized and existing under and by virtue of the laws of the State of Nevada, hereinafter referred to as "Airline".

*Witnesseth:*

Whereas, City and Airline have heretofore entered into a Lease under date of August 25, 1966, authorized by the City Council August 25, 1966, (C.J.P. pps. 7134-7140), hereinafter referred to as "said Lease", in and by which City among other provisions granted to Airline, certain privileges or premises to be occupied and used for the purposes therein stated, located at Chicago-O'Hare International Airport, in the City of Chicago, Counties of Cook and DuPage, and State of Illinois; now, therefore,

City, in consideration of the provisions and conditions set forth in said Lease, does hereby amend said Lease, and Airline hereby accepts said privileges or premises therein set forth and upon the terms, conditions and provisions set forth and stated therein (to which reference is hereby made, and which the parties agree will be incorporated herein,

by this reference thereto) except insofar and only insofar as said privileges, premises, terms, conditions and provisions are modified, changed or amended by the further provisions of this agreement.

It is hereby further agreed that the sole modification of, changes in, and amendments to, said Lease, which are hereby made thereon, and which shall be applicable to all renewals and extensions as may be made and provided for therein, are as follows:

1. The first paragraph appearing in Article I, Section 1.01 - Lease of Premises - of said Lease, reading as follows:

"City does hereby lease to Airline, and Airline does hereby lease from City an area of sixteen and six hundred twenty-three one thousandths, (16.623) acres hereinafter, together with any building and improvements now or hereafter located thereon, referred to as the "Demised Premises") located at the Airport in the easterly portion of the Cargo Area described and shown as outlined in "Red" on Exhibit "A-1" attached hereto and by this reference made a part hereof, together with the facilities, rights and privileges hereinafter described, subject to a reservation of easement rights for the installation, maintenance, repair, and replacement if necessary, of any public utilities as may traverse the Demised Premises and any future public utilities, as may be necessary to be installed."

shall be and the same is hereby modified, changed and amended to read as follows:

City does hereby lease to Airline, and Airline does hereby lease from City an area of sixteen and five hundred thirty-four one thousandths, (16.534) acres hereinafter, together with any buildings and improvements now or hereafter located thereon, referred to as the "Demised Premises") located at the Airport in the easterly portion of the Cargo Area described and shown as outlined in "Red" on Exhibit "A-1" attached hereto and by this reference made a part hereof, together with the facilities, rights and privileges hereinafter described, subject to a reservation of easement rights for the installation, maintenance, repair, and replacement, if necessary, of any public utilities as may traverse the Demised Premises and any future public utilities, as may be necessary to be installed."

2. The first paragraph appearing in Article III - Rentals - of said lease, reading as follows:

As rental for the Demised Premises, and all of the rights granted hereunder, Airline shall pay on or before the first day of each calendar month a monthly rental (hereinafter called "ground rental") of Two Thousand Seven Hundred Seventy and 50/100 Dollars (\$2,770.50). Said payments to be made in advance, commencing on July 28, 1971, the date of approval of authorizing ordinance by the City Council of the City of Chicago.

shall be and the same is hereby modified, changed and amended to read as follows:

As rental for the Demised Premises, and all of the rights granted hereunder, Airline shall pay on or before the first day of each calendar month a monthly rental

(hereinafter called "ground rental") of Two Thousand Seven Hundred Fifty-five and 72/100 Dollars (\$2,755.72). Said payments to be made in advance commencing on June 2, 1984.

It is, therefore, agreed that except solely as hereinabove modified, changed and amended, the privileges, premises, terms, conditions and provisions of said agreement shall apply to, and shall govern, this amendment of said agreement and any and all further renewals or extensions thereof for any subsequent period which may be affected or made under and in accordance therewith.

Execution of this Agreement authorized by ordinance of the City Council of the City of Chicago passed \_\_\_\_\_ (C.J.P. pp. \_\_\_\_\_).

In Witness Whereof, the parties hereto have caused this instrument to be executed under their respective seals on the day and year first above written.

[Signature forms omitted for printing purposes.]

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

[Exhibit A-1 printed on page 16842 of this Journal.]

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AUTHORIZATION GIVEN FOR GRANT APPLICATION  
BETWEEN CITY AND FEDERAL AVIATION  
ADMINISTRATION.

The Committee on Aviation submitted the following report:

CHICAGO, May 28, 1985.

*To the President and Members of the City Council:*

Your Committee on Aviation begs leave to recommend that Your Honorable Body Pass the Grant Application transmitted herewith (which was referred on March 27, 1985) between the City of Chicago and the Federal Aviation Administration for airport improvements 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.

(Continued on page 16843)





(Continued from 16841)

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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*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 the Commissioner of Aviation on behalf of the City of Chicago is authorized to execute and submit to the Federal Aviation Administration, upon approval by the City Council and as to form and legality by the Corporation Counsel an Application for Federal Assistance, said Application to be in the form as attached.

SECTION 2. That the Mayor of the City of Chicago is authorized in making of said application to commit a local contribution for the aforesaid program amounting to approximately \$4,490,000.

SECTION 3. That the Mayor, as the applicant in the aforesaid application is hereby authorized to accept in and for the City of Chicago and the Department of Aviation any grant offer and subsequent grant amendments which the United States Federal Aviation Administration may authorize pursuant to said application.

SECTION 4. This ordinance shall become effective immediately upon its passage.

[Application printed on pages 16844 thru 16873 of  
this Journal.]

| FEDERAL ASSISTANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |             | 2. APPLICANT'S APPLICATION                                                                                                                                                                                                                                                                                                                 | 3. NUMBER<br>3-17-0022-05                                                                                                                                                                                                                                                                     | 1. STATE APPLICATION IDENTIFIER    | 4. NUMBER                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------|
| 1. TYPE OF ACTION<br>(Mark appropriate box)<br><input type="checkbox"/> PREAPPLICATION<br><input checked="" type="checkbox"/> APPLICATION<br><input type="checkbox"/> NOTIFICATION OF INTENT (Opt)<br><input type="checkbox"/> REPORT OF FEDERAL ACTION                                                                                                                                                                                                                                                                           | Leave Blank | 4. LEGAL APPLICANT/RECIPIENT<br>a. Applicant Name: City of Chicago<br>b. Organization Unit: Department of Aviation<br>c. Street/P.O. Box: 20 N. Clark Street - Room 3200<br>d. City: Chicago, Illinois<br>e. County: Cook<br>f. State: Illinois<br>g. ZIP Code: 60602<br>h. Contact Person (Name & telephone No.): Jack Delaney : 744-8802 | 5. FEDERAL EMPLOYER IDENTIFICATION NO.                                                                                                                                                                                                                                                        | 6. PPO-CRAM (From Federal Catalog) | 7. DATE<br>Year month day<br>19 85 3 10 |
| 7. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT<br>Chicago O'Hare International Airport<br>Pedestrian Tunnel 3-C - Vault<br>One X-Ray Machine and Trailer<br>Fourteen Snow Blowers<br>Eight 20' Snow Plows                                                                                                                                                                                                                                                                                                                        |             |                                                                                                                                                                                                                                                                                                                                            | 8. TYPE OF APPLICANT/RECIPIENT<br>A-State<br>B-Community Action Agency<br>C-Substate<br>D-County<br>E-City<br>F-School District<br>G-Special Purpose District<br>H-Higher Educational Institution<br>I-Indian Tribe<br>J-Other (Specify):<br>Enter appropriate letter: <u>E</u>               |                                    |                                         |
| 10. AREA OF PROJECT IMPACT (Name of cities, counties, States, etc.)<br>Chicago Metropolitan Area                                                                                                                                                                                                                                                                                                                                                                                                                                  |             |                                                                                                                                                                                                                                                                                                                                            | 11. ESTIMATED NUMBER OF PERSONS BENEFITING<br>50,000,000                                                                                                                                                                                                                                      |                                    |                                         |
| 13. PPO/SEO FUNDING<br>a. FEDERAL \$ 6,470,000 .00<br>b. APPLICANT 4,490,000 .00<br>c. STATE .00<br>d. LOCAL .00<br>e. OTHER .00<br>f. TOTAL \$ 10,960,000 .00                                                                                                                                                                                                                                                                                                                                                                    |             |                                                                                                                                                                                                                                                                                                                                            | 14. CONGRESSIONAL DISTRICTS OF:<br>a. APPLICANT City Wide<br>b. PROJECT<br>15. TYPE OF APPLICATION<br>A-New C-Revision E-Augmentation<br>B-Renewal D-Continuation<br>Enter appropriate letter: <u>A</u>                                                                                       |                                    |                                         |
| 16. PROJECT START DATE Year month day<br>19 85 3 25                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                                                                                                                                                                                                                                                                                                                            | 17. PROJECT DURATION<br>Months                                                                                                                                                                                                                                                                |                                    |                                         |
| 18. ESTIMATED DATE TO BE SUBMITTED TO FEDERAL AGENCY                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |             |                                                                                                                                                                                                                                                                                                                                            | 19. EXISTING FEDERAL IDENTIFICATION NUMBER                                                                                                                                                                                                                                                    |                                    |                                         |
| 20. FEDERAL AGENCY TO RECEIVE REQUEST (Name, City, State, ZIP code)<br>F.A.A. - 2300 East Devon - Des Plaines, Illinois 60018                                                                                                                                                                                                                                                                                                                                                                                                     |             |                                                                                                                                                                                                                                                                                                                                            | 21. REMARKS ADDED<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                      |                                    |                                         |
| 22. THE APPLICANT CERTIFIES THAT:<br>a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved.<br>b. If required by CMS Circular A-95 this application was submitted, pursuant to its instructions therein, to appropriate clearinghouses and all responses are attached: sponsor<br>(1) NIPC<br>(2)<br>(3) |             |                                                                                                                                                                                                                                                                                                                                            | 23. CERTIFYING REPRESENTATIVE<br>L. TYPED NAME AND TITLE<br>Thomas Kapsalis<br>Commissioner of Aviation<br>b. SIGNATURE<br><i>Thomas Kapsalis</i><br>c. DATE SIGNED<br>Year month day<br>19 85 3 16                                                                                           |                                    |                                         |
| 24. AGENCY NAME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |             |                                                                                                                                                                                                                                                                                                                                            | 25. APPLICATION RECEIVED 19                                                                                                                                                                                                                                                                   |                                    |                                         |
| 26. ORGANIZATIONAL UNIT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |             |                                                                                                                                                                                                                                                                                                                                            | 27. ADMINISTRATIVE OFFICE                                                                                                                                                                                                                                                                     |                                    |                                         |
| 28. ADDRESS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |                                                                                                                                                                                                                                                                                                                                            | 29. FEDERAL GRANT IDENTIFICATION                                                                                                                                                                                                                                                              |                                    |                                         |
| 30. ACTION TAKEN<br><input type="checkbox"/> a. AWARDED<br><input type="checkbox"/> b. SELECTED<br><input type="checkbox"/> c. RETURNED FOR AMPLIFICATION<br><input type="checkbox"/> d. DEFERRED<br><input type="checkbox"/> e. WITHDRAWN                                                                                                                                                                                                                                                                                        |             |                                                                                                                                                                                                                                                                                                                                            | 31. FUNDING<br>a. FEDERAL \$ .00<br>b. APPLICANT .00<br>c. STATE .00<br>d. LOCAL .00<br>e. OTHER .00<br>f. TOTAL \$ .00                                                                                                                                                                       |                                    |                                         |
| 32. ACTION DATE Year month day<br>19 85 3 19                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                                                                                                                                                                                                                                                                                                                                            | 33. CONTACT FOR ADDITIONAL INFORMATION (Name and telephone number)                                                                                                                                                                                                                            |                                    |                                         |
| 34. STARTING DATE Year month day<br>19 85 3 19                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |             |                                                                                                                                                                                                                                                                                                                                            | 35. ENDING DATE Year month day<br>19 85 3 19                                                                                                                                                                                                                                                  |                                    |                                         |
| 36. REMARKS ADDED<br><input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                                                                                                                                                                                                                                                                     |             |                                                                                                                                                                                                                                                                                                                                            | 37. FEDERAL AGENCY A-95 ACTION<br>a. In taking above action, any comments received from clearinghouses were considered. If agency response is not other provisions of Part 1, CMS Circular A-95, it has been or is being made.<br>b. FEDERAL AGENCY A-95 OFFICIAL (Name and telephone number) |                                    |                                         |

DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION

OMB NO. 80-101-1

## PART II

PROJECT APPROVAL INFORMATION  
SECTION A

## Item 1.

Does this assistance request require State, local,  
regional, or other priority rating? \_\_\_\_\_ Yes X No

Name of Governing Body \_\_\_\_\_  
Priority Rating \_\_\_\_\_

## Item 2.

Does this assistance request require State, or local  
advisory, educational or health clearances? \_\_\_\_\_ Yes X No (Attach Documentation)

Name of Agency or  
Board \_\_\_\_\_

## Item 3.

Does this assistance request require clearinghouse review (Attach Comments)  
in accordance with OMB Circular A-95? \_\_\_\_\_ Yes X No

## Item 4.

Does this assistance request require State, local,  
regional or other planning approval? \_\_\_\_\_ Yes X No

Name of Approving Agency \_\_\_\_\_  
Date \_\_\_\_\_

## Item 5.

Is the proposed project covered by an approved  
comprehensive plan? \_\_\_\_\_ Yes X No

Check one: State \_\_\_\_\_  
Local \_\_\_\_\_  
Regional \_\_\_\_\_  
Location of plan 20 N. Clark - Room 3200

## Item 6.

Will the assistance requested serve a Federal  
installation? \_\_\_\_\_ Yes X No

Name of Federal Installation USAF 928 SAC  
Federal Population benefiting from Project 2,100

## Item 7.

Will the assistance requested be on Federal land  
or installation? \_\_\_\_\_ Yes X No

Name of Federal Installation \_\_\_\_\_  
Location of Federal Land \_\_\_\_\_  
Percent of Project \_\_\_\_\_

## Item 8.

Will the assistance requested have an impact or effect  
on the environment? \_\_\_\_\_ Yes X No

See instruction for additional information to be  
provided.

## Item 9.

Will the assistance requested cause the displacement of  
individuals families, businesses, or farms? \_\_\_\_\_ Yes X No

Number of:  
Individuals \_\_\_\_\_  
Families \_\_\_\_\_  
Businesses \_\_\_\_\_  
Farms \_\_\_\_\_

## Item 10.

Is there other related Federal assistance on this  
project previous, pending, or anticipated? \_\_\_\_\_ Yes X No

See instructions for additional information to be  
provided.

DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION

OMB NO. 20-20182

## PART II - SECTION B

|                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11. SITES AND IMPROVEMENTS: <u>  X  </u> Not required, <u>          </u> Attached as exhibits<br>Applicant intends to acquire the site through:<br><u>          </u> Eminent domain, <u>          </u> Negotiated purchase, <u>          </u> Other means (specify)                                                                                                                       |
| 12. TITLE OR OTHER INTEREST IN THE SITE IS OR WILL BE VESTED IN:<br><u>  X  </u> Applicant, <u>          </u> Agency or institution operating the facility <u>          </u> Other (specify)                                                                                                                                                                                              |
| 13. INDICATE WHETHER APPLICANT OPERATOR HAS:<br><u>  X  </u> Fee simple title, <u>          </u> Leasehold interest, <u>          </u> Other (specify)                                                                                                                                                                                                                                    |
| 14. IF APPLICANT OPERATOR HAS LEASEHOLD INTEREST, GIVE THE FOLLOWING INFORMATION:<br>a. Length of lease or other estate interest <u>          </u> , and number of years to run <u>          </u><br>b. Is lease renewable? <u>          </u> Yes <u>          </u> No<br>c. Current appraised value of land \$ <u>          </u><br>d. Annual rental rate \$ <u>          </u>           |
| 15. ATTACH AN OPINION FROM ACCEPTABLE TITLE COUNSEL DESCRIBING THE INTEREST APPLICANT OPERATOR HAS IN THE SITE AND CERTIFYING THAT THE ESTATE OR INTEREST IS LEGAL AND VALID.                                                                                                                                                                                                             |
| 16. WHERE APPLICABLE, ATTACH SITE SURVEY, SOIL INVESTIGATION REPORTS AND COPIES OF LAND APPRAISALS.                                                                                                                                                                                                                                                                                       |
| 17. WHERE APPLICABLE, ATTACH CERTIFICATION FROM ARCHITECT ON THE FEASIBILITY OF IMPROVING EXISTING SITE TOPOGRAPHY.                                                                                                                                                                                                                                                                       |
| 18. ATTACH PLOT PLAN.                                                                                                                                                                                                                                                                                                                                                                     |
| 19. CONSTRUCTION SCHEDULE ESTIMATES: <u>          </u> Not required, <u>  X  </u> Being prepared, <u>          </u> Attached as exhibits<br>Percentage of completion of drawings and specifications at application date:<br>Schematics <u>          </u> % Preliminary <u>          </u> % Final <u>          </u> %                                                                      |
| 20. TARGET DATES FOR:<br>Bid Advertisement <u>          </u> Contract Award <u>          </u><br>Construction Completion <u>          </u> Occupancy <u>          </u>                                                                                                                                                                                                                    |
| 21. DESCRIPTION OF FACILITY. <u>  X  </u> Not required <u>          </u> Attached as exhibits<br>Drawings - Attach any drawings which will assist in describing the project.<br>Specifications - Attach copies of completed outline specifications.<br>(If drawings and specifications have not been fully completed, please attach copies of working drawings that have been completed.) |

NOTE: ITEMS ON THIS SHEET ARE SELF-EXPLANATORY, THEREFORE, NO INSTRUCTIONS ARE PROVIDED.

## DEPARTMENT OF AVIATION

DESCRIPTION OF PROPOSED ORDINANCE

**PURPOSE:** This legislation would authorize the Department of Aviation to submit an application for funding assistance to the Federal Aviation Administration. This grant will be used for snow equipment purchase, security equipment purchase and the construction of a pedestrian tunnel from the Delta Terminal Extension to the parking lot.

The airlines requested the snow removal equipment for new removal procedures.

**GRANTOR:** Federal Aviation Administration (FAA)

**GRANT#:** 3-17-0022-05

**PROGRAM:** Airport and Airways Improvement Program (AIP)

**PROJECTS:** Pedestrian Tunnel 3-C & Vault  
Fourteen Snow Blowers  
Eight Snow Plows  
One X-Ray Trailer

|                 |               |                      |
|-----------------|---------------|----------------------|
| <b>FUNDING:</b> | Federal Share | 6,470,000.           |
|                 | Local Share   | 4,490,000.           |
|                 | Total         | <u>\$10,960,000.</u> |

**LOCAL SHARE:** General Airport Revenue Bonds - \$3,500,000.  
Operation and Maintenance Fund - \$990,000.

**GOALS:** These projects are consistent with the F.A.A. regulations and are in accordance with the O'Hare Master Plan.

## PART III - BUDGET INFORMATION - CONSTRUCTION

## SECTION A - GENERAL

1. Federal Domestic Assistance Catalog No. . . . . 20.102
2. Functional or Other Breakout . . . . .

## SECTION B - CALCULATION OF FEDERAL GRANT

| Cost Classification                                      | Use only for revisions |                     | Total Amount Required |
|----------------------------------------------------------|------------------------|---------------------|-----------------------|
|                                                          | Latest Approved Amount | Adjustment + or (-) |                       |
| 1. Administration expense                                | \$                     | \$                  | \$                    |
| 2. Preliminary expense                                   |                        |                     |                       |
| 3. Land structures, right-of-way                         |                        |                     |                       |
| 4. Architectural engineering basic fees                  |                        |                     |                       |
| 5. Other architectural engineering fees                  |                        |                     |                       |
| 5. Project inspection fees                               |                        |                     | 950,000               |
| 7. Land development                                      |                        |                     |                       |
| 8. Relocation Expenses                                   |                        |                     |                       |
| 9. Relocation payments to individuals and businesses     |                        |                     |                       |
| 10. Demolition and removal                               |                        |                     |                       |
| 11. Construction and project improvement                 |                        |                     | 5,420,000             |
| 12. Equipment                                            |                        |                     | 3,960,000             |
| 13. Miscellaneous                                        |                        |                     |                       |
| 14. Total (Lines 1 through 13)                           |                        |                     |                       |
| 15. Estimated Income (if applicable)                     |                        |                     |                       |
| 16. Net Project Amount (Line 14 minus 15)                |                        |                     |                       |
| 17. Less: Ineligible Exclusions                          |                        |                     |                       |
| 18. Add: Contingencies                                   |                        |                     | 600,000               |
| 19. Total Project Amt. (Excluding Rehabilitation Grants) |                        |                     | 10,060,000            |
| 20. Federal Share requested of Line 19                   |                        |                     | 6,470,000             |
| 21. Add Rehabilitation Grants Requested (100 Percent)    |                        |                     |                       |
| 22. Total Federal grant requested (Lines 20 & 21)        |                        |                     | 6,470,000             |
| 23. Grantee share                                        |                        |                     | 4,490,000             |
| 24. Other shares                                         |                        |                     |                       |
| 25. Total project (Lines 22, 23 & 24)                    | \$                     | \$                  | \$ 10,960,000         |

DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION

OMB NO. 04-RU202

## PART II - SECTION C

The Sponsor hereby represents and certifies as follows:

1. **Compatible Land Use.**—The Sponsor has taken the following actions to assure compatible usage of land adjacent to or in the vicinity of the airport:

N/A

2. **Defaults.**—The Sponsor is not in default on any obligation to the United States or any agency of the United States Government relative to the development, operation, or maintenance of any airport, except as stated herewith:

NONE

3. **Possible Disabilities.**—There are no facts or circumstances (including the existence of effective or proposed leases, use agreements or other legal instruments affecting use of the Airport or the existence of pending litigation or other legal proceedings) which in reasonable probability might make it impossible for the Sponsor to carry out and complete the Project or carry out the provisions of Part V of this Application, either by limiting its legal or financial ability or otherwise, except as follows:

N/A

4. **Land.** (a) The Sponsor holds the following property interest in the following areas of land\* which are to be developed or used as part of or in connection with the Airport, subject to the following exceptions, encumbrances, and adverse interests, all of which areas are identified on the aforementioned property map designated as Exhibit "A":

See Exhibit "A" on file with the F.A.A.

\*State character of property interest in each area and list and identify for each all exceptions, encumbrances, and adverse interests of every kind and nature, including liens, easements, leases, etc. The separate areas of land need only be identified here by the area numbers shown on the property map.



DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION

OMB NO. 04-R02

## PART II - SECTION C (Continued)

The Sponsor further certifies that the above is based on a title examination by a qualified attorney or title company and that such attorney or title company has determined that the Sponsor holds the above property interests.

(h) The Sponsor will acquire within a reasonable time, but in any event prior to the start of any construction work on the Project, the following property interest in the following areas of land\* on which such construction work is to be performed, all of which areas are identified on the aforementioned property map designated as Exhibit "A":

N/A

(e) The Sponsor will acquire within a reasonable time, and if feasible prior to the completion of all construction work on the Project, the following property interest in the following areas of land\* which are to be developed or used as part of or connection with the Airport as it will be upon completion of the Project, all of which areas are identified on the aforementioned property map designated as Exhibit "A":

N/A

5. Exclusive Rights. There is no grant of an exclusive right for the conduct of any aeronautical activity at any airport owned or controlled by the Sponsor except as follows:

N/A

\*State character of property interest in each area and list and identify for each all exceptions, encumbrances, and adverse interest of every kind and nature, including liens, easements, leases, etc. The separate areas of land need only be identified here by area numbers shown on the property map.

DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION

OMB NO. 9100-004

## SECTION C - EXCLUSIONS

| Classification | Ineligible for Participation (1) | Excluded from Contingency Provision (2) |
|----------------|----------------------------------|-----------------------------------------|
| 26             |                                  |                                         |
| a.             | \$                               | \$                                      |
| b.             |                                  |                                         |
| c.             |                                  |                                         |
| d.             |                                  |                                         |
| e.             |                                  |                                         |
| f.             |                                  |                                         |
| g. Totals      | \$                               | \$                                      |

## SECTION D - PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE

|                                  |              |
|----------------------------------|--------------|
| 27. Grantee Share                | \$ 4,490,000 |
| a. Securities                    |              |
| b. Mortgages                     |              |
| c. Appropriations (By Applicant) | 990,000      |
| d. Bonds                         | 3,500,000    |
| e. Tax Levies                    |              |
| f. Non Cash                      |              |
| g. Other (Explain)               |              |
| h. TOTAL - Grantee share         | 4,490,000    |
| 28. Other Shares                 |              |
| a. State                         |              |
| b. Other                         |              |
| c. Total Other Shares            |              |
| 29. TOTAL                        | \$ 4,490,000 |

## SECTION E - REMARKS

## PART IV PROGRAM NARRATIVE (Attach - See Instructions)

Chicago O'Hare International Airport  
Application  
3-17-0022-05

| <u>PROJECT</u>            | <u>Total<br/>Cost</u> | <u>Federal<br/>Cost</u> | <u>Local<br/>Cost</u> |
|---------------------------|-----------------------|-------------------------|-----------------------|
| 1. Fourteen Snow Blowers  | 2,800,000.            | 2,100,000.              | 700,000.              |
| 2. Pedestrian 3-C & Vault | 7,000,000.            | 3,500,000.              | 3,500,000.            |
| 3. Eight 20' Snow Plows   | 960,000.              | 720,000                 | 240,000.              |
| 4. One X-Ray & Trailer    | 200,000.              | 150,000.                | 50,000.               |
| <br>Total                 | <br>10,960,000.       | <br>6,470,000.          | <br>4,490,000.        |

AIP #3-17-0022-05  
PROJECT DESCRIPTION

ORD 4023      Fourteen Snow Blowers \*

*This project consists of the purchase of fourteen snow blowers. This increase in the number of snow blowers is due to a new snow removal profile which will have two blowers working as a team.*

ORD 4206      Eight 20' Snow Plows \*

*This project consists of purchasing eight 20' snbw plows for the enhancement of the O'Hare snow removal program.*

*\*The Chicago Airlines TOP Committee requested the Department to procure this equipment.*

ORD 4207      One X-Ray Machine & Trailer

*This project is to purchase a new X-Ray Machine and Trailer. The current one is out dated and has operational problems.*

ODP 104      Pedestrian Tunnel 3-C and Vault

*This project consists of constructing the remaining pedestrian tunnel shell and a new pedestrian center 7 along with nrchitectural finishes for the pedestrian tunnel. As part of this project, a relocated Commonwealth Edison vault would be constructed which would be interfaced with the new pedestrian tunnel.*

NIPC PROJECT NO. 85-001SUMMARY RECOMMENDATIONS

CLEARINGHOUSE: Northeastern Illinois Planning Commission

APPLICANT: City of Chicago Department of Aviation  
O'Hare International Airport

SUBJECT: Request for Federal Aviation Administration (FAA)  
funds for the 1985-86 Chicago O'Hare International  
Airport Program.

Total Cost: \$28,323,720, Grant Request: \$14,325,290

STAFF RECOMMENDATION:

☒ SUPPORT      ☐ CONDITIONAL SUPPORT      ☐ DO NOT SUPPORT

REVIEW SUMMARY:

The proposed 1985 - 86 development program for Chicago's O'Hare International Airport includes the following:

Pedestrian Tunnel 3C and C.E. Vault

This project consists of constructing the remaining pedestrian tunnel shell and a new pedestrian center 7 along with architectural finishes for the pedestrian tunnel. As part of this project, a relocated Commonwealth Edison vault would be constructed which would be interfaced with the new pedestrian tunnel.

Weather Sensors - Runway 9R-27L and 14R-32L

The scope of this project consists of the furnishing and installation of all equipment, along with necessary duct lines, to provide a complete runway weather surveillance system on both runways.

Emergency Power - North Ring Tunnel

This project is to provide a new emergency power service source, through the north tunnel to connect up with the existing one.

Chiller #8 Installation

This project consists of the installation of an additional chiller along with a High Temperature Water Generator to maintain the airports HVAC system with the additional loads brought on by terminal development.

Summary Recommendations  
NIPC Project No. 85-001

Page 2

Rehabilitation of the Taxiway Lift Station

This project consists of replacing pumps and related equipment that assist in the drainage of the Taxiway Bridge Area.

Wolf Road/Mannheim Connection

This project provides direct Airport Access for traffic from the North and Northwest. It also serves to connect the Northwest Tollway with roadway connections to Wolf Road, Old Mannheim Road and the Lee Street Connector. This project, provides the main vehicular access to the east remote public, employee parking and rental car areas from the northwest suburbs. This project will relieve existing and projected congestion on the Northwest Tollway/Tri-State Tollway Interchange and the present Airport Access Roadway.

Purchase Three Deicers

This project is to replace (3) three 1970 models with more current deicer tankers.

Purchase One X-Ray Trailer

This project is to provide one x-ray trailer for assisting in explosive prevention.

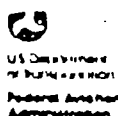
Navalds - 9L/27R, & 32R

This project shall consist of the relocation of R/W 9L Localizer, R/W 27R Glide Slope, RVR, MALSR, and R/W 32R Glide Slope and Middle Marker plus temporary R/W 9L Localizer.

Purchase of Four Snow Blowers

This project is to purchase four new snow blowers, in place of four that were going to be retrofitted, but because of excessive costs, the City and FAA have agreed upon purchasing new models.

The proposed 1985 - 86 O'Hare development program is generally consistent with the policies and recommendations of the Year 2000 Regional Airport System Plan, the Phase I Master Plan for O'Hare approved as NIPC Project Number 83-194, and the Phase I environmental Impact Statement reviewed as NIPC Project Number 82-A-003.



Great Lakes Region  
Standard DOT Title VI Assurances  
Airport Improvement Program

This CITY OF CHICAGO (hereinafter referred to as the "sponsor") HEREBY AGREES THAT as a condition to  
(Name of Sponsor)

receiving any Federal financial assistance from the Department of Transportation it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d, 42 U.S.C. 2000d-4 (hereinafter referred to as the "Act"), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the "Regulations") and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the sponsor receives Federal financial assistance from the Department of Transportation including the Federal Aviation Administration, and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this agreement. This assurance is required by Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation, subsection 21.7(a)(1).

More specifically and without limiting the above general assurance, the sponsor hereby gives the following specific assurances with respect to AIP Project No. 3-17-0022-05.

1. That the sponsor agrees that each "program" and each "facility" as defined in subsections 21.23(e) and 21.23(b) of the Regulations, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by or pursuant to the Regulations.

3. That the sponsor shall insert the following notification in all solicitation for bids for work or material subject to the Regulations and made in connection with AIP Project No. 3-17-0022-05 and, in adapted form in all proposals for negotiated agreements:

The CITY OF CHICAGO, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat.  
(Name of Sponsor)

252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

3. That the sponsor shall insert the clauses of Attachment 1 of this assurance in every contract subject to the Act and the Regulations.

4. That where the sponsor receives Federal financial assistance to construct a facility, or part of a facility, the assurance shall extend to the entire facility and facilities operated in connection therewith.

5. That where the sponsor receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the assurance shall extend to rights to space on, over, or under such property.

6. That the sponsor shall include the appropriate clauses set forth in Attachment 2 of this assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the sponsor with other parties: (a) for the subsequent transfer of real property acquired or improved under the Airport Improvement Program of the Federal Aviation Administration, and (b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the said Airport Improvement Program.

7. That this assurance obligates the sponsor for the period during which Federal financial assistance is extended to the program, and where the Federal financial assistance is to provide, or is in the form of, personal property, or real property or interest in real property or improvements thereon, in which case the assurance obligates the sponsor or any transferee for the longer of the following periods: (a) the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits, or (b) the period during which the sponsor owns ownership or possession of the property.

8. The sponsor shall provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he delegates specific authority to give reasonable guarantee that it, other sponsors, grantees, assure, subcontractors, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Act, the Regulations, and this assurance.

9. The sponsor agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, the Regulations, and this assurance.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the sponsor by the Department of Transportation under the Airport Improvement Program of the Federal Aviation Administration and is binding on it, contractors, subcontractors, transferees, successors in interest and other participants in the AIP Project No. 3-17-0022-05. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the sponsor.

DATED March 15, 1985

CITY OF CHICAGO

(Sponsor)

by X

Thomas Kapsalis

(Signature of Authorized Official)

Thomas Kapsalis

Commissioner of Aviation

-Attachments 1 and 2



---

Attachment 1

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. Compliance with Regulations. The contractor shall comply with the Regulations relative to nondiscrimination in Federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
2. Nondiscrimination. The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.6 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
3. Solicitations for Subcontracts, Including Procurements of Material and Equipment. In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. Information and Reports. The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the sponsor or the Federal Aviation Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
5. Sanctions for Noncompliance. In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to--
  - a. withholding of payments to the contractor under the contract until the contractor complies, and/or
  - b. cancellation, termination, or suspension of the contract, in whole or in part.
6. Incorporation of Provisions. The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

## Attachment 2

The following clauses shall be included in all deeds, licenses, leases, permits, or similar instruments entered into by the CITY OF CHICAGO pursuant to the provisions of Assurance 6(a).  
(Name of Sponsor)

The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in Interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)\*

That in the event of breach of any of the above nondiscrimination covenants CITY OF CHICAGO shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.  
(Name of Sponsor)

(Include in deeds.)\*

That in the event of breach of any of the above nondiscrimination covenants, CITY OF CHICAGO shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of CITY OF CHICAGO and its assigns.  
(Name of Sponsor)

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by CITY OF CHICAGO pursuant to the provisions of Assurance 6(b).  
(Name of Sponsor)

The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in Interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)\*

That in the event of breach of any of the above nondiscrimination covenants, CITY OF CHICAGO shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, hold the same as if said (license, lease, permit, etc.) had never been made or issued.  
(Name of Sponsor)

(Include in deeds.)\*

That in the event of breach of any of the above nondiscrimination covenants, CITY OF CHICAGO shall have the right to re-enter said land and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of CITY OF CHICAGO and its assigns.  
(Name of Sponsor)

\*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

PART V  
ASSURANCES  
Airport and Planning Agency Sponsors

A. General.

1. These assurances shall be complied with in the performance of the following grant agreements:
  - a. Airport development, airport planning, and noise program implementation grants to airport sponsors.
  - b. Integrated airport system planning grants to planning agencies.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of the Airport and Airway Improvement Act of 1982 or the Aviation Safety and Noise Abatement Act of 1979. A sponsor may be a public agency with control of a public-use airport or it may be a private owner of a public-use airport (hereinafter referred to as "private sponsor".)
3. These assurances also are required to be submitted as part of the project application by a sponsor which is both a public agency and a planning agency requesting funds for integrated airport system planning under the provisions of the Airport and Airway Improvement Act of 1982.
4. Upon acceptance of the grant offer by the sponsor, these assurances are incorporated in and become part of the grant agreement.

B. Duration and Applicability

1. Airport Development or Noise Program Implementation Projects undertaken by a public agency (airport sponsor). The terms, conditions and assurances of the grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise program implementation project, or throughout the useful life of the project items installed within a facility under a noise program implementation project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurance against exclusive rights or the terms, conditions, and assurances with respect to real property acquired with Federal funds. Furthermore, the duration of the Civil Rights assurance shall be as specified in the assurance.
2. Airport Development or Noise Program Implementation Projects undertaken by a private sponsor. The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of facilities developed or equipment acquired under an airport development or noise program implementation project shall be no less than 10 years from the date of the acceptance of Federal aid for the project.

3. Airport Planning undertaken by a sponsor. Unless otherwise specified in the grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, and 30 in Section C apply to planning projects. The terms, conditions and assurances of the grant agreement shall remain in full force and effect during the life of the project.

C. Sponsor Certification. The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements. It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

Federal Legislation

- a. Federal Aviation Act of 1958 - 49 U.S.C. 1301, et seq.
- b. Hatch Act - 15 U.S.C. 1501, et seq. 2/
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Davis-Bacon Act - 40 U.S.C. 276(a), et seq. 1/
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 - Titles II and III, 42 U.S.C. 4621-4655. 1/ 2/
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f). 1/
- g. Archeological and Historic Preservation Act of 1961 - 16 U.S.C. 461, et seq. 1/
- h. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4001, note. 1/
- i. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- j. Civil Rights Act of 1964 - Title VI - 42 U.S.C. 2000d, et seq.
- k. Aviation Safety and Noise Abatement Act of 1979, 49 U.S.C. 2101, et seq.
- l. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- m. Architectural Barriers Act of 1968 - 42 U.S.C. 4151, et seq. 1/
- n. Airport and Airway Improvement Act of 1932 - 49 U.S.C. 2201, et seq.
- o. Powerplant and Industrial Fuel Use Act of 1978 - Section 403 - 42 U.S.C. 6373. 1/
- p. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq. 1/
- q. Copeland Kickback Act - 18 U.S.C. 874. 1/
- r. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq. 1/
- s. Endangered Species Act - 16 U.S.C. 668(a), et seq. 1/

1/ These laws do not apply to planning projects.

2/ These laws do not apply to private sponsors.

Executive Orders

Executive Order 12372, Intergovernmental Review of Federal Programs.

Federal Regulations

- a. 49 CFR Part 21 - Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.
- b. 49 CFR Part 23 - Participation by Minority Business Enterprise in Department of Transportation Programs.
- c. 49 CFR Part 25 - Relocation Assistance and Land Acquisition for Federal and Federally Assisted Programs.
- d. 29 CFR Part 1 - Procedures for Predetermination of Wage Rates.
- e. 29 CFR Part 3 - Contractors or Subcontractors on Public Buildings or Public Works Financed in Whole or Part by Loans or Grants from U.S.
- f. 29 CFR Part 5 - Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction.
- g. 49 CFR Part 27 - Non-Discrimination on the Basis of Race in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.
- h. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted Contracting Requirements).
- i. 14 CFR Part 150 - Airport Noise Compatibility Planning.
- j. Reserved.

Office of Management and Budget Circulars

- a. A-87 - Cost Principles Applicable to Grants and Contracts with State and Local Governments. \*
  - b. A-102 - Uniform Requirements for Assistance to State and Local Governments. \*
- \* OMB Circulars A-87 and A-102 contain requirements for state and local governments receiving Federal assistance. Any requirement levied upon state and local governments by those

two circulars shall also be applicable to private sponsors receiving Federal assistance under the Airport and Airway Improvement Act of 1982.

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in the grant agreement.

2. Responsibility and Authority of the Sponsor.

- a. Public Agency Sponsor: It has legal authority to apply for the grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
- b. Private Sponsor: It has legal authority to apply for the grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative, and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with the application; and to provide such additional information as may be required.

3. Sponsor Fund Availability. It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under the grant agreement which it will own or control.

4. Good Title. It holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

For noise program implementation projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in the grant agreement

without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

- b. It will not sell, lease, encumber or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise program implementation project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in the grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under the Airport and Airway Improvement Act of 1982 to assume the obligations of the grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee, all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise program implementation projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise program implementation project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government there is substantial non-compliance with the terms of the agreement.
- d. For noise program implementation projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance with the Airport and Airway Improvement Act of 1982, the regulations and the terms, conditions and assurances in the grant agreement and shall insure that such arrangement also requires compliance therewith.

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6. Consistency with Local Plans. The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport. For noise program implementation projects, other than land acquisition, to be carried out on property not owned by the airport and over which property another public agency has land use control or authority, the sponsor shall obtain from each such agency a written declaration that such agency supports the project and the project is reasonably consistent with the agency's plans regarding the property.
7. Consideration of Local Interest. It has given fair consideration to the interest of communities in or near which the project may be located.
8. Consultation with Users. In making a decision to undertake any airport development project under the Airport and Airway Improvement Act of 1982, it has undertaken reasonable consultations with affected parties using the airport at which the project is proposed.
9. Public Hearings. In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with the goals and objectives of such planning as has been carried out by the community. It shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary.
10. Air and Water Quality Standards. In projects involving airport location, a major runway extension, or runway location it will provide for the Governor of the state in which the project is located to certify in writing to the Secretary that the project will be located, designed, constructed, and operated so as to comply with applicable air and water quality standards. In any case where such standards have not been approved and where applicable air and water quality standards have been promulgated by the Administrator of the Environmental Protection Agency, certification shall be obtained from such Administrator. Notice of certification or refusal to certify shall be provided within sixty days after the project application has been received by the Secretary.
11. Local Approval. In projects involving the construction or extension of any runway at any general aviation airport located astride a line separating two counties within a single state, it has received approval for the project from the governing body of all villages incorporated under the laws of that state which are located entirely within five miles of the nearest boundary of the airport.
12. Terminal Development Prerequisites. For projects which include terminal development at a public airport, it has, on the date of submittal of the project grant application, all the safety equipment



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required for certification of such airport under section 612 of the Federal Aviation Act of 1958 and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning or deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Recordkeeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of the grant, the total cost of the project in connection with which the grant is given or used, and the amount and nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the U.S. General Accounting Office publication entitled Guidelines for Financial and Compliance Audits of Federally Assisted Programs.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to the grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which the grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than 6 months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates. It shall include, in all contracts in excess of \$2,000 for work on any projects funded under the grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a--276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veterans Preference. It shall include, in all contracts for work on any projects funded under the grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to veterans of the Vietnam era and disabled veterans as defined in Section 515(c)(1) and (2) of the Airport and Airway Improvement Act of 1982. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

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16. Conformity to Plans and Specifications. It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval by the Secretary, shall be incorporated into this grant agreement. Any modifications to the approved plans, specifications, and schedules shall also be subject to approval by the Secretary and incorporation into the grant agreement.
17. Construction Inspection and Approval. It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms with the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.
18. Planning Projects. In carrying out planning projects:
  - a. It will execute the project in accordance with the approved program narrative contained in the project application or with modifications similarly approved.
  - b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
  - c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
  - d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
  - e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
  - f. It will grant the Secretary the right to disapprove the Sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.

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- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- b. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes.

In furtherance of this assurance, the sponsor will have in effect at all times arrangements for—

- (1) Operating the airport's aeronautical facilities whenever required;
- (2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
- (3) Promptly notifying airmen of any condition affecting aeronautical use of the airport.

Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

- b. It will suitably operate and maintain noise program implementation items that it owns or controls upon which Federal funds have been expended.

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20. Hazard Removal and Mitigation. It will adequately clear and protect the aerial approaches to the airport by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.
21. Compatible Land Use. It will take appropriate action, including the adoption of zoning laws, to the extent reasonable, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce the compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.
22. Economic Nondiscrimination.
  - a. It will make its airport available as an airport for public use on fair and reasonable terms and without unjust discrimination, to all types, kinds, and classes of aeronautical uses.
  - b. In any agreement, contract, lease or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor--
    - (1) to furnish said services on a fair, equal, and not unjustly discriminatory basis to all users thereof, and
    - (2) to charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided, that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
  - c. Each fixed-based operator at any airport owned by the sponsor shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
  - d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.

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- e. Each air carrier using such airport (whether as a tenant, nontenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges as are applicable to all such air carriers which make similar use of such airport and which utilize similar facilities, subject to reasonable classifications such as tenants or nontenants, and combined passenger and cargo flights or all cargo flights. Classification or status as tenant shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on tenant air carriers.
  - f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.
  - g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by contractors or concessionaires of the sponsor under these provisions.
  - h. The sponsor may establish such fair, equal, and not unjustly discriminatory conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
  - i. The sponsor may prohibit or limit any given type, kind, or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.
23. Exclusive Rights. It will permit no exclusive right for the use of the airport by any persons providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply: (1) It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and (2) If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport.

It further agrees that It will not, either directly or indirectly, grant or permit any person, firm or corporation the exclusive right at the airport, or at any other airport now owned or controlled by it, to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and

sightseeing, serial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under the Airport and Airway Improvement Act of 1982.

24. Fee and Rental Structure. It will maintain a fee and rental structure consistent with Assurance 22 and 23, for the facilities and services being provided the airport users which will make the airport as self-sustaining as possible under the circumstances existing at that particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate base in establishing fees, rates, and charges for users of that airport.
25. Airport Revenue. If the airport is under the control of a public agency, all revenues generated by the airport will be expended by it for the capital or operating costs of the airport, the local airport system, or other local facilities which are owned or operated by the owner or operator of the airport and directly related to the actual transportation of passengers or property. Provided, however, that if covenants or assurances in debt obligations previously issued by the owner or operator of the airport, or provisions in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport shall not apply.
26. Reports and Inspections. It will submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request. For airport development and airport planning projects, it will also make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request. For noise program implementation projects, it will also make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of the grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request.

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27. Use of Government Aircraft. It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that--
- a. Five (5) or more government aircraft are regularly based at the airport or on land adjacent thereto; or
  - b. The total number of movements (counting each landing as a movement) of government aircraft is 300 or more, or the gross accumulative weight of government aircraft using the airport (the total movements of government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.
28. Land for Federal Facilities. It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.
29. Airport Layout Plan. It will keep up to date at all times an airport layout plan of the airport showing (1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto; (2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities; and (3) the location of all existing and proposed

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nonavlation areas and of all existing improvements thereon. Such airport layout plan and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or in any of its facilities other than in conformity with the airport layout plan as so approved by the Secretary if such changes or alterations might adversely affect the safety, utility, or efficiency of the airport.

30. Civil Rights. It will comply with such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from funds received from this grant. This assurance obligates the sponsor for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon, in which case the assurance obligates the sponsor or any transferee for the longer of the following periods: (a) the period during which the property is used for a purpose for which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the sponsor retains ownership or possession of the property.



AUTHORITY GRANTED FOR LIMITED AGENCY AGREEMENT  
BETWEEN CITY AND STATE.

The Committee on Aviation submitted the following report:

CHICAGO, May 28, 1985.

*To the President and Members of the City Council:*

Your Committee on Aviation begs leave to recommend that Your Honorable Body *Pass* the Agreement of Limited Agency transmitted herewith (which was referred on March 27, 1985) between the City of Chicago and the State of Illinois for airport improvements 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*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. The Mayor is authorized to execute and the City Clerk to attest and affix the seal of the City of Chicago upon an Agreement of Limited Agency between the City and the State of Illinois subject to the approval of the City Comptroller and as to form and legality by the Corporation Counsel; said Agreement to be in the attached form:

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

Agreement attached to this ordinance reads as follows:

*Agreement of Limited Agency.*

*Federally Assistance Airport Project.*

*Federal Project Number 3-17-0022-05  
Illinois Project Number.*

This Agreement, made and entered into by and between the Department of Transportation, Division of Aeronautics of the State of Illinois (hereinafter referred to as "Division"), for and on behalf of the State of Illinois, party of the first part, and the City of Chicago (hereinafter referred to as "Municipality"), party of the second part.

Witnesseth: |

Whereas, the Municipality has undertaken the improvement and betterment of a public air navigation facility, known as Chicago-O'Hare International Airport and pursuant thereto has sponsored various projects under the Airport and Airway Improvement Act of 1982; and

Whereas, the Municipality desired to sponsor a project for the further development of said Chicago-O'Hare International Airport to be known as Project Number 3-17-0022-05 under the Airport and Airway Improvement Program and the provisions for the Federal Airport Act and the regulations promulgated pursuant thereto; and

Whereas, the Municipality has accordingly requested federal financial assistance in the accomplishment of Project Number 3-17-0022-05 and responsive thereto the Federal Government, through the Federal Aviation Administration, has issued to the Municipality a Grant Agreement in the sum of Six Million Four Hundred Seventy Thousand Dollars (\$6,470,000.); and

Whereas, the Municipality has appropriated certain monies for the improvement of Chicago-O'Hare International Airport; and

Whereas, the Municipality has requested the Division to act as its agent in certain matters connected with said Project Number 3-17-0022-05 pursuant to statute; and

Whereas, the parties hereto by this Agreement intend (a) to fix their respective responsibilities, with reference to each other, with reference to the accomplishment of said Project Number 3-17-0022-05 and with reference to participation by the United States, and (b) to designate the parties to accept, receipt for and disburse all funds and payment of the Federal Government and of the Municipality used or to be used in payment of the costs and expenses as shall have been incurred by the parties hereto or either of them; now, therefore,

In consideration of the benefits which will accrue to the parties hereto by virtue of this Agreement and the respective covenants herein contained, it is mutually covenanted and agreed as follows:

1. The Municipality shall be the "Sponsor" of the project above identified, except as set forth in paragraph 2 immediately hereafter following.
2. The Division shall contribute financial assistance to the extent hereinafter stated, and furnish project reporting liaison with the Federal Aviation Administration.
3. As between the Municipality, the State of Illinois and the United States, the Municipality shall be the contractual party to such construction contract or contracts as shall be entered into for the accomplishment of the project, subject only to the agency provisions hereinafter set out.
4. Plans, specifications and estimates for said project have been prepared by or at the instance of the Municipality, copies of which will be submitted to the Division of Aeronautics for review prior to the advertising for bids thereon.
5. The Municipality will provide adequate, capable and qualified Illinois Licensed resident project engineer(s) and materials testing technician(s), and will further prepare and transmit such project reports as shall be required by the Federal Aviation Administration, or the Division, including semi-final and a final inspection report on the project work (or, if more than one construction contract is involved, then on each phase of the project work which is covered by separate contract). In its final inspection report or reports shall certify to the Division that the work involved has been fully completed in accordance with the plans, specifications and contract, as the same shall have been modified or supplemented by change order, supplementary contract or otherwise, and that such work is accepted.
6. The Municipality hereby designated the Division, as its Agent, and the Division hereby accepts said designation to act as Agent for the Municipality:
  - (a) To exercise such direction of the project work as its personnel will permit but limited to a determination that the project is being completed in accordance with plans and specifications, provided that neither the Division nor the State shall be held responsive or be chargeable for any damage resulting from performance or attempted performance of said project work or for any other cause or reason.
  - (b) To accept, receive, receipt for, and deposit with the State Treasurer any and all funds granted, allowed, and paid or made available by the United States under applicable airport development legislation and Congressional appropriations made pursuant thereto, and to disburse upon State warrant such funds in the payment of such project costs as the Division shall determine to be earned and payable.
7. The Municipality shall be a signatory party, in its own name, stead, right and behalf, to the Project Application made or to be made to the Federal Aviation Administration; to the acceptance of such Grant Offer as shall be tendered by the United States, through the Federal Aviation Administration; to such Grant Agreement as shall be executed; and all applications for Grant Payment.

8. The estimated total cost of said project is Ten Million Nine Hundred Sixty Thousand Dollars (\$10,960,000.); and a Grant Offer from the United States tendered in the amount of Six Million Four Hundred Seventy Thousand Dollars (\$6,470,000.); and

Accordingly, it is estimated that the share of the Municipality in the cost of the Project Number 3-17-0022-05 will be Four Million Four Hundred Ninety Thousand Dollars (\$4,490,000.); and

However, the Municipality specifically agrees that in any event it will pay on the project costs any amount of which the total of actual project costs may and shall exceed the amount of federal funds granted to or allowed and paid on project costs, as the same way, with the express consent and approval of the Municipality, be supplemented, amended, changed, or modified subject, however, and only to the budgetary limitation.

9. The Municipality shall establish an account in which shall be deposited all funds pertaining to the project. The Municipality shall have the right to draw checks against said account, or make withdrawals therefrom, without the approval of the Division and the bank or banks in which said funds are deposited shall be under no obligation to see to the application of said funds.
10. The Municipality agrees to comply at all times with the conditions prescribed in said Section 34 of the Illinois Aeronautics Act, with respect to which the Municipality is required to satisfy the Division under the terms thereof.
11. The Airport shall be used, operated and maintained at all times by the Municipality for the use and benefit of the general public without unjust discrimination, in accordance with the covenants and assurances of the Municipality made with and to the United States.
12. The Municipality shall file with the Division such reports concerning the matters covered by this Agreement, including the use, operation and maintenance of the Airport, as the Department may require from time to time.
13. Notices, reports or other communication required by or transmitted pursuant to this Agreement, to the Division shall be directed to the attention of Director, Division of Aeronautics of the State of Illinois, One Langhorne Bond Drive, Capital Airport, Springfield, Illinois 62706 and to the Municipality shall be directed to the attention of the Commissioner of Aviation and the City Comptroller, City of Chicago, City Hall, Chicago, Illinois 60602.
14. To the extent that the Project Application or Grant Offer requires, this Agreement is made subject and subordinate to the provision thereof.
15. This contract shall be and is deemed to be one entered into pursuant to the Illinois Aeronautics Act of the State of Illinois, and shall be construed and given effect in accordance with said Act and not otherwise.

In Witness Whereof, the parties hereto have caused this Agreement to be executed and their respective seals affixed as of the dates respectively hereafter set forth.

[Signature forms omitted for printing purposes.]

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AUTHORITY GRANTED FOR APPROVAL AND EXECUTION OF  
AIRPORT USE AGREEMENT BETWEEN CITY AND  
FLYING TIGER LINE, INCORPORATED.

The Committee on Aviation submitted the following report:

CHICAGO, May 28, 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 May 15, 1985) authorizing the approval and execution of an Airport Use Agreement between the City of Chicago and the Flying Tiger Line, Inc. 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

*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 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 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"); and

WHEREAS, City and the Airline Parties enumerated above found it necessary and advisable to further amend and restate the 1983 Airport Use Agreement; and

WHEREAS, The City Council on April 25, 1985 passed an ordinance providing for the execution and adoption of the Amended and Restated 1983 Airport Use Agreement for the airline parties enumerated above; and

WHEREAS, The Flying Tiger Line, Inc. (hereinafter "Airline") was previously a signatory to the 1959 Airport Use Agreement, and now desires to become a signatory to the Amended and Restated 1983 Use Agreement; and

WHEREAS, The City desires to have Airline become a signatory to the Amended and Restated 1983 Use Agreement; 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 Exhibits A through Q thereto, attached hereto between the City and the Airline is 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.

[Amended and Restated Airport Use Agreement and Terminal Facilities  
Lease and Exhibits printed on pages 16880 thru 17254  
of this Journal.]

## CHICAGO - O'HARE INTERNATIONAL AIRPORT

\*\*\*\*\*

AMENDED AND RESTATED

AIRPORT USE AGREEMENT

TERMINAL FACILITIES LEASE

\*\*\*\*\*

[Page numbers in Table of Contents are  
internal document references and do not  
correspond to page numbers of this Journal.]

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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 The Flying Tiger Line Inc., a corporation organized and existing under the laws of the State of Delaware ("Airline"),

W I T N E S S E T H :

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 hereafter 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 identified 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 as 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 any time, 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.

(45) "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.

(46) "General Airport Revenue Bonds" means bonds of City authenticated and delivered pursuant to the General Airport Revenue Bond Ordinance.

(47) "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.

(48) "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.

(49) "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.

(50) "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.

(51) "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.

(52) "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 accommodate 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 those Capital 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 Airline 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, cnases, 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 are 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 Puolic 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 principles, (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 of 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 out 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 whom 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 the 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:

|              |                                                                     |
|--------------|---------------------------------------------------------------------|
| Exhibit A    | Chicago-O'Hare International Airport                                |
| Exhibit B    | Airport Development Plan                                            |
| Exhibit C    | Terminal Area                                                       |
| Exhibit D    | Airfield Area                                                       |
| Exhibit E    | International Terminal Area                                         |
| Exhibit F    | Terminal Support Area                                               |
| Exhibit G    | Land Support Area                                                   |
| Exhibit H    | Fueling System                                                      |
| Exhibit I    | General Airport Revenue Bond Ordinance                              |
| Exhibit J    | Airline's Phase I Exclusive Use Premises                            |
| Exhibit J-1  | Airline's Phase II Exclusive Use Premises                           |
| Exhibit J-2* | Airline's Phase III Exclusive Use Premises                          |
| Exhibit K    | Airline's Phase I Aircraft Parking Areas                            |
| Exhibit K-1  | Airline's Phase II Aircraft Parking Areas                           |
| Exhibit K-2* | Airline's Phase III Aircraft Parking Areas                          |
| Exhibit L    | System of Allocation of O&M Expenses and Non-Use Agreement Revenues |

\*If applicable

|           |                                                                                          |
|-----------|------------------------------------------------------------------------------------------|
| Exhibit M | Identification of Existing Leases and Other Agreements of Airline to Be Extended         |
| Exhibit N | Description of O&M Responsibilities                                                      |
| Exhibit O | Allocation of Revenues to Funds Established Under General Airport Revenue Bond Ordinance |
| Exhibit P | Algebraic Representation and Hypothetical Calculations of Terminal Area Use Charges      |
| Exhibit Q | 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

### GRANT OF RIGHTS

#### Section 3.01 - Use of Airfield Area and Aircraft Parking Areas

(a) Airline 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 the 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 moobile 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 aooove, reasonaoly 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 Transporta-

tion 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 cluoss 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 Airline's 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 of 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 to not 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 \_\_\_\_\_ 0 square feet, of which \_\_\_\_\_ 0 square feet shall be deemed Airline's Existing Footage, and \_\_\_\_\_ 0 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 accommodate 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 or 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 operator.

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 prorata 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 prorata share, if any, established pursuant 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 prorata 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 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 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 to the Terminal Area;

minus

- (iv) Airline's prorata 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 prorata 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 Prorata Share

(a) Airline's prorata 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 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 5.04(a), the portion thereof designated as Additional Footage shall be deemed to be Additional Footage.

(b) Airline's prorata 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 prorata 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 the 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 prorata share of such Debt Service, if any, (reduced by Investment Income allocated in accordance with Section 6.02(o)) 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 prorata 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 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)(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 prorata share of such Debt Service, if any, (reduced by Investment Income allocated in accordance with Section 6.02(p)) allocated in accordance with Section 6.01 to that portion of the Terminal Area which will become Type A Public Use Premises. Airline's prorata 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 prorata 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 prorata 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 requirement 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 prorata share established pursuant to Section 5.08(b) below of:

- (i) Debt Service (reduced by Investment 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 prorata 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:

$$S = (S \times \frac{T}{U} \times \frac{V}{W})$$

(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 Net Deficit or Net Revenues for any Fiscal Year, calculated in accordance with Section 14.02, shall be allocated to the Airfield Area.

ARTICLE VIIPAYMENT OF LANDING FEES, TERMINAL AREA USE CHARGES  
AND FUELING SYSTEM FEESSection 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-Interest 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 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 evidence 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 Payments

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 of 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 of 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, 1988, 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 a 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 Revenue 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 Fund 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 thereof; (iii) the proposed allocation of such Debt Service among and within the Cost-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 & 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 IXAIRPORT DEVELOPMENT PLAN; CONSTRUCTION OF CAPITAL PROJECTSSection 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 Sections 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 prorata 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 Costs 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 cost 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 Sections 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 stated as 338.45 (ENR/July 15, 1982, page 100).)

(b) The adjusted Airline-Funded Costs, and the Funding Contingency Reserve, of each Capital Project, or component 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 by 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 a 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 prorata

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 Airline 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 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 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 out 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 prorata share of the total Airline-Funded Costs of Capital Projects TA-8(a) and IT-5(a). Airline's prorata share shall be a fraction, the numerator of which shall be the number of 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 prorata 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 or 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 all 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 snail 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 or 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 representative, 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 and 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, floodlights, 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, prorata, 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 fund 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 owed 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, 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 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 laws, 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 XVIIIEXERCISE BY CITY OF GOVERNMENTAL FUNCTIONSSection 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 XIXINDEMNITY, INSURANCE AND CONDEMNATIONSection 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 attorneys' 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 of 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, out 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 prorata 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 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 building standards) 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 Airline's 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 standards) 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, in 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. Airline 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 Area 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 term "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 actions 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 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 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 Attorneys' 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 the 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, 111. Rev. Stat. 1979, CH. 38, Secs. 13-1 to 13-4 inclusive; July 8, 1933, 111. Rev. Stat. 1979, CH. 29, Secs. 17 to 24 inclusive; July 21, 1961, 111. Rev. Stat. 1979, CH. 48, Secs. 851 to 866 inclusive, and July 26, 1967, 111. 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 considera-

tion 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 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 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, Attention: Director of Properties,  
7401 World Way West

Los Angeles, California 90009

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.

Attest:

CITY OF CHICAGO

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

Approved:

\_\_\_\_\_  
Comptroller

DEPARTMENT OF AVIATION

Approved:

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Corporation Counsel

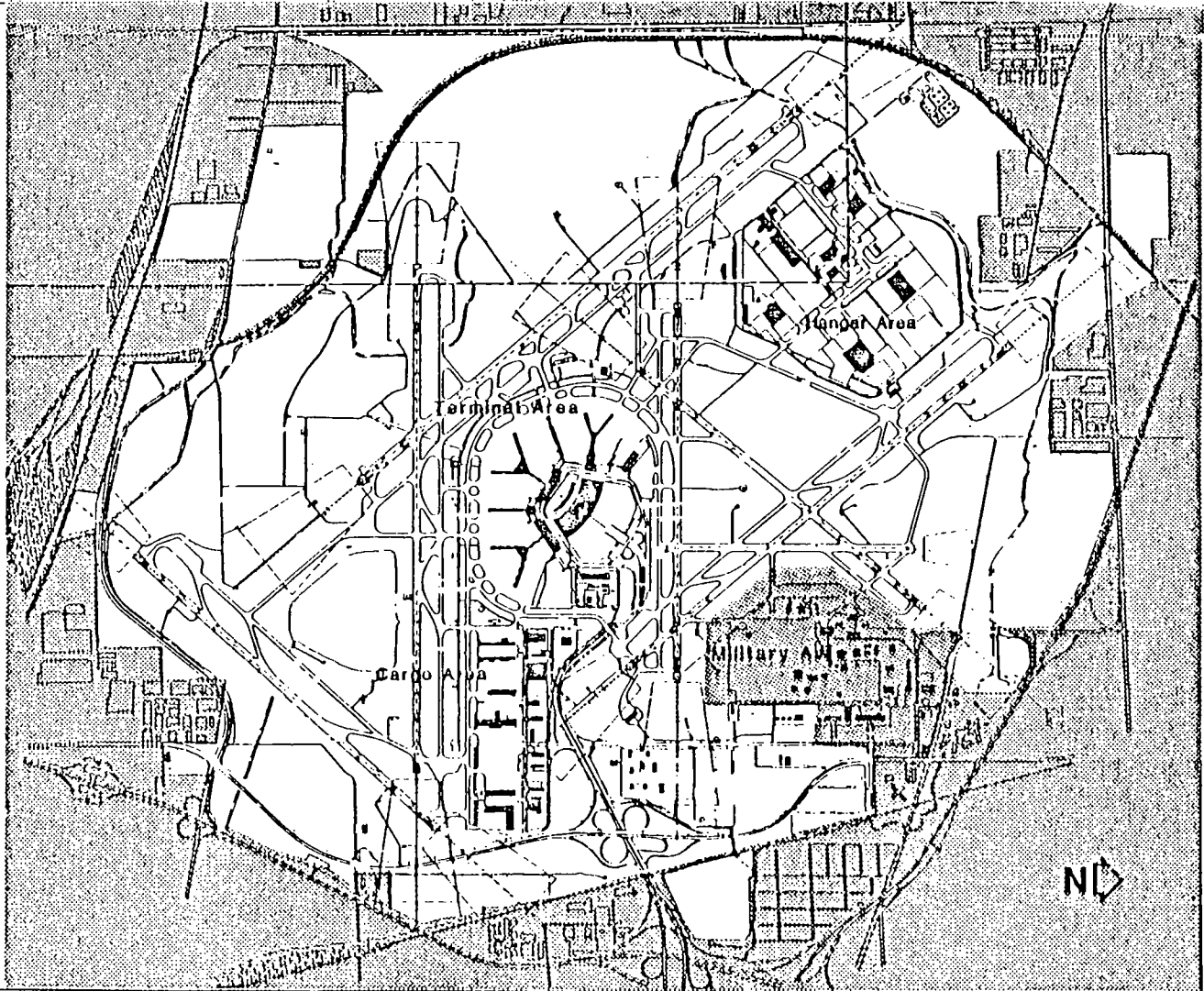
Attest:

The Flying Tiger Line Inc.

\_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
President

12.7.82



**CHICAGO O'HARE INTERNATIONAL AIRPORT**  
City of Chicago    Jane M. Byrne Mayor    Thomas R. Spence, Commissioner of Aviation    Jerome H. Butler, Commissioner of Public Works

**O'HARE ASSOCIATES**  
Sustaining Consultant  
**LANDRUM & BROWN**  
Sustaining Consultant

**CHICAGO-O'HARE INTERNATIONAL AIRPORT**  
**EXISTING CONDITIONS**

S. K. HANLEY  
**A**

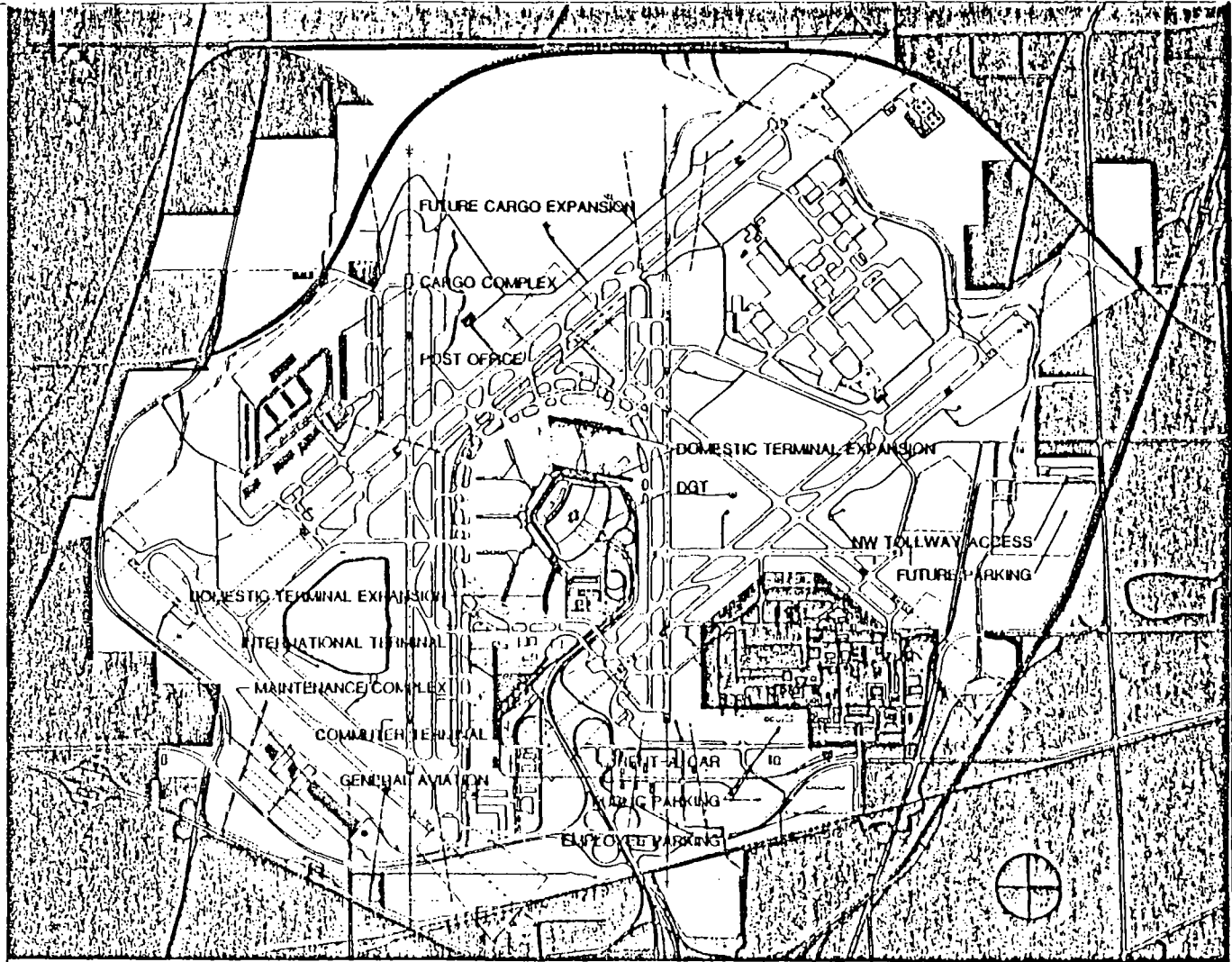
5/30/85

REPORTS OF COMMITTEES

17009



1.17.83



**CHICAGO O'HARE INTERNATIONAL AIRPORT**  
 City of Chicago    John M. Byrne Mayor    Thomas R. Spence Commissioner of Aviation    Jerome H. Butler Commissioner of Public Works

**O'HARE ASSOCIATES**  
 Engineering Consultants  
**LANDRUM & BROWN**  
 Aviation Consultants

**AIRPORT DEVELOPMENT PLAN**

EXHIBIT  
**B**

# AIRPORT DEVELOPMENT PLAN

## COST REVENUE CENTER (CRC) AIRLINE FUNDED SUMMARY

|                              | <u>FUNDING<br/>PRIORITY I</u> | <u>FUNDING<br/>PRIORITY II</u> | <u>AIRLINE FUNDED<br/>TOTALS</u> |
|------------------------------|-------------------------------|--------------------------------|----------------------------------|
| Airfield (AF):               | \$167,514,134                 | \$124,647,336                  | \$292,161,470                    |
| Terminal Area (TA):          | \$218,892,556                 | \$82,656,362                   | \$301,548,918                    |
| Terminal Support (TS):       | \$15,940,108                  | \$149,402,002                  | \$165,342,110                    |
| International Terminal (IT): | \$298,080                     | \$80,649,422                   | \$80,947,502                     |
|                              | <hr/>                         | <hr/>                          | <hr/>                            |
| TOTALS                       | \$402,644,878                 | \$437,355,122                  | \$840,000,000                    |

## COST REVENUE CENTER (CRC) CATEGORY SUMMARY (1)

|                              | <u>CATEGORY 1</u> | <u>CATEGORY 2</u> | <u>TOTALS</u> |
|------------------------------|-------------------|-------------------|---------------|
| Airfield (AF):               | \$29,943,774      | \$12,607,704      | \$42,551,478  |
| Terminal Area (TA):          | \$18,960,480      | \$2,799,360       | \$21,759,840  |
| Terminal Support (TS):       | \$0               | \$43,766,491      | \$43,766,491  |
| International Terminal (IT): | \$2,619,540       | \$298,080         | \$2,917,620   |
|                              | <hr/>             | <hr/>             | <hr/>         |
| TOTALS                       | \$51,523,794      | \$59,471,635      | \$110,995,429 |

# AIRFIELD CRC (AF)

## 12.7.82

AIRFIELD CMC CAPITAL PROJECTS

- AF-1. Extension Runway 27R
- AF-2. Extension Runway/Taxiway 9L
- AF-3. 32L/9R Parallel Taxiways
- AF-4. 14R/32L Parallel Taxiways
- AF-5. Inner/Outer Taxiway F thru H Relocation
- AF-6. Inner/Outer Taxiway I/J/C Relocation
- AF-7. Utility Relocations R/C Apron
- AF-8. Inner/Outer Taxiway K/L Relocation
- AF-9. R/C Apron
- AF-10. Concourse 1 Apron
- AF-11. Cargo Apron Replacement
- AF-12. International and Commuter Apron
- AF-13. Military Site Acquisition
- AF-14. Replacement F/F Station #1
- AF-15. Airport Maintenance Complex
- AF-16. General Aviation Apron



**CHICAGO O'HARE INTERNATIONAL AIRPORT**  
 City of Chicago    Jane M. Byrne Mayor    Thomas Rapke Commissioner of Aviation    Jerome H. Butler Commissioner of Public Works

**OHARE ASSOCIATES**  
 Engineering Consultant  
**LANDRUM & BROWN**  
 Aviation Consultants

**AIRPORT DEVELOPMENT PLAN  
 AIRFIELD COST REVENUE CENTER**

**EXHIBIT  
 B 1A**

# AIRPORT DEVELOPMENT PLAN

## SUMMARY SHEET (1/17/83)

|                                                                                | <u>CATEGORY 1</u> | <u>CATEGORY 2</u> | <u>FUNDING<br/>PRIORITY I</u> | <u>AIRLINE<br/>FUNDED<br/>TOTALS</u> |
|--------------------------------------------------------------------------------|-------------------|-------------------|-------------------------------|--------------------------------------|
| <u>AIRFIELD CRC</u>                                                            |                   |                   |                               |                                      |
| <u>CAPITAL PROJECTS</u>                                                        |                   |                   |                               |                                      |
| AF-1. Extension Runway 27R                                                     |                   |                   |                               | \$26,986,019                         |
| AF-2. Extension Runway/<br>Taxiway 9L                                          |                   |                   |                               | \$1,844,748                          |
| AF-3. 32L/9R Parallel<br>Taxiways                                              |                   |                   |                               | \$17,124,788                         |
| AF-4. 14R/32L Parallel<br>Taxiways                                             |                   |                   |                               | \$6,876,305                          |
| AF-5. Inner/Outer Taxiway<br>F thru H Relocation                               |                   |                   | \$31,950,815                  | \$31,950,815                         |
| AF-6. Inner/Outer Taxiway<br>B/C Relocation<br>Taxiway Relocation Work         |                   |                   | \$19,975,572                  | \$23,329,944                         |
| AF-7. Utility Relocations<br>B/C Apron                                         |                   |                   | \$9,661,373                   | \$9,661,373                          |
| AF-8. Inner/Outer Taxiway<br>K/L Relocation                                    |                   |                   | \$25,451,401                  | \$25,451,401                         |
| AF-8a Inner/Outer<br>Taxiway                                                   |                   | \$9,299,340       |                               |                                      |
| AF-8b Demolition of<br>Existing<br>Flight Kitchens and<br>Maintenance Building | \$284,377         |                   |                               |                                      |
| AF-8c Site<br>Preparation<br>Southeast Services<br>Area                        | \$12,559,320      |                   |                               |                                      |
| AF-8d Aircraft<br>Parking Area                                                 |                   | \$3,308,364       |                               |                                      |
| AF-9. B/C Apron                                                                |                   |                   | \$40,954,086                  | \$40,954,086                         |
| AF-10. Concourse L Apron                                                       |                   |                   | \$13,855,330                  | \$13,855,330                         |

**AIRPORT DEVELOPMENT PLAN**

SUMMARY SHEET (1/17/83)

|                                            | <u>CATEGORY 1</u> | <u>CATEGORY 2</u> | <u>FUNDING<br/>PRIORITY I</u> | <u>AIRLINE<br/>FUNDED<br/>TOTALS</u> |
|--------------------------------------------|-------------------|-------------------|-------------------------------|--------------------------------------|
| <u>AIRFIELD CRC</u>                        |                   |                   |                               |                                      |
| <u>CAPITAL PROJECTS (Con't)</u>            |                   |                   |                               |                                      |
| AF-11. Cargo Apron<br>Replacement          |                   |                   |                               | \$31,838,400                         |
| AF-12. International and Commuter<br>Apron |                   |                   |                               | \$20,550,024                         |
| AF-13. Military Site<br>Acquisition        |                   |                   |                               | \$16,072,679                         |
| AF-14. Replacement CFR<br>Station #1       |                   |                   | \$8,565,480                   | \$8,565,480                          |
| AF-15. Airport Maintenance<br>Complex      | \$17,100,077      |                   | \$17,100,077                  | \$17,100,077                         |
| AF-16. General Aviation<br>Apron           |                   |                   |                               | \$0                                  |
| TOTALS                                     | \$29,943,774      | \$12,607,704      | \$167,514,134                 | \$292,161,470                        |

# AIRPORT DEVELOPMENT PLAN

Number: AF-1

Date: 1/17/83

Name: Extension Runway 27R

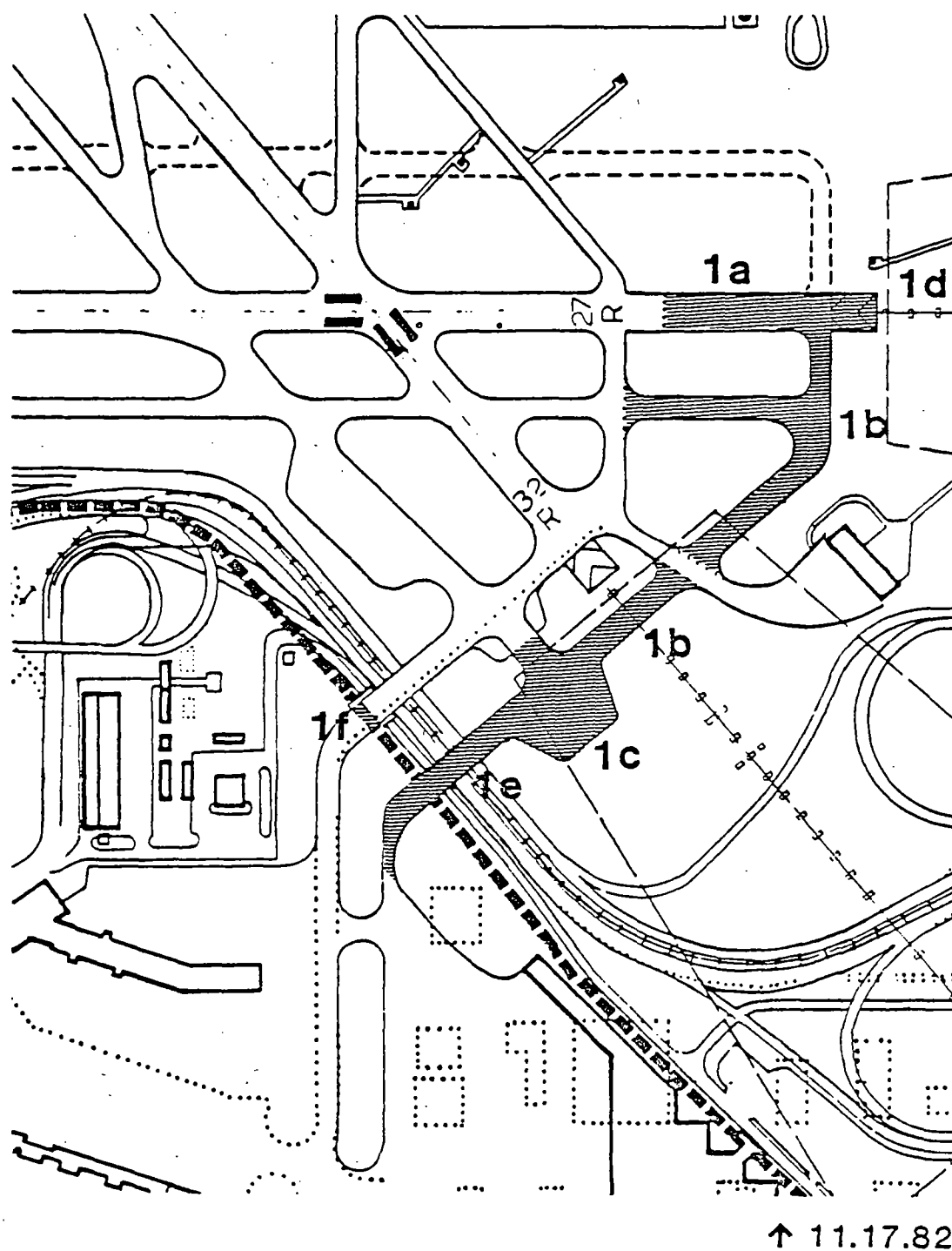
Airline Funded Total: \$26,986,019

| Components                           | Airline Funded<br>Cost | Estimated Constr. |          | Funding<br>Priority |
|--------------------------------------|------------------------|-------------------|----------|---------------------|
|                                      |                        | Start             | Complete |                     |
| a. Extension of Runway 27R           | \$2,372,895            | 7/85              | 12/85    | II                  |
| b. Associated Taxiway Construction   | \$9,054,715            | 7/85              | 12/86    | II                  |
| c. New Hold For Pad Runway 32R       | \$1,402,353            | 6/86              | 11/86    | II                  |
| d. NAVAIDS Relocation For Runway 27R | \$916,056              | 4/86              | 9/86     | II                  |
| e. Second Taxiway Bridge             | \$10,000,000           | 7/85              | 5/86     | II                  |
| f. DGT Tunnel @ Existing<br>Bridge   | \$3,240,000            | 9/84              | 12/84    | II                  |

## Project Scope:

This project includes a 790 foot extension to Runway 27R, construction of new taxiways to provide aircraft access to the new runway threshold, as well as the relocation of related facilities. In addition, a second taxiway bridge located 350 feet centerline to centerline southeast of the existing bridge taxiway and the construction of a tunnel section under the south approach to the existing bridge for DGT system right of way are included.

# AIRPORT DEVELOPMENT PLAN



Extension Of Runway 27R

AF-1



# AIRPORT DEVELOPMENT PLAN

Number: AF-2

Date: 1/17/83

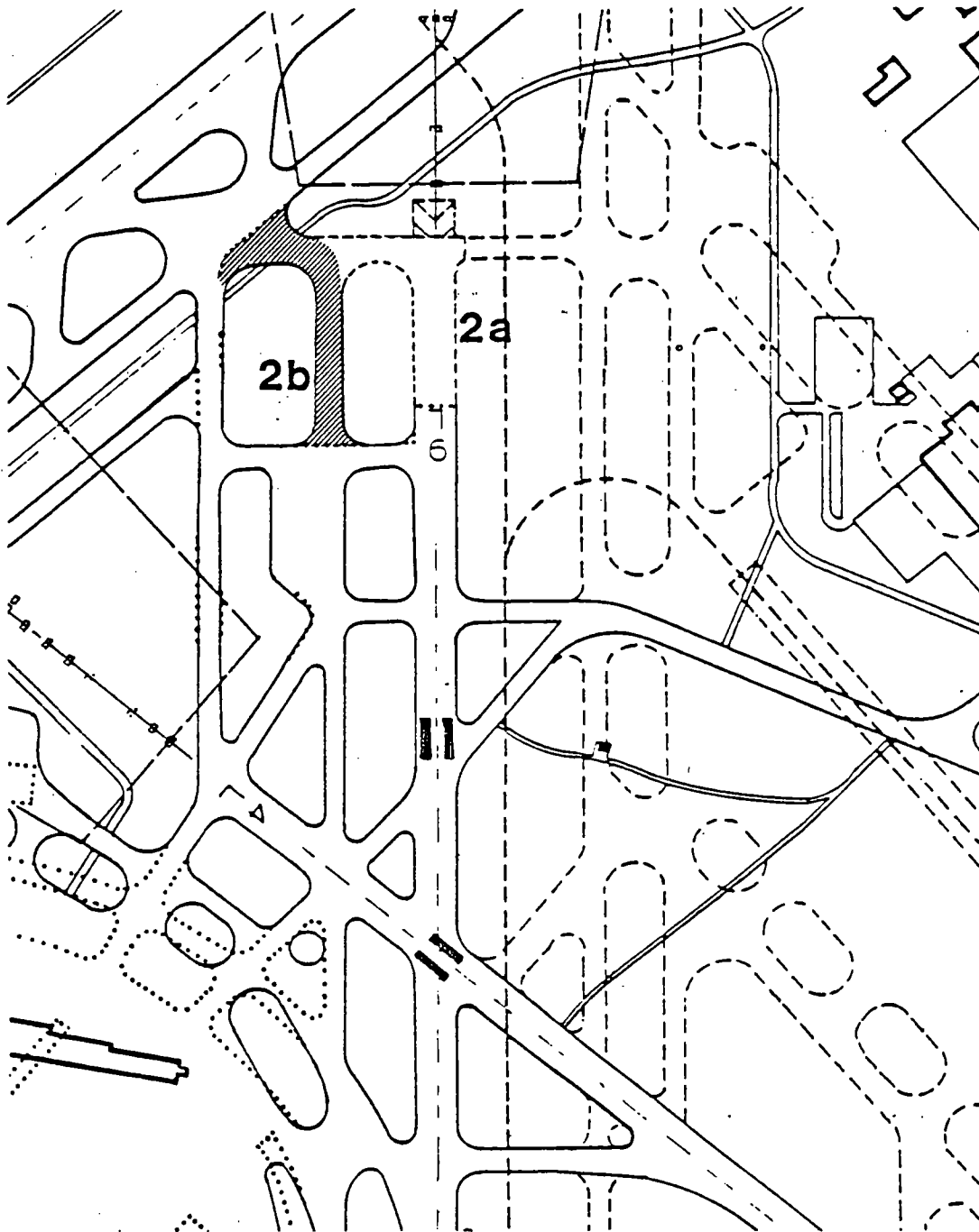
Name: Extension Runway/Taxiway 9L

Airline Funded Total: \$1,844,748

| Components                       | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|----------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Extension of Runway 9L        | \$0                    |                            |          |                     |
| b. 9L Parallel Taxiway Extension | \$1,844,748            | 10/88                      | 9/89     | II                  |

## Project Scope:

This project includes a 790 foot extension to Runway 9L and an extension of the 9L Parallel Taxiway to the west to join with the existing 14R/32L Parallel Taxiway. The Runway 9L extension is not to be funded through the airlines consent to the Airport Development Plan.

**AIRPORT DEVELOPMENT PLAN**

→ 11.17.82

Extension Runway/  
Taxiway 9L

**AF-2**

## AIRPORT DEVELOPMENT PLAN

Number: AF-3

Date: 1/17/83

Name: 32L/9R Parallel Taxiways

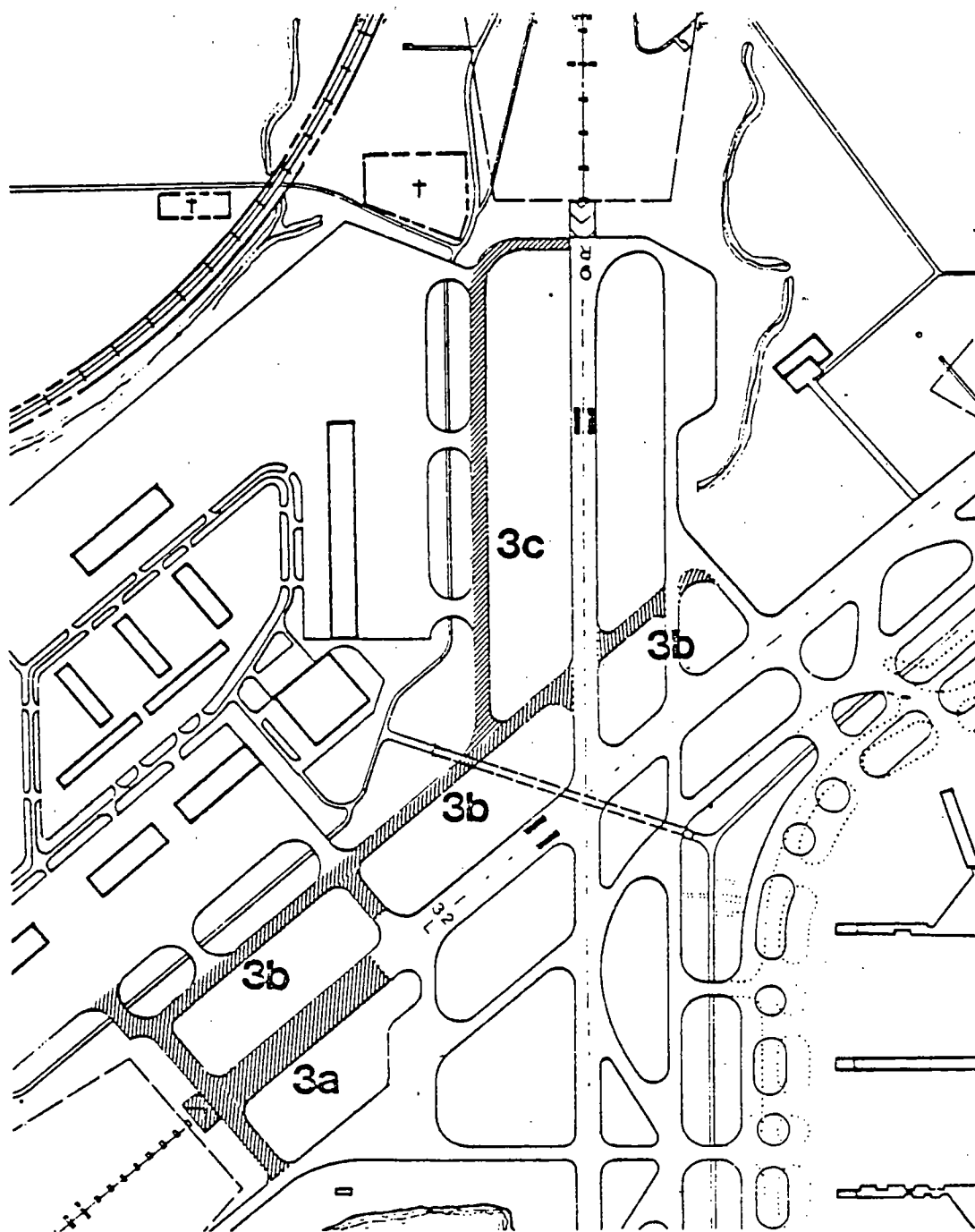
Airline Funded Total: \$17,124,788

| Components                   | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Extension Runway 32L      | \$5,633,010            | 9/84                       | 8/85     | II                  |
| b. 32L Parallel Taxiways*    | \$7,091,318            | 9/84                       | 8/85     | II                  |
| c. 9R South Parallel Taxiway | \$4,400,460            | 9/84                       | 8/85     | II                  |

### Project Scope:

This project includes a 1400 foot extension to Runway 32L and the development of a west parallel taxiway extending approximately 4000 feet from the new threshold to the 9R/27L parallel taxiway. An additional 2900 foot section of parallel taxiway is included on the south side of Runway 9R/27L extending from the 9R Runway threshold to the west 14R/32L Parallel Taxiway. Also included are runway/taxiway crossovers.

# AIRPORT DEVELOPMENT PLAN



→ 11.17.82

32L/9R Parallel Taxiways

AF-3

# AIRPORT DEVELOPMENT PLAN

Number: AF-4

Date: 1/17/83

Name: 14R/32L Parallel Taxiways

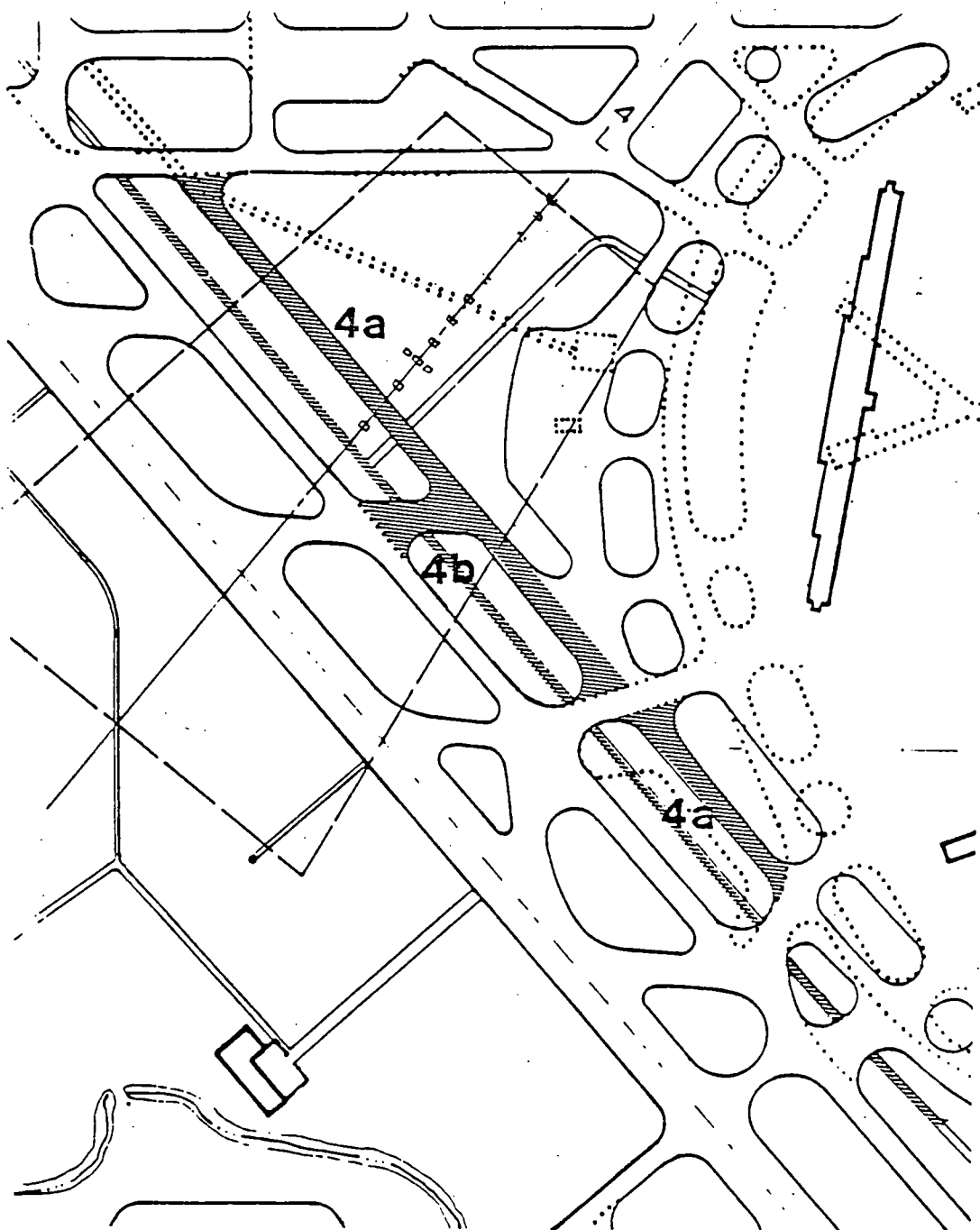
Airline Funded Total: \$6,876,306

| Components                                 | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|--------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Second 14R/32L East Parallel<br>Taxiway | \$5,921,046            | 9/84                       | 8/85     | II                  |
| b. Service Road 14R/32L                    | \$955,260              | 9/84                       | 11/84    | II                  |

## Project Scope:

This project develops a 2450 foot section of new taxiway parallel to the existing 14R/32L Parallel Taxiway (east). This section of taxiway is to be located east of the existing 14R/32L Parallel Taxiway extending from the Outer Taxiway to the By-Pass Taxiway. This alignment requires the relocation of the airport service road from the terminal complex to the airline hangar/maintenance area.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

14R/32L Parallel Taxiways

AF-4

# AIRPORT DEVELOPMENT PLAN

Number: AF-5

Date: 1/17/83

Name: Inner/Outer Taxiway F thru H Relocation

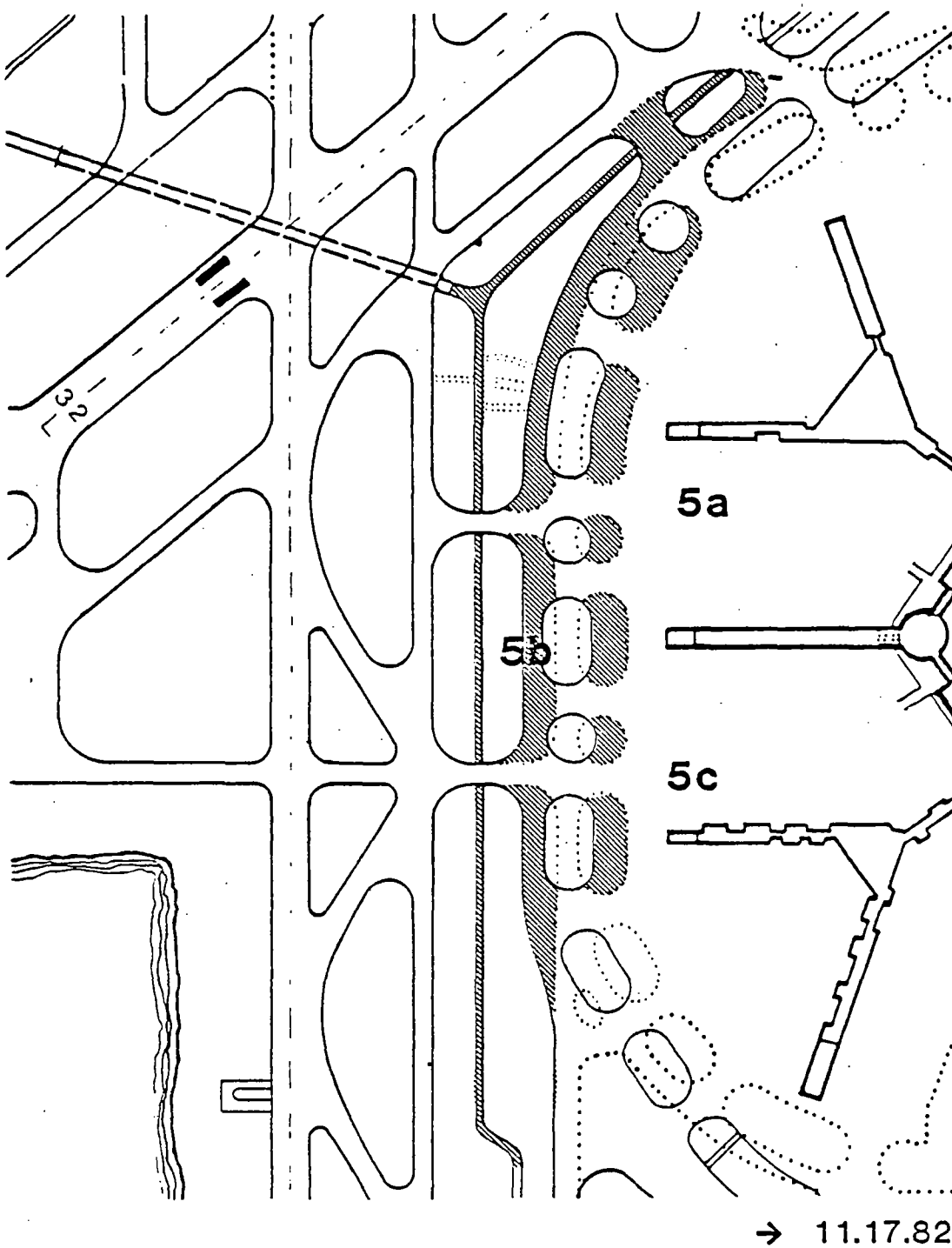
Airline Funded Total: \$31,950,815

| Components                 | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|----------------------------|------------------------|----------------------------|----------|---------------------|
| a. Taxiway Paving          | \$13,977,779           | 9/85                       | 10/86    | I                   |
| b. Service Road Relocation | \$1,083,996            | 3/85                       | 5/85     | I                   |
| c. Utilities Relocation    | \$16,889,040           | 3/85                       | 11/85    | I                   |

## Project Scope:

This project includes a 150 to 155 foot southward relocation of the Inner and Outer Taxiways and all related crossover pavements. Also included is the relocation of the airport's primary utility corridor, and the service road. Extension of the aircraft parking apron and taxilanes is also included. Relocation of fueling facilities is not included in this project.

# AIRPORT DEVELOPMENT PLAN



Inner/Outer Taxiway  
F thru H Relocation

AF-5



# AIRPORT DEVELOPMENT PLAN

Number: AF-6

Date: 1/17/83

Name: Inner/Outer Taxiway B/C Relocation

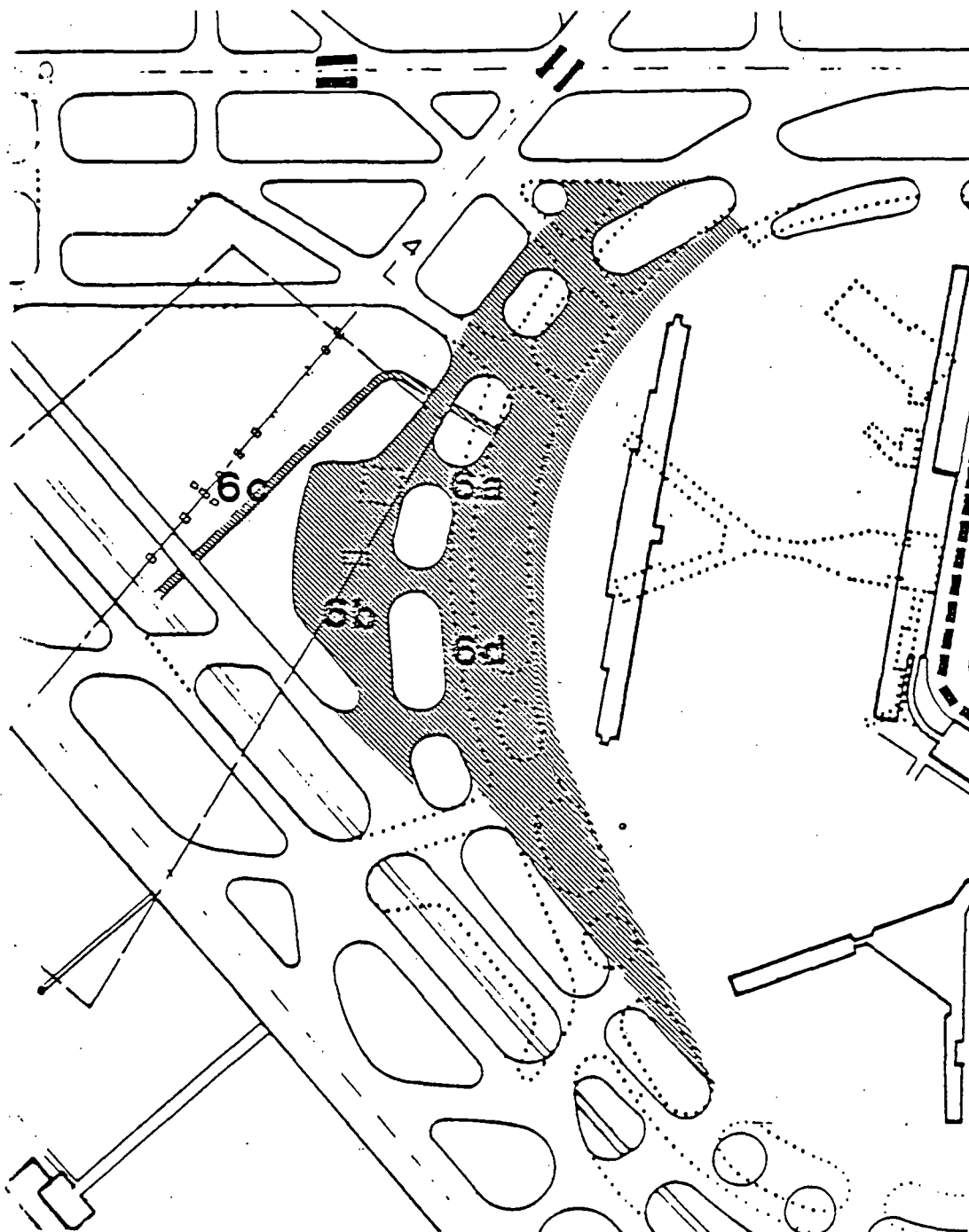
Airline Funded Total: \$23,329,944

| Components                                        | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|---------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. B/C Inner/Outer Taxiway                        | \$16,560,450           | 9/85                       | 8/86     | I                   |
| b. 4L Holding Apron                               | \$3,354,372            | 9/85                       | 11/85    | II                  |
| c. Service Road                                   | \$444,690              | 9/85                       | 10/85    | I                   |
| d. Demolition Existing B/C Inner/Outer<br>Taxiway | \$2,970,432            | 9/85                       | 3/86     | I                   |

## Project Scope:

The section of the Inner/Outer Taxiway system is to be relocated from the points of intersection with the 9L/27R Parallel Taxiway to approximately the end of the D Concourse. Existing pavement areas and the Truck Fuel Stand, and Deicing Storage area are to be demolished. Also included is the development of a new aircraft hold apron off of the Outer Taxiway between the existing New Scenic Taxiway and the intersection of the Outer and new 14R/32L second Parallel Taxiway. A new service road connecting the B/C Apron with the main terminal service road network is also included.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Inner/Outer Taxiway B/C  
Relocation

**AF-6**

# AIRPORT DEVELOPMENT PLAN

Number: AF-7

Date: 1/17/83

Name: Utility Relocations B/C Apron

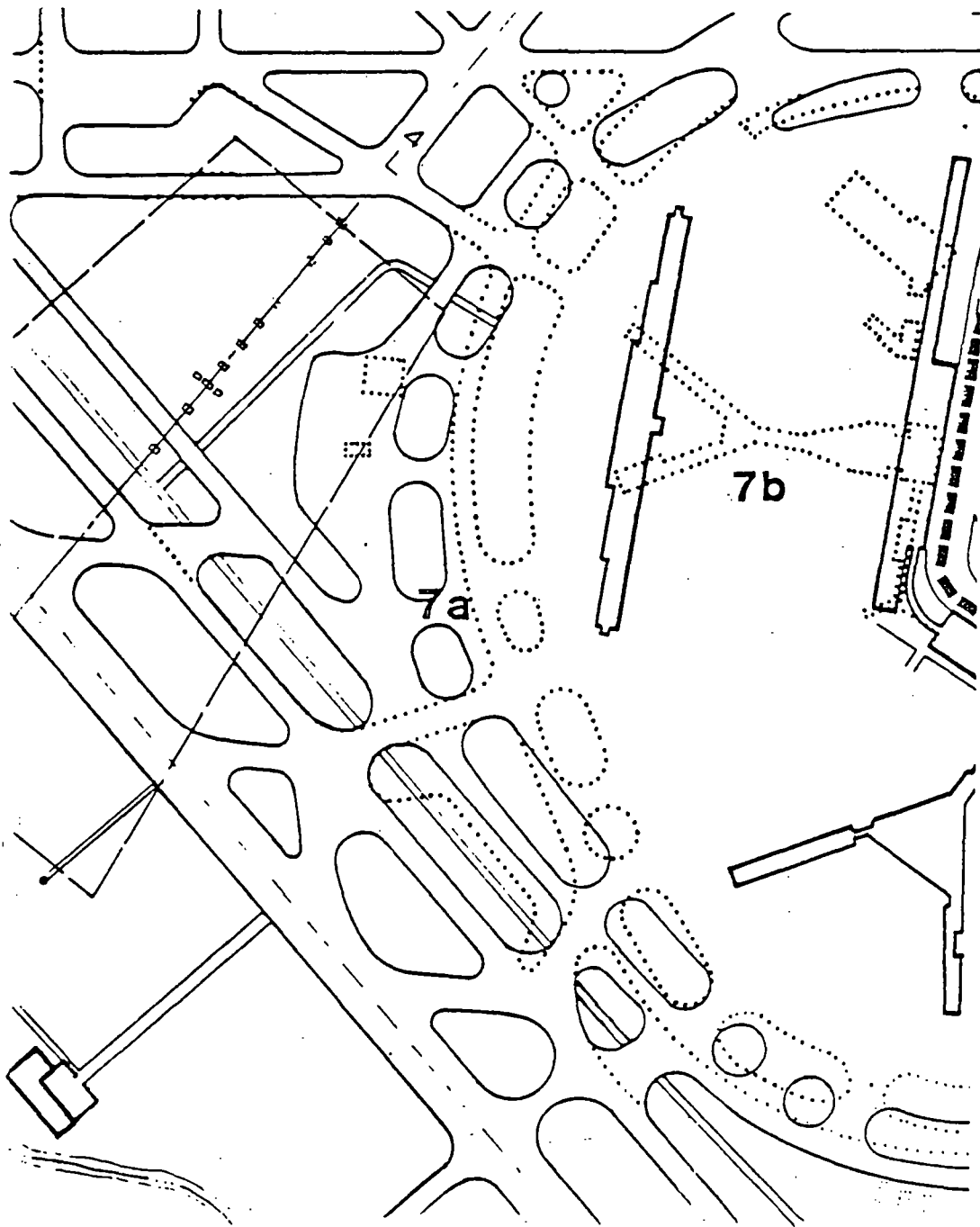
Airline Funded Total: \$9,661,373

| Components                           | Airline Funded<br>Cost | Estimated Constr.<br>Start      Complete | Funding<br>Priority |
|--------------------------------------|------------------------|------------------------------------------|---------------------|
| a. Electrical & Telephone Relocation | \$7,743,293            | 9/84      8/85<br>3/88      4/88         | I                   |
| b. Apron Storm Sewer                 | \$1,918,080            | 9/84      8/85                           | I                   |

## Project Scope:

Airport/Terminal utility systems under the Concourse B/C apron are to be relocated and upgraded. Included are electrical and telephone transmission lines and apron storm sewers including inlets.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Utility Relocations B/C Apron

AF-7

# AIRPORT DEVELOPMENT PLAN

Number: AF-8

Date: 1/17/83

Name: Inner/Outer Taxiway Relocation K/L

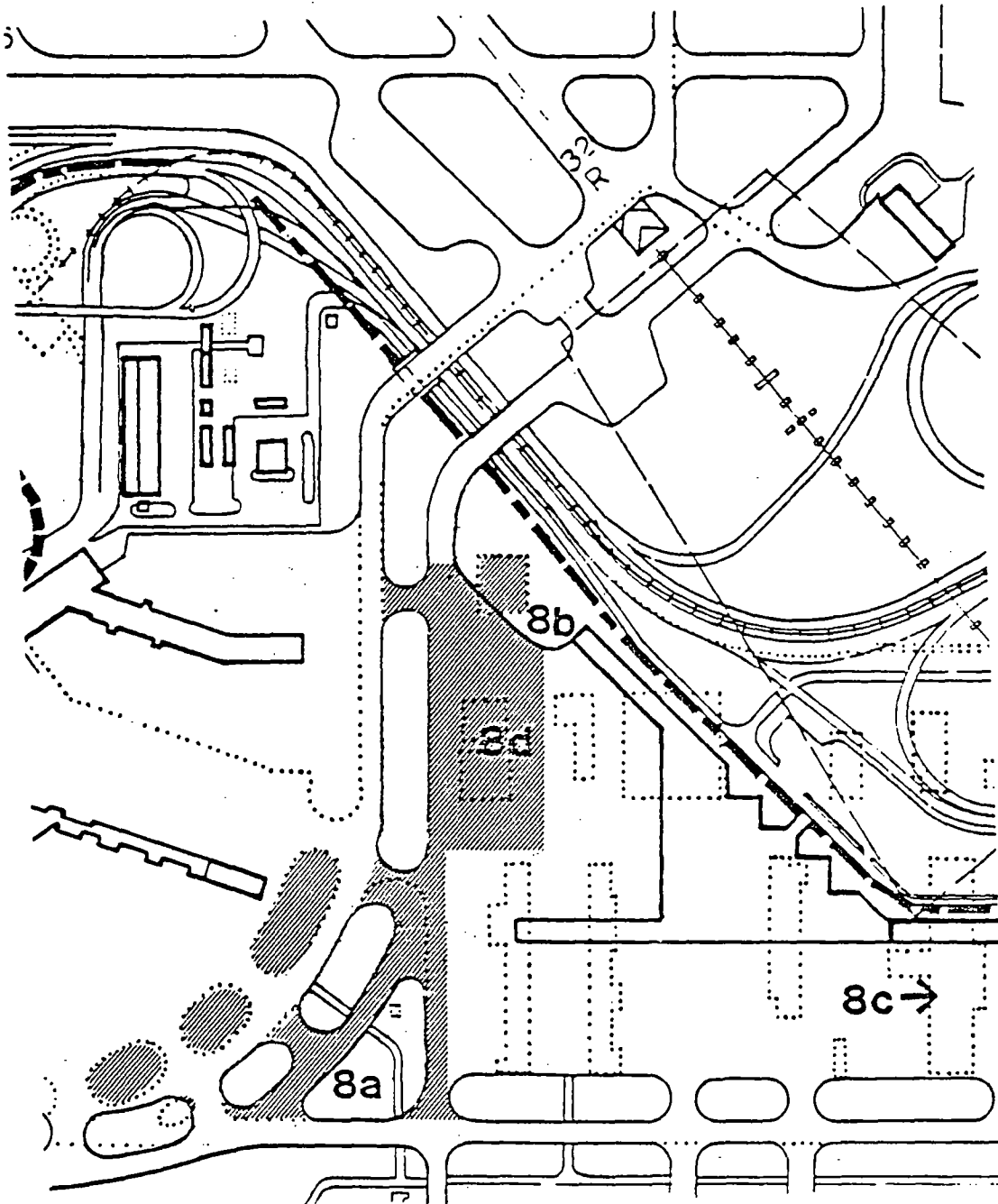
Airline Funded Total: \$25,451,401

| Components                                                                   | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|------------------------------------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Inner/Outer Taxiway K/L<br>Includes Demo. of Existing<br>(Category 2)     | \$9,299,340            | 8/83                       | 7/84     | I                   |
| b. Demo. Flight Kitchens and Airport<br>Maintenance Building<br>(Category 1) | \$284,377              | 8/84                       | 10/84    | I                   |
| c. Site Preparation<br>Southeast Services Area<br>(Category 1)               | \$12,559,320           | 8/83                       | 7/84     | I                   |
| d. Aircraft Parking Area<br>(Category 2)                                     | \$3,308,364            | 9/84                       | 12/84    | I                   |

## Project Scope:

This project includes the realignment of the Inner/Outer Taxiway adjacent to Concourses K and L. The new geometry will maintain the existing Outer Taxiway as the future Inner Taxiway adjacent to Concourse L, while a new Outer Taxiway is to be constructed to the east of the future Inner Taxiway a distance of 251 feet centerline to centerline. This relocation necessitates the demolition/reconstruction of the airport maintenance complex, and the Dobbs House and Marriott flight kitchens. The site preparation for the new site for these facilities in the southeast area of the airport is also included. Access to the K and L Concourses for service vehicles is provided with the development of new service road located on the international terminal apron. Segments of the new Inner/Outer Taxiway Capital Project may be used temporarily for parking of aircraft using the Relocated FIS Facility, so long as the movement of aircraft on such taxiways and into and out of adjacent leased premises is not unreasonably impeded. The construction and use of Component AF-8(d) will be given the highest possible priority and construction shall begin at approximately the same time as commencement of demolition of existing Terminal 1 (TA-1c).

# AIRPORT DEVELOPMENT PLAN

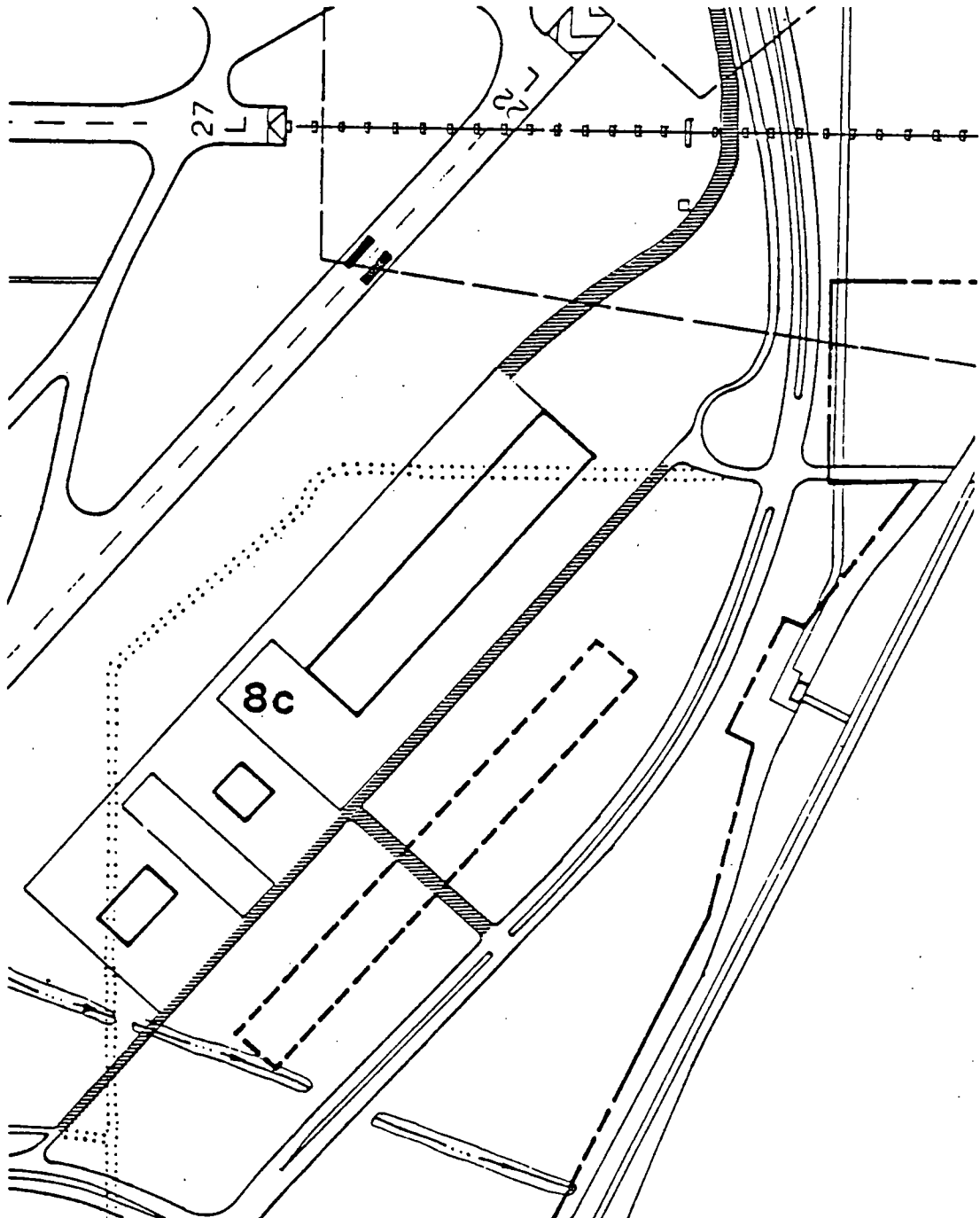


↑ 12.7.82

Inner/Outer Taxiway  
K/L Relocation

AF-8.1

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Inner/Outer Taxiway  
K/L Relocation

**AF-8.2**

# AIRPORT DEVELOPMENT PLAN

Number: AF-9

Date: 1/17/83

Name: B/C Apron

Airline Funded Totab \$40,954,086

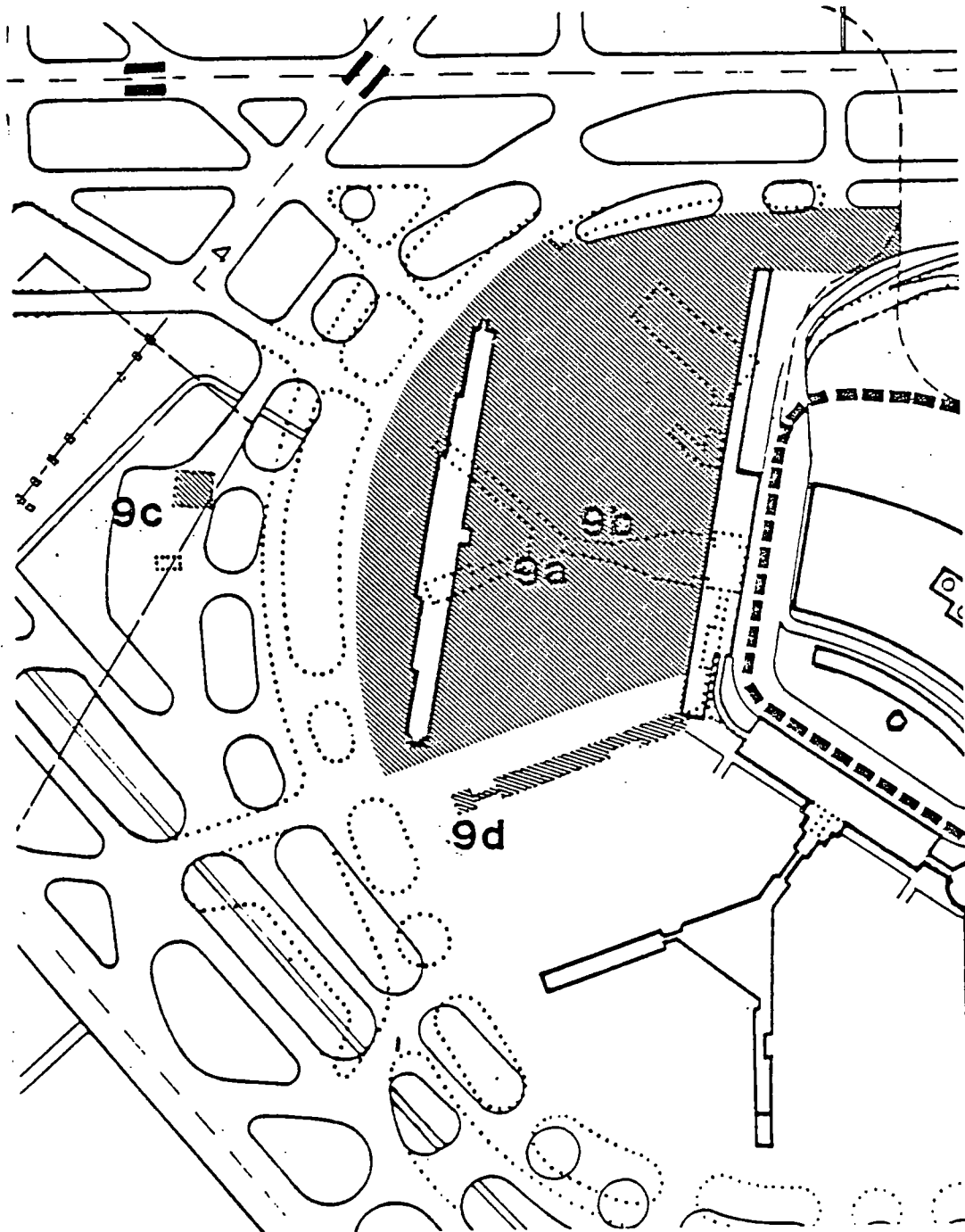
| Components                  | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|-----------------------------|------------------------|----------------------------|----------|---------------------|
| a. B/C Apron                | \$27,313,200           | 4/85                       | 10/86    | I                   |
| b. Demo: Existing B/C Apron | \$12,661,920           | 3/85                       | 4/86     | I                   |
| c. Demo. CFR Station #1     | \$39,366               | 9/85                       | 10/85    | I                   |
| d. Concourse D Paving       | \$939,600              | 4/87                       | 8/87     | I                   |

## Project Scope:

This project includes the demolition approximately 244,250 square yards of existing pavement adjacent to the B and C Concourses, as well as, the area referred to as the "North Ramp". A total of 252,900 square yards of new pavement will be constructed to replace and expand the B/C Apron area as well as correct sub-grade problems. Also included in this project is the demolition of the Main CFR Station.



# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

B/C Apron

AF-9

# AIRPORT DEVELOPMENT PLAN

Number: AF-10

Date: 1/17/83

Name: Concourse L Apron

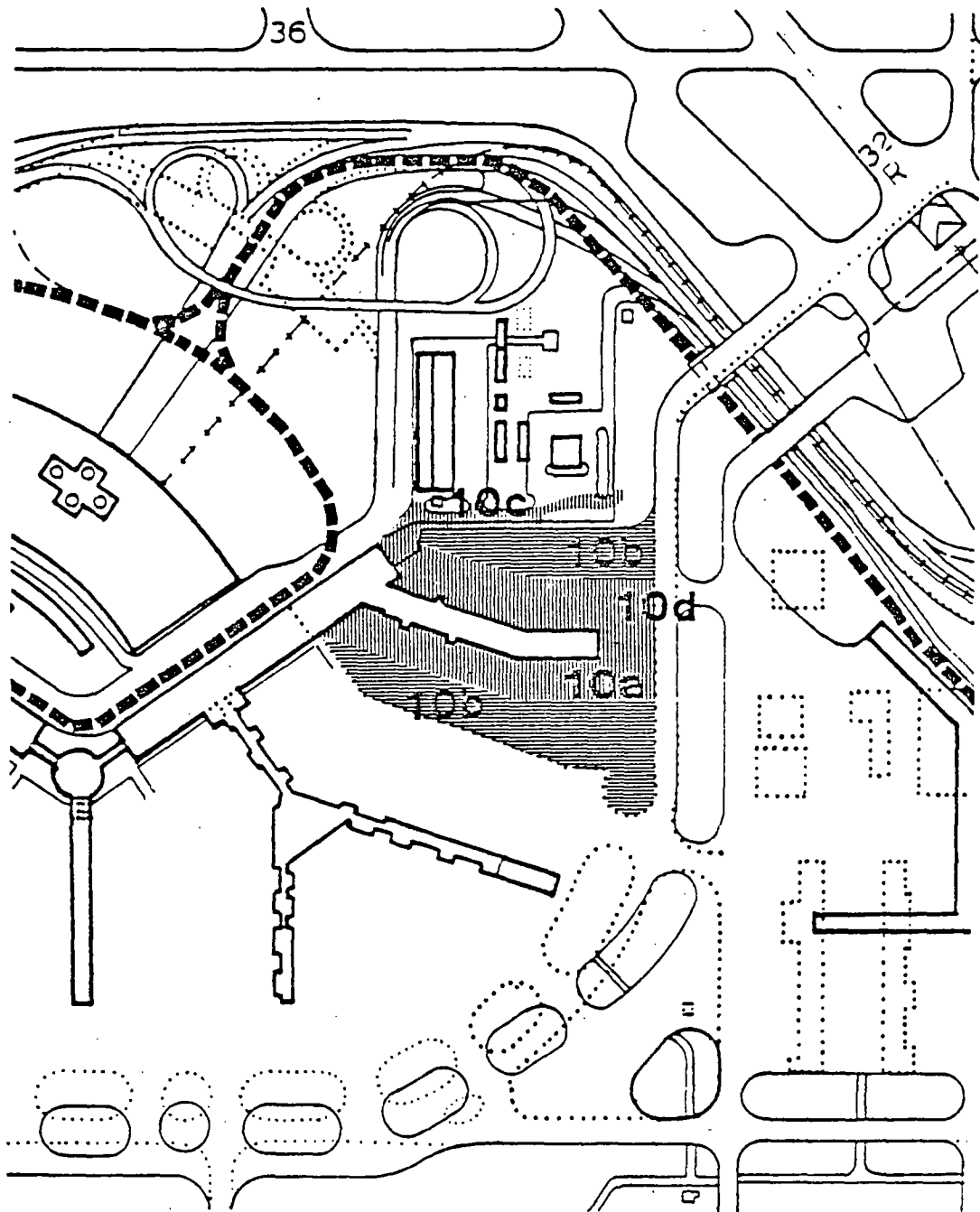
Airline Funded Total: \$13,855,330

| Components                         | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Exclusive Aircraft Parking Area | \$4,752,279            | 3/83                       | 9/83     | I                   |
| b. Apron Paving For New Taxiways   | \$4,926,823            | 3/83                       | 9/83     | I                   |
| c. Associated Service Roadway Work | \$508,276              | 3/83                       | 7/83     | I                   |
| d. Associated Utilities            | \$3,667,952            | 3/83                       | 7/83     | I                   |

## Project Scope:

This project includes the development of approximately 91,000 square yards of new aircraft apron area for Terminal 3A/Concourse L. New pavement will be constructed. The Concourse L apron will tie into the existing apron north of Concourse K and extend to an east/west line to the north defined by the southerly limit of the H and R facilities. The installation and construction of new utility systems and apron/terminal service roads are also included in this project.

# AIRPORT DEVELOPMENT PLAN



Concourse L Apron

AF-10

# AIRPORT DEVELOPMENT PLAN

Number: AF-11

Date: 1/17/83

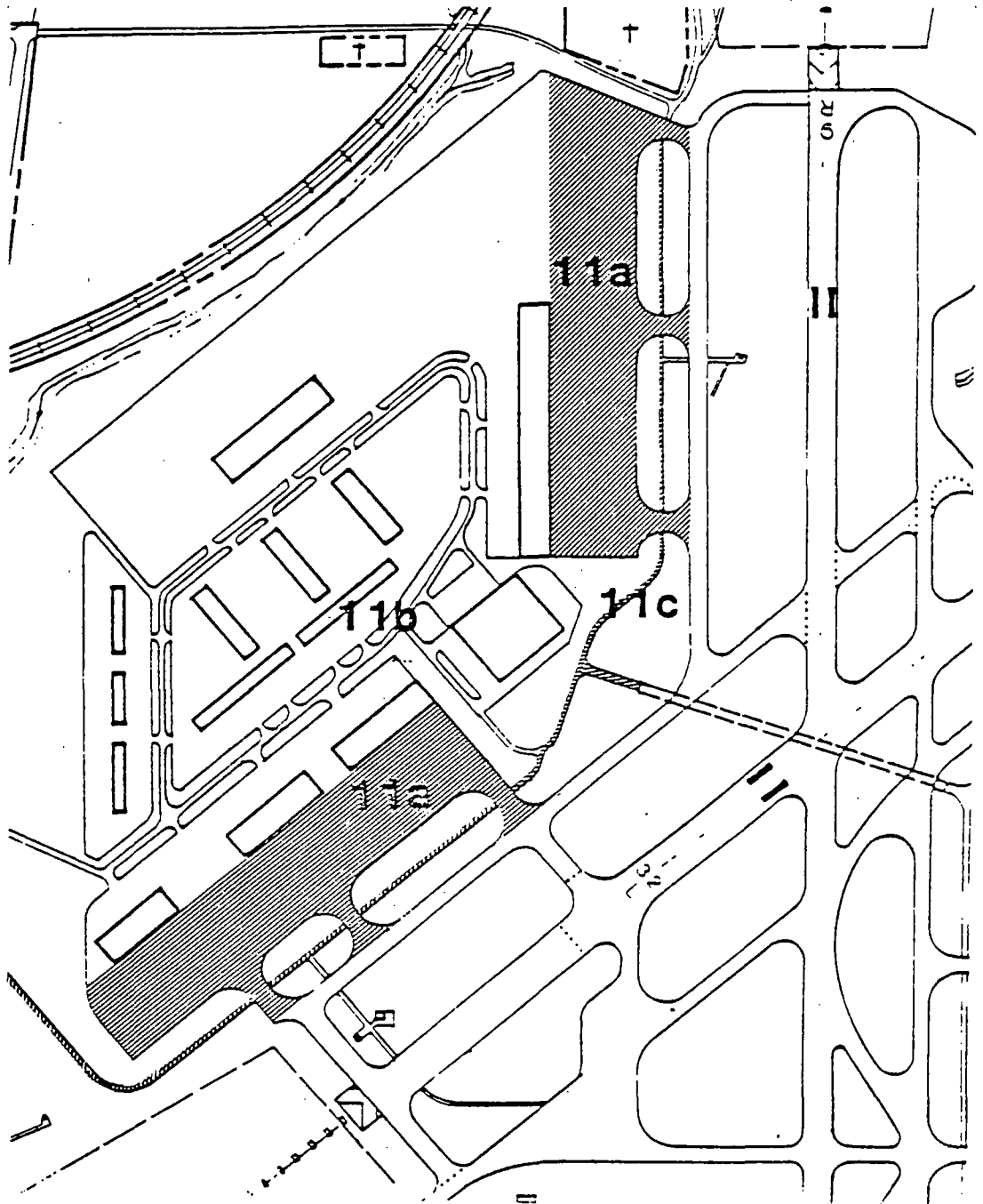
Name: Cargo Apron Replacement

Airline Funded Total: \$31,838,400

| Components                     | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|--------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Replacement of Cargo Apron  | \$23,349,600           | 11/84                      | 10/85    | II                  |
| b. Site Preparation            | \$6,512,400            | 9/84                       | 7/85     | II                  |
| c. Service Road At Cargo Apron | \$1,976,400            | 9/84                       | 7/85     | II                  |

## Project Scope:

This project includes the replacement of approximately 216,000 square yards of existing cargo facility apron pavements and related site preparation of the new southeast cargo area. Also included is the development of approximately 6000 linear feet new service roadway adjacent to the new apron areas.

**AIRPORT DEVELOPMENT PLAN**

→ 11.17.82

Cargo Apron Replacement

**AF-11**

## AIRPORT DEVELOPMENT PLAN

Number: AF-12

Date: 1/17/83

Name: International and Commuter Apron

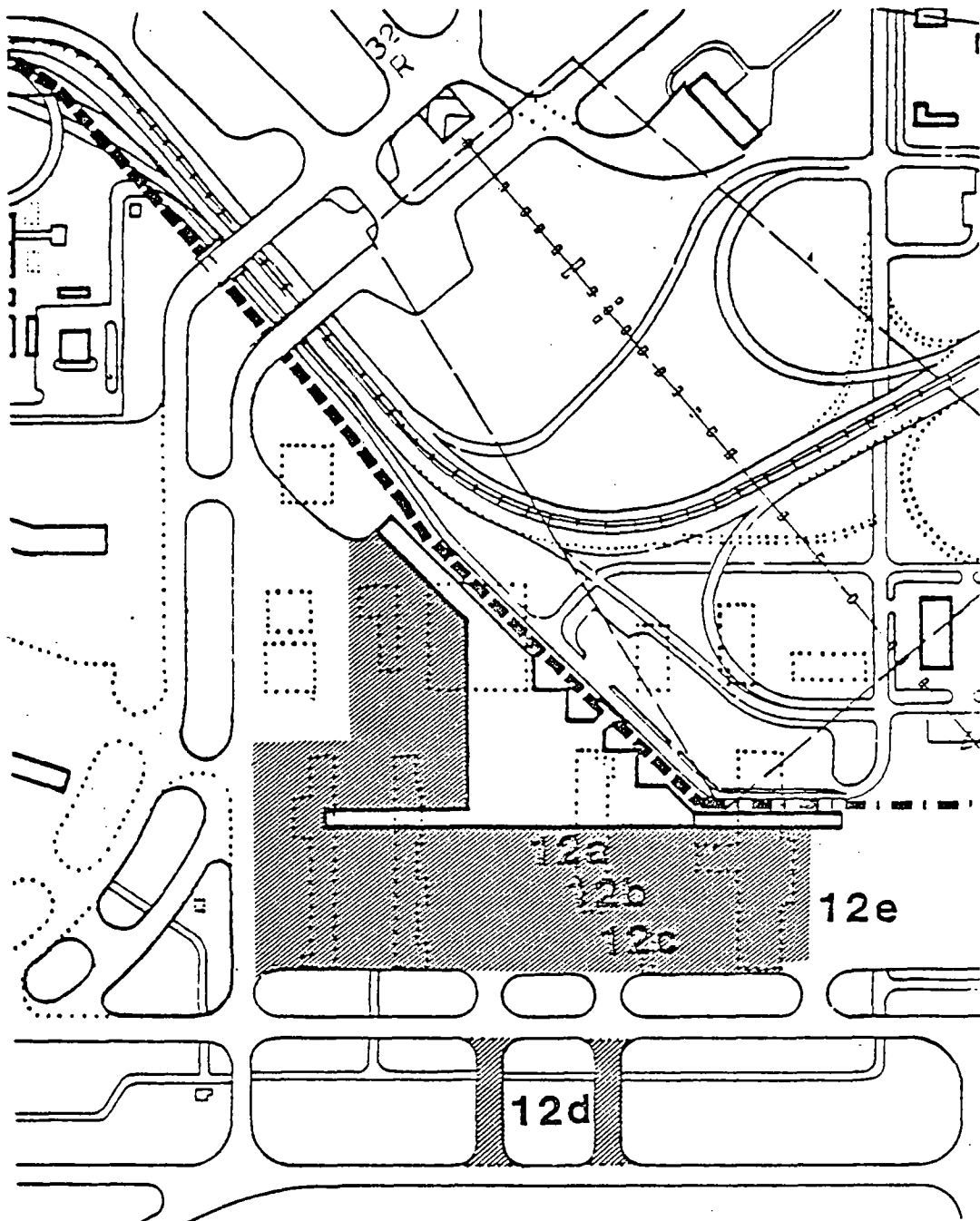
Airline Funded Total: \$20,550,024

| Components                                               | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|----------------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. International Apron                                   | \$12,243,636           | 4/86                       | 12/86    | II                  |
| b. Demolition of Existing Cargo Apron                    | \$4,701,888            | 4/86                       | 10/86    | II                  |
| c. Demolition of Parking Pavement at Existing Cargo Area | \$216,000              | 4/86                       | 10/86    | II                  |
| d. International Apron Connectors                        | \$1,566,000            | 4/86                       | 7/86     | II                  |
| e. Commuter Apron                                        | \$1,822,500            | 6/86                       | 7/86     | II                  |

### Project Scope:

This project includes the construction of a 151,156 square yard aircraft apron for the new international terminal building, the initial segment will be utilized for parking aircraft using the Relocated FIS Facility. Demolition of 90,700 square yards of existing aircraft apron serving Joint Use Cargo Building #1, Joint Use Cargo Building #2 and the Flying Tiger Cargo Building is included along with the demolition and removal of approximately 100,000 square yards of truck and automobile parking areas. The proposed apron is large enough to provide aircraft parking for ten B-747 and four DC-10 type aircraft as well as apron taxiway with clearances for B-747 aircraft. This project also includes 22,500 square yards of Commuter Apron.

# AIRPORT DEVELOPMENT PLAN



↑ 12.7.82

International Apron

AF-12

# AIRPORT DEVELOPMENT PLAN

Number: AF-13

Date: 1/17/83

Name: Military Site Aquisition

Airline Funded Total: \$16,072,679

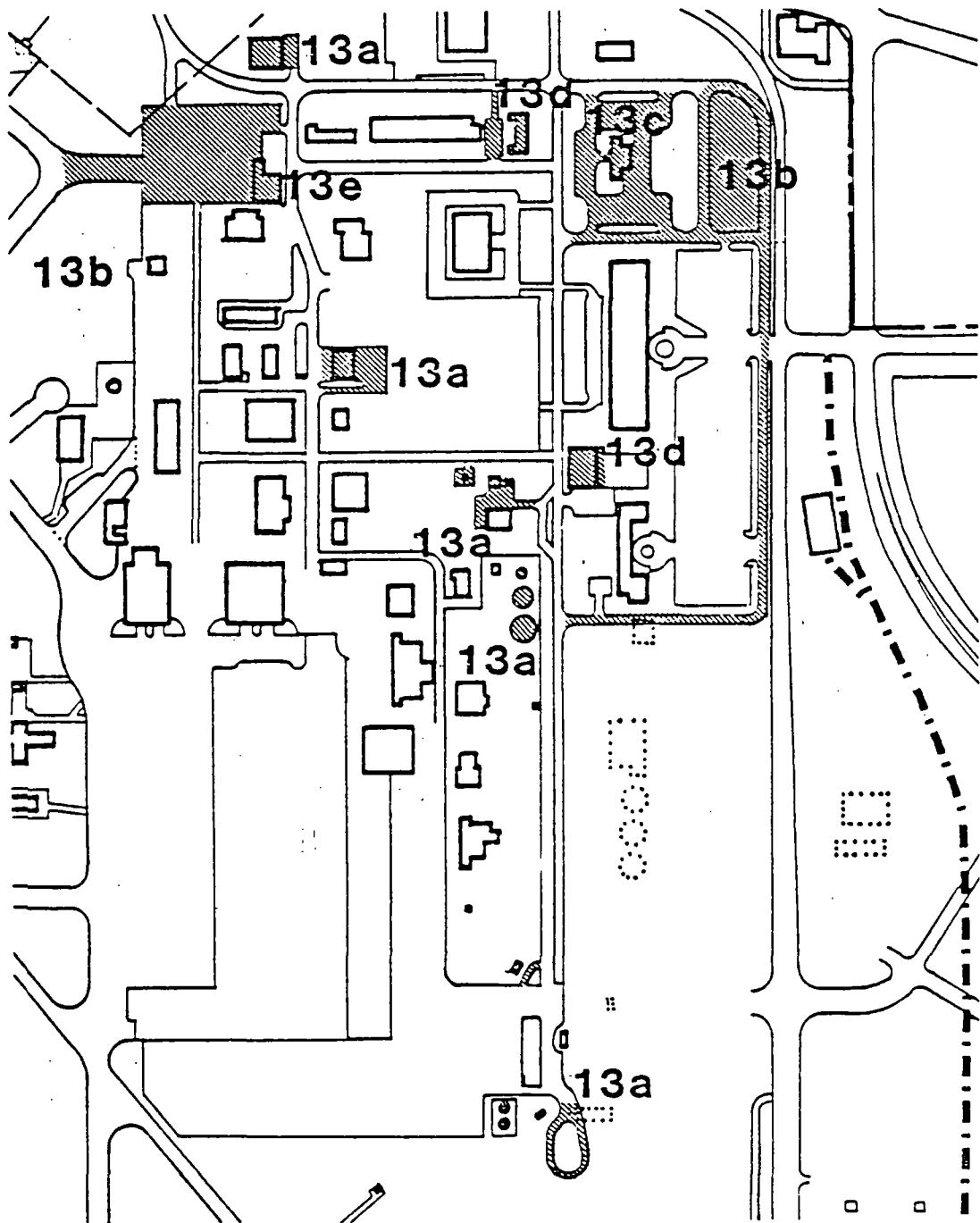
| Components                    | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|-------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Misc. Utilities            | \$6,494,558            | 9/84                       | 8/85     | II                  |
| b. Misc. Support Facilities   | \$697,194              | 9/84                       | 8/85     | II                  |
| c. Officers Club              | \$4,384,908            | 9/84                       | 8/85     | II                  |
| d. Visiting Officers Quarters | \$1,409,411            | 9/84                       | 8/85     | II                  |
| e. Aerial Port Storage        | \$3,086,608            | 9/84                       | 8/85     | II                  |

## Project Scope:

This project includes the costs to acquire land from the U.S. Air Force. Included are the demolition, relocation and replacement costs for existing USAF facilities located on the parcels of land to be acquired by the City of Chicago.



# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Military Site Acquisition

**AF-13**

## AIRPORT DEVELOPMENT PLAN

Number: AF-14

Date: 1/17/83

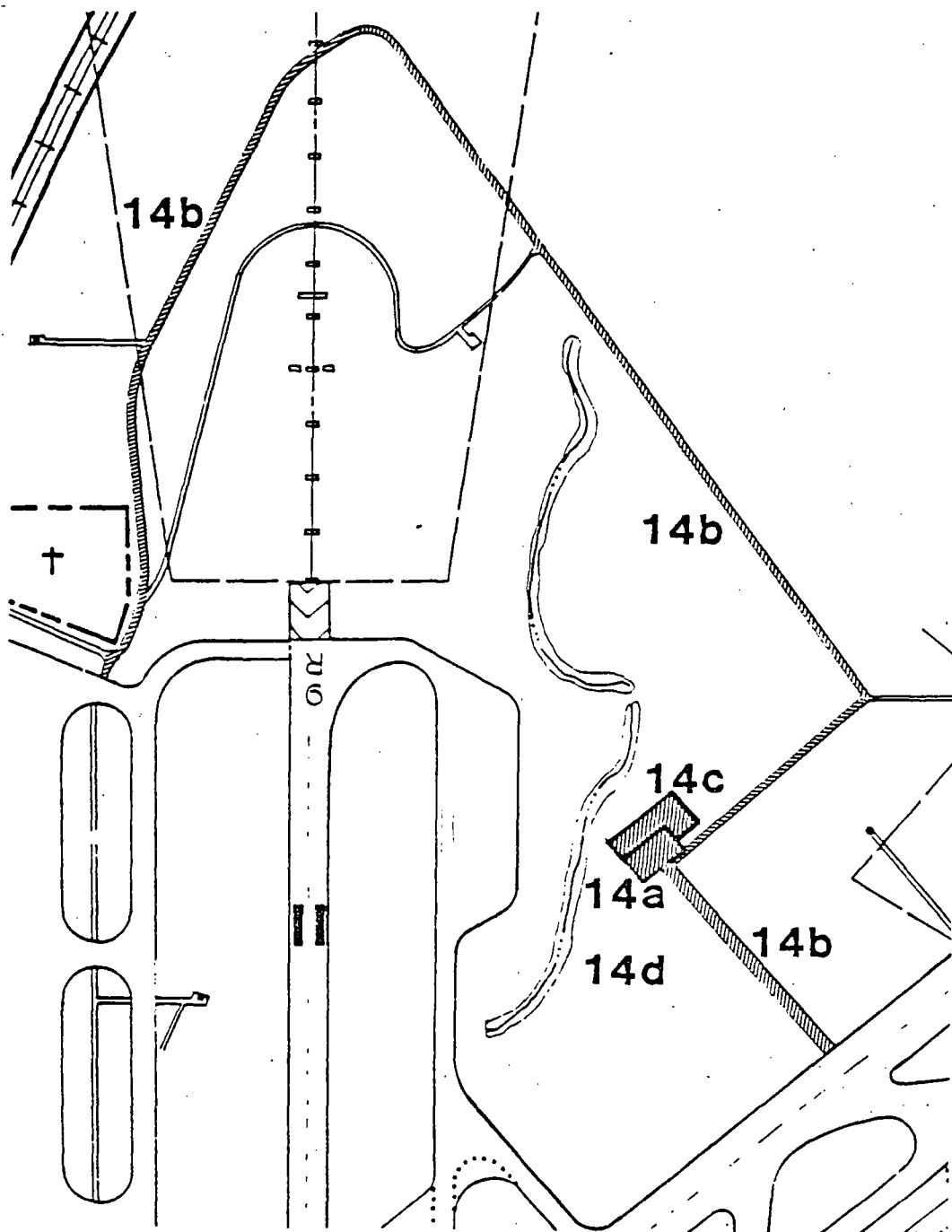
Name: Replacement CFR Station #1

Airline Funded Total: \$8,565,480

| Components                      | Airline Funded Cost | Estimated Start | Constr. Complete | Funding Priority |
|---------------------------------|---------------------|-----------------|------------------|------------------|
| a. Replacement of CFR Station   | \$1,377,810         | 9/84            | 8/85             | I                |
| b. Service Roads to CFR Station | \$2,009,340         | 9/84            | 8/85             | I                |
| c. Truck Apron at CFR Station   | \$264,330           | 5/85            | 6/85             | I                |
| d. Utility Services             | \$4,914,000         | 4/85            | 12/85            | I                |

### Project Scope:

A new 18,225 square foot CFR Station is to be constructed along with related service roads, parking aprons and utility service. This new CFR facility is to be located west of Runway 14R/32L and North of Runway End 9R. The truck apron development includes 4,450 square yards of new pavement for employee parking and building access for the fire trucks. Service road development includes approximately 6,100 linear feet of roadway to provide access to the facility from the new cargo area.

**AIRPORT DEVELOPMENT PLAN**

→ 11.17.82

Replacement Of CFR Sta. #1

**AF-14**

# AIRPORT DEVELOPMENT PLAN

Number: AF-15

Date: 1/17/83

Name: Airport Maintenance Complex  
(Category I)

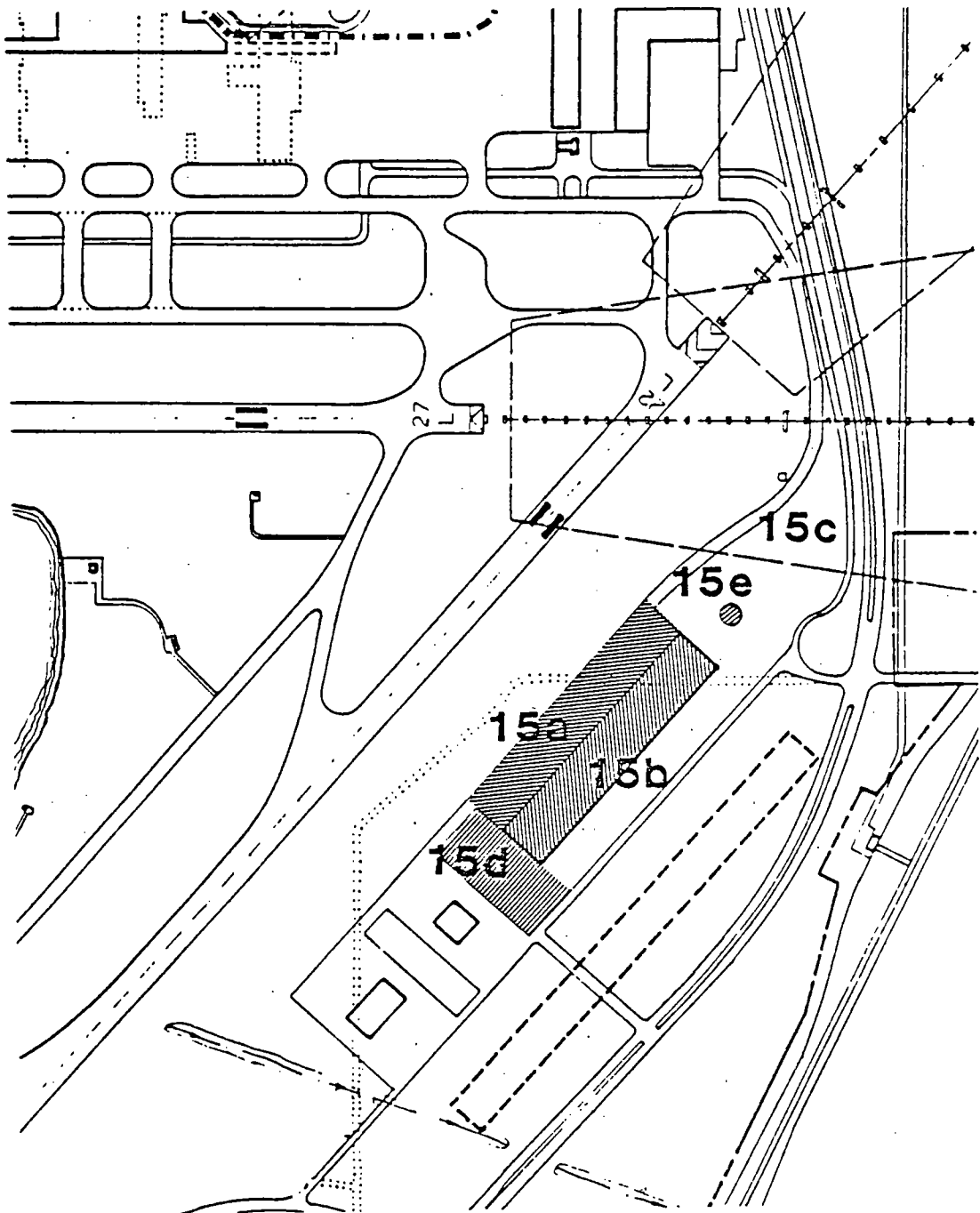
Airline Funded Total: \$17,100,077

| Components                 | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|----------------------------|------------------------|----------------------------|----------|---------------------|
| a. Truck Apron             | \$1,386,990            | 5/84                       | 7/84     | I                   |
| b. Maintenance Facility    | \$7,020,000            | 9/83                       | 8/84     | I                   |
| Snow Removal Facility      | \$7,020,000            | 9/83                       | 8/84     | I                   |
| c. Electrical Distribution | \$1,080,000            | 9/83                       | 6/84     | I                   |
| d. Employee Parking        | \$485,087              | 5/84                       | 6/84     | I                   |
| e. Salt Storage            | \$108,000              | 4/84                       | 6/84     | I                   |

## Project Scope:

Development of the southeast area of the airport is proposed for the construction of the new airport maintenance and snow removal vehicle facility and other airport/related service facilities. Included in this project is the development of a replacement facility for the existing airport maintenance building as well as, truck aprons, employee parking areas, and a new salt storage facility. Electrical utility systems necessary to support the proposed development are also included. The project does not include \$6,000,000 in committed ADAP funds for the construction of a snow removal facility.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Southeast Services Area

AF-15

# AIRPORT DEVELOPMENT PLAN

Number: AF-16

Date: 1/17/83

Name: General Aviation Apron

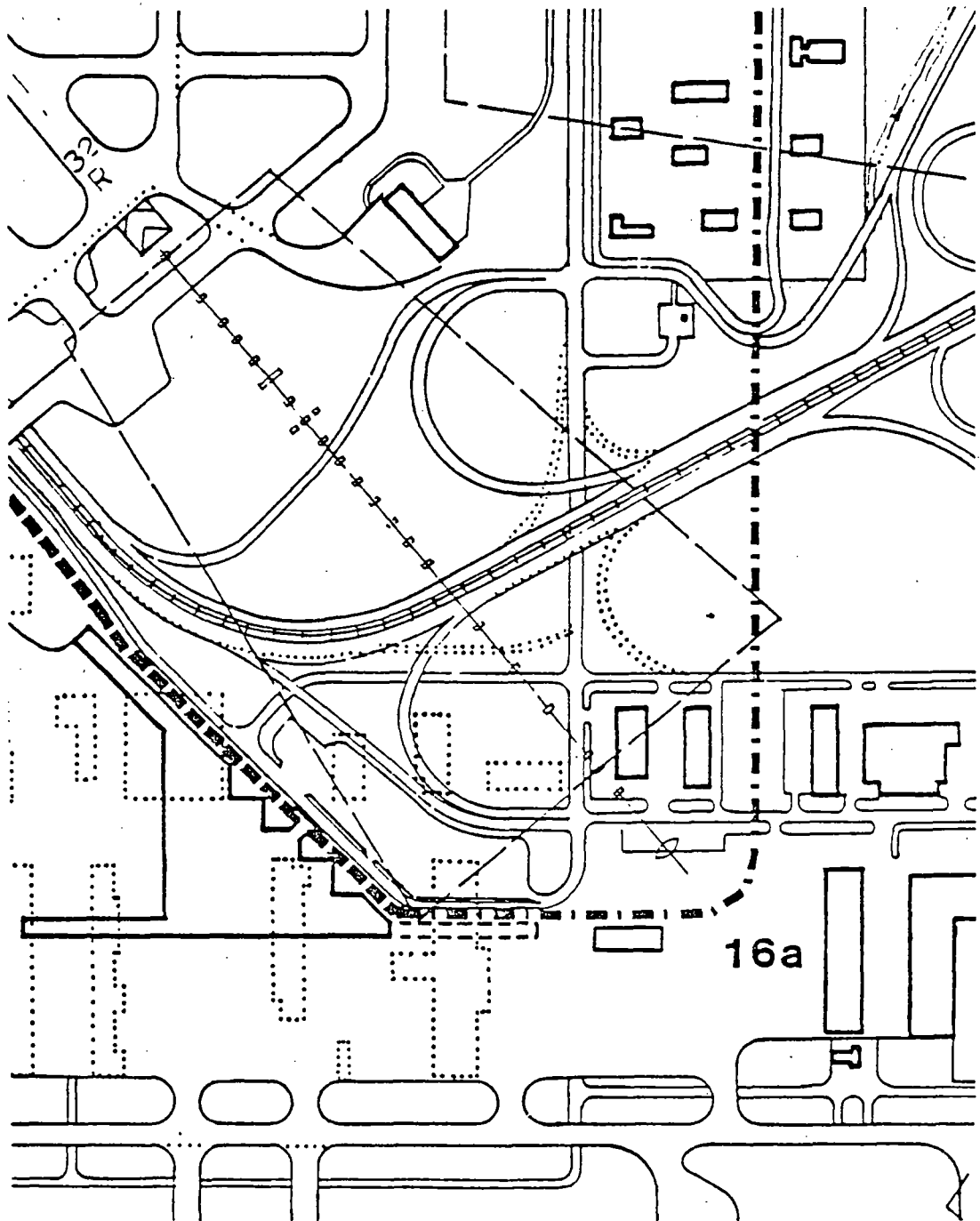
Airline Funded Total: \$0

| Components                 | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|----------------------------|------------------------|----------------------------|----------|---------------------|
| a. Hangar/Support Facility | \$0                    | 4/86                       | 6/86     |                     |

## Project Scope:

This is a non-funding item. The existing TWA and portion of the United Airlines cargo apron are to be reused for general aviation aircraft. General Aviation related buildings are not a part of the project, as it is anticipated that private funds will be utilized to replace existing facilities.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

General Aviation Apron

**AF-16**

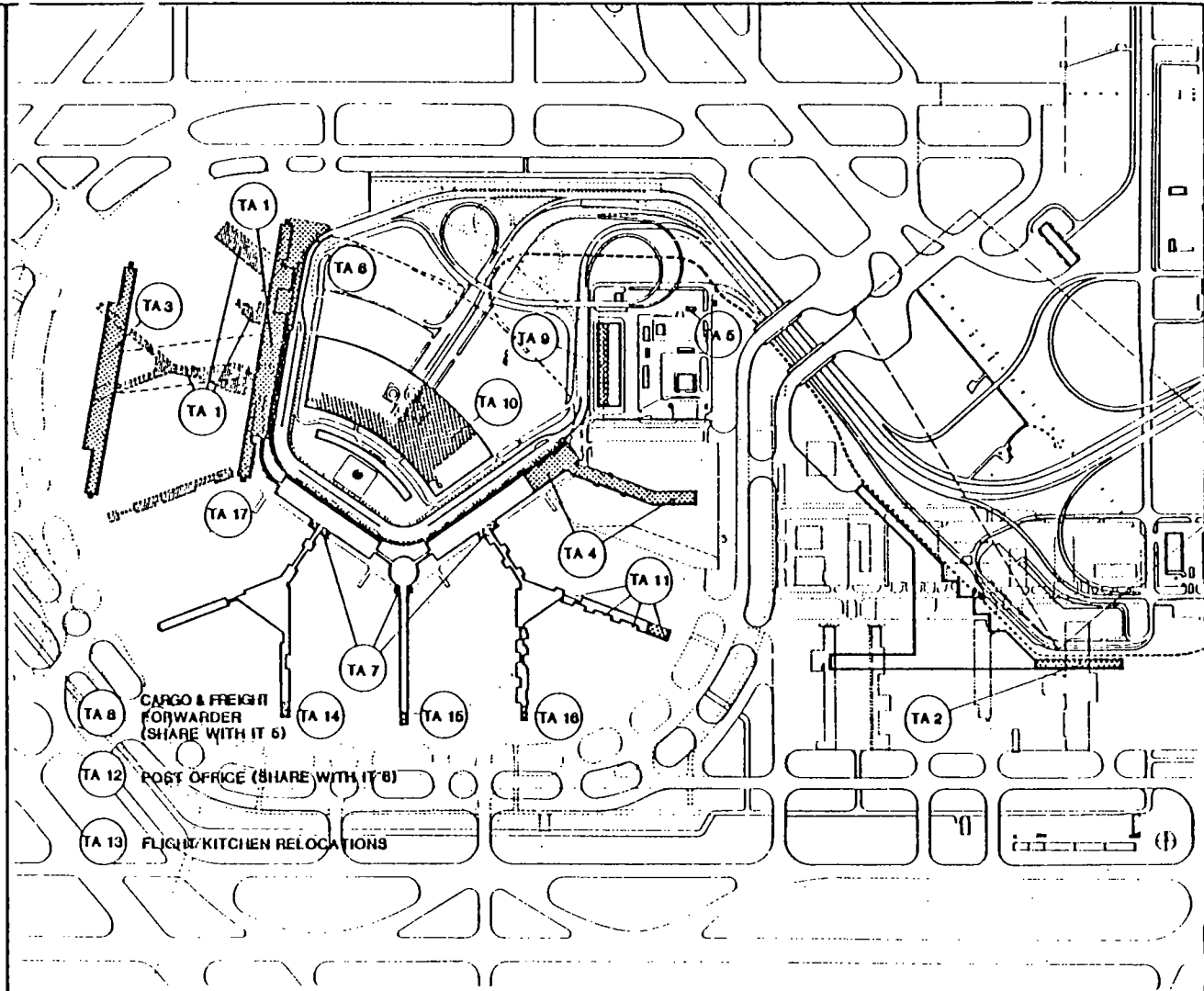
# TERMINAL AREA CRC (T.A)



12.7.82

TERMINAL AREA CRC CAPITAL PROJECTS

- TA-1. Terminal I
- TA-2. Commuter Terminal
- TA-3. B/C Satellite
- TA-4. Terminal 3A/Concourse L
- TA-5. Electrical Relocation
- TA-6. Utilities at Central Terminal Area
- TA-7. Terminal 2/3 Additions
- TA-8. Cargo, and Freight Forwarder Relocations (Share with IT-5)
- TA-9. H&R Plant Expansion (Share with IT-4)
- TA-10. Relocated FIS Facility
- TA-11. Extension and Improvement Concourse K
- TA-12. Post Office (Share with IT-6)
- TA-13. Flight Kitchen Relocations
- TA-14. Extension and Improvement of Concourse F
- TA-15. Extension and Improvement of Concourse G
- TA-16. Extension and Improvement of Concourse H
- TA-17. Inter-Line Baggage Improvements



**CHICAGO O'HARE INTERNATIONAL AIRPORT**  
 City of Chicago    Jairo M. Dyrno Mayor    Thomas R. Koppke Commissioner of Aviation    Jerome R. Butler Commissioner of Public Works

**OTIARE ASSOCIATES**  
 Consulting Engineers  
 LANDRUM & BROWN  
 Aviation Consultants

**AIRPORT DEVELOPMENT PLAN  
 TERMINAL AREA COST REVENUE CENTER**

**EXHIBIT  
 B 10**

# AIRPORT DEVELOPMENT PLAN

## SUMMARY SHEET (1/17/83)

|                                                                        | <u>CATEGORY 1</u> | <u>CATEGORY 2</u> | <u>FUNDING<br/>PRIORITY I</u> | <u>AIRLINE<br/>FUNDED<br/>TOTALS</u> |
|------------------------------------------------------------------------|-------------------|-------------------|-------------------------------|--------------------------------------|
| <u>TERMINAL AREA CRC</u>                                               |                   |                   |                               |                                      |
| <u>CAPITAL PROJECTS</u>                                                |                   |                   |                               |                                      |
| TA-1. Terminal 1                                                       |                   |                   | \$67,166,438                  | \$67,166,438                         |
| TA-2. Commuter Terminal<br>Interim Commuter                            |                   |                   |                               | \$4,387,999                          |
| TA-3. B/C Satellite                                                    |                   |                   | \$82,916,211                  | \$82,916,211                         |
| TA-4. Terminal 3A/<br>Concourse L                                      |                   |                   | \$32,667,346                  | \$32,667,346                         |
| TA-5. Electrical Relocation                                            |                   |                   | \$11,376,000                  | \$11,376,000                         |
| TA-6. Utilities at Central<br>Terminal Area                            |                   |                   |                               | \$4,212,000                          |
| TA-7. Terminal 2/3 Additions                                           |                   |                   |                               | \$7,562,074                          |
| TA-7a Security Additions<br>Concourses E/F, G & H/K                    |                   | \$2,799,360       |                               |                                      |
| TA-8. Cargo, and Freight<br>Forwarder Relocations<br>(Share with IT-5) |                   |                   |                               | \$44,083,133                         |
| TA-9. H&R Plant Expansion<br>(Share with IT-4)                         |                   |                   |                               | \$20,703,583                         |
| TA-9c 4000 Ton Chiller                                                 | \$2,293,920       |                   | \$2,293,920                   |                                      |
| TA-10. Relocated FIS Facility                                          | \$16,666,560      |                   | \$16,666,560                  | \$16,666,560                         |
| TA-11. Extension and<br>Improvement Concourse K                        |                   |                   | \$3,240,000                   | \$3,240,000                          |
| TA-12. Post Office<br>(Share with IT-6)                                |                   |                   |                               | \$1,707,573                          |
| TA-13. Flight Kitchen<br>Relocations                                   |                   |                   |                               | \$0                                  |
| TA-14. Extension and Improvement<br>of Concourse F                     |                   |                   | \$1,620,000                   | 1,620,000                            |

**AIRPORT DEVELOPMENT PLAN**

SUMMARY SHEET (1/17/83)

|                                                  | <u>CATEGORY 1</u> | <u>FUNDING<br/>CATEGORY 2</u> | <u>FUNDING<br/>PRIORITY I</u> | <u>AIRLINE<br/>FUNDED<br/>TOTALS</u> |
|--------------------------------------------------|-------------------|-------------------------------|-------------------------------|--------------------------------------|
| <u>TERMINAL AREA CRC</u>                         |                   |                               |                               |                                      |
| <u>CAPITAL PROJECTS (Con't)</u>                  |                   |                               |                               |                                      |
| TA-15. Extension & Improvement<br>of Concourse G |                   |                               | \$1,620,000                   | \$1,620,000                          |
| TA-16. Extension & Improvement<br>of Concourse H |                   |                               | \$1,620,000                   | \$1,620,000                          |
| TA-17. Inter-Line Baggage<br>Improvements        |                   |                               |                               | \$0                                  |
| TOTALS                                           | \$18,960,480      | \$2,799,360                   | \$218,892,556                 | \$301,548,418                        |

# AIRPORT DEVELOPMENT PLAN

Number: TA-1

Date: 1/17/83

Name: Terminal I

Airline Funded Total: \$67,166,438

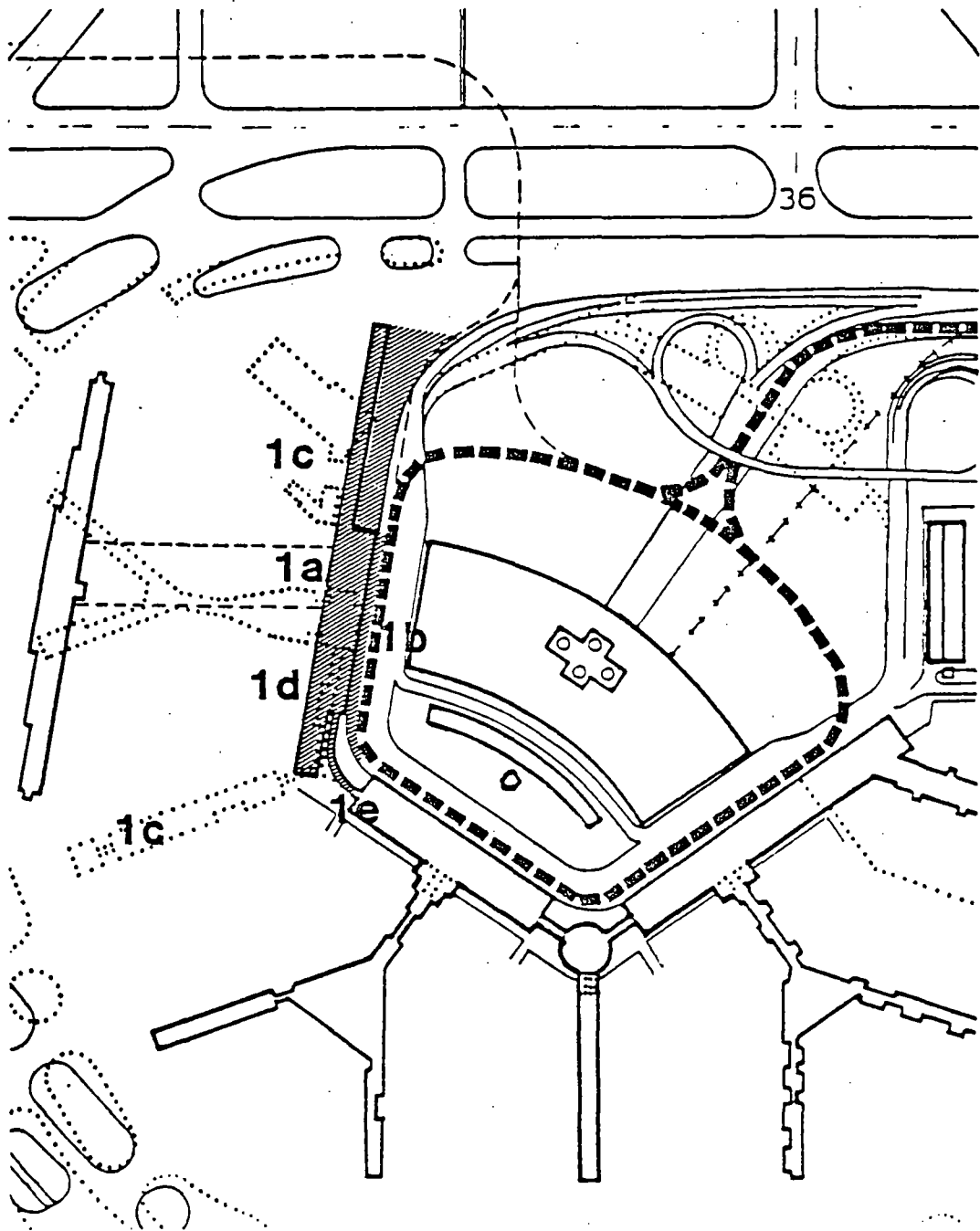
| Components                        | Airline Funded Cost | Estimated Constr. Start | Estimated Constr. Complete | Funding Priority |
|-----------------------------------|---------------------|-------------------------|----------------------------|------------------|
| a. Terminal #1                    | \$58,192,290        | 9/84                    | 2/87                       | I                |
| b. Canopy Terminal #1             | \$5,400,000         | 10/87                   | 6/88                       | I                |
| c. Demolition of Terminal #1 Etc. | \$849,524           | 9/84                    | 12/84*                     | I                |
| d. Utilities Terminal #1          | \$910,224           | 7/85                    | 1/86                       | I                |
| e. Terminal 1/2 Connector         | \$1,814,400         | 10/87                   | 6/88                       | I                |

## Project Scope:

The project includes the construction of approximately 367,170 SF of enclosed building space (excluding utility/mechanical space in the penthouse and basement levels) for Terminal Building No. 1. Not less than 58% of the combined total enclosed space (excluding utility/mechanical space in the penthouse and basement levels) of Projects TA-1(a), TA-3(a) and TA-3(b) will be Airline Exclusive Use Premises. This project provides for approximately 2,480 LF of aircraft gate frontage which, in combination with the LF on TA-3 (B/C Satellite) will total 6,370 LF Average clear height of any interior public spaces shall not exceed a maximum of 25'7". Also included in this project is the demolition of 393,298 SF of existing buildings, including the International Terminal, Commuter Terminal, General Aviation Terminal and Hangars, and Concourse D.

- \* The demolition of Concourse D will not commence before the last date on which any of the Airline Parties having Phase I Exclusive Use Premises in Concourse D must surrender such Phase I Premises pursuant to the provisions of Section 4.03 of the Airport Use Agreement.

# AIRPORT DEVELOPMENT PLAN



↑ 12.7.82

Terminal 1

TA-1

# AIRPORT DEVELOPMENT PLAN

Number: TA-2

Date: 1/17/83

Name: Commuter Terminal

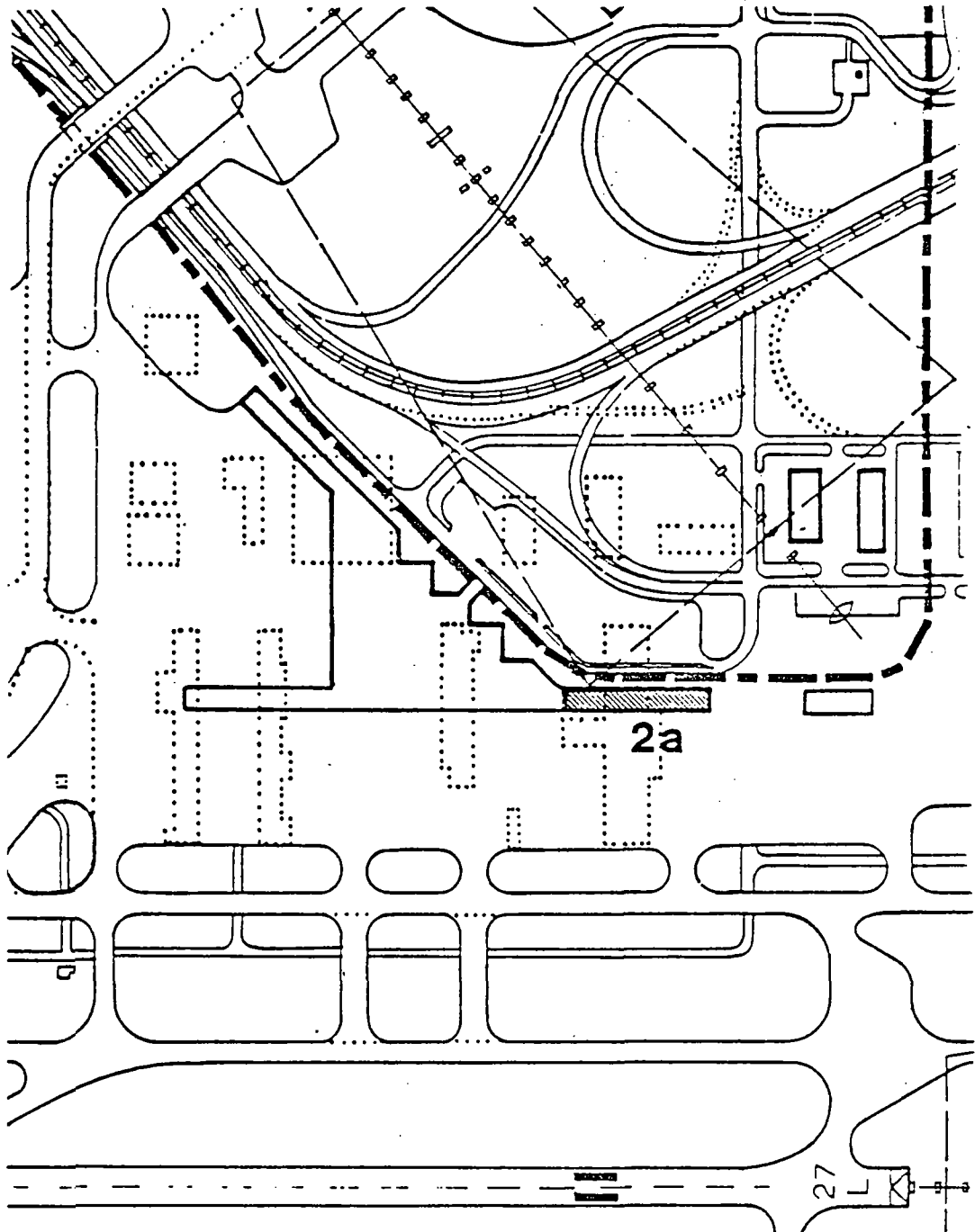
Airline Funded Total: \$4,387,999

| Components           | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|----------------------|------------------------|----------------------------|----------|---------------------|
| a. Commuter Terminal | \$3,888,000            | 9/85                       | 8/86     | II                  |
| b. Interim Commuter  | \$499,999              | 9/84                       | 12/84    | II                  |

## Project Scope:

Included is the development of a commuter airline concourse that provides approximately 1160 linear feet of aircraft parking frontage with some double parking areas. The concourse will contain a total of 30,000 square feet of building space for passenger hold areas, corridors and other public spaces. An interim facility for the commuter operation is included in this project.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Commuter Terminal

TA-2

# AIRPORT DEVELOPMENT PLAN

Number: TA-3

Date: 1/17/83

Name: B/C Satellite

Airline Funded Total: \$82,916,211

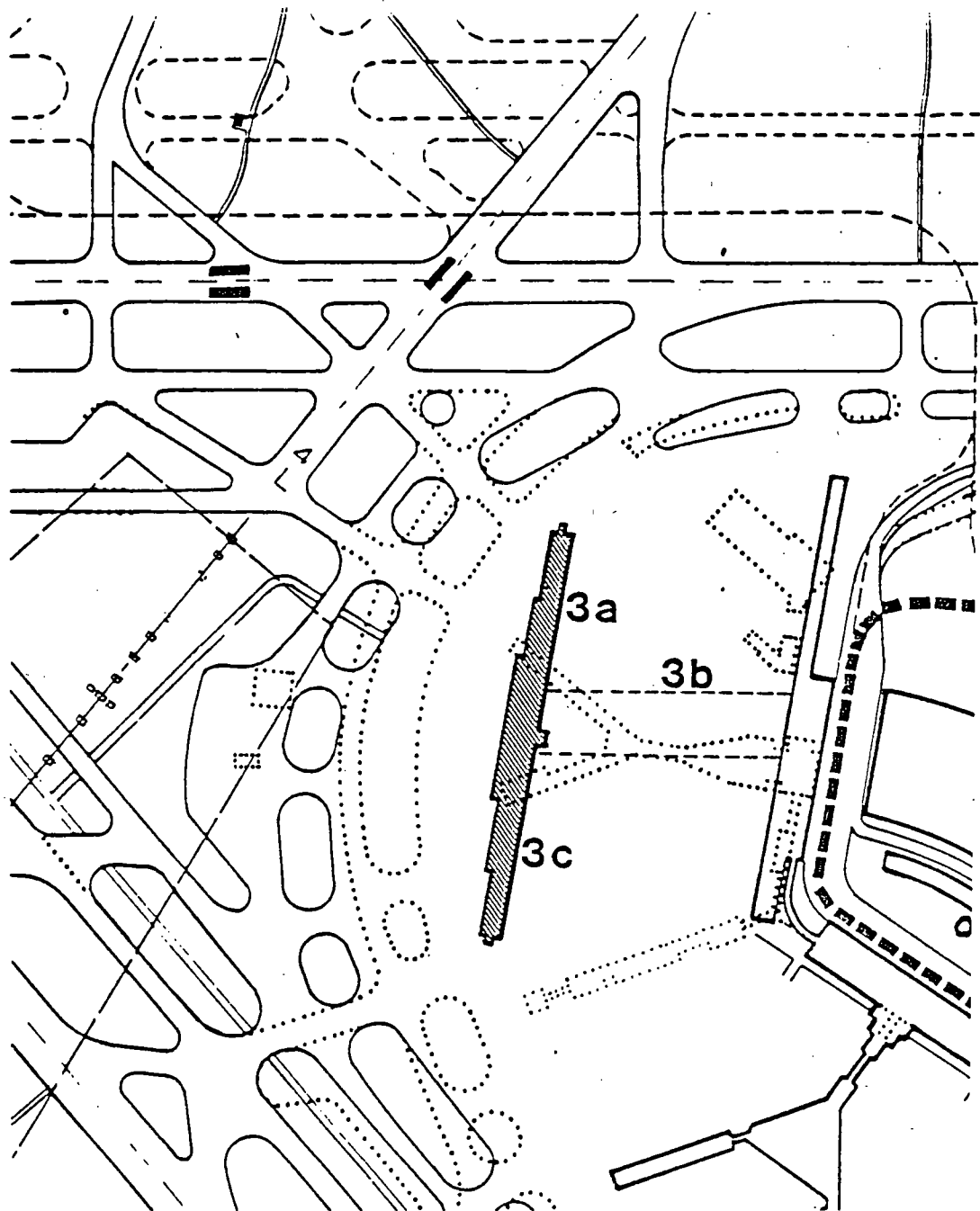
| Components                                | Airline Funded Cost | Estimated Start | Constr. Complete * | Funding Priority |
|-------------------------------------------|---------------------|-----------------|--------------------|------------------|
| a. B/C Satellite                          | \$47,570,269        | 10/84<br>10/87  | 2/87<br>6/88       | I                |
| b. Pedestrian Tunnel/<br>Outbound Baggage | \$31,381,020        | 10/84           | 9/85               | I                |
| c. Branch Utility Tunnel<br>and Piping    | \$4,479,300         | 10/84<br>10/87  | 9/85<br>2/88       | I                |

## Project Scope:

This project includes the construction of approximately 237,300 SF of enclosed satellite concourse building space (excluding utility/mechanical space in the penthouse and basement levels) and 264,150 SF of building space for underground pedestrian tunnel and an underground outbound baggage facility, for a total of 501,450 SF of enclosed building space. Not less than 58% of the combined total enclosed building space (excluding utility/mechanical space in the penthouse and basement levels) of Projects TA-1(a), TA-3(a) and TA-3(b) will be Airline Exclusive Use Premises. This project provides for not less than 3,890 LF of aircraft gate frontage which, in combination with the LF of aircraft gate frontage on TA-1, will total 6,370 LF. Also included in this project is the construction of a branch utility tunnel and piping for HVAC systems. Average clear height of any interior public spaces shall not exceed a maximum of 25'7".



# AIRPORT DEVELOPMENT PLAN



↑ 12.7.82

B/C Satellite

TA-3

# AIRPORT DEVELOPMENT PLAN

Number: TA-4

Date: 1/17/83

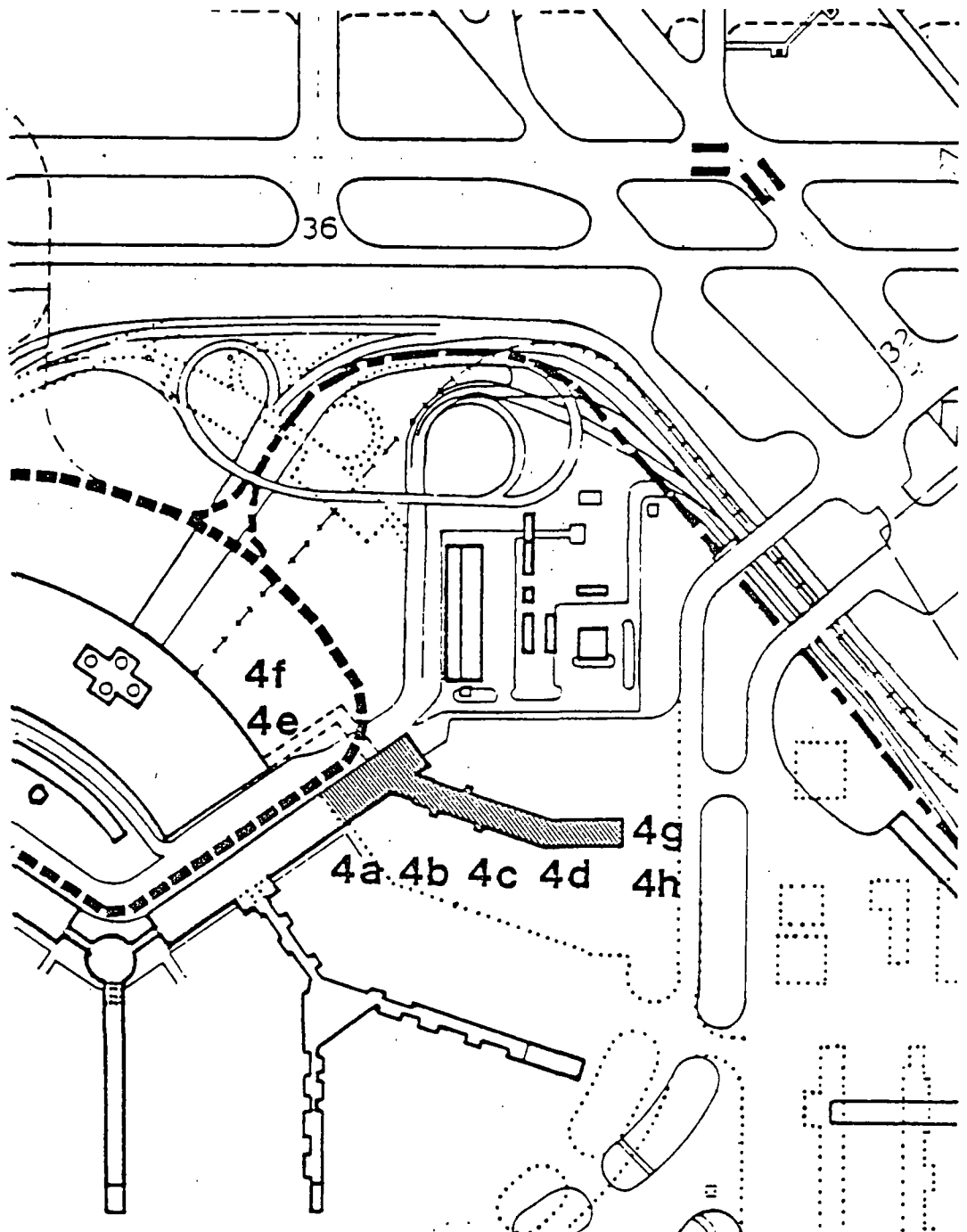
Name: Terminal 3A/Concourse L

Airline Funded Total: \$32,667,346

| Components                                           | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|------------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Terminal 3A/Concourse L<br>Exclusive Use Premises | See Below              | 9/82                       | 9/84     | I                   |
| b. Terminal 3A/Concourse L<br>Public Use Premises    | \$26,086,652           | 9/82                       | 9/84     | I                   |
| c. Branch Utility Tunnel                             | \$858,044              | 9/82                       | 11/82    | I                   |
| d. Associated Utilities                              | \$578,996              | 3/83                       | 9/83     | I                   |
| e. Utility Tunnel to Parking<br>Garage               | \$2,046,004            | 3/83                       | 6/83     | I                   |
| f. Pedestrian Tunnel Shell to<br>Parking Garage      | \$2,257,292            | 3/83                       | 6/83     | I                   |
| g. Furnishings, Landscaping and<br>Signage           | \$311,881              | 5/84                       | 9/84     | I                   |
| h. Additional Support for DGT/<br>40' Bay Expansion  | \$528,477              | 9/82                       | 3/83     | I                   |

## Project Scope:

An extension of Terminal 3 is proposed in addition to a new L Concourse. Terminal 3A will provide a building area of 156,900 SF and connect to Terminal 3 on both the upper and lower levels and be of a design and architectural quality consistent with the interior and exterior of Terminal 3. Concourse L will also be constructed and provide 1,890 LF of aircraft gate frontage and approximately 170,700 SF of building space. Not less than 55% of the combined total building space (excluding utility/mechanical space in the penthouse and basement levels) of project TA-4 will be airline Exclusive Use Premises. Development also includes expansion of the H&R Tunnel and utility systems, consistent with those of existing terminals and concourses. The estimated cost of the design, construction and equipping of project Component TA-4 (a) is \$28,242,993 funded through the issuance of Special Facility Revenue Bonds pursuant to the Special Facility Use Agreement, dated as of August 1, 1982, between Delta Airlines Inc. and the City of Chicago.

**AIRPORT DEVELOPMENT PLAN**

↑ 11.17.82

Terminal 3A/Concourse L

**TA-4**

# AIRPORT DEVELOPMENT PLAN

Number: TA-5

Date: 1/17/83

Name: Electrical Relocation

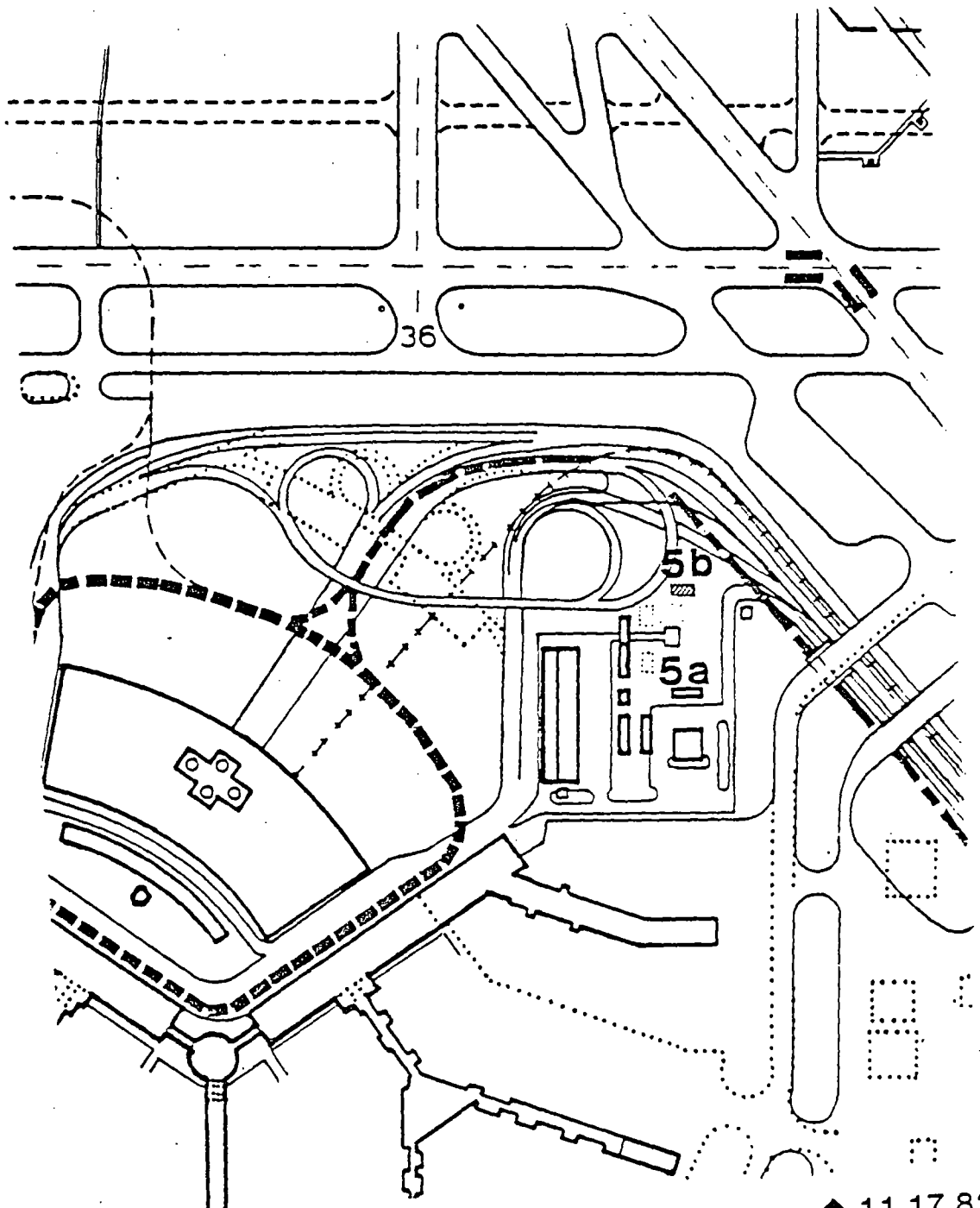
Airline Funded Total: \$11,376,000

| Components                     | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|--------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Electrical Relocation       | \$5,076,000            | 9/84                       | 10/85    | I                   |
| b. Relocation RB-40 Substation | \$6,300,000            | 5/83                       | 12/83    | I                   |

## Project Scope:

This project includes the relocation of the RB-40 electrical substation and the related electrical lines leading to and emanating from this facility. The substation is being relocated from the southeast side of the airport utility service area (adjacent to the Concourse L apron) to the northern part of the utility service area.

# AIRPORT DEVELOPMENT PLAN



Electrical Relocation

TA-5

# AIRPORT DEVELOPMENT PLAN

Number: TA-6

Date: 1/17/83

Name: Utilities At Central Terminal Area

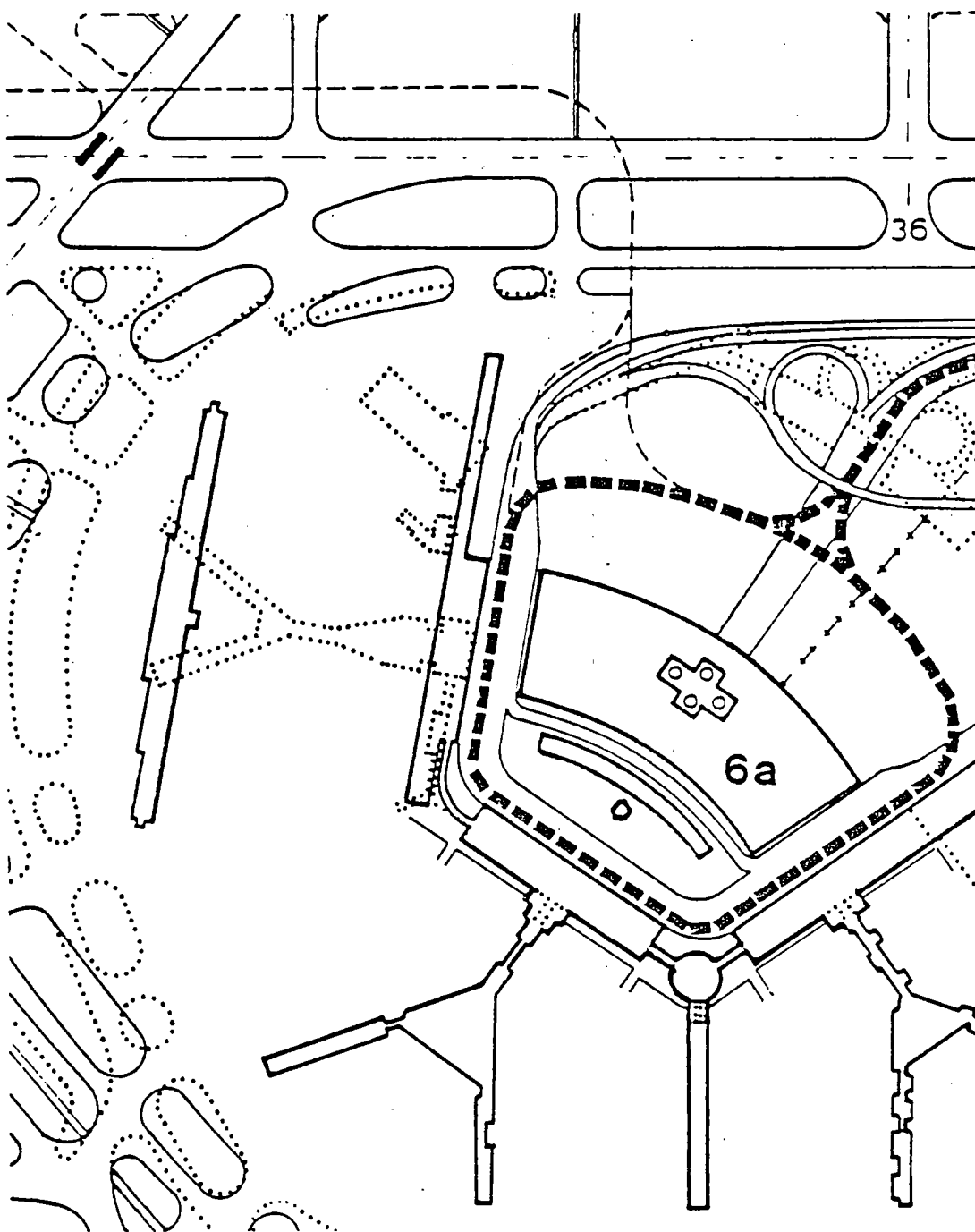
Airline Funded Total: \$4,212,000

| Components                       | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|----------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Utilities at Central Terminal | \$4,212,000            | 4/85                       | 11/85    | II                  |

## Project Scope:

This project provides for the development and expansion of utility systems in the central terminal area. Included are the Illinois Bell Telephone systems as well as the City of Chicago supervisory and signaling systems.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Utilities at Central Terminal Area

TA-6

# AIRPORT DEVELOPMENT PLAN

Number: TA-7

Date: 1/17/83

Name: Terminal 2/3 Additions

Airline Funded Total: \$7,562,074

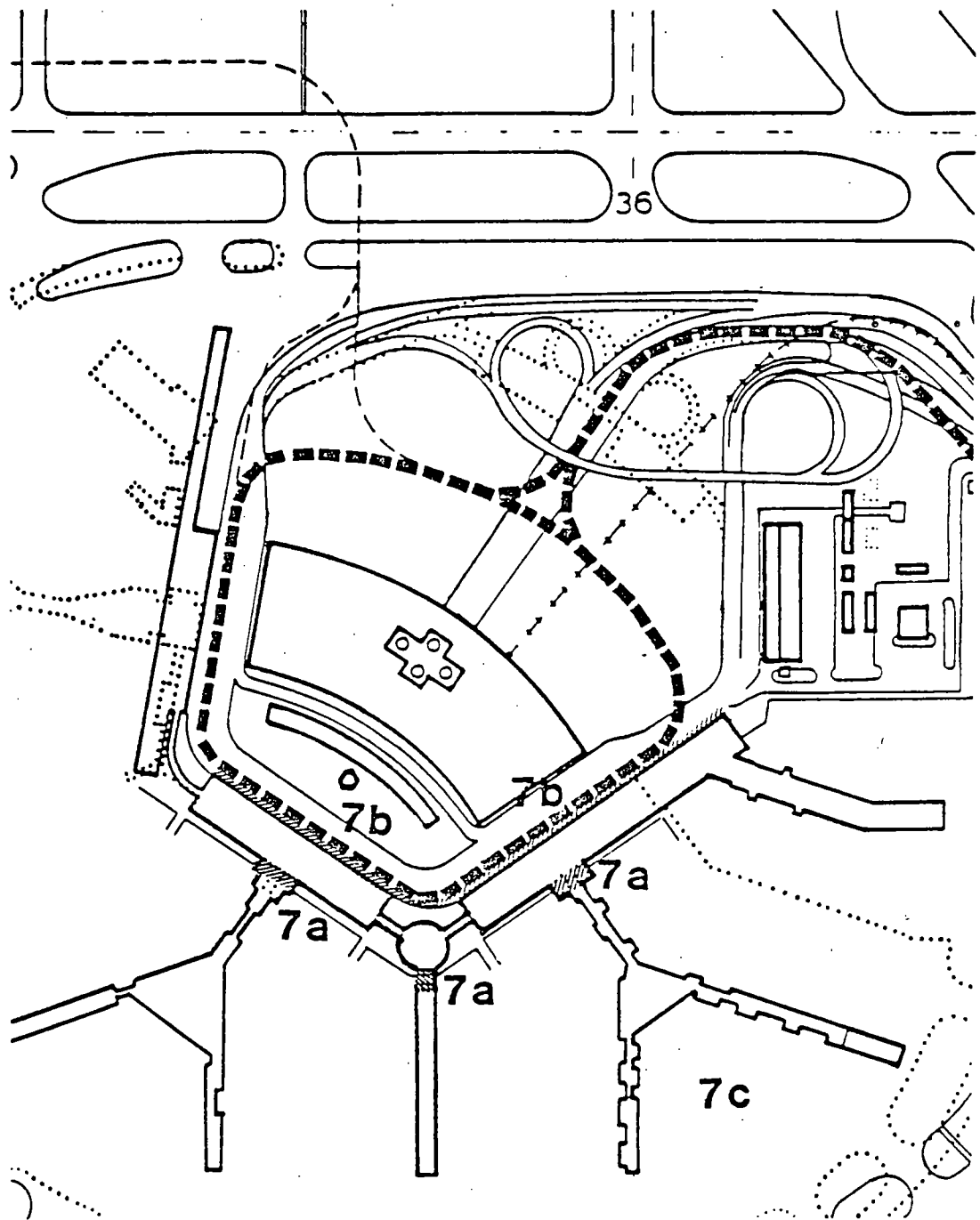
| Components                                                         | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|--------------------------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Security Additions Concourses<br>E/F, G and H/K<br>(Category 2) | \$2,799,360            | 9/83                       | 8/84     | II                  |
| b. Canopies                                                        | \$3,801,600            | 9/83                       | 8/84     | II                  |
| c. Concourse Concession<br>Improvements                            | \$961,114              | 9/83                       | 8/84     | II                  |
| d. Restaurant Building<br>Circulation Improvements                 | \$0                    | 8/84                       | 3/85     |                     |

## Project Scope:

This project encompasses the implementation of miscellaneous terminal facility improvements. Proposed are new security screening areas for Concourses, E/F, G and H/K. The new security areas will be located over the baggage roadway behind (apron side) the terminal building on each side of the concourse. The new areas will provide approximately 7,200 SF of new building space at each concourse. The provision of a canopy for the DGT system for Terminals 2 and 3 consistent with the canopy development proposed for Terminal 1 is included. Also included is the improvement of concession spaces within the terminal and concourse buildings.



# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Terminal 2/3 Additions

TA-7

# AIRPORT DEVELOPMENT PLAN

Number: TA-8

Date: 1/17/83

Name: Cargo and Freight Forwarder  
Relocations (Share with IT-5)

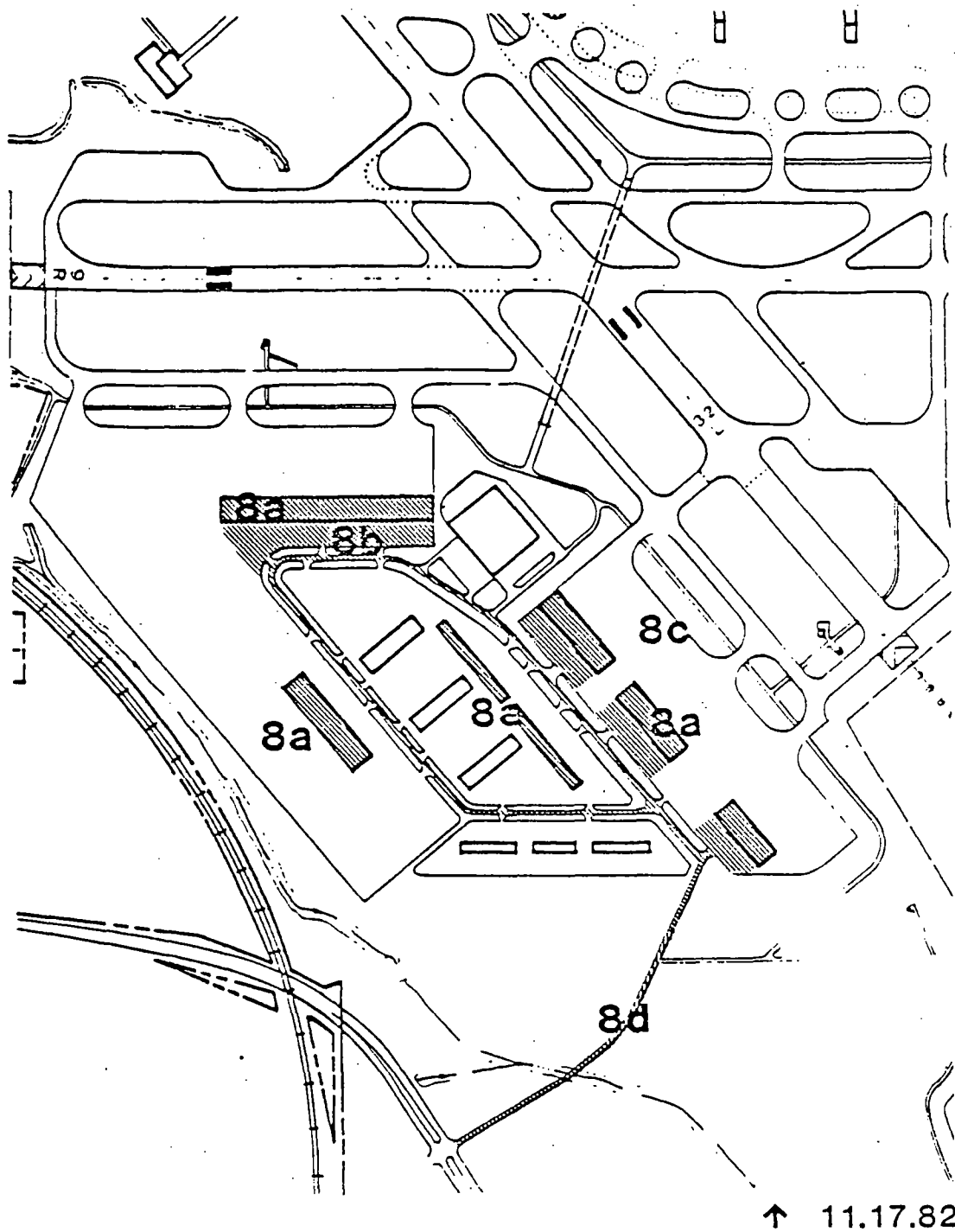
Airline Funded Total: \$44,083,133

| Components                                       | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|--------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Replacement of Cargo<br>and Freight Buildings | \$28,174,305           | 10/84                      | 2/86     | II                  |
| b. Associated Utilities                          | \$13,758,578           | 10/84                      | 7/85     | II                  |
| c. Access Road to Cargo                          | \$2,150,250            | 4/85                       | 9/85     | II                  |

## Project Scope:

Included in this project are fund allocations for replacement of cargo and freight buildings as well as related truck aprons. The installation and development of new access roads and utility systems is also included as a part of the new southwest cargo site development. Allowances will reflect a pro-rata share of total square footage of facilities to be relocated including #1, Joint Use Cargo Building #2, Flying Tigers, United Airlines, TWA, Emery Air Freight, Airborne, KLM Cargo, and WTC Air Freight.

# AIRPORT DEVELOPMENT PLAN



Cargo, and Freight Forwarder  
Relocations (Share with IT-5)

TA-8

# AIRPORT DEVELOPMENT PLAN

Number: TA-9

Date: 1/17/83

Name: H&amp;R Plant Expansion (Share with IT-4)

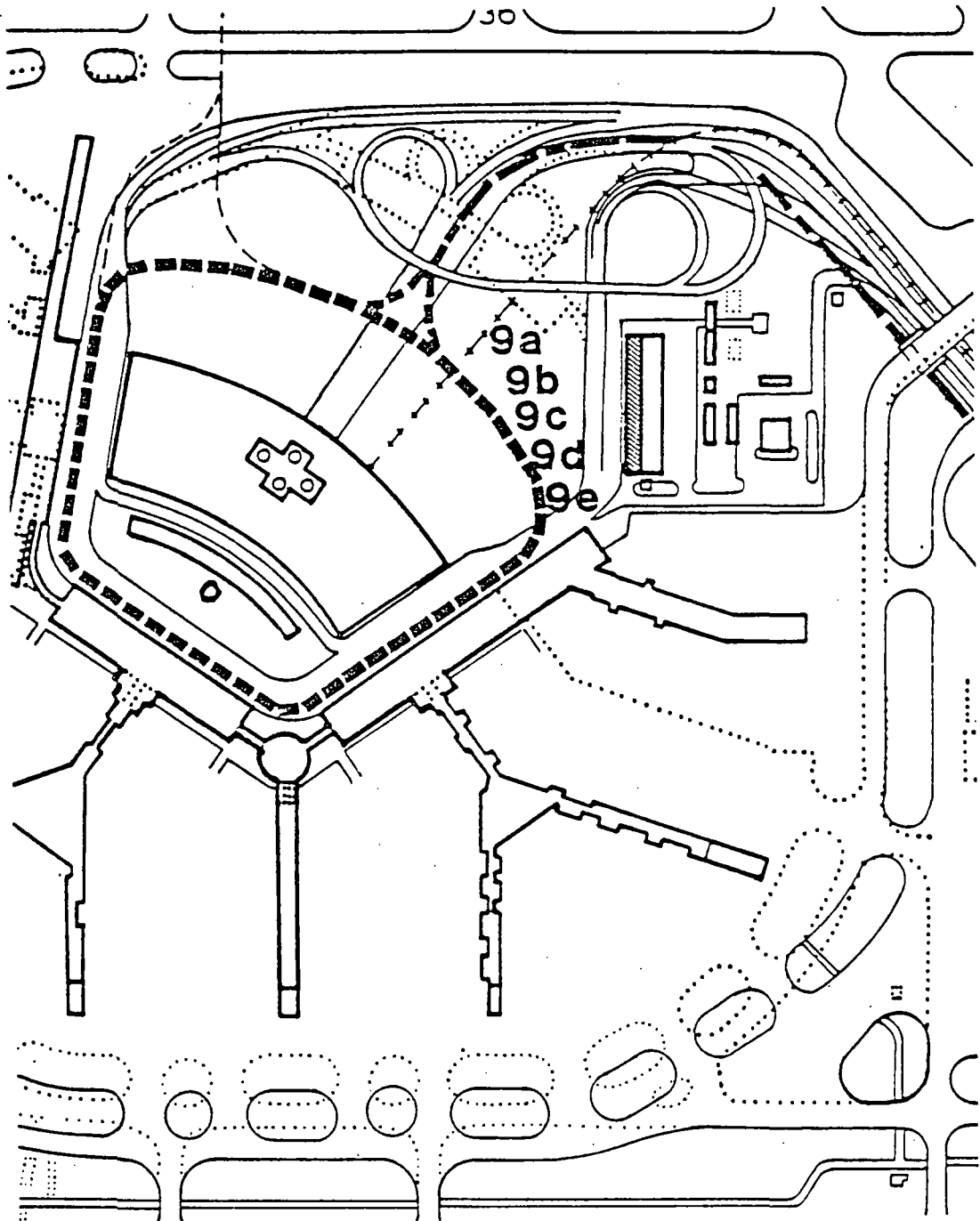
Airline Funded Total: \$20,703,583

| Components                       | Airline Funded Cost | Estimated Constr. Start | Complete | Funding Priority |
|----------------------------------|---------------------|-------------------------|----------|------------------|
| a. Building Addition             | \$5,376,375         | 9/84                    | 10/85    | II               |
| b. HTW Generator                 | \$3,058,560         | 4/84                    | 10/85    | II.              |
| c. 4000 Ton Chiller (Category I) | \$2,293,920         | 5/83                    | 9/84     | I                |
| 4000 Ton Chiller                 | 2,293,920           | 4/84                    | 10/85    | II               |
| d. Supervisory System            | \$3,840,404         | 4/84                    | 10/85    | II               |
| e. Electrical Equipment          | \$3,840,404         | 4/84                    | 10/85    | II               |

## Project Scope:

This project provides for a 75,000 SF expansion of the H&R Plant and new equipment which includes two High Temperature Water Generator, two 4000 ton chillers, a supervisory system and all related electrical components.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

H&R Plant Expansion  
(Share with IT-4)

TA-9

# AIRPORT DEVELOPMENT PLAN

Number: TA-10

Date: 1/17/83

Name: Relocated FIS Facility  
Category 1)

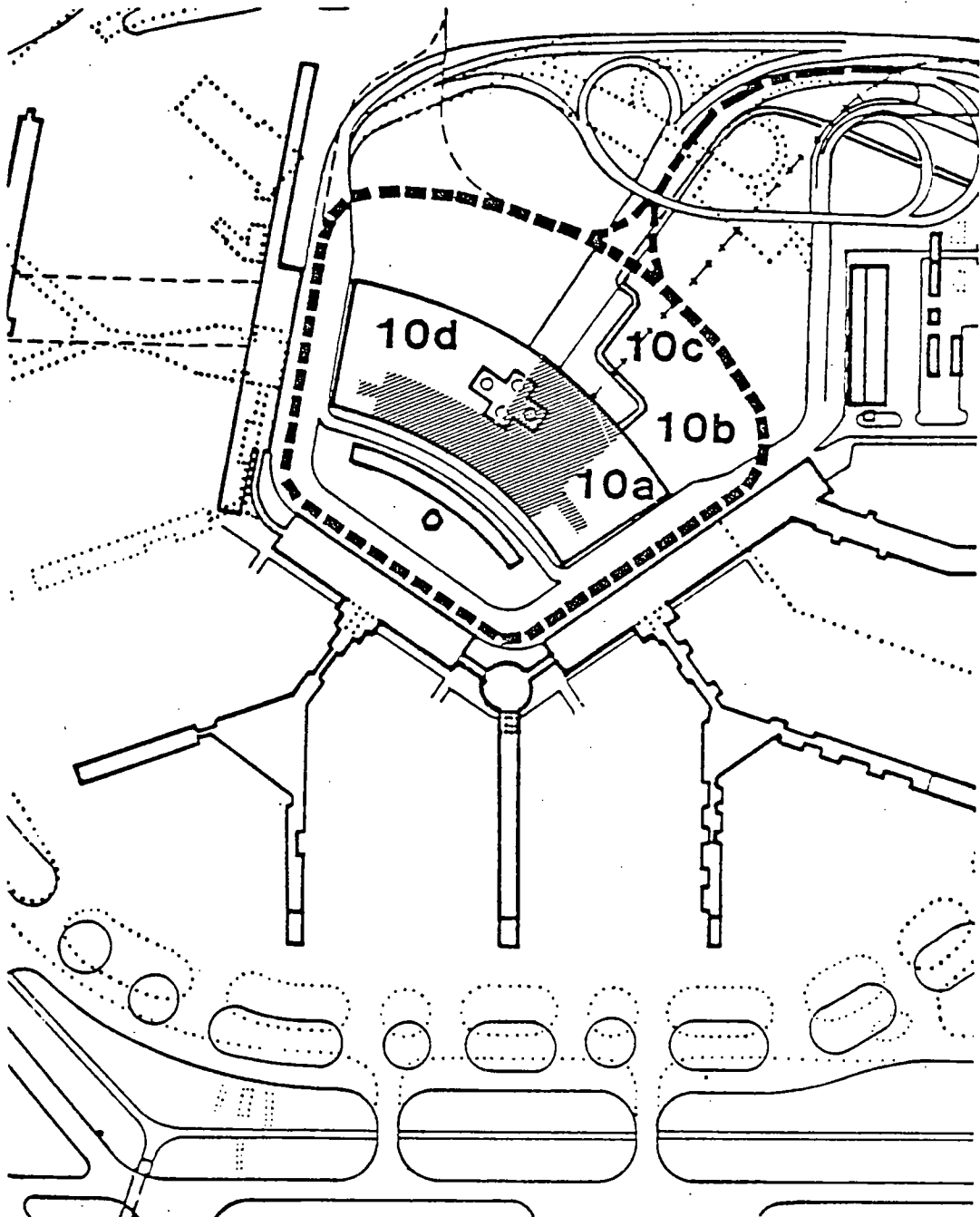
Airline Funded Total: \$16,666,560

| Components              | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|-------------------------|------------------------|----------------------------|----------|---------------------|
| a. Terminal             | \$12,182,400           | 7/83                       | 6/84     | I                   |
| b. Buses                | \$2,799,360            | 1/84                       | 6/84     | I                   |
| c. Associated Roadwork  | \$1,188,000            | 7/83                       | 11/83    | I                   |
| d. Facility Restoration | \$496,800              | 10/88                      | 12/88    | I                   |

## Project Scope:

This project includes the development of an international passenger processing facility. This facility, proposed to be located in the existing parking structure, will provide 250,000 S.F. of building space for airline ticketing and baggage functions as well as Federal Inspection Service facilities. Related items included in this project are busses, and roadway work to provide access to the FIS Relocation Facility, as well as the restoration of the facility back to its original use at such time as such facilities are no longer needed.

# AIRPORT DEVELOPMENT PLAN



↑ 12.7.82

Relocated FIS Facility

TA-10

# AIRPORT DEVELOPMENT PLAN

Number: TA-11

Date: 1/17/83

Name: Extension and Improvement Concourse K

Airline Funded Total: \$3,240,000

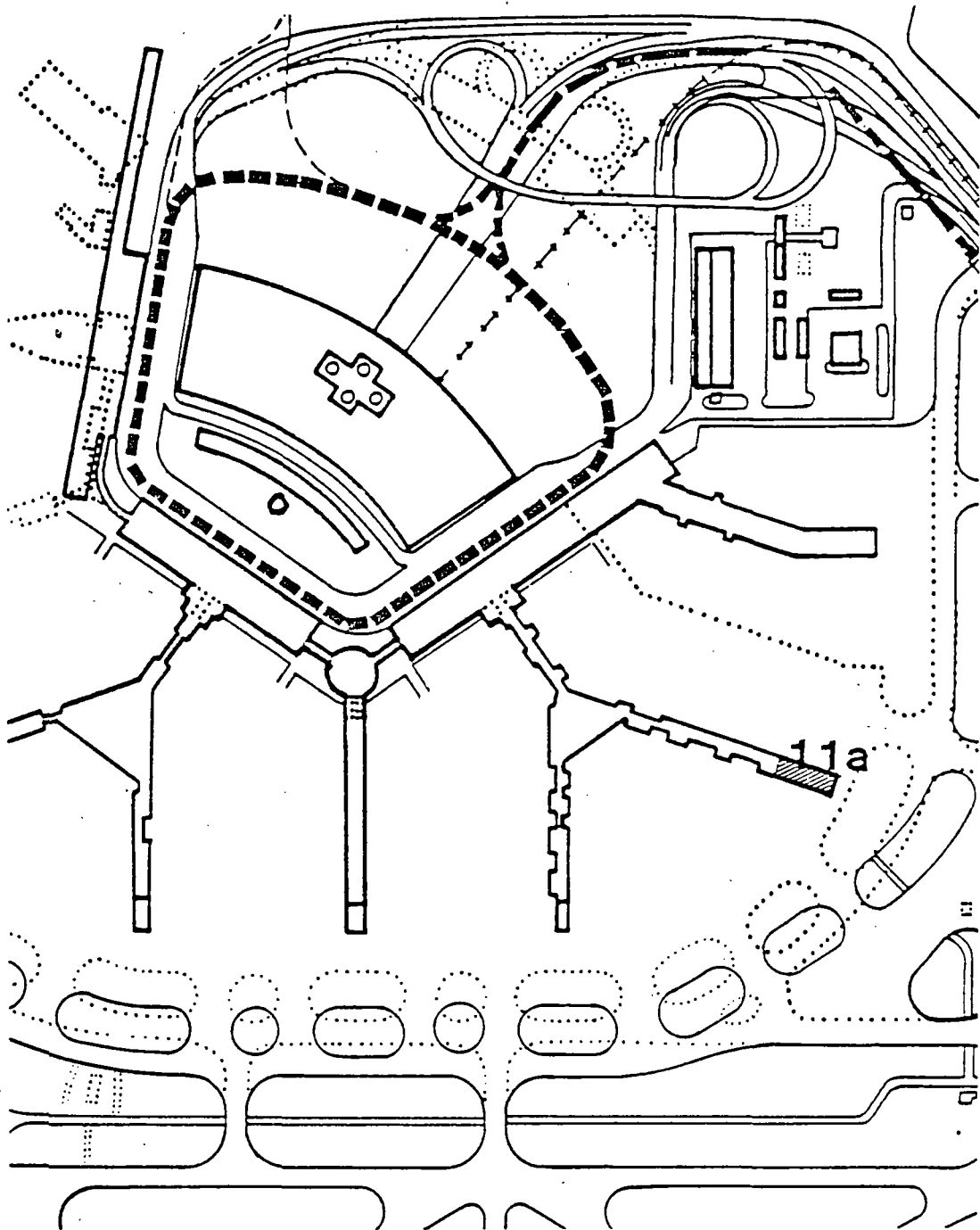
| Components                                  | Airline Funded<br>Cost | Estimated Constr.<br>Start    Complete | Funding<br>Priority |
|---------------------------------------------|------------------------|----------------------------------------|---------------------|
| a. Extension and Improvement<br>Concourse K | \$3,240,000            | 1/85    12/85                          | I                   |

## Project Scope:

This project includes a 200 foot building extension of Concourse K providing 21,700 SF of building space of which not less than 70% will be airline Exclusive Use Premises. A total of 500 LF of aircraft gate frontage is provided by the extension.



# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Extension and Improvement  
Concourse K

TA-11

# AIRPORT DEVELOPMENT PLAN

Number: TA-12

Date: 1/17/83

Name: Post Office (Share with IT-6)

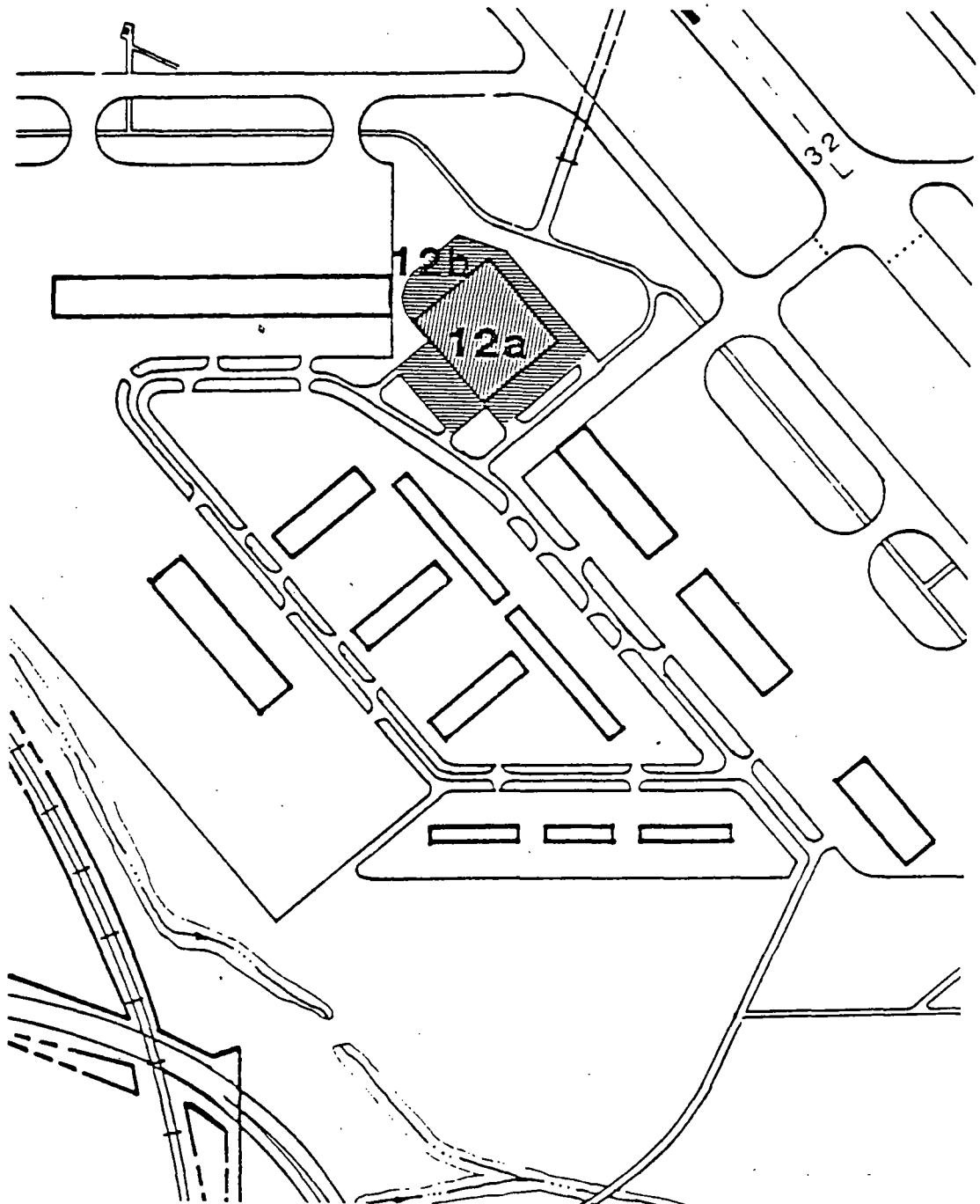
Airline Funded Total: \$1,707,573

| Components     | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|----------------|------------------------|----------------------------|----------|---------------------|
| a. Post Office | \$986,523              | 11/84                      | 2/86     | II                  |
| b. Truck Apron | \$721,050              | 5/85                       | 7/85     | II                  |

## Project Scope:

This project provides for the replacement of the existing Post Office building. The new/replacement facility is to be constructed in the southwest cargo site. The costs for this project include new construction of the building, associated truck apron and parking areas and reflect the net present value of the existing facilities.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Post Office (Share with IT-6)

## TA-12

# AIRPORT DEVELOPMENT PLAN

Number: TA-13

Date: 1/17/83

Name: Flight Kitchen Relocations

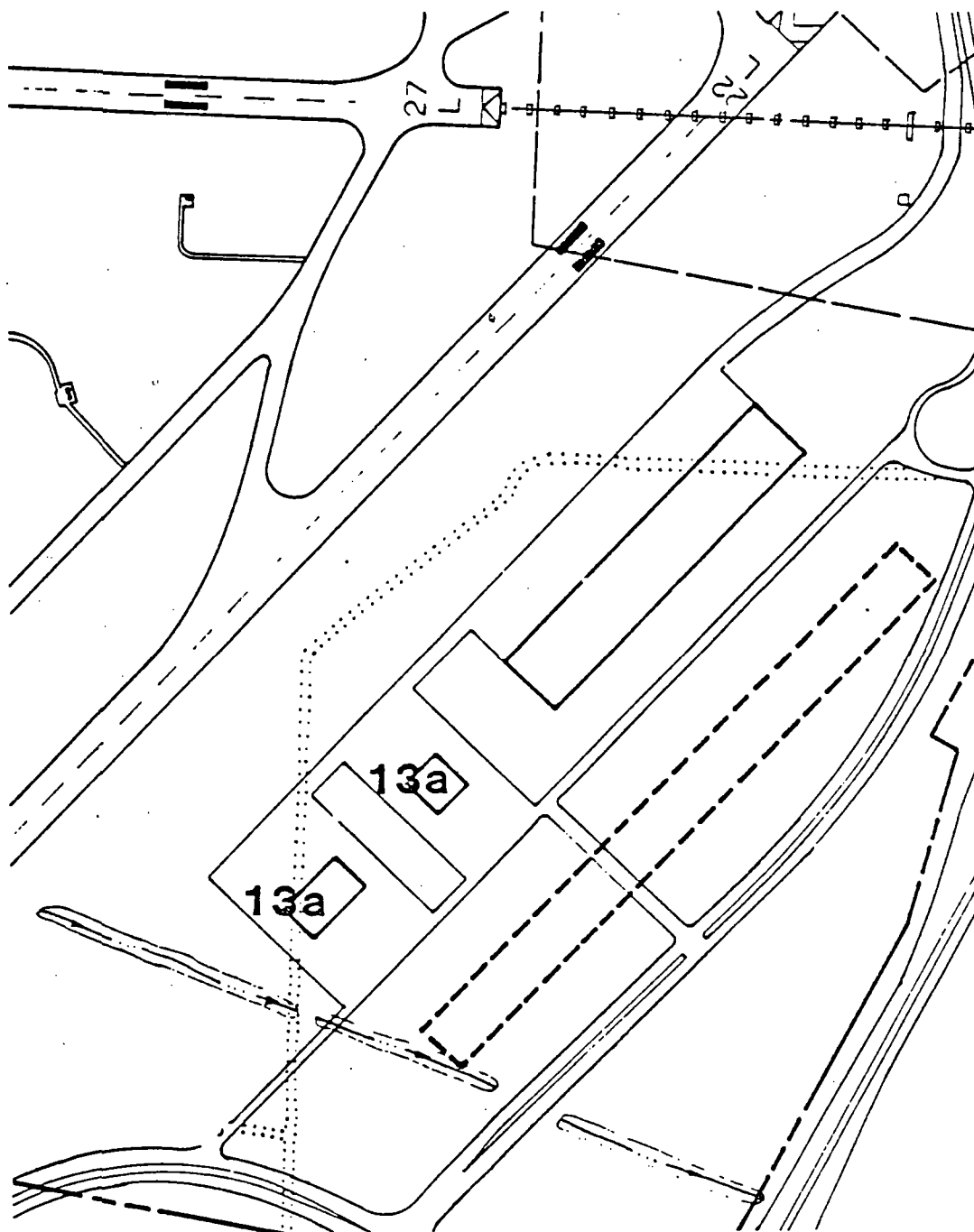
Airline Funded Total: \$0

| Components         | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|--------------------|------------------------|----------------------------|----------|---------------------|
| a. Flight Kitchens | \$0                    | 9/83                       | 8/84     |                     |

## Project Scope:

The relocation of the existing Dobbs House and Marriot flight kitchen is required to provide the necessary right-of-way and clear area for the relocation of the Inner/Outer Taxiway in the Concourse K and L area. The funding allocation for the relocation of these facilities is zero.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Flight Kitchen Relocations

TA-13

# AIRPORT DEVELOPMENT PLAN

Number: TA-14

Date: 1/17/83

Name: Extension and Improvement of  
Concourse F

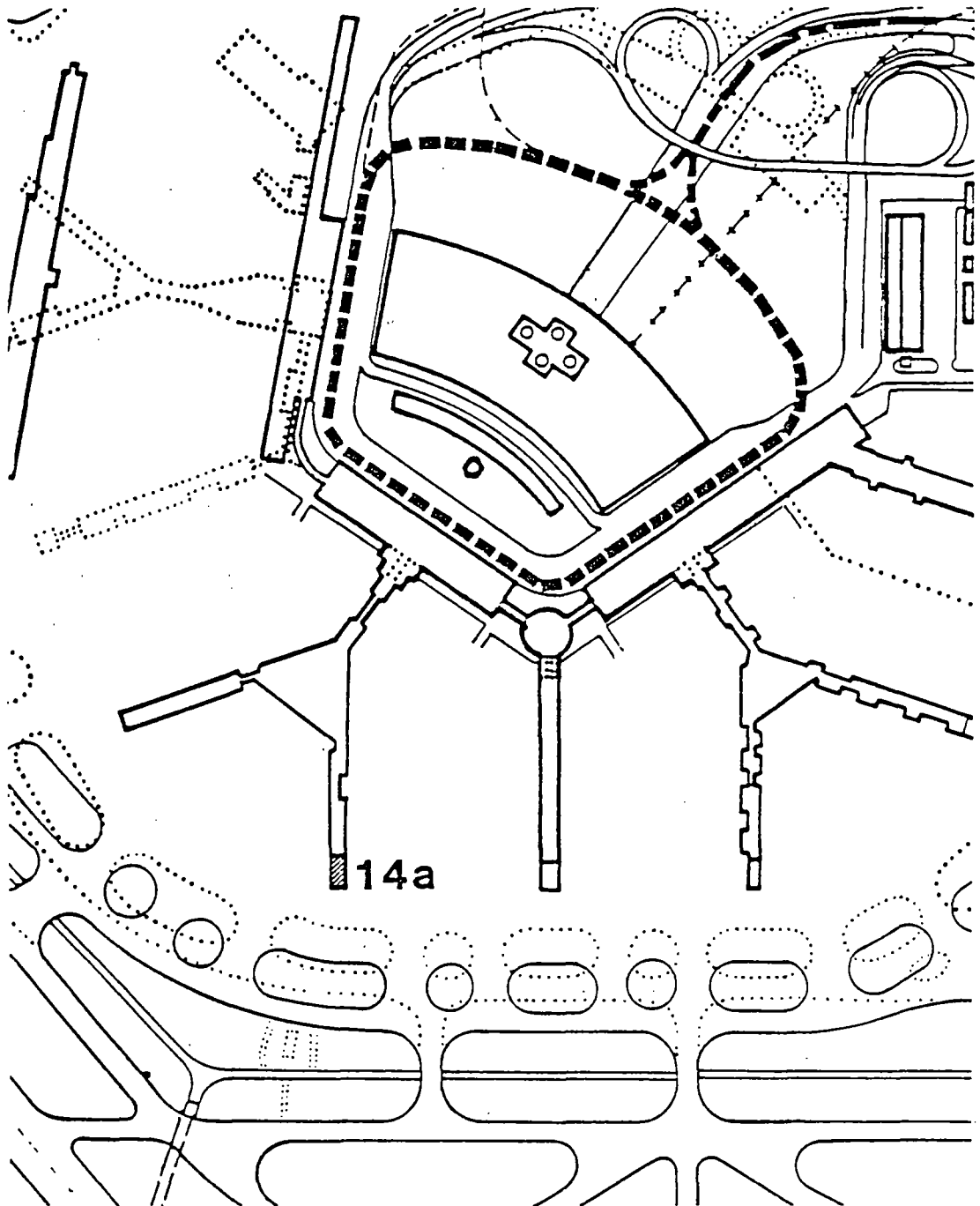
Airline Funded Total: \$1,620,000

| Components                                     | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Extension and Improvement of<br>Concourse F | \$1,620,000            | 3/86                       | 2/87     | I                   |

## Project Scope:

This project includes a 100 foot building extension to Concourse F, providing 10,700 SF of building space of which not less than 70% will be airline Exclusive Use Premises. A total of 310 LF of aircraft gate frontage is provided by the extension.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Extension and Improvement  
of Concourse F

TA-14

# AIRPORT DEVELOPMENT PLAN

Number: TA-15

Date: 1/17/83

Name: Extension and Improvement of  
Concourse G

Airline Funded Total: \$1,620,000

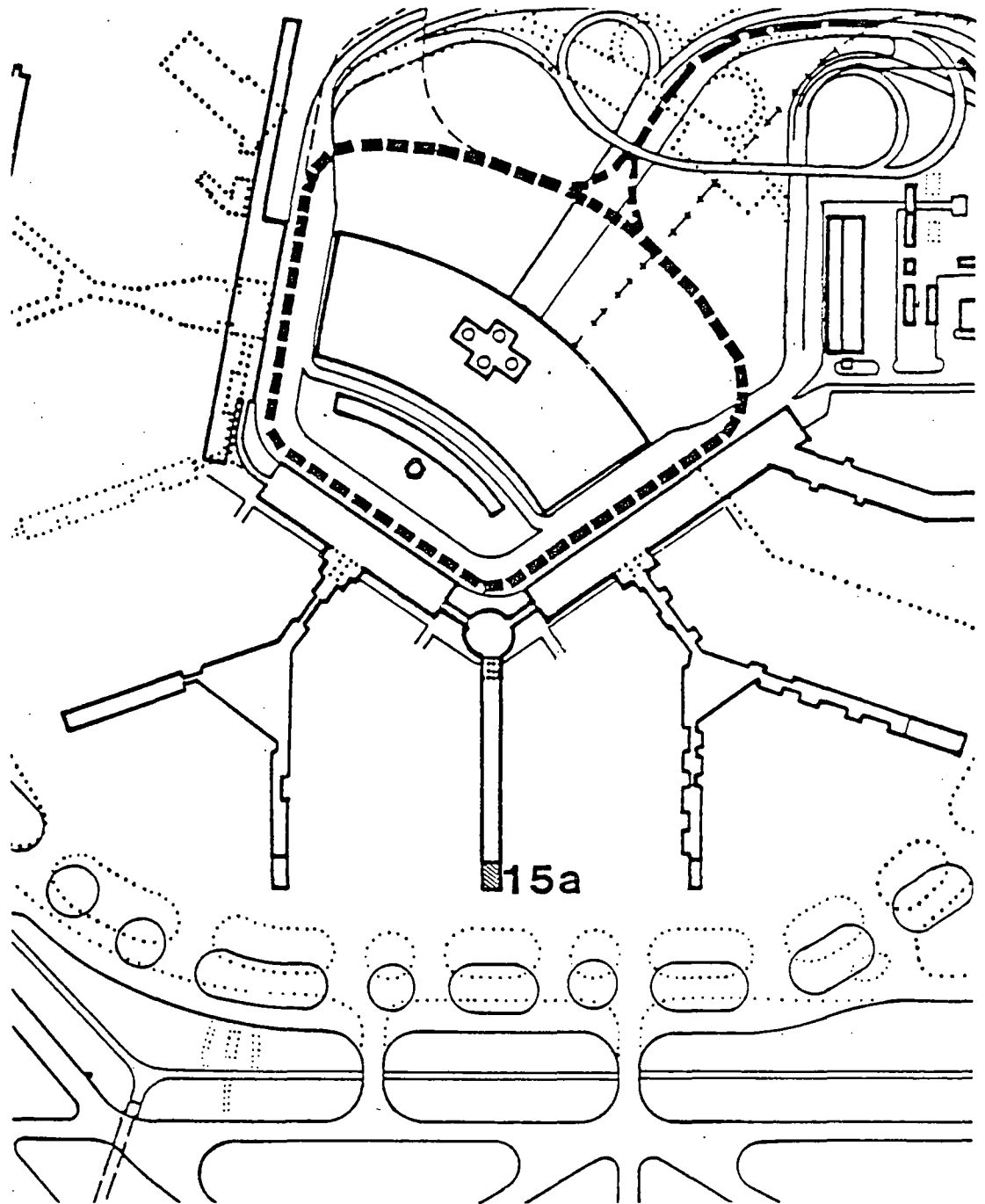
| Components                                     | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Extension and Improvement of<br>Concourse G | \$1,620,000            | 7/86                       | 6/87     | I                   |

## Project Scope:

This project includes a 100 foot building extension to Concourse G, providing 10,700 SF of building space of which not less than 70% will be airline Exclusive Use Premises. A total of 310 LF of aircraft frontage is provided by the extension.



# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Extension and Improvement  
of Concourse G

TA-15

# AIRPORT DEVELOPMENT PLAN

Number: TA-16

Date: 1/17/83

Name: Extension and Improvement of  
Concourse H

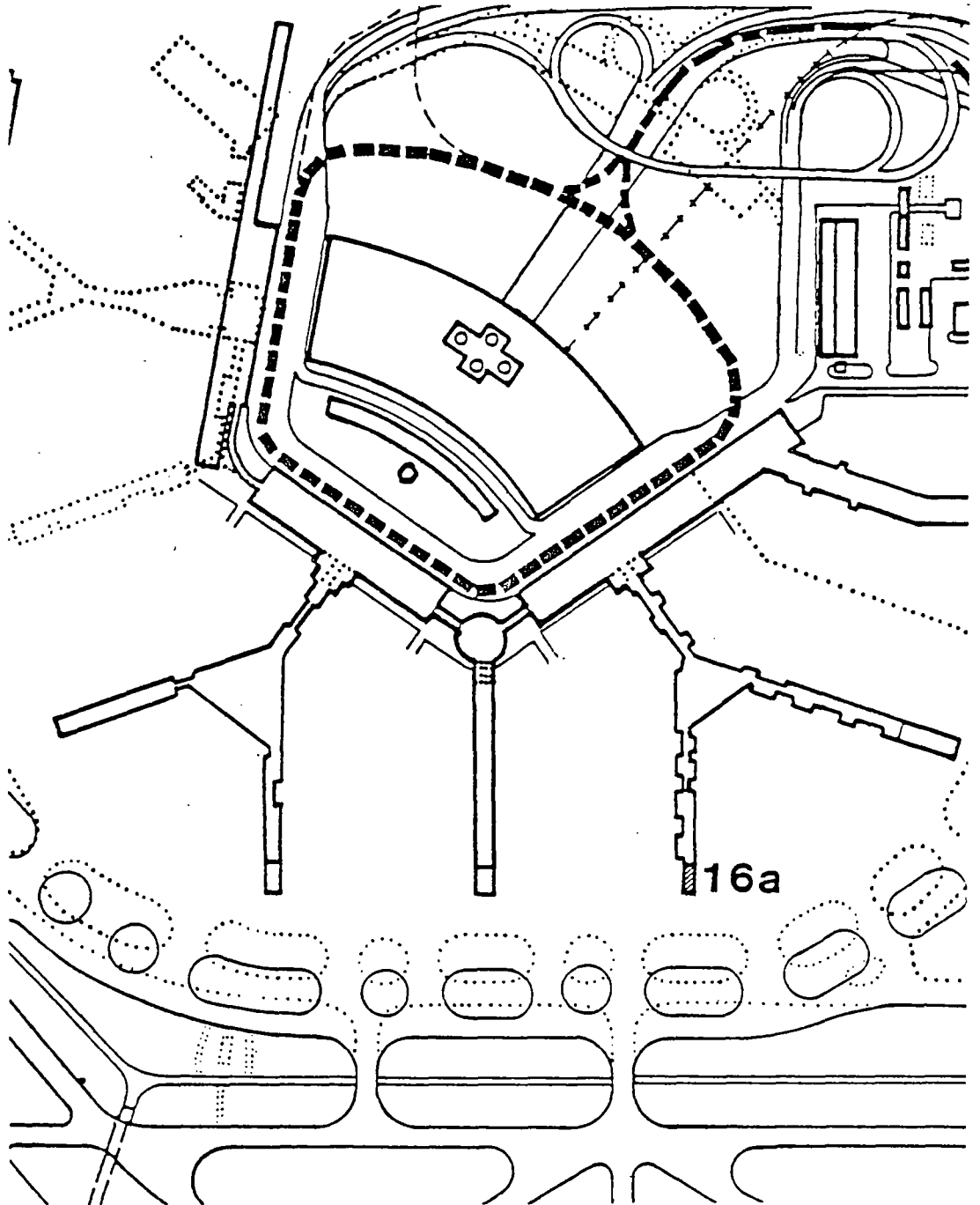
Airline Funded Total: \$1,620,000

| Components                                     | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Extension and Improvement of<br>Concourse H | \$1,620,000            | 10/86                      | 9/87     | I                   |

## Project Scope:

This project includes a 100 foot building extension to Concourse G, providing 10,700 SF of building space of which not less than 70% will be airline Exclusive Use Premises. A total of 300 LF of aircraft gate frontage is provided by the extension.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Extension and Improvement  
of Concourse H

TA-16

# AIRPORT DEVELOPMENT PLAN

Number: TA-17

Date: 1/17/83

Name: Inter-Line Baggage Improvements

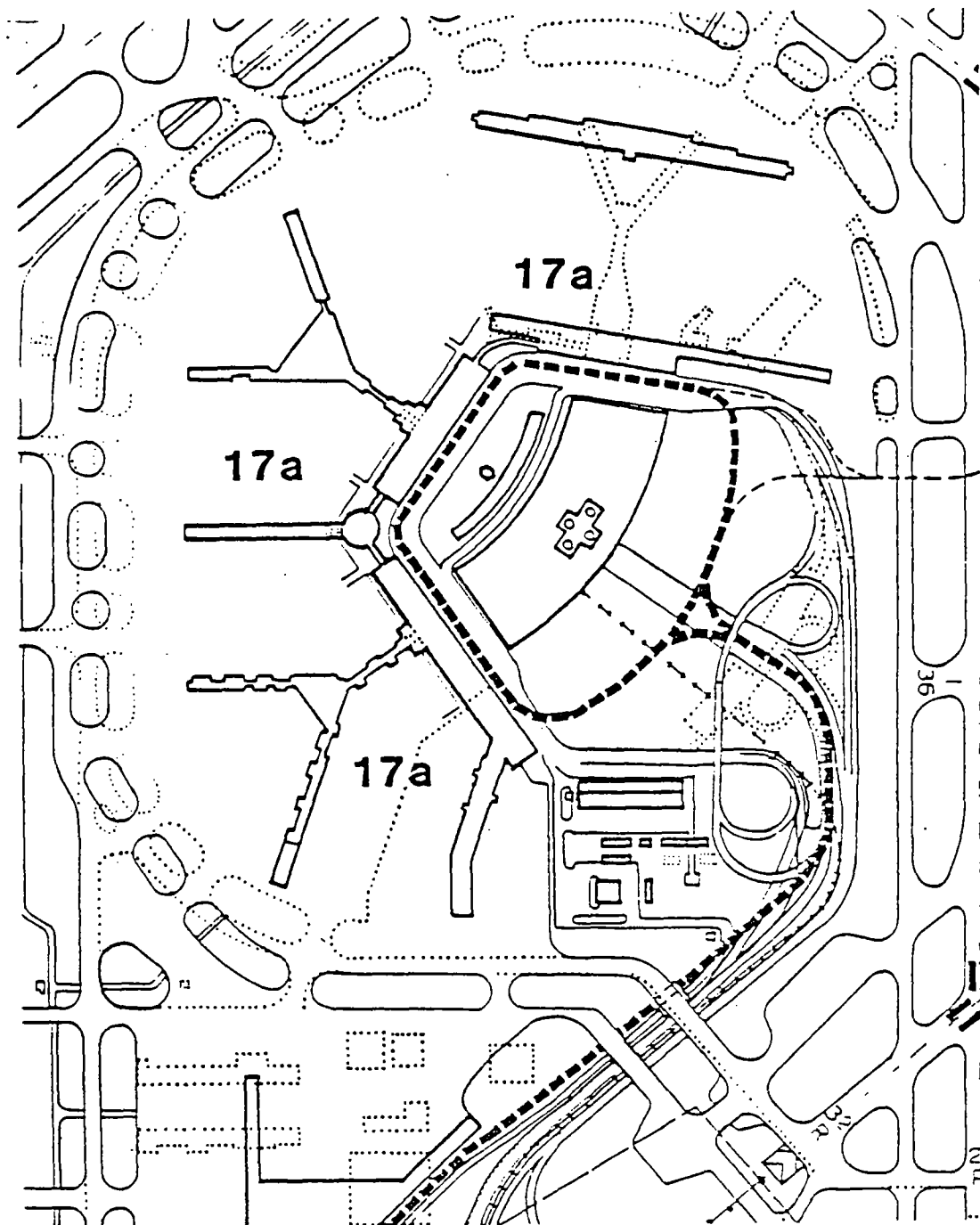
Airline Funded Total: \$0

| Components              | Airline Funded<br>Cost | Estimated Constr.<br>Start Complete | Funding<br>Priority |
|-------------------------|------------------------|-------------------------------------|---------------------|
| a. Baggage Improvements | \$0                    | 1/89 12/89                          |                     |

## Project Scope:

This project includes improvements to the inter-line baggage system which may include the installation of a mechanized transport/sort system. The funding allocation for this project is zero.

# AIRPORT DEVELOPMENT PLAN



→ 11.17.82

Inter-Line Baggage Improvements

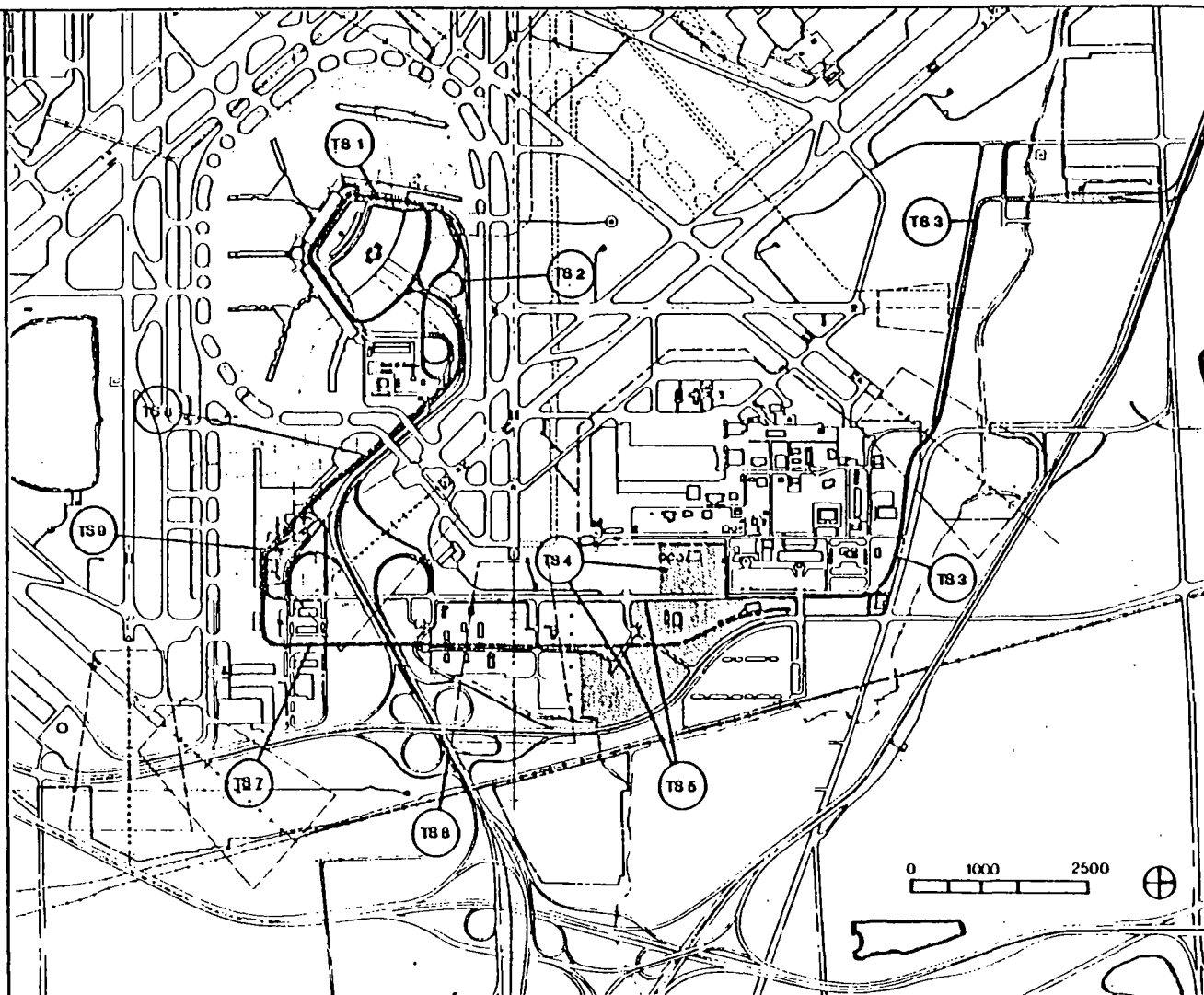
TA-17

# TERMINAL SUPPORT CRC (TS)

12.7.82

TERMINAL SUPPORT CRC CAPITAL PROJECTS

- TS-1. Central Terminal Confron-  
franchise Expansion
- TS-2. Central Terminal Rectructure  
Improvements
- TS-3. NW Tollway Connection/  
Walt to Zenke
- TS-4. Remote Parking East
- TS-5. Old Mannheim Improvements
- TS-6. OET Inter-Terminal
- TS-7. DGT East Remote Parking
- TS-8. Access Roadway Improvements
- TS-9. Ramps and Roadways at  
Old Mannheim



**CHICAGO O'HARE INTERNATIONAL AIRPORT**  
 City of Chicago    Jane M. Byrne Mayor    Thomas R. Spence Commissioner of Aviation    Jerome H. Butler Commissioner of Public Works

**CHARGE ASSOCIATES**  
 LANDMARK & SHOWN  
 Aviation Consultants

**AIRPORT DEVELOPMENT PLAN**  
**TERMINAL SUPPORT COST REVENUE CENTER**

**EXHIBIT**  
**B 1C**

# AIRPORT DEVELOPMENT PLAN

SUMMARY SHEET (1/17/83)

|                                                      | <u>CATEGORY 1</u> | <u>CATEGORY 2</u> | <u>FUNDING<br/>PRIORITY I</u> | <u>AIRLINE<br/>FUNDED<br/>TOTALS</u> |
|------------------------------------------------------|-------------------|-------------------|-------------------------------|--------------------------------------|
| <u>TERMINAL SUPPORT CRC</u>                          |                   |                   |                               |                                      |
| <u>CAPITAL PROJECTS</u>                              |                   |                   |                               |                                      |
| TS-1. Central Terminal Curb-<br>front Expansion      |                   |                   | \$15,940,108                  | \$15,940,108                         |
| TS-2. Central Terminal<br>Recirculation Improvements |                   |                   |                               | \$9,288,000                          |
| TS-3. NW Tollway Connection/<br>Wolf to Zemke        |                   |                   |                               | \$23,832,000                         |
| TS-4. Remote Parking East                            |                   |                   |                               | \$13,310,363                         |
| TS-5. Old Mannheim<br>Improvements                   |                   |                   |                               | \$1,512,000                          |
| TS-6. DGT Inter-Terminal                             |                   | \$43,766,491      |                               | \$43,766,491                         |
| TS-7. DGT East Remote<br>Parking                     |                   |                   |                               | \$44,454,530                         |
| TS-8. Access Roadway<br>Improvements                 |                   |                   |                               | \$3,240,000                          |
| TS-9. Ramps and Roadways at<br>Old Mannheim          |                   |                   |                               | \$9,998,618                          |
| TOTALS                                               | \$0               | \$43,766,491      | \$15,940,108                  | \$165,342,110                        |



## AIRPORT DEVELOPMENT PLAN

Number: TS-1

Date: 1/17/83

Name: Central Terminal Curbfront Expansion

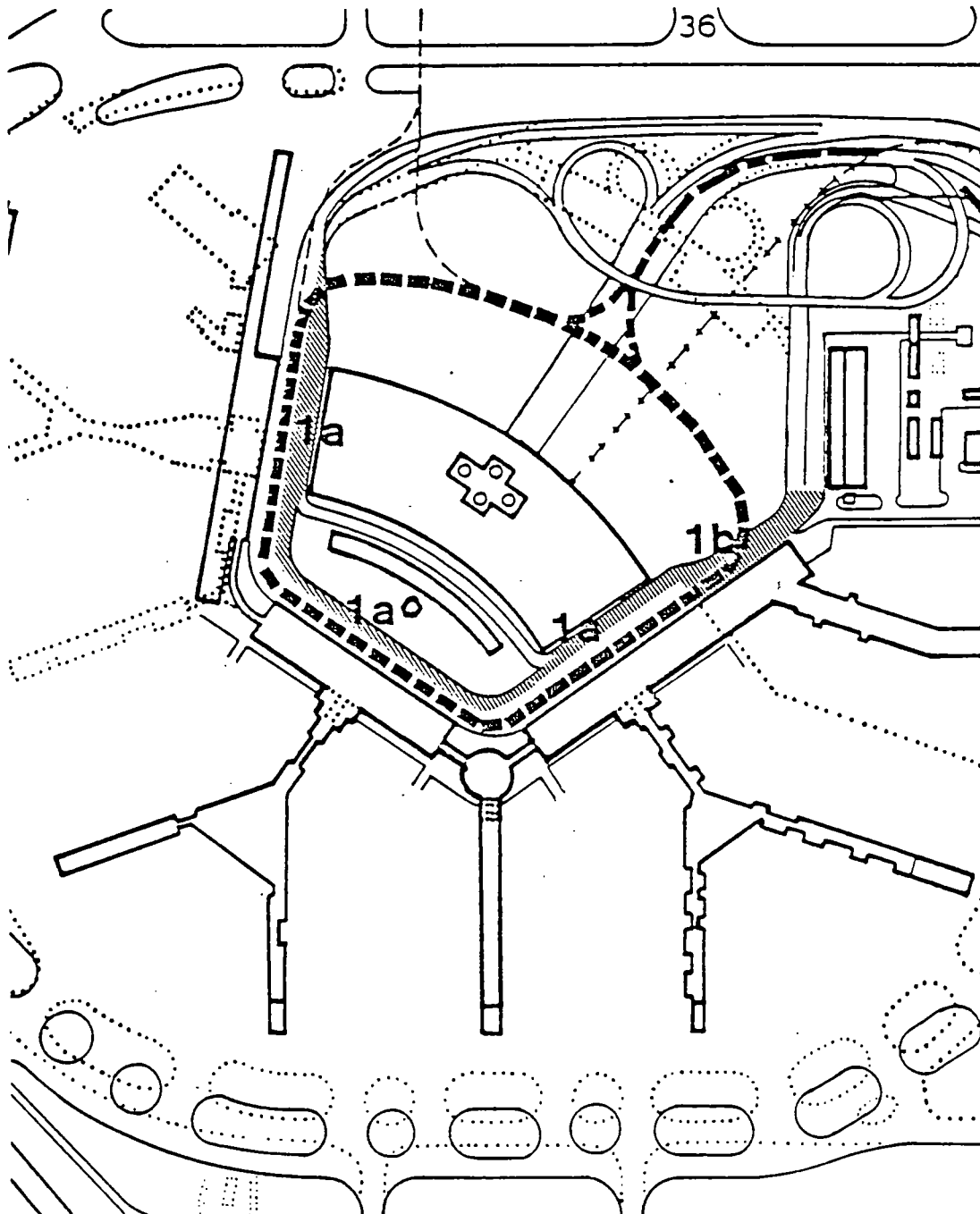
Airline Funded Total: \$15,940,108

| Components                                 | Airline Funded<br>Cost | Estimated Constr.<br>Start Complete | Funding<br>Priority |
|--------------------------------------------|------------------------|-------------------------------------|---------------------|
| a. Outer Curbfront Expansion               | \$8,259,378            | 1/86 2/87                           | I                   |
| b. Terminal 3A Upper and<br>Lower Roadways | \$7,680,730            | 3/83 4/84                           | I                   |

### Project Scope:

Included in this project are the addition of one traffic lane to the existing terminal roadway and the extension of the upper and lower levels of the roadway along Terminal 3A. The provision of roadway signs and bus shelters for Terminal 3A are also part of this project.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Central Terminal  
Curb-front Expansion

TS-1

# AIRPORT DEVELOPMENT PLAN

Number: TS-2

Date: 1/17/83

Name: Central Terminal Recirculation Improvements

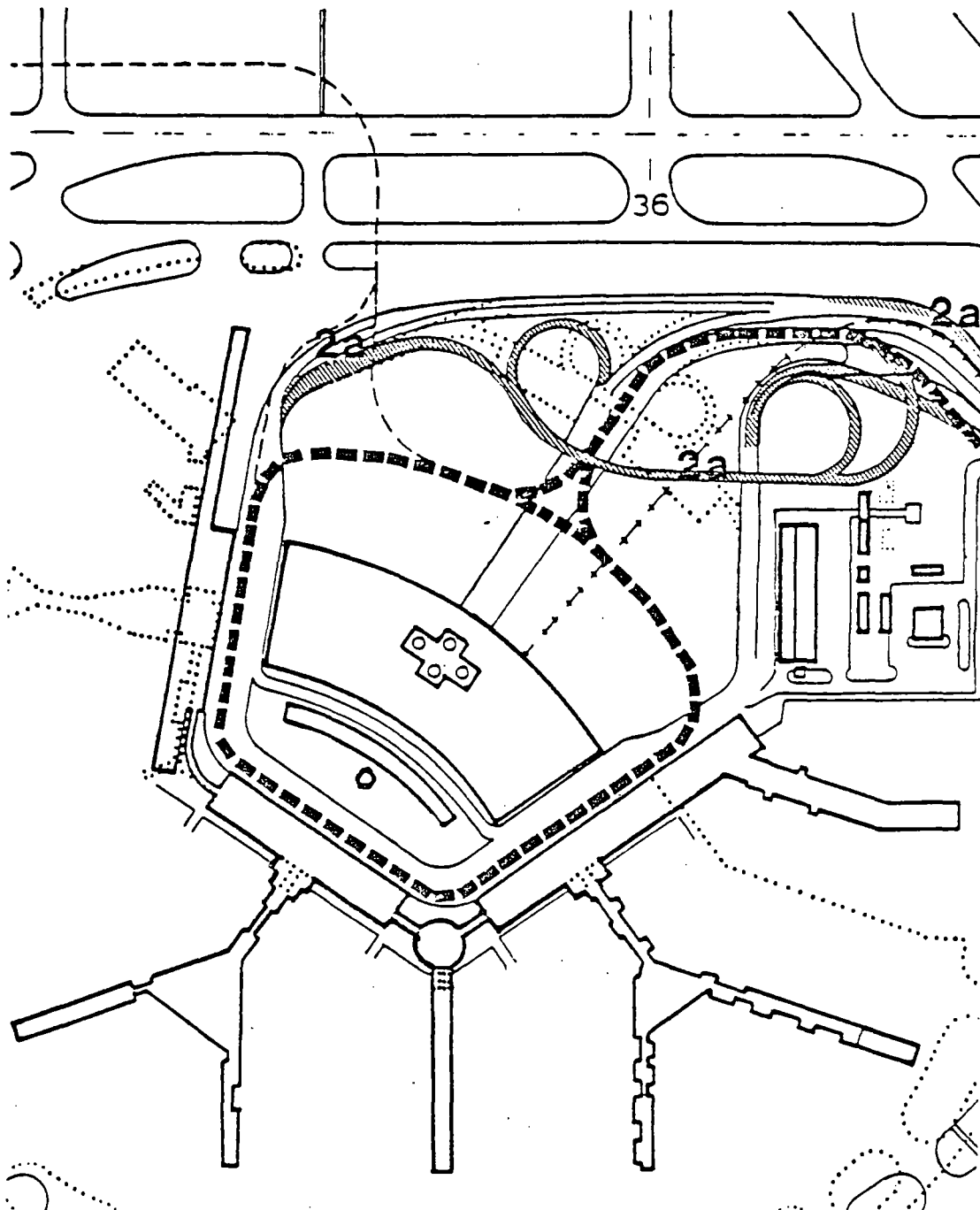
Airline Funded Total: \$9,288,000

| Components                               | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Recirculation Roadway<br>Improvements | \$9,288,000            | 1/86                       | 2/87     | II                  |

## Project Scope:

A grade separated roadway and ramps connecting the terminal roadway entrance, exit, and parking facilities.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Central Terminal  
Recirculation Improvements

TS-2

## AIRPORT DEVELOPMENT PLAN

Number: TS-3

Date: 1/17/83

Name: NW Tollway Connection Wolf to Zemke

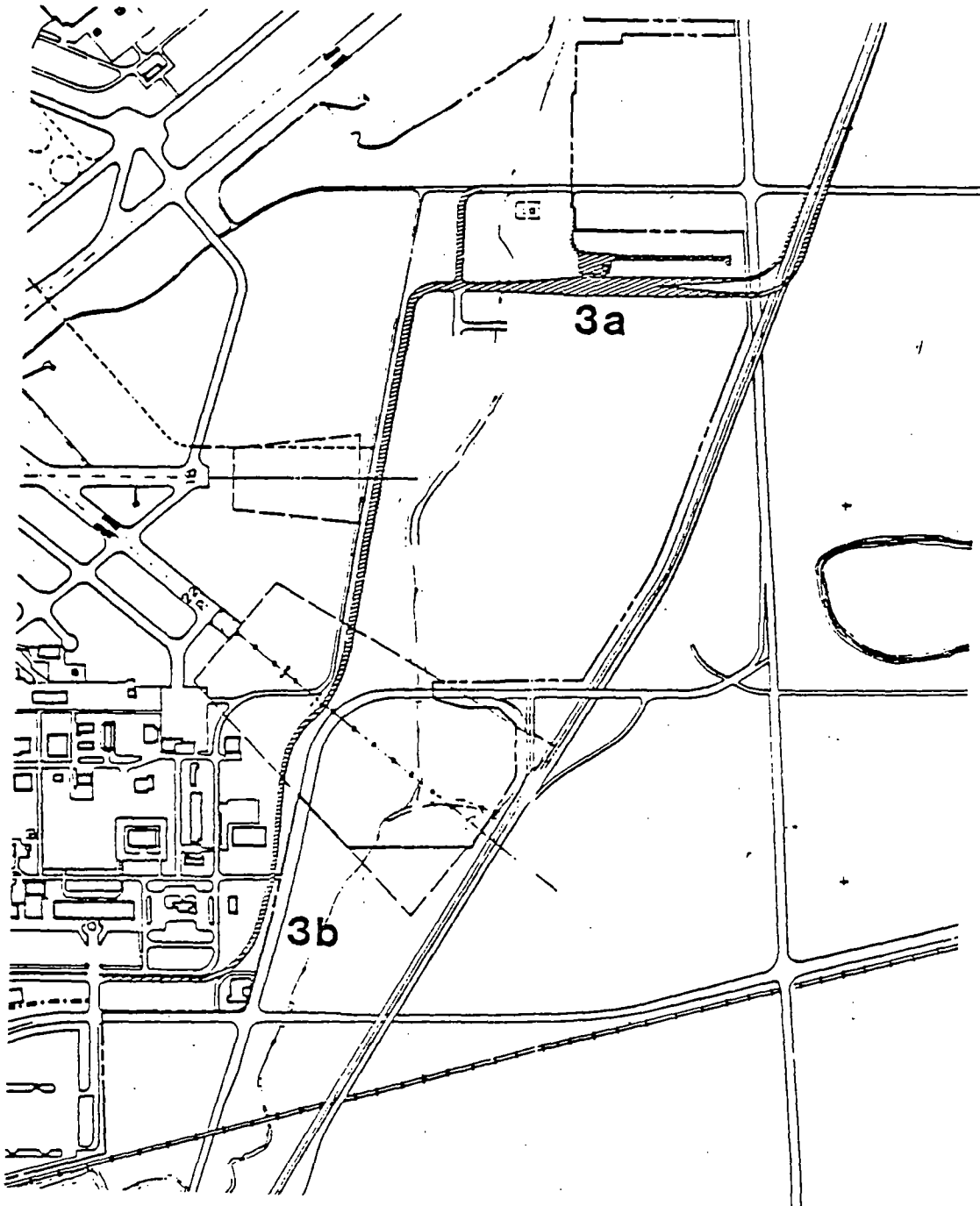
Airline Funded Total: \$23,832,000

| Components                                                                                       | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|--------------------------------------------------------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. NW Tollway Connection<br>(includes modification of<br>related existing Tollway<br>facilities) | \$22,032,000           | 9/84                       | 10/85    | II                  |
| b. ROW Acquisition                                                                               | \$1,800,000            | 11/83                      | 8/84     | II                  |

### Project Scope:

This project involves the provision of entrance and exit ramps to and from the NW Tollway to provide more direct access for airport traffic from the northwest. These ramps will provide access to Wolf and Zemke roads. A roadway connecting to Old Mannheim Road is also included. Outside funds amounting to \$10,000,000 will be sought to complete this project.

# AIRPORT DEVELOPMENT PLAN



→ 11.17.82

NW Tollway Connection/  
Wolf to Zemke

TS-3

# AIRPORT DEVELOPMENT PLAN

Number: TS-4

Date: 1/17/83

Name: Remote Parking East

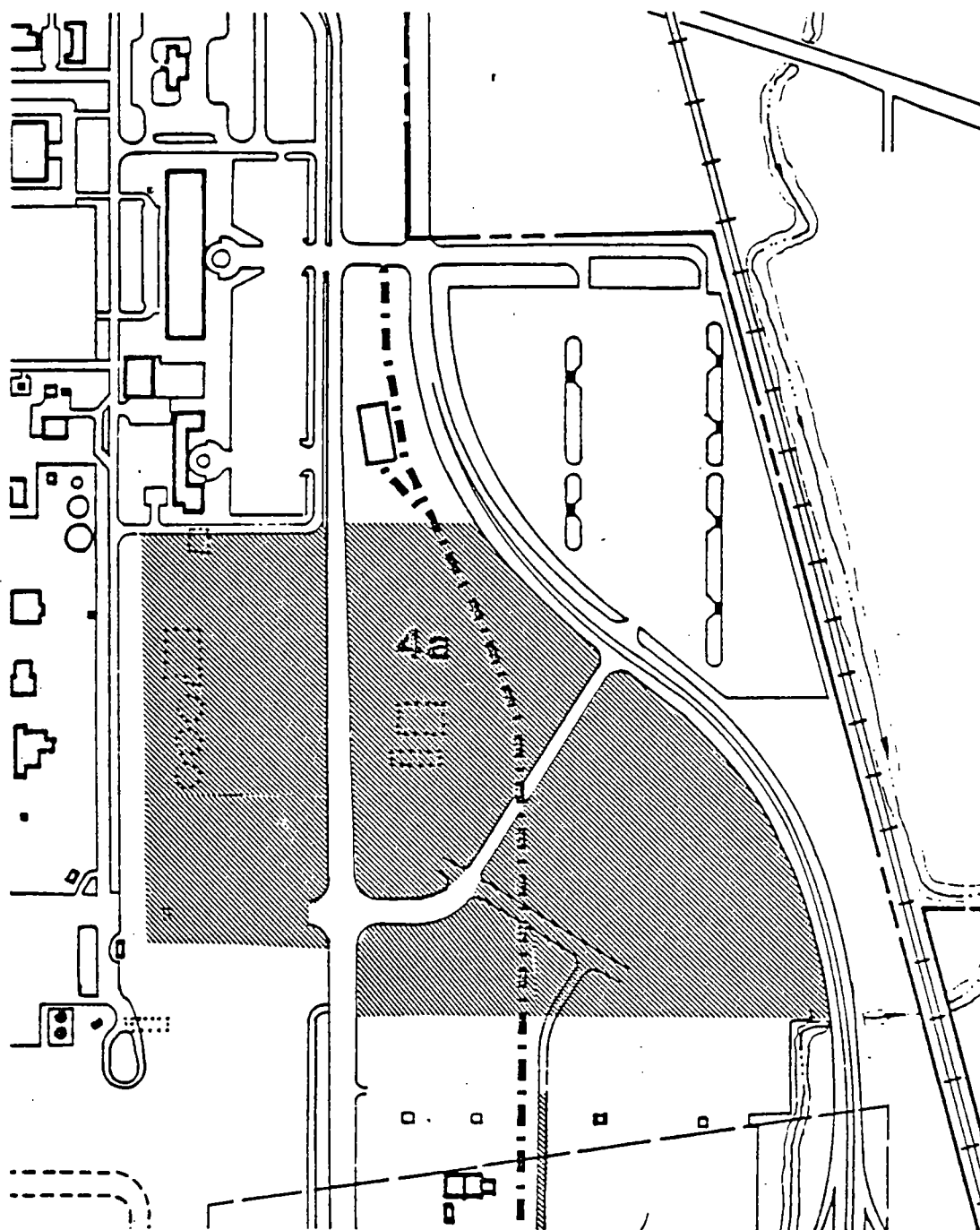
Airline Funded Total: \$13,310,363

| Components        | Airline Funded<br>Cost | Estimated Constr. |          | Funding<br>Priority |
|-------------------|------------------------|-------------------|----------|---------------------|
|                   |                        | Start             | Complete |                     |
| a. Remote Parking | \$13,310,363           | 9/85              | 6/86     | II                  |

## Project Scope:

TS-4 encompasses provision of at-grade parking between Old Mannheim Road just North of the existing Lot C. Additional parking will also be provided west of Old Mannheim Road. Parking will be provided for airline passengers, rental car facilities and employees.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

## Remote Parking East

TS-4



# AIRPORT DEVELOPMENT PLAN

Number: TS-5

Date: 1/17/83

Name: Old Mannheim Improvements

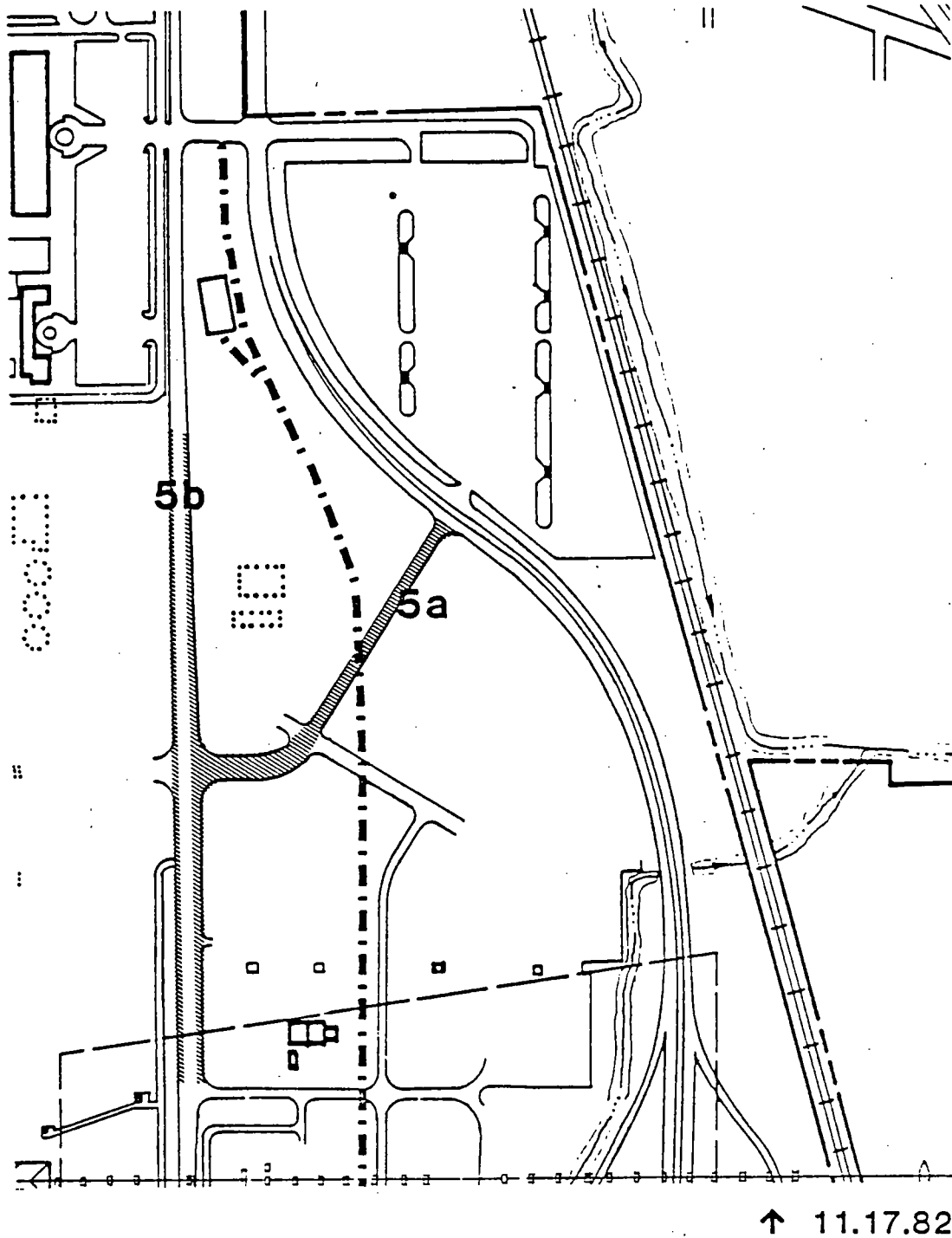
Airline Funded Total: \$1,512,000

| Components                                 | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|--------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Mannheim/Old Mannheim<br>Connector Road | \$756,000              | 1/86                       | 6/86     | II                  |
| b. Old Mannheim Improvements               | \$756,000              | 1/86                       | 6/86     | II                  |

## Project Scope:

Included in this project is the construction of a connector road between Mannheim and Old Mannheim Roads just north of Parking Lot C. Also a part of this project is the rehabilitation/improvement of Old Mannheim Road.

# AIRPORT DEVELOPMENT PLAN



Old Mannheim Improvements

TS-5

## AIRPORT DEVELOPMENT PLAN

Number: TS-6

Date: 1/17/83

Name: DGT Inter-Terminal  
(Category 2)

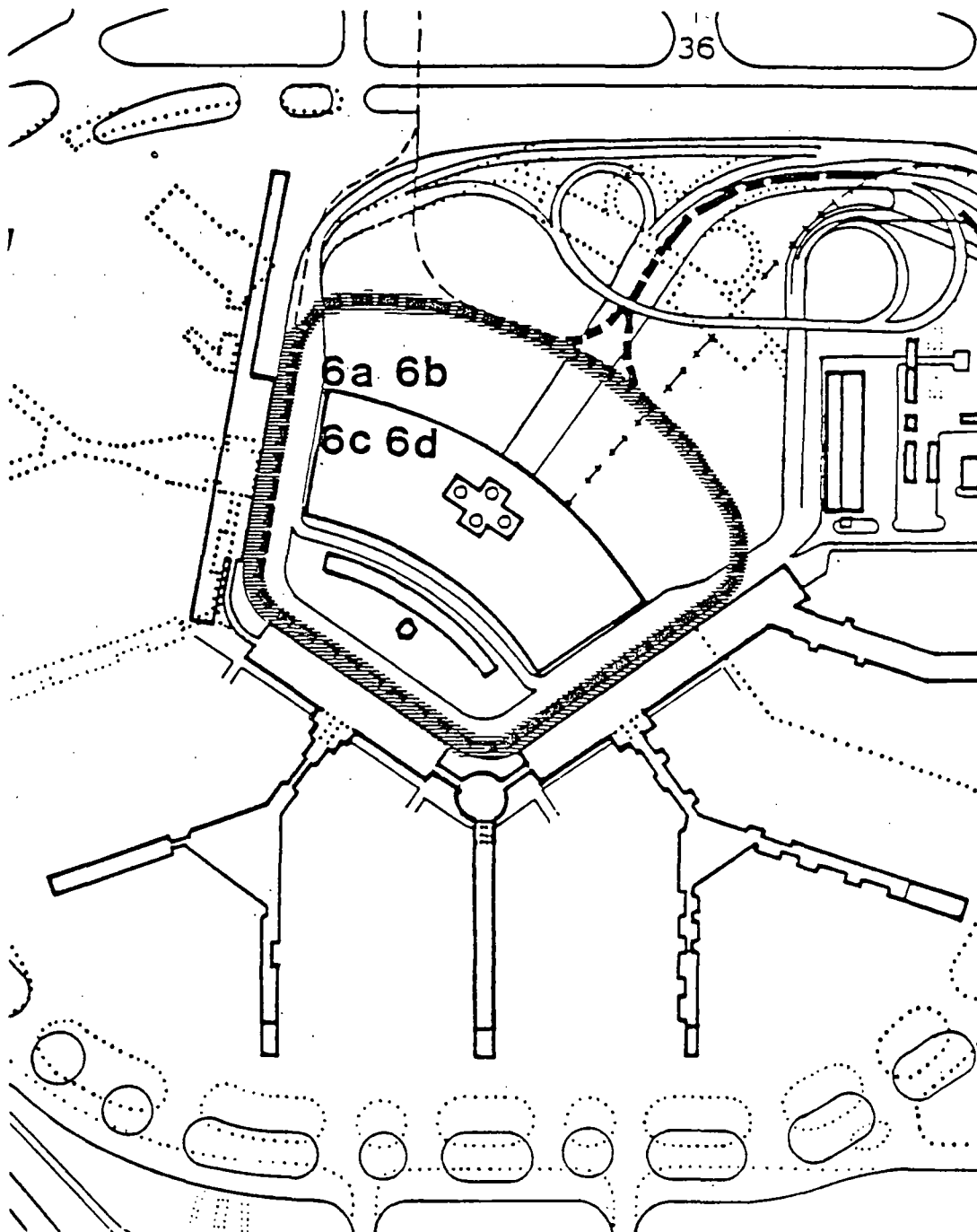
Airline Funded Total: \$43,766,491

| Components                         | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Stations                        | \$2,700,000            | 7/84                       | 5/85     | II                  |
| b. Structure and Guideway          | \$9,257,976            | 4/84                       | 5/85     | II                  |
| c. Electric and Control<br>Systems | \$1,617,001            | 11/84                      | 12/85    | II                  |
| d. Equipment                       | \$30,191,514           | 11/84                      | 12/85    | II                  |

### Project Scope:

The DGT Inter Terminal project consists of two DGT stations as well as the necessary structures, guideway, electric and control systems, and equipment for the Central Terminal Area only. A third station will be included in Terminal 1.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

DGT Inter-Terminal

TS-6

## AIRPORT DEVELOPMENT PLAN

Number: TS-7

Date: 1/17/83

Name: DGT East Remote Parking

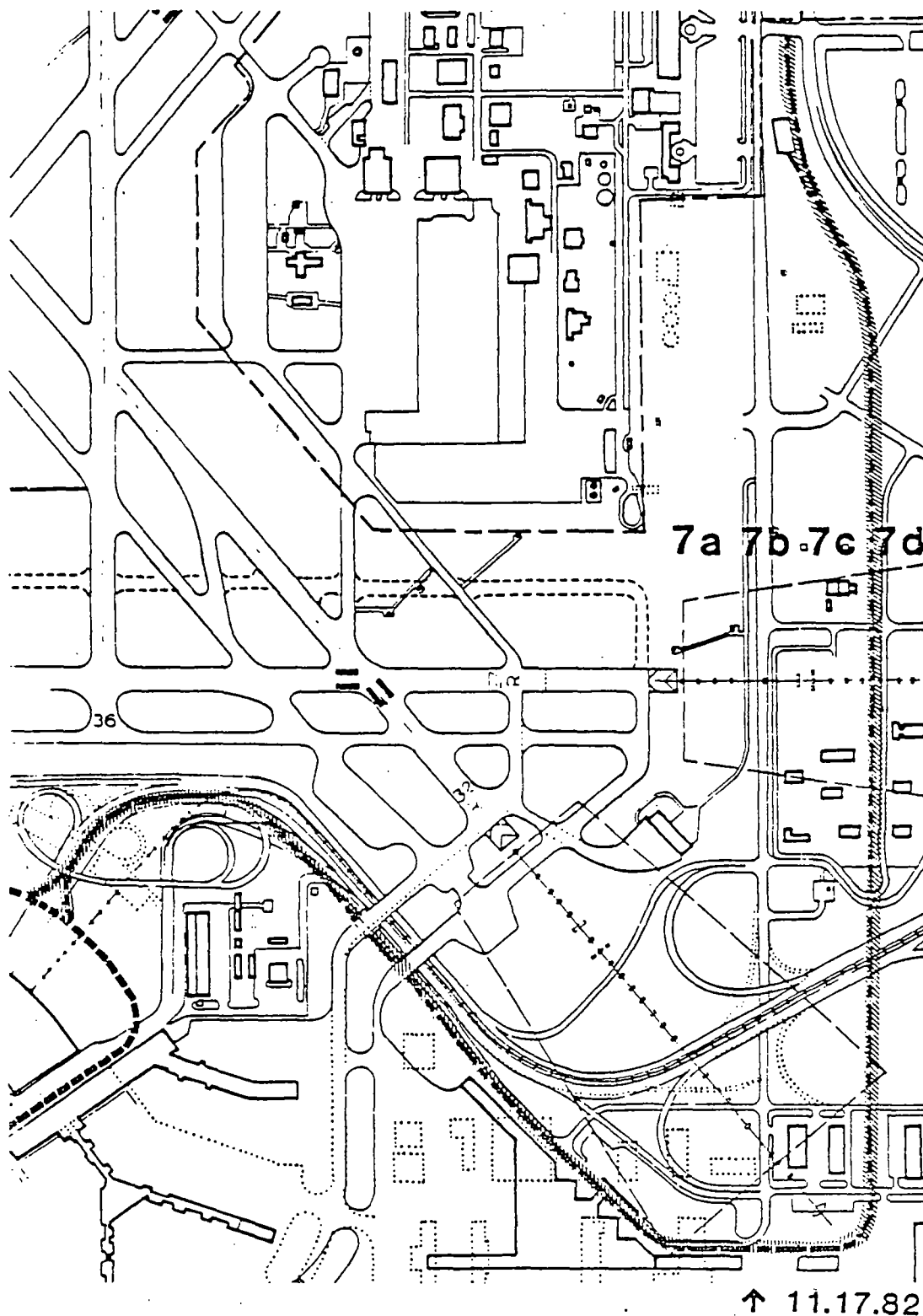
Airline Funded Total: \$44,454,530

| Components                         | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Stations                        | \$5,400,000            | 12/84                      | 10/85    | II                  |
| b. Structure and Guideway          | \$11,401,048           | 9/84                       | 10/85    | II                  |
| c. Electric and Control<br>Systems | \$1,294,998            | 4/85                       | 5/86     | II                  |
| d. Equipment                       | \$26,358,484           | 4/85                       | 5/86     | II                  |

### Project Scope:

This project represents an extension of the DGT Inter-Terminal system to serve the East remote parking facilities. It will extend from the International Terminal to the East parking area and includes provision for four DGT stations and the necessary structures, guideway, electrical and control systems, and equipment.

# AIRPORT DEVELOPMENT PLAN



DGT East Remote Parking

TS-7

# AIRPORT DEVELOPMENT PLAN

Number: TS-8

Date: 1/17/83

Name: Access Roadway Improvements

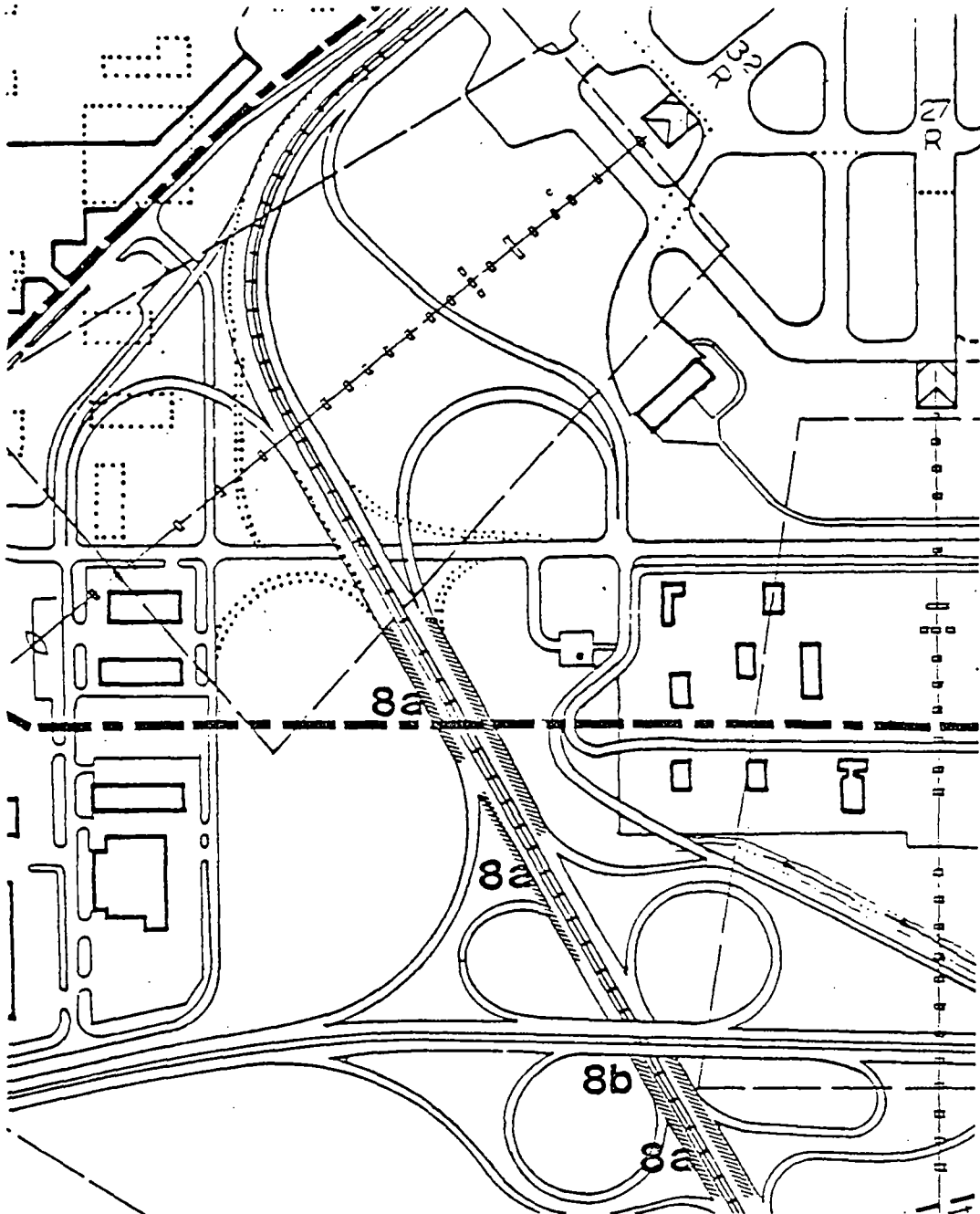
Airline Funded Total: \$3,240,000

| Components                | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|---------------------------|------------------------|----------------------------|----------|---------------------|
| a. Access Road Widening   | \$3,240,000            | 5/86                       | 2/87     | II                  |
| b. Access Roadway Signage | \$0                    |                            |          |                     |

## Project Scope:

This project consists of lane improvements along the Access Roadway between Old Mannheim Road on the West and the RR crossing on the East. An additional 13.8 million dollars will be sought from outside sources to complete selected elements excluded from this Project.

# AIRPORT DEVELOPMENT PLAN



→ 11.17.82

Access Roadway Improvements

**TS-8**



## AIRPORT DEVELOPMENT PLAN

Number: TS-9

Date: 1/17/83

Name: Ramps and Roadways at Old Mannheim

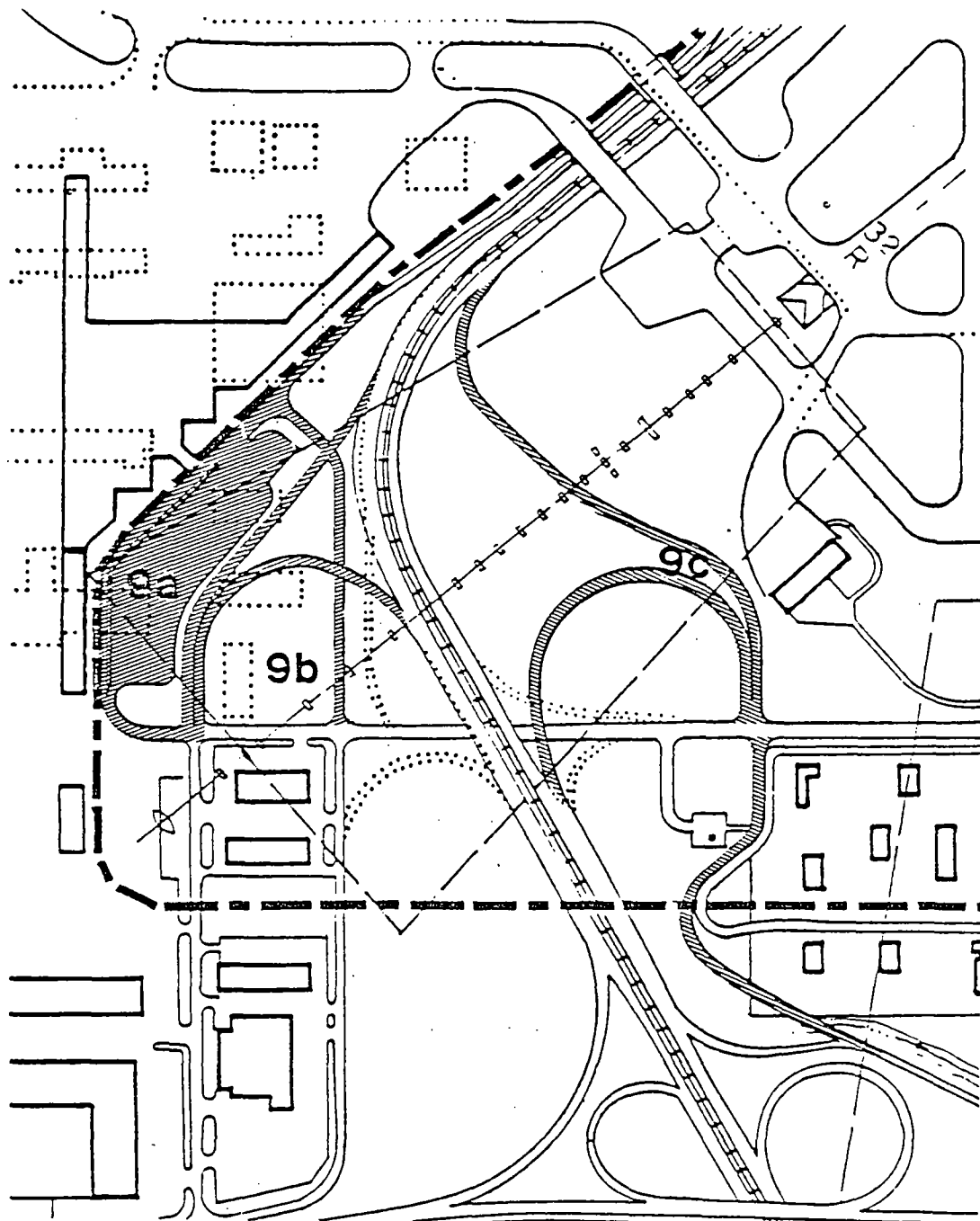
Airline Funded Total: \$9,998,618

| Components                              | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|-----------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Parking on grade                     | \$831,600              | 5/87                       | 7/87     | II                  |
| b. International Recirculation<br>Roads | \$2,901,960            | 4/87                       | 6/88     | II                  |
| c. Access Road Modifications            | \$6,265,058            | 4/87                       | 6/88     | II                  |

### Project Scope:

Included are roads serving the International Terminal, new ramps connecting Old Mannheim Road with the Access road (I-190), and 4.5 acres of at-grade parking in front of the International Terminal. In addition, the ramp connecting the southbound lanes of Mannheim Road with the westbound (inbound) lanes of the Access road will be modified to feed into Old Mannheim Road directly across from a new ramp to the Access road.

# AIRPORT DEVELOPMENT PLAN



→ 11.17.82

Ramps and Roadways  
at Old Mannheim

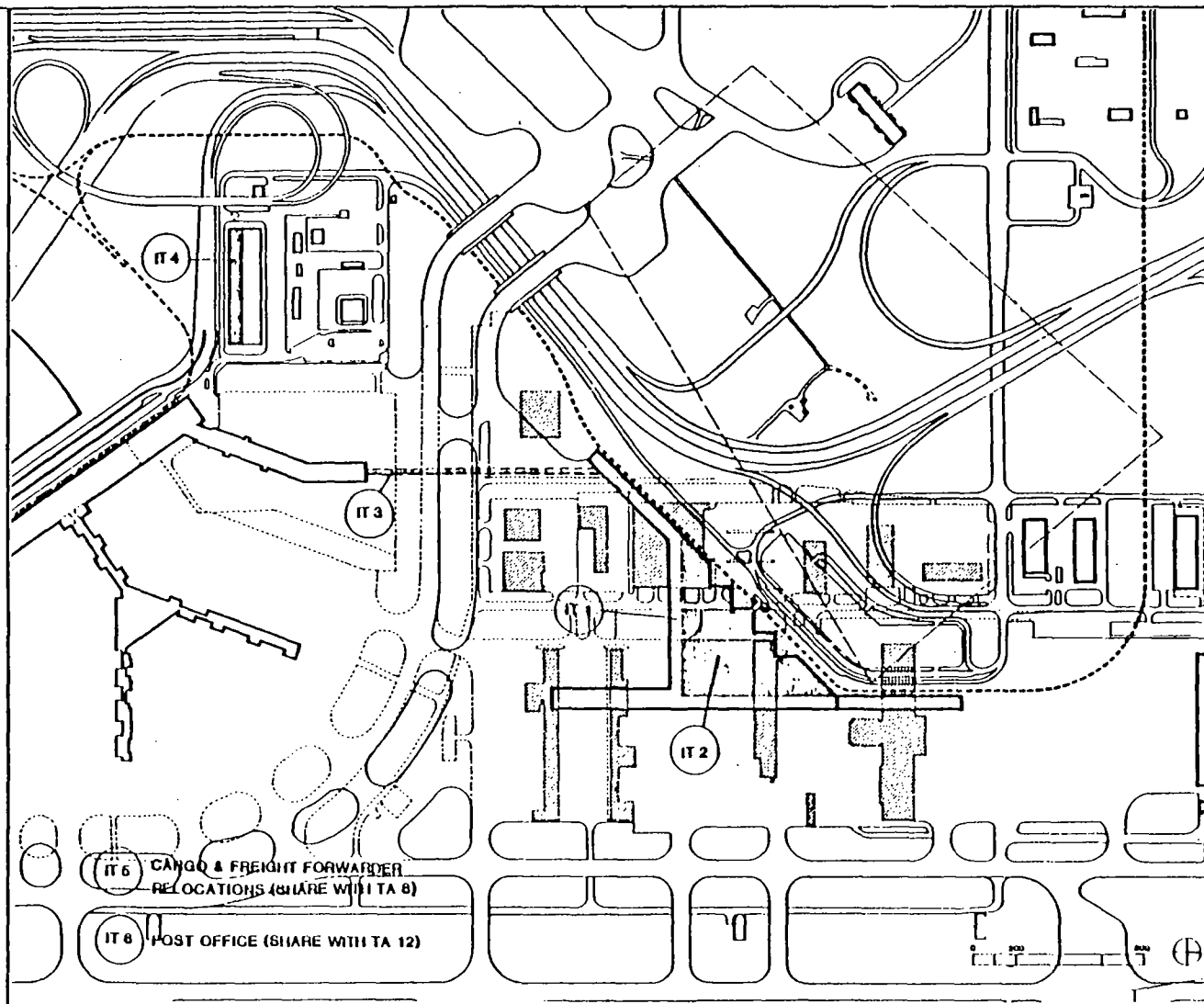
TS-9

# INTERNATIONAL TERMINAL CRC (IT)

12.7.82

INTERNATIONAL TERMINAL CRC CAPITAL PROJECTS

- IT-1. International Terminal Foreign Flag Areas
- IT-2. Federal Inspection Facilities
- IT-3. H&R Tunnels
- IT-4. H&R Plant Expansion (Share with TA-9)
- IT-5. Cargo and Freight Forwarder Relocations (Share with TA-8)
- IT-6. Post Office (Share with TA-12)



**CHICAGO O'HARE INTERNATIONAL AIRPORT**  
 City of Chicago    Janet M. Byrne Mayor    Thomas Rappas Commissioner of Aviation    Jerome H. Butler Commissioner of Public Works

**OHARE ASSOCIATES**  
 Engineering Consultant  
**LANDRUM & BROWN**  
 Aviation Consultants

**AIRPORT DEVELOPMENT PLAN  
 INTERNATIONAL TERMINAL COST REVENUE CENTER**

1 810011  
**B 1D**

# AIRPORT DEVELOPMENT PLAN

SUMMARY SHEET (1/17/83)

|                                                                        | <u>CATEGORY 1</u> | <u>CATEGORY 2</u> | <u>FUNDING<br/>PRIORITY I</u> | <u>AIRLINE<br/>FUNDED<br/>TOTALS</u> |
|------------------------------------------------------------------------|-------------------|-------------------|-------------------------------|--------------------------------------|
| <u>INTERNATIONAL TERMINAL CRC</u>                                      |                   |                   |                               |                                      |
| <u>CAPITAL PROJECTS</u>                                                |                   |                   |                               |                                      |
| IT-1. International Terminal<br>Foreign Flag Areas                     |                   |                   |                               | \$30,814,232                         |
| IT-2. Federal Inspection<br>Facilities                                 |                   |                   |                               | \$31,559,106                         |
| IT-3. H&R Tunnels                                                      | 2,619,540         |                   |                               | \$9,287,460                          |
| IT-4. H&R Plant Expansion<br>(Share with TA-9)                         |                   |                   |                               |                                      |
| IT-4c 4000 Ton Chiller                                                 | \$298,080         | \$0               | \$298,080                     | \$2,690,297                          |
| IT-5. Cargo, and Freight<br>Forwarder Relocations<br>(Share with TA-6) |                   |                   |                               | \$6,350,235                          |
| IT-6. Post Office<br>(Share with TA-12)                                |                   |                   |                               | \$246,172                            |
| TOTALS                                                                 | \$2,917,620       | \$0               | \$298,080                     | \$80,947,501                         |

# AIRPORT DEVELOPMENT PLAN

Number: IT-1

Date: 1/17/83

Name: International Terminal Foreign  
Flag Areas

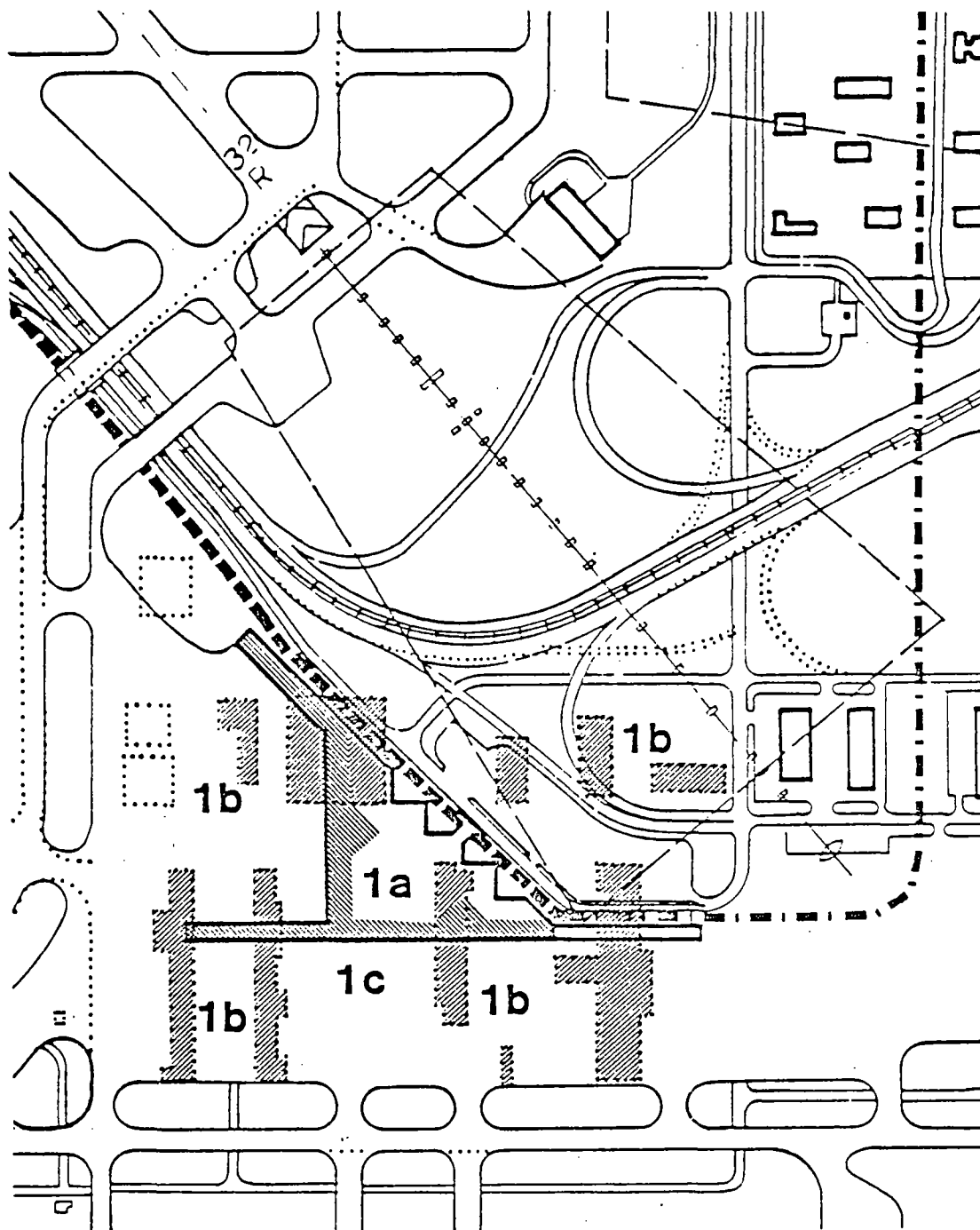
Airline Funded Total: \$30,814,232

| Components                                                                                  | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|---------------------------------------------------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Foreign Flag Terminal/<br>Concourse Area                                                 | \$24,882,812           | 3/86                       | 8/88     | II                  |
| b. Demo. Existing Buildings<br>(Post Office, Cargo & Freight<br>Buildings, Share with IT-2) | \$689,748              | 3/86                       | 6/86     | II                  |
| c. Utility Service<br>(Share with IT-2)                                                     | \$5,241,672            | 3/86                       | 2/87     | II                  |

## Project Scope:

This project provides for the construction 182,750 SF of terminal space for foreign flag airlines. This provides for exclusive and joint use airline spaces, as well as, public spaces in the terminal and Concourses of the proposed International Terminal. Also included is the demolition of the Joint Use Cargo Building #1, Joint Use Cargo Building #2, Flying Tiger, United Airlines, TWA, Emery Air Freight, KLM Cargo, Airborne Freight, WTC Freight and the Post Office buildings. Existing buildings will be demolished. Utility service for the foreign flag terminal spaces include the provision of storm sewers, telephone, electrical, sanitary sewers, water and gas system extension to the building. The demolition cost and utility development costs are shared with project IT-2.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

International Terminal  
Foreign Flag Areas

IT-1

# AIRPORT DEVELOPMENT PLAN

Number: IT-2

Date: 1/17/83

Name: Federal Inspection Facilities

Airline Funded Total: \$31,559,106

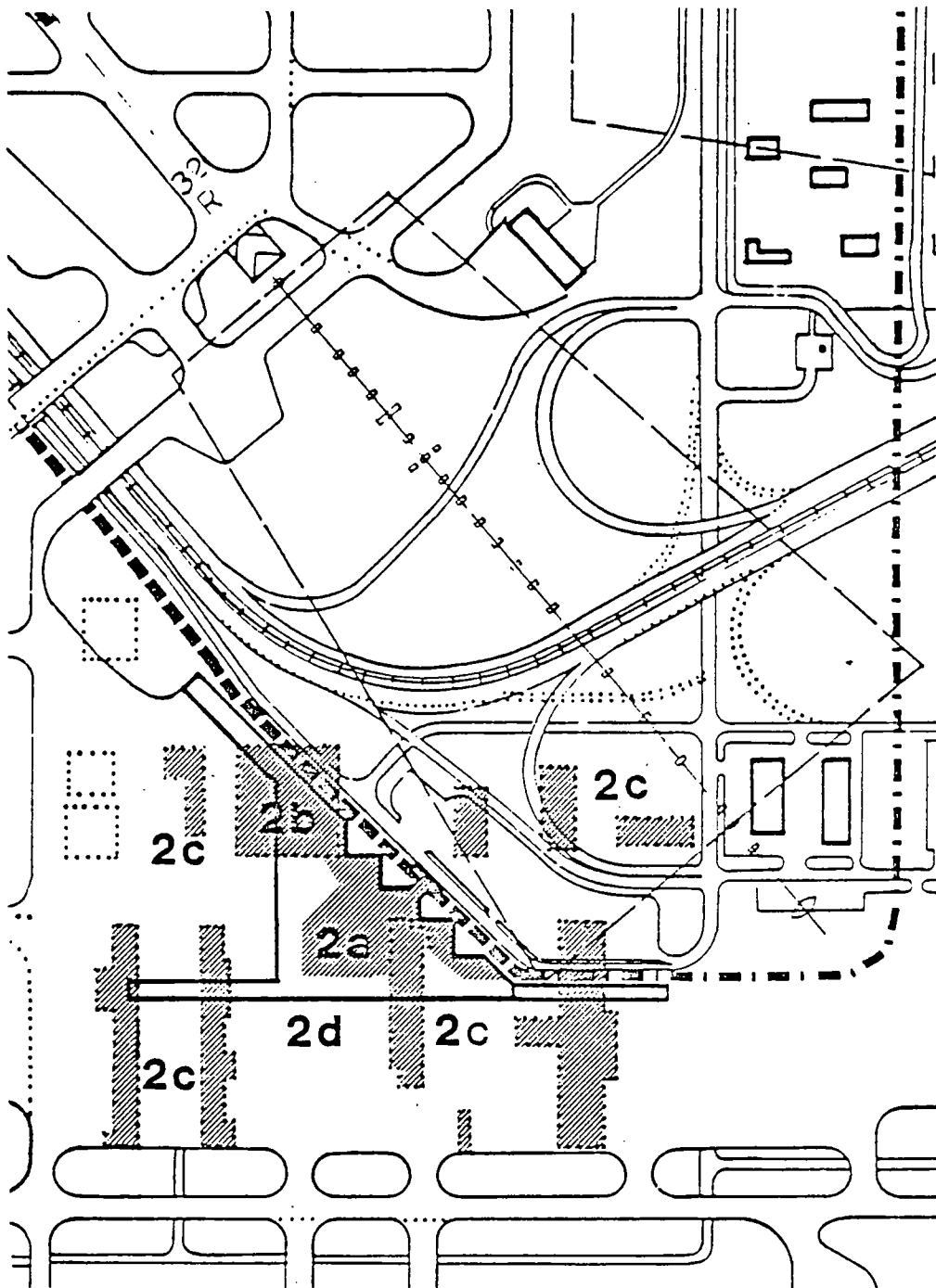
| Components                                               | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|----------------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Federal Inspection Area                               | \$20,051,550           | 6/86                       | 8/88     | II                  |
| b. Terminal/Concourse Areas<br>(Non-Foreign Flag)        | \$5,576,138            | 3/86                       | 8/88     | II                  |
| c. Demolition of Existing<br>Buildings (Share with IT-1) | \$689,746              | 3/86                       | 6/86     | II                  |
| d. Utility Service (Share with<br>IT-1)                  | \$5,241,672            | 3/86                       | 2/87     | II                  |

## Project Scope:

Included in this project are terminal building spaces in the international terminal for the Federal Inspection area, and the non-foreign flag users of the international terminal. The Federal Inspection area will provide 140,750 SF of building space for the primary inspection area, inbound baggage claim area, offices and support space, and a sterile corridor leading from the aircraft to the FIS area. Terminal building space for exclusive, joint use and related public non-foreign flag airline spaces totals 39,500 SF of building area. Also included is the demolition of the Joint Use Cargo Building #1, Joint Use Cargo Building #2, Flying Tiger, United Airlines, TWA, Emery Air Freight, KLM Cargo, Airborne Freight, WTC Freight and the Post Office buildings. Utility service for the foreign flag terminal spaces include the provision of storm sewers, telephone, electrical, sanitary sewers, water and gas system extension to the building. The demolition cost and utility development costs are shared with project TA-8.



# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Federal Inspection Facilities

IT-2

# AIRPORT DEVELOPMENT PLAN

Number: IT-3

Date: 1/17/83

Name: H&amp;R Tunnels

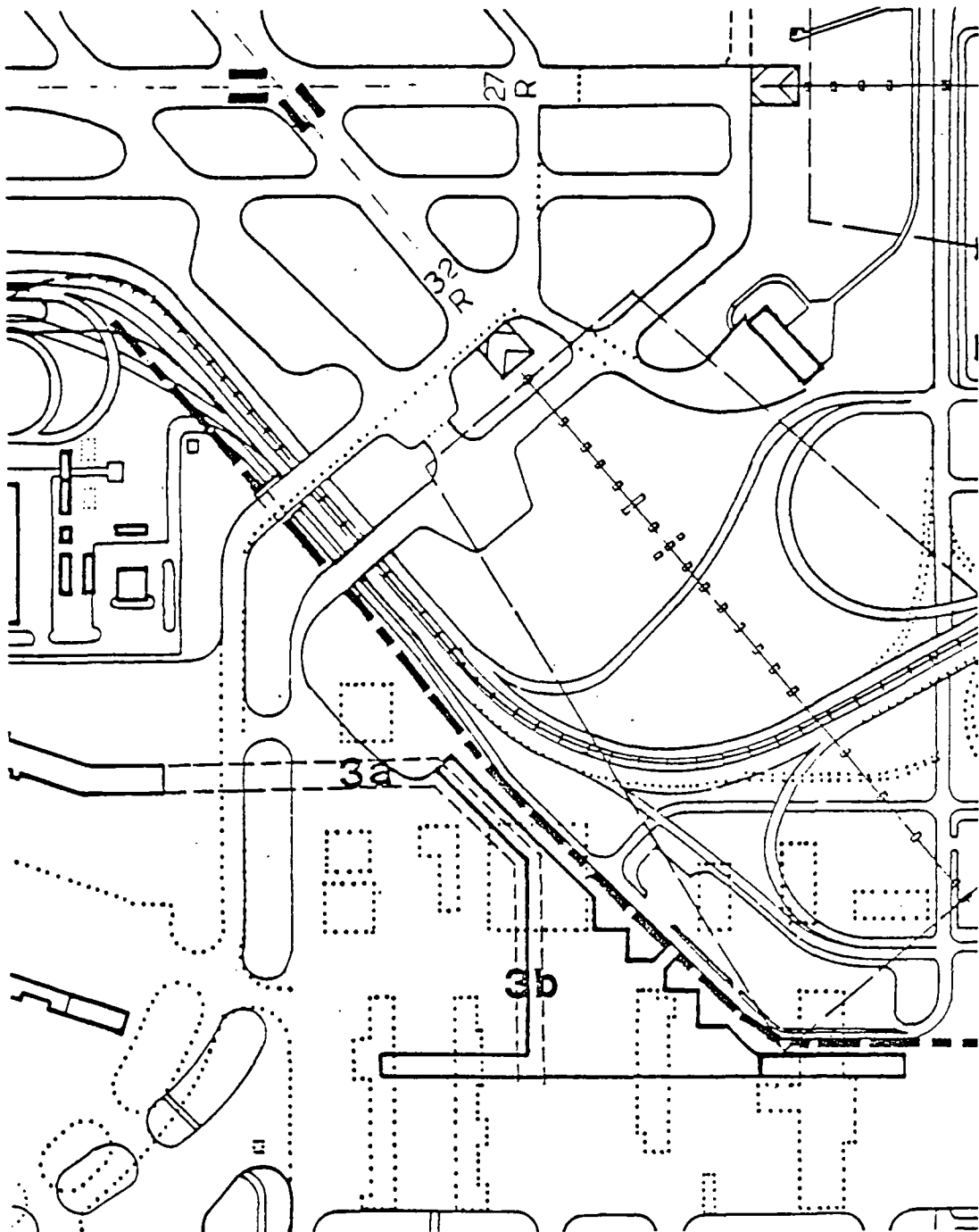
Airline Funded Total: \$9,287,460

| Components                                                | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|-----------------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Tunnel and Pipe to International<br>(From Concourse L) | \$2,619,540            | 4/83                       | 12/86    | II                  |
| b. Tunnel and Pipe at International                       | \$6,667,920            | 4/83                       | 12/86    | II                  |

## Project Scope:

This project includes the extension of the utility tunnel and piping system to the International Terminal. The system will extend from the L Concourse branch of the "Ring Tunnel" and extend under the Inner/Outer Taxiway system and International Apron to the terminal building. Additional sections of the tunnel and piping systems will be constructed throughout the International Terminal building.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

H&R Tunnels

IT-3

# AIRPORT DEVELOPMENT PLAN

Number: IT-4

Date: 1/17/83

Name: H&amp;R Plant Expansion (Share with TA-9)

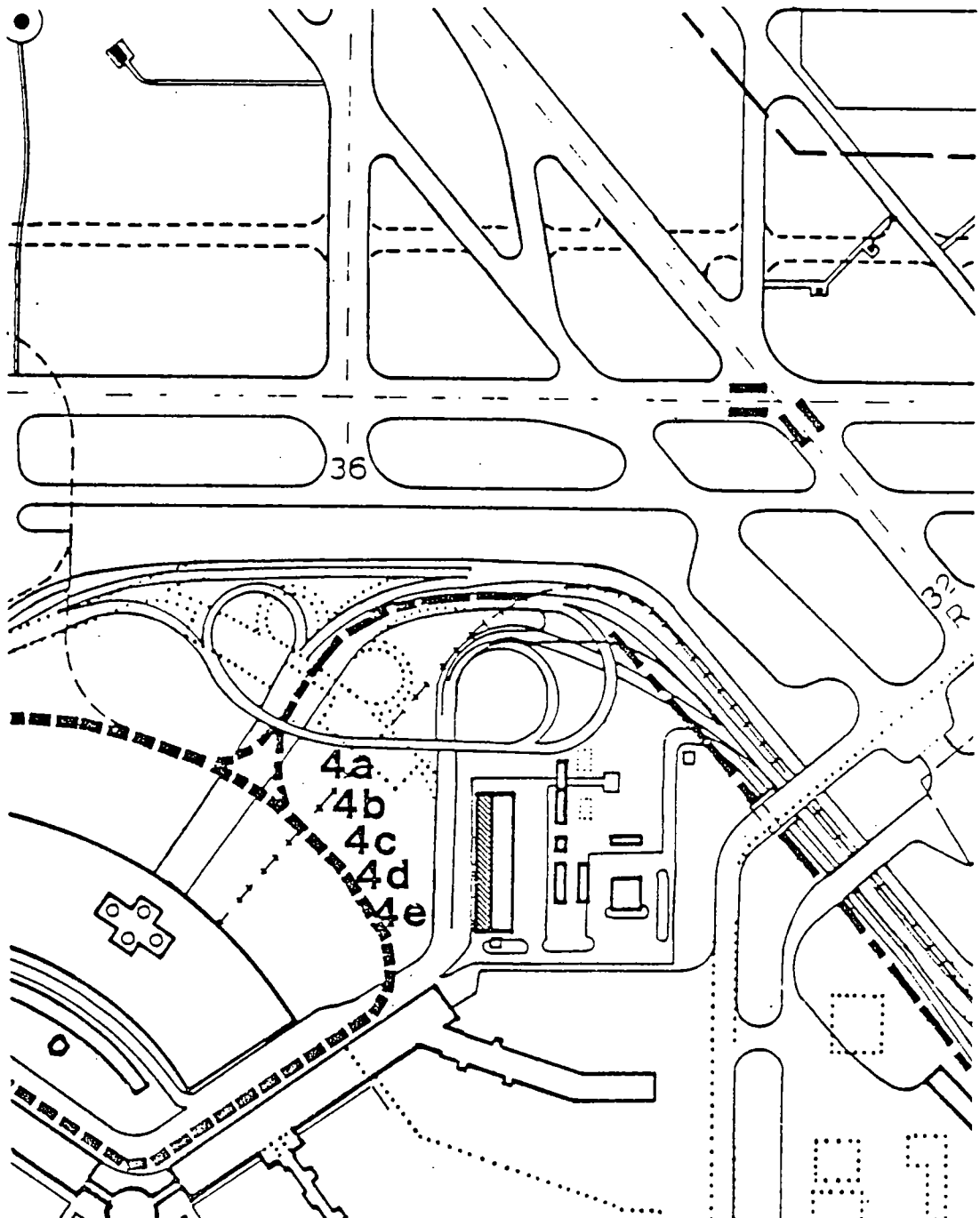
Airline Funded Total: \$2,690,297

| Components                          | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|-------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Building Addition                | \$698,625              | 9/84                       | 8/85     | II                  |
| b. HTW Generators                   | \$397,440              | 4/84                       | 10/85    | II                  |
| c. 4000 Ton Chiller<br>(Category I) | \$298,080              | 5/83                       | 9/84     | I                   |
| 4000 Ton Chiller                    | \$298,080              | 4/84                       | 10/85    | II                  |
| d. Supervisory System               | \$499,036              | 4/84                       | 10/85    | II                  |
| e. Electrical Equipment             | \$499,036              | 4/84                       | 10/85    | II                  |

## Project Scope:

This project provides for a 75,000 square foot expansion of the H&R Plant and new equipment which includes two High Temperature Water Generators, two 4000 ton Chillers, a supervisory system and all related electrical components.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

H&R Plant Expansion  
(Share with TA-9)

IT-4

# AIRPORT DEVELOPMENT PLAN

Number: IT-5

Date: 1/17/83

Name: Cargo and Freight Forwarder  
Relocations (Share with TA-8)

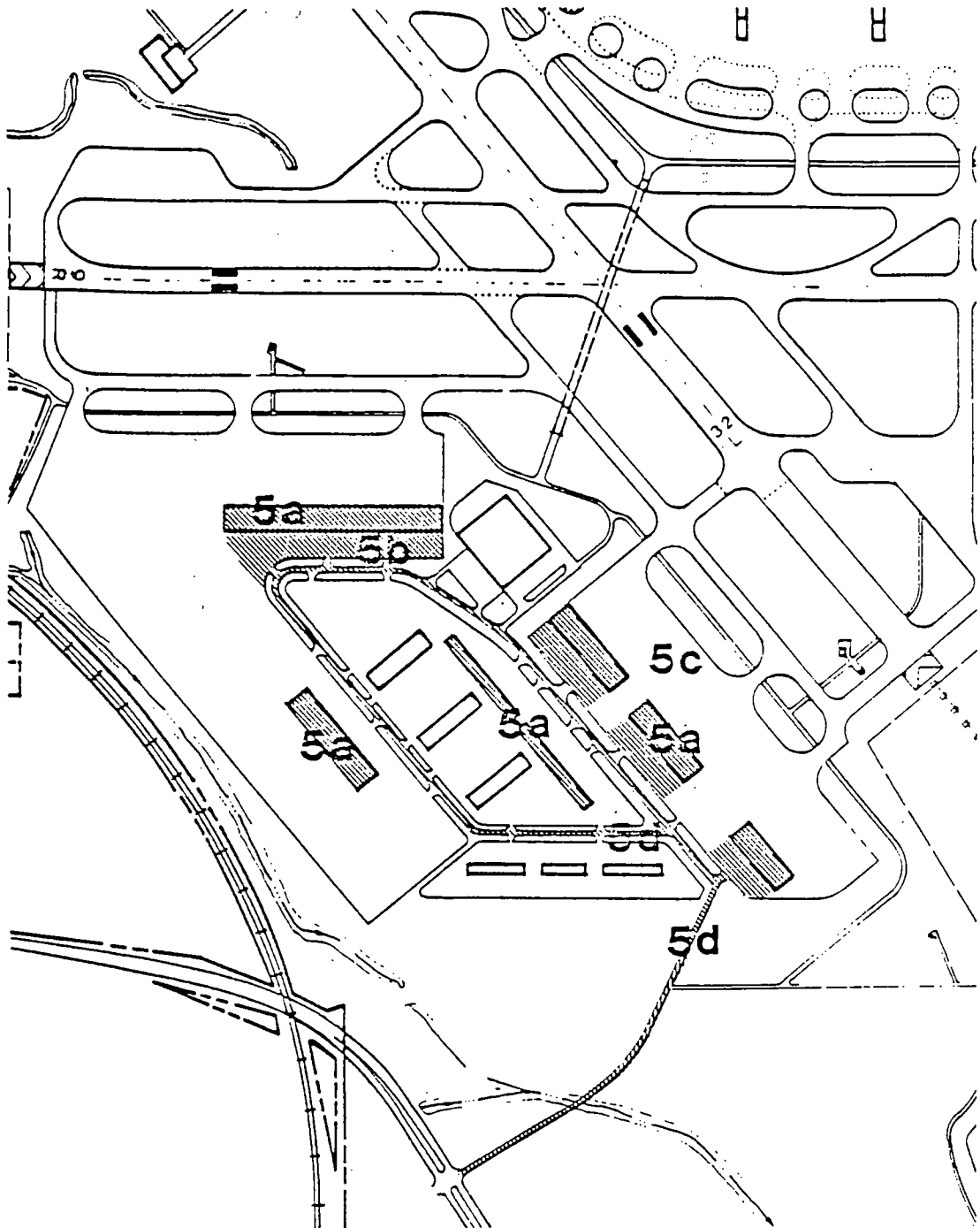
Airline Funded Total: \$6,350,235

| Components                                       | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|--------------------------------------------------|------------------------|----------------------------|----------|---------------------|
| a. Replacement of Cargo<br>and Freight Buildings | 4,056,743              | 10/84                      | 2/86     | II                  |
| b. Associated Utilities                          | \$1,983,502            | 10/84                      | 7/85     | II                  |
| c. Access Road to Cargo                          | \$309,990              | 4/85                       | 9/85     | II                  |

## Project Scope:

Included in this project are fund allocations for replacement of cargo and freight buildings as well as related truck aprons. The installation and development of new access roads and utility systems is also included as a part of the new southwest cargo site development. Allowances will reflect a pro-rata share of total square footage of facilities to be relocated including #1, Joint Use Cargo Building #2, Flying Tigers, United Airlines, TWA, Emery Air Freight, Airborne, KLM Cargo, and WTC Air Freight.

# AIRPORT DEVELOPMENT PLAN



↑ 11.17.82

Cargo and Freight Forwarder  
Relocations (Share With TA-8)

IT-5

# AIRPORT DEVELOPMENT PLAN

Number: IT-6

Date: 1/17/83

Name: Post Office (Share with TA-12)

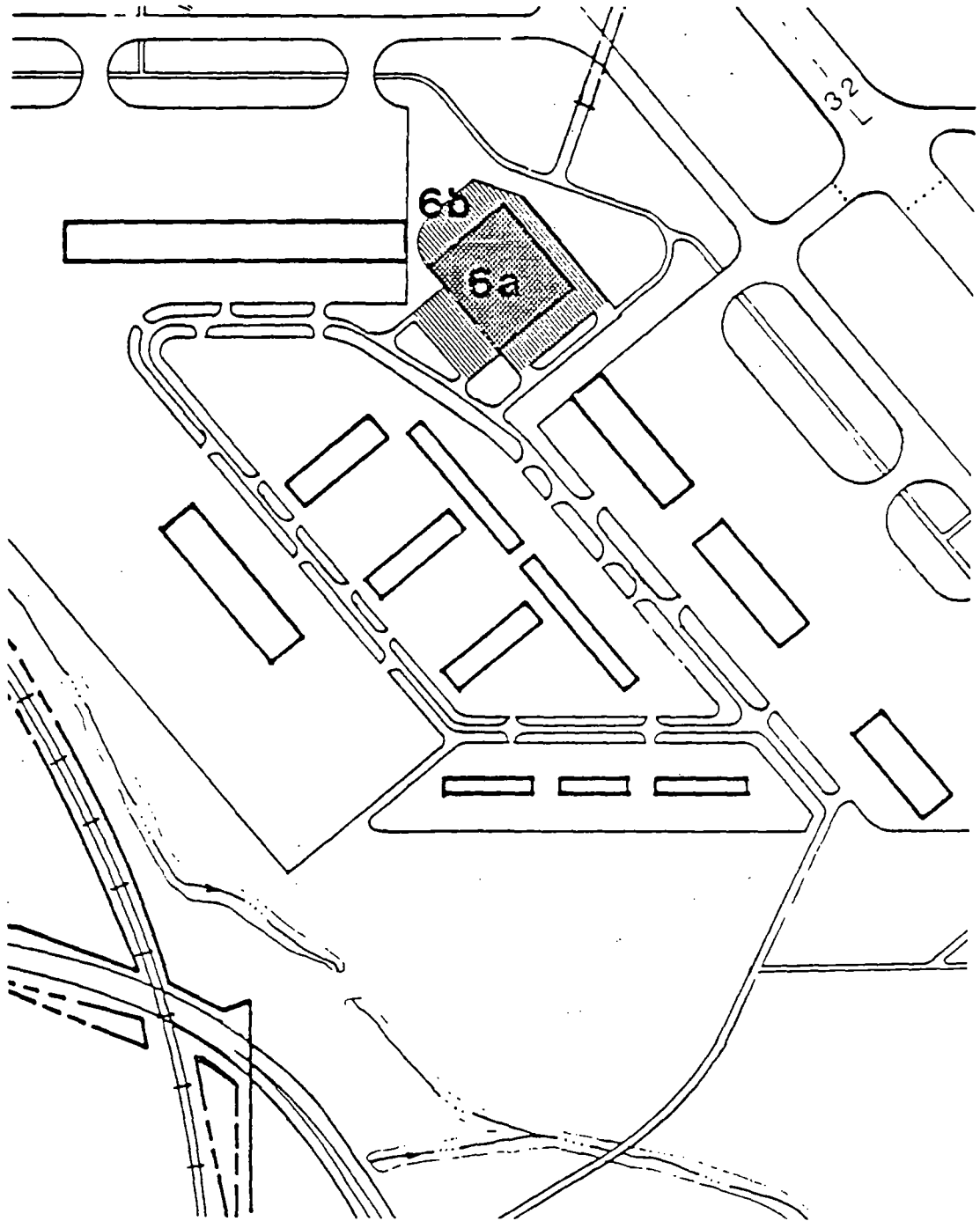
Airline Funded Total: \$246,172

| Components     | Airline Funded<br>Cost | Estimated Constr.<br>Start | Complete | Funding<br>Priority |
|----------------|------------------------|----------------------------|----------|---------------------|
| a. Post Office | \$142,222              | 11/84                      | 2/86     | II                  |
| b. Truck Apron | \$103,950              | 5/85                       | 7/85     | II                  |

## Project Scope:

This project provides for the replacement of the existing Post Office building. The new/replacement facility is to be constructed in the southwest cargo site. The costs for this project include new construction of a building associated truck apron and parking areas and reflect the net present value of the existing facilities.



**AIRPORT DEVELOPMENT PLAN**

↑ 11.17.82

Post Office (Share with TA-12)

**IT-6**

# AIRPORT DEVELOPMENT PLAN

Preliminary Construction Schedule

SHEET 1 OF 4

O'HARE ASSOCIATES

Supervising Consultant for the  
Chicago O'Hare International Airport Development Program

January 17, 1983

Assumed Notification Date of Environmental Approval

| FACILITY                                 | YEAR<br>HALF | 1982 | 1983 |     | 1984 |     | 1985 |     | 1986 |     | 1987 |     | 1988 |     | 1989 |     | Capital<br>Project<br>Number | \$<br>MILLIONS |
|------------------------------------------|--------------|------|------|-----|------|-----|------|-----|------|-----|------|-----|------|-----|------|-----|------------------------------|----------------|
|                                          |              | 2nd  | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd |                              |                |
| 1. Terminal 3A/Concourse L               |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | 1A-4                         | 12.7           |
| 2. Concourse L Apron                     |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-10                        | 11.9           |
| 3. Concourse Expansion<br>Terminal 1A    |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IS-1-b                       | 7.7            |
| 4. F.I.S. Relocation                     |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | 1A-10                        | 16.7           |
| 5. Inner/Outer Taxiway<br>R/L Relocation |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-8                         | 21.4           |
| 6. Airport Maintenance Complex           |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AF-15                        | 17.1           |
| 7. Terminal 2/3 Additions                |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | 1A-7                         | 7.6            |
| 8. Flight Kitchen Relocations            |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | 1A-13                        | 11             |
| 9. DCT Inter-Terminal                    |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IS-6                         | 41.0           |
| 10. Military Site Acquisition            |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-13                        | 16.1           |
| 11. Replacement CFR Sta. #1              |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-14                        | 8.5            |
| 12. Utility Relocations<br>B/C Apron     |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-7                         | 9.6            |
| 13. 321/9R Parallel Taxiways             |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-3                         | 17.1           |

\* Includes Construction Cost & Allowance of 8% A/E Fees in 1982 Dollars

5/30/85

REPORTS OF COMMITTEES

17123

# AIRPORT DEVELOPMENT PLAN

Preliminary Construction Schedule

SHEET 2 OF 4

O'HARE ASSOCIATES

Supervising Consultant for the  
Chicago O'Hare International Airport Development Program

November 17, 1982

Assumed Notification Date of Environmental Approval

| FACILITY                                       | YEAR<br>HALF | 1982 | 1983 |     | 1984 |     | 1985 |     | 1986 |     | 1987 |     | 1988 |     | 1989 |     | Capital<br>Project<br>Number | \$<br>MILLIONS* |
|------------------------------------------------|--------------|------|------|-----|------|-----|------|-----|------|-----|------|-----|------|-----|------|-----|------------------------------|-----------------|
|                                                |              | 2nd  | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd |                              |                 |
| 14. IAR/SLE Parallel Taxiways                  |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-4                         | 6.9             |
| 15. DGT East Remote Parking                    |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IS-7                         | 44.5            |
| 16. Cargo Apron Replacement                    |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AF-11                        | 31.8            |
| 17. H&R Plant Expansion                        |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IA-9/<br>II-4                | 20.7<br>2.7     |
| 18. NW Tollway Connection/<br>Walt to Zenke    |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | TS-3                         | 21.0            |
| 19. Commuter Terminal                          |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IA-2                         | 4.4             |
| 20. Terminal I                                 |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IA-1                         | 71.5            |
| 21. H/C Satellite                              |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IA-3                         | 78.6            |
| 22. Electrical Relocation                      |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IA-5                         | 11.4            |
| 23. Cargo & Freight Forwarder<br>Relocations   |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IA-8/<br>II-5                | 44.1<br>0.4     |
| 24. Post Office                                |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IA-12<br>II-6                | 1.7<br>11.2     |
| 25. Inter/Intra Taxiway<br>Relocation          |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-5                         | 32.0            |
| 26. Utilities at Central Core<br>Terminal Area |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IA-6                         | 4.2             |
| 27. H/C Apron                                  |              |      |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-9                         | 41.0            |

\* Includes Construction Cost & Allowance of 15% A/E Fees, in 1982 Dollars

17124

JOURNAL-CITY COUNCIL-CHICAGO

5/30/85

# AIRPORT DEVELOPMENT PLAN

## Preliminary Construction Schedule

SHEET 3 OF 4

**O'HARE ASSOCIATES**

Supervising Consultant for the  
Chicago O'Hare International Airport Development Program

November 17, 1982

→ Assumed Notification Date of Environmental Approval

| FACILITY                                           | YEAR |     | 1982 |     | 1983 |     | 1984 |     | 1985 |     | 1986 |     | 1987 |     | 1988 |     | 1989 |     | Capital<br>Project<br>Number | \$<br>MILLIONS |
|----------------------------------------------------|------|-----|------|-----|------|-----|------|-----|------|-----|------|-----|------|-----|------|-----|------|-----|------------------------------|----------------|
|                                                    | HALF | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd | 1st  | 2nd |                              |                |
| 28. Extension Runway 27-R                          |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AF-1                         | 27.0           |
| 29. Remote Parking East                            |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IS-4                         | 13.3           |
| 30. Inner/Outer Taxiway<br>H/I Location            |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-6                         | 23.3           |
| 31. Old Mannheim Improvements                      |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IS-5                         | 1.5            |
| 32. H & R Turnouts                                 |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | II-1                         | 9.3            |
| 33. Central Terminal Curbside<br>Expansion         |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IS-1-a                       | 8.1            |
| 34. Central Terminal<br>Recirculation Improvements |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IS-2                         | 9.1            |
| 35. Extension & Improvement<br>Concourse E         |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IA-14                        | 1.6            |
| 36. General Aviation Apron                         |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | AI-16                        | 0              |
| 37. International Terminal<br>Foreign Flag Areas   |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | II-1                         | 30.8           |
| 39. Federal Inspection Facilities                  |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | II-2                         | 11.6           |
| 40. Access Roadway<br>Improvements                 |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |     | IS-8                         | 1.2            |

\* Includes Construction Cost & Allowance of 8% A/E Fees, in 1982 Dollars

5/30/85

REPORTS OF COMMITTEES

17125

# AIRPORT DEVELOPMENT PLAN

## Preliminary Construction Schedule

SHEET 4 OF 4

O'HARE ASSOCIATES

Supervising Consultant for the  
Chicago O'Hare International Airport Development Program

November 17, 1982

Assumed Notification Date of Environmental Approval

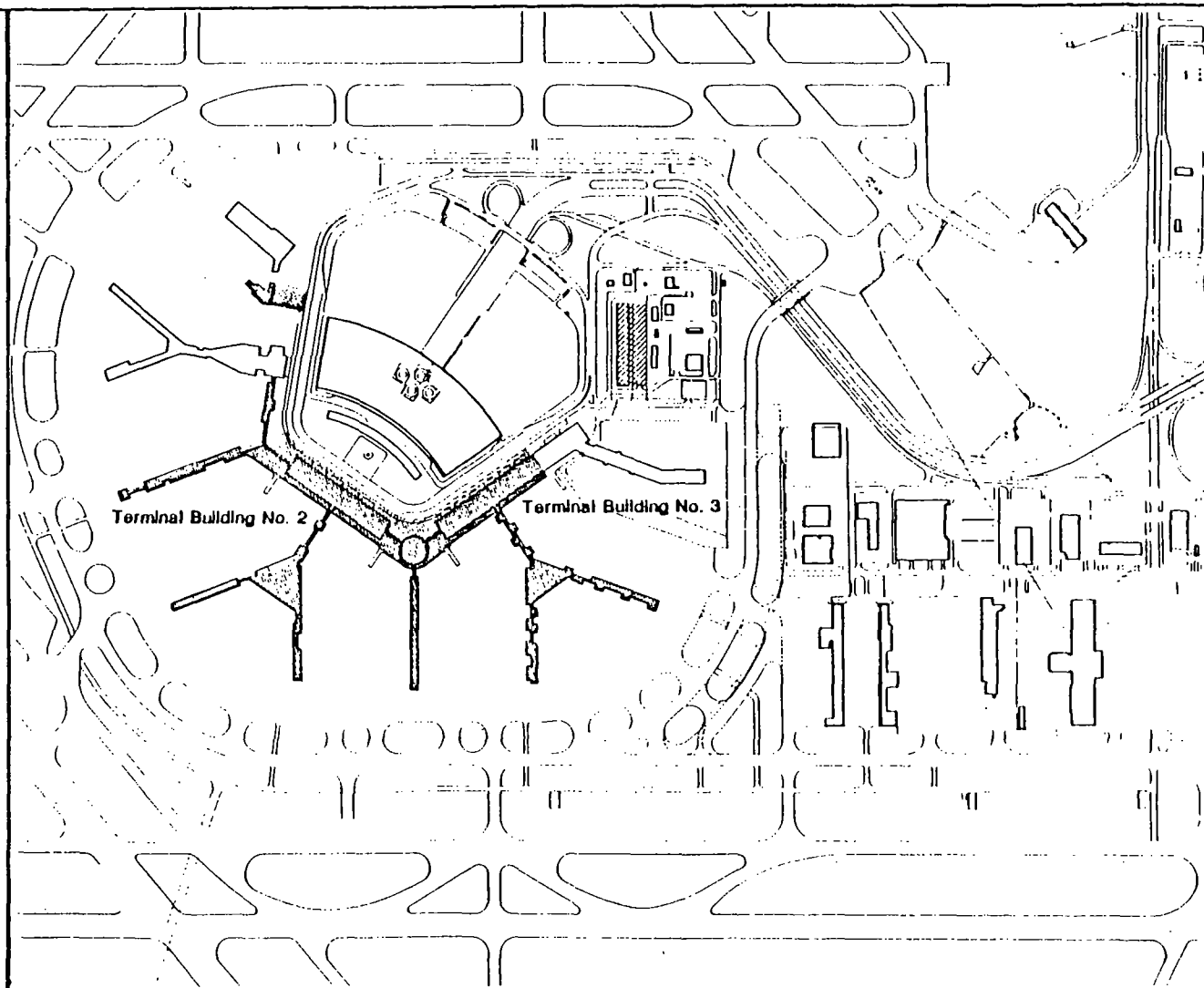
| FACILITY                                    | YEAR |  | 1982 |     | 1983 |     | 1984 |     | 1985 |     | 1986 |     | 1987 |     | 1988 |     | 1989 |  | Capital<br>Project<br>Number | \$<br>MILLIONS |
|---------------------------------------------|------|--|------|-----|------|-----|------|-----|------|-----|------|-----|------|-----|------|-----|------|--|------------------------------|----------------|
|                                             | HALF |  | 2nd  | 1st | 2nd  | 1st | 2nd  | 1st | 2nd  | 1st | 2nd  | 1st | 2nd  | 1st | 2nd  | 1st | 2nd  |  |                              |                |
| 41. Extension & Improvement<br>Concourse G  |      |  |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |  | 1A-15                        | 1.6            |
| 42. Extension & Improvements<br>Concourse H |      |  |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |  | 1A-16                        | 1.6            |
| 43. Extension & Improvement<br>Concourse K  |      |  |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |  | 1A-11                        | 1.2            |
| 44. Ramps & Roadways<br>at Old Muehlestein  |      |  |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |  | TS-9                         | 110.0          |
| 45. Extension Runway/<br>Taxiway 9L         |      |  |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |  | AF-2                         | 1.8            |
| 46. Interline Baggage<br>Improvements       |      |  |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |  | 1A-17                        | 0              |
| TOTAL                                       |      |  |      |     |      |     |      |     |      |     |      |     |      |     |      |     |      |  |                              | 840.0          |

\* Includes Construction Cost &amp; Allowance of 8% A/E Fees, in 1982 Dollars

12.7.82



Terminal Area

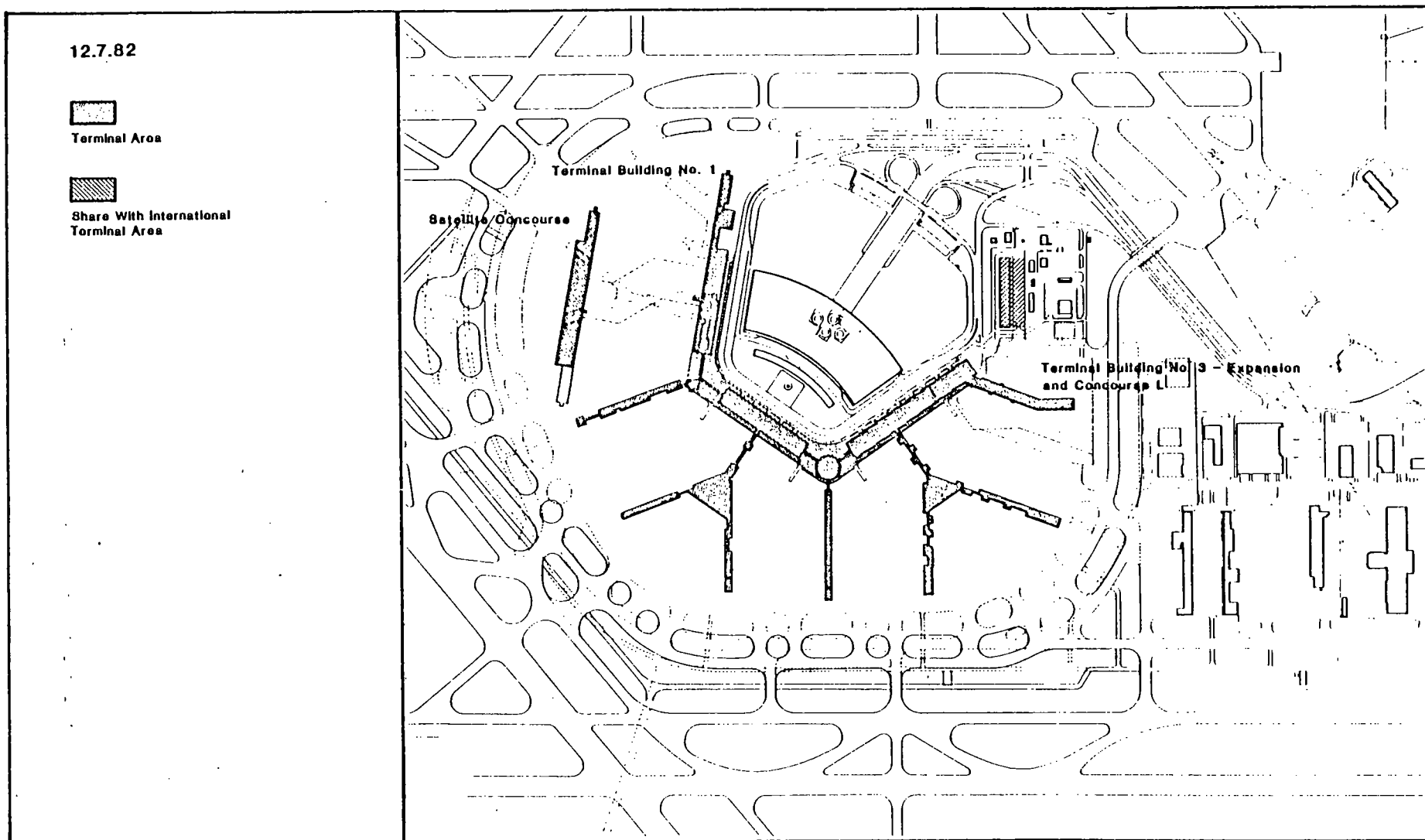
Share With International  
Terminal Area

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 City of Chicago    Jane M. Byrne Mayor    Thomas Repassé Commissioner of Aviation    Jerome R. Butler Commissioner of Public Works

**O'HARE ASSOCIATES**  
 Consulting Engineers  
**LANDRUM & BROWN**  
 Architects

TERMINAL AREA - PHASE I

 8-410001  
**C1**



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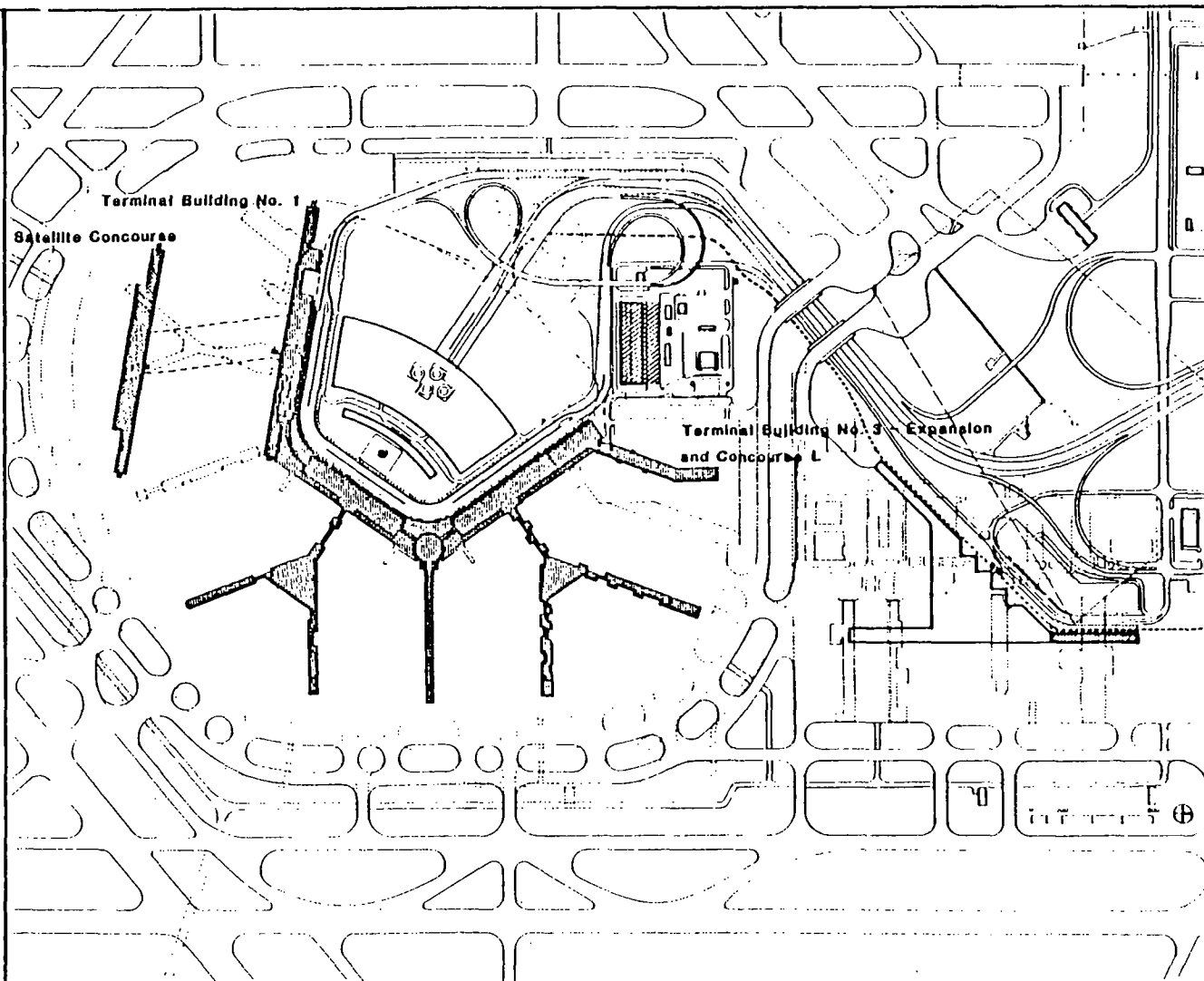
**TERMINAL AREA-PHASE II**

**EXHIBIT**  
**C2**

12.7.82



Terminal Area

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Terminal Area

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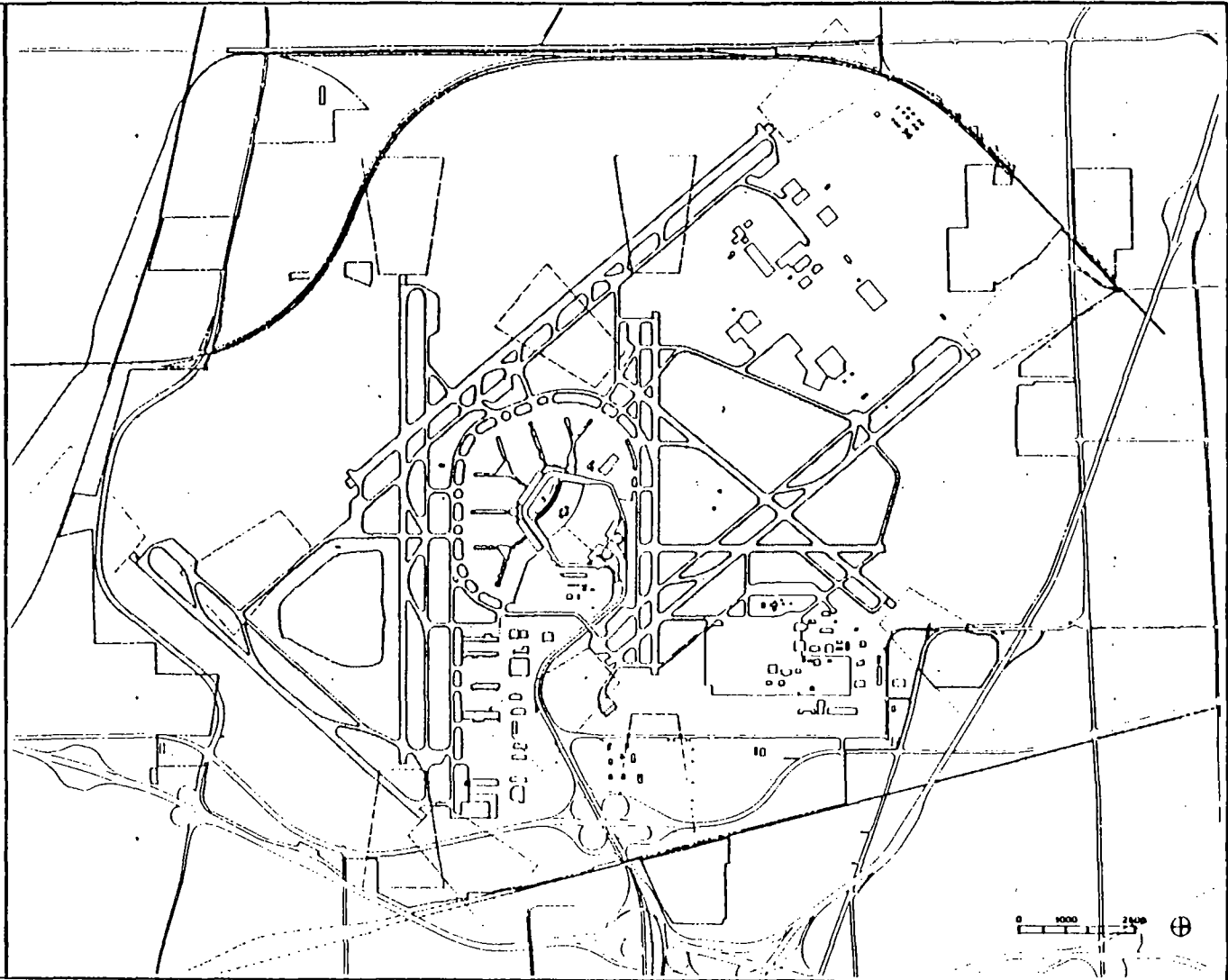
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**LANDRUM & BROWN**  
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TERMINAL AREA- PHASE III

EXHIBIT  
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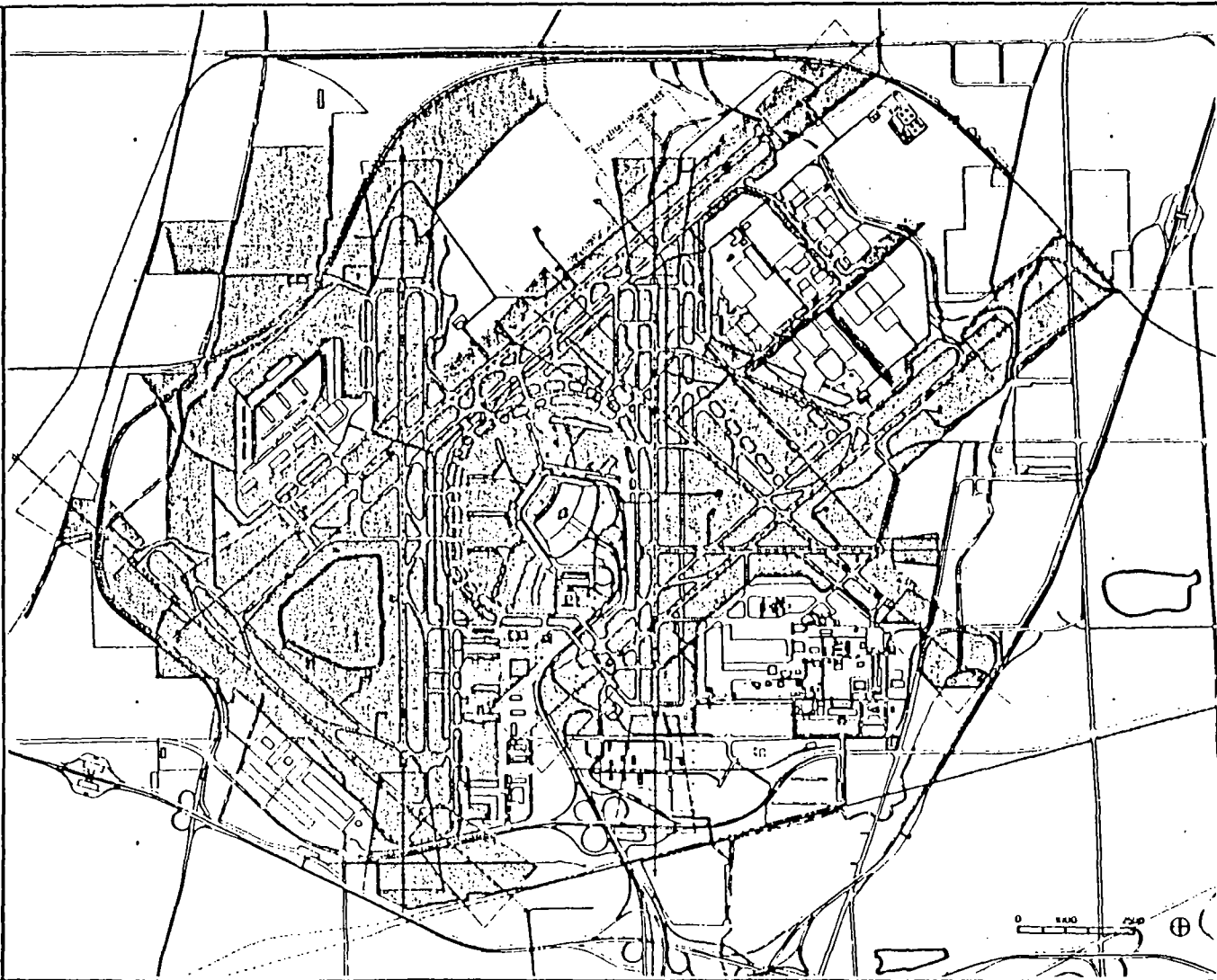
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 Engineering Consultant  
**LANDRUM & BROWN**  
 Architect Consultant

**AIRFIELD AREA--PHASE I**

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**D1**

12.7.82



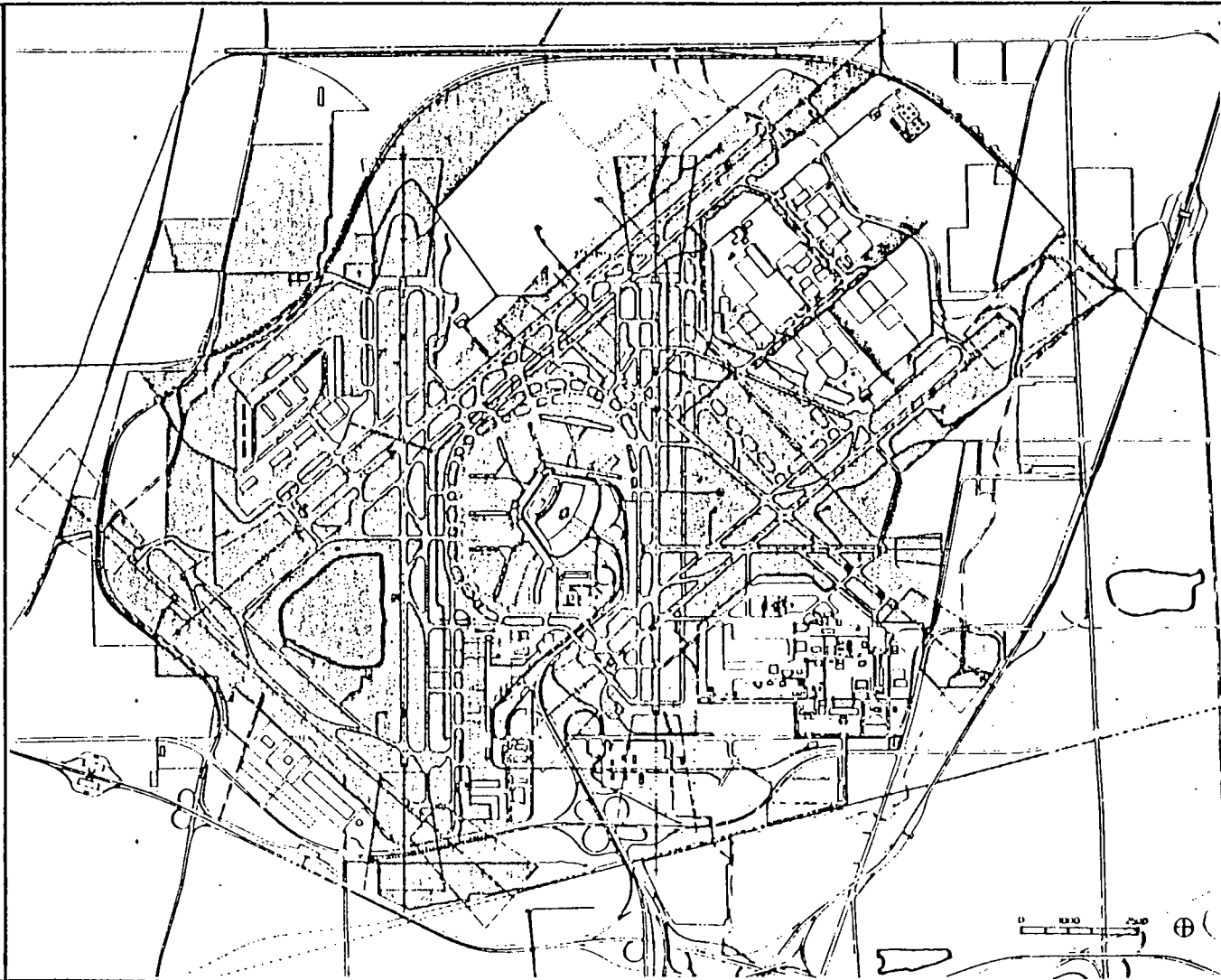
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ARIFIELD AREA - PHASE II

ATTACHMENT  
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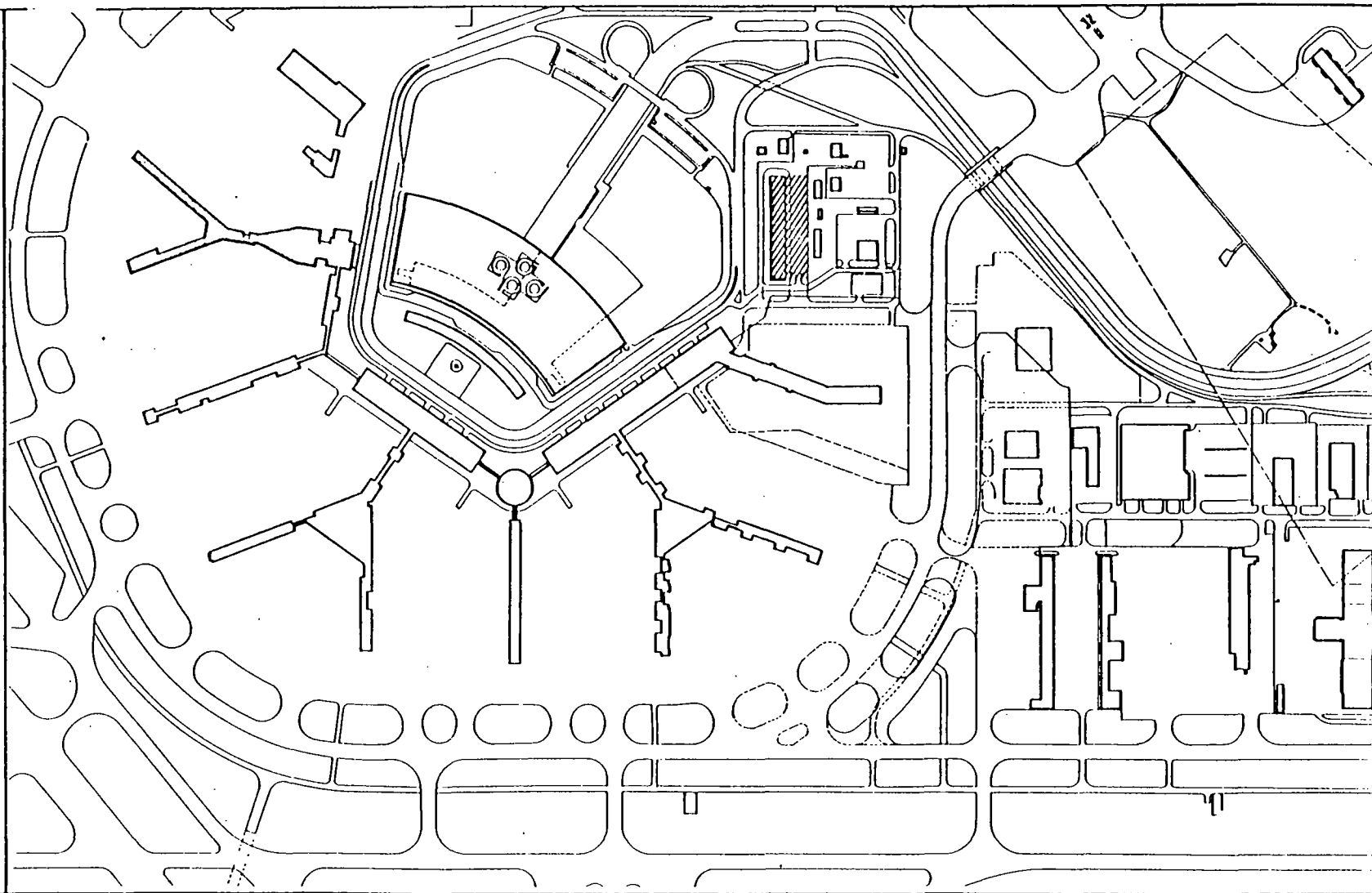
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**AIRFIELD AREA- PHASE III**

**LA 100011**  
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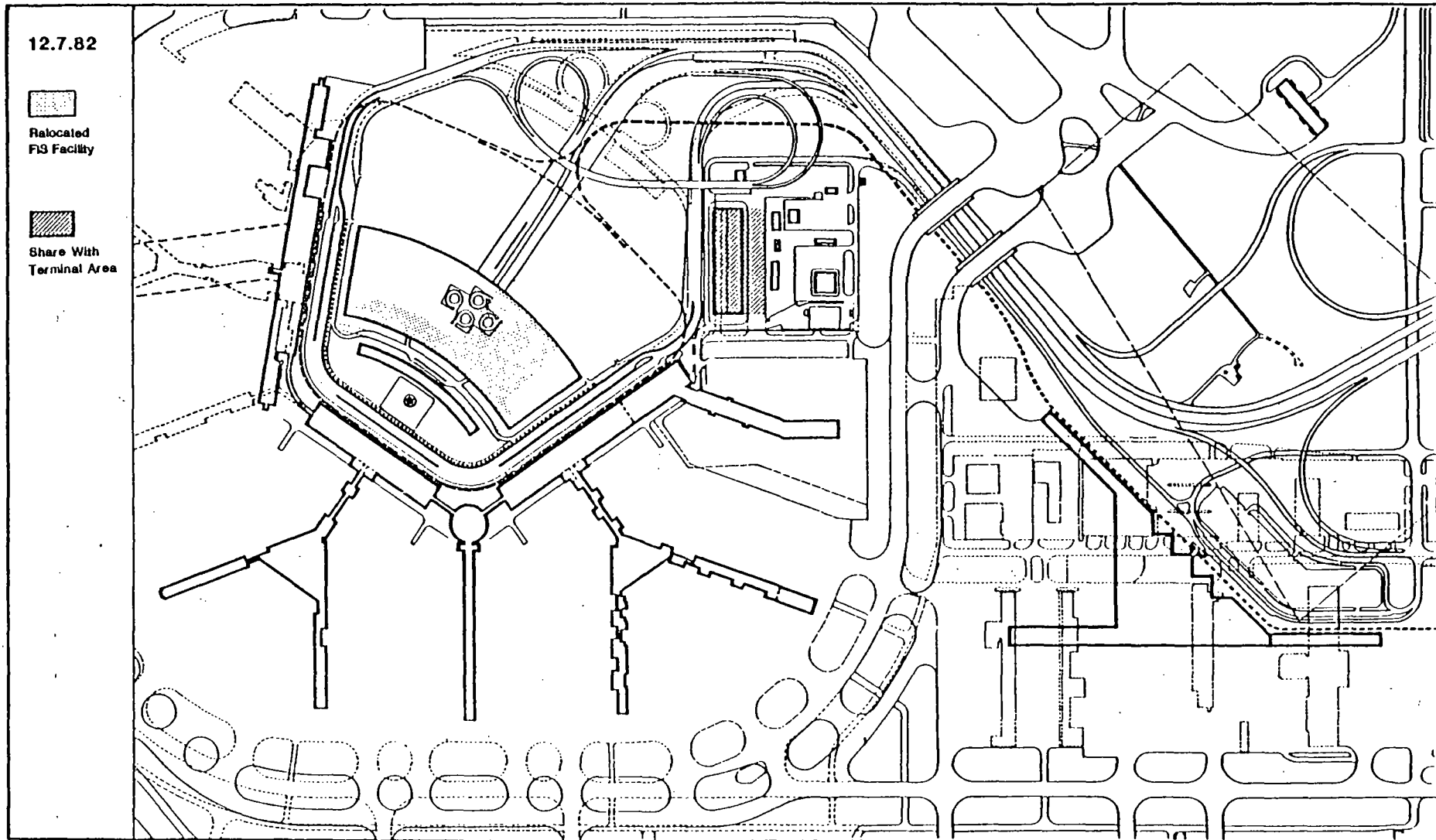
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 Consulting Engineer  
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 Aviation Consultants

INTERNATIONAL TERMINAL AREA- PHASE I

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E1

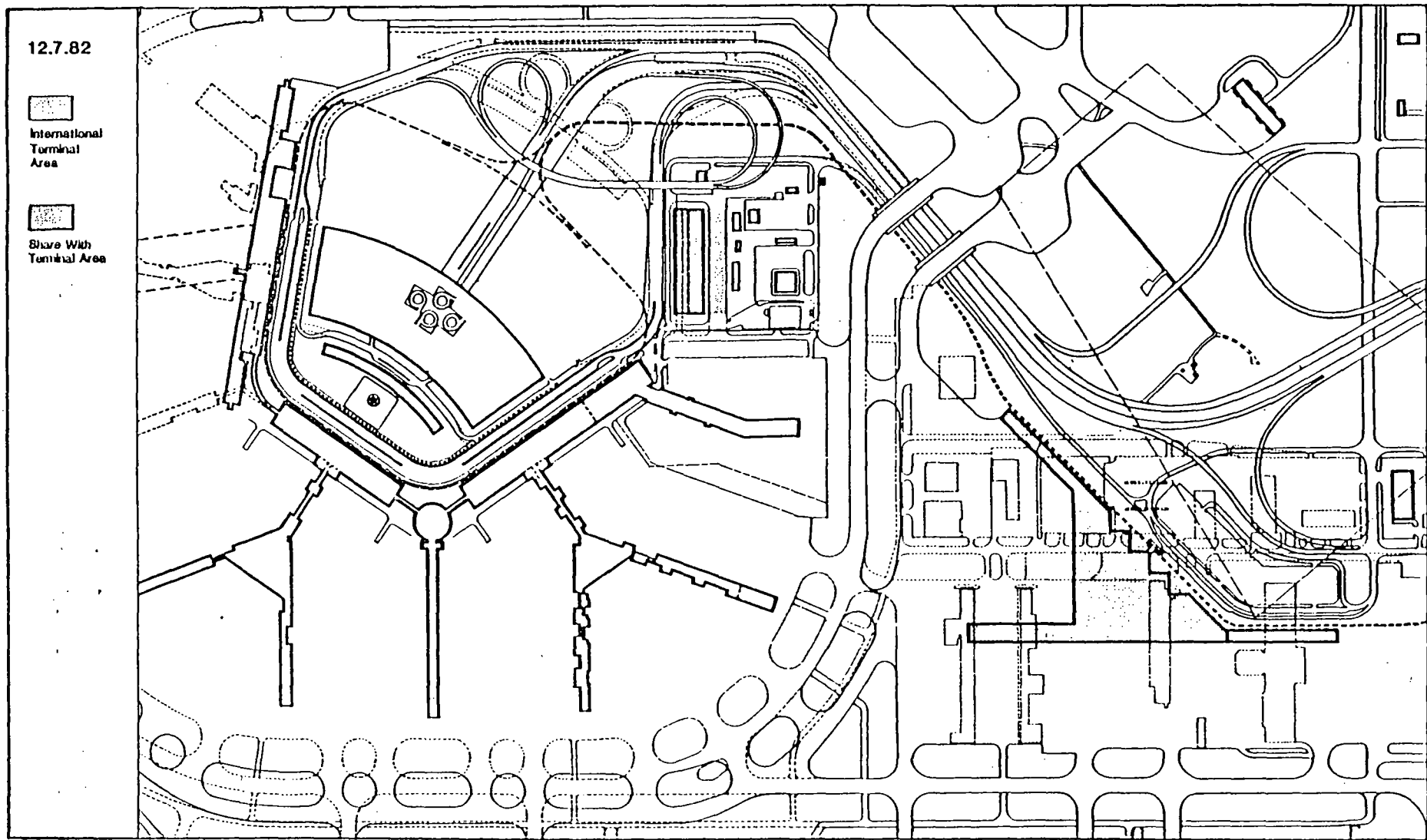


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 Architects-Consultants

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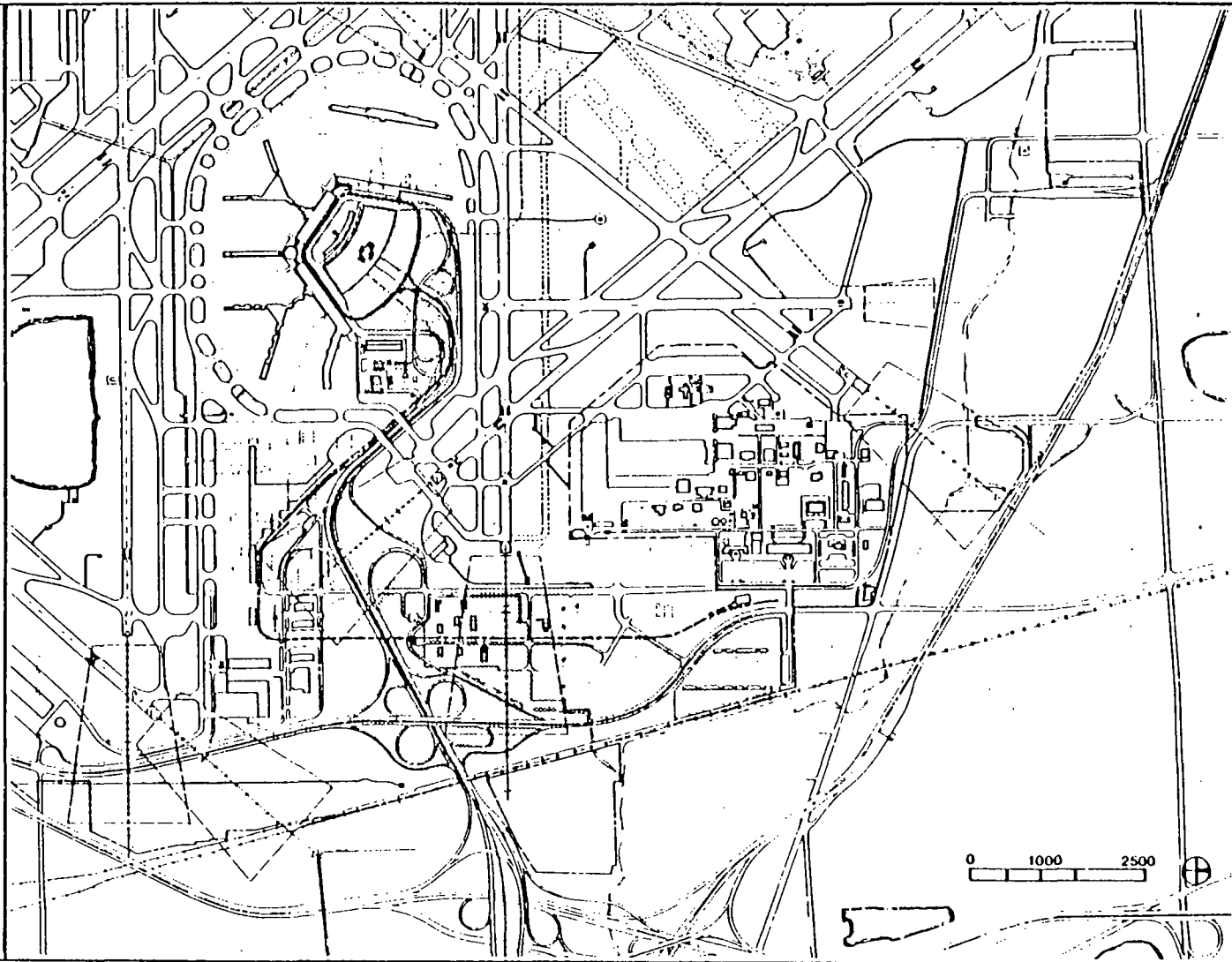
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**LANDRAUM & ERFOWIN**  
 Aviation Consultants

INTERNATIONAL TERMINAL AREA - PHASE III

A. R. H. M. E.  
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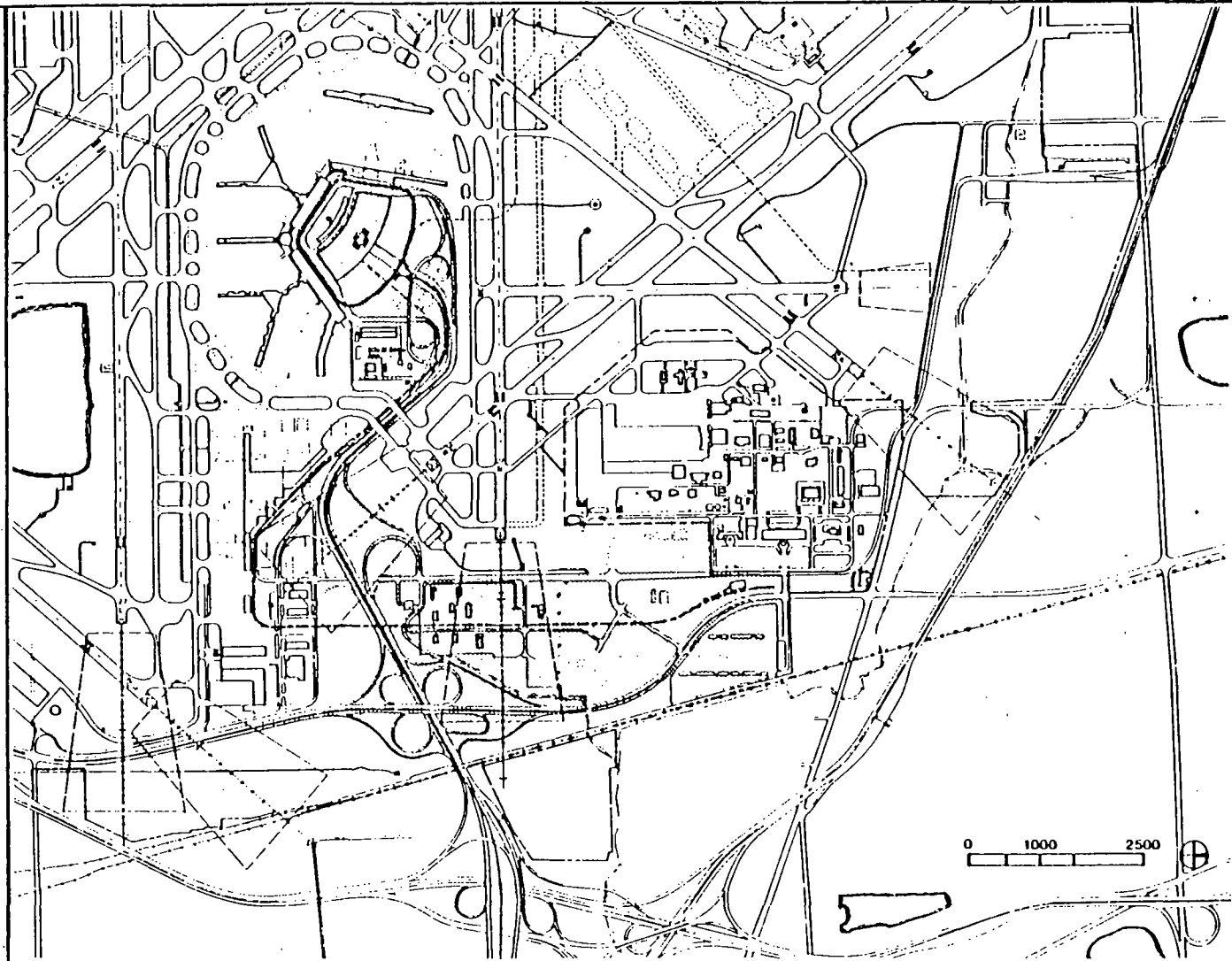
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**TERMINAL SUPPORT AREA-PHASE I**

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12.7.82



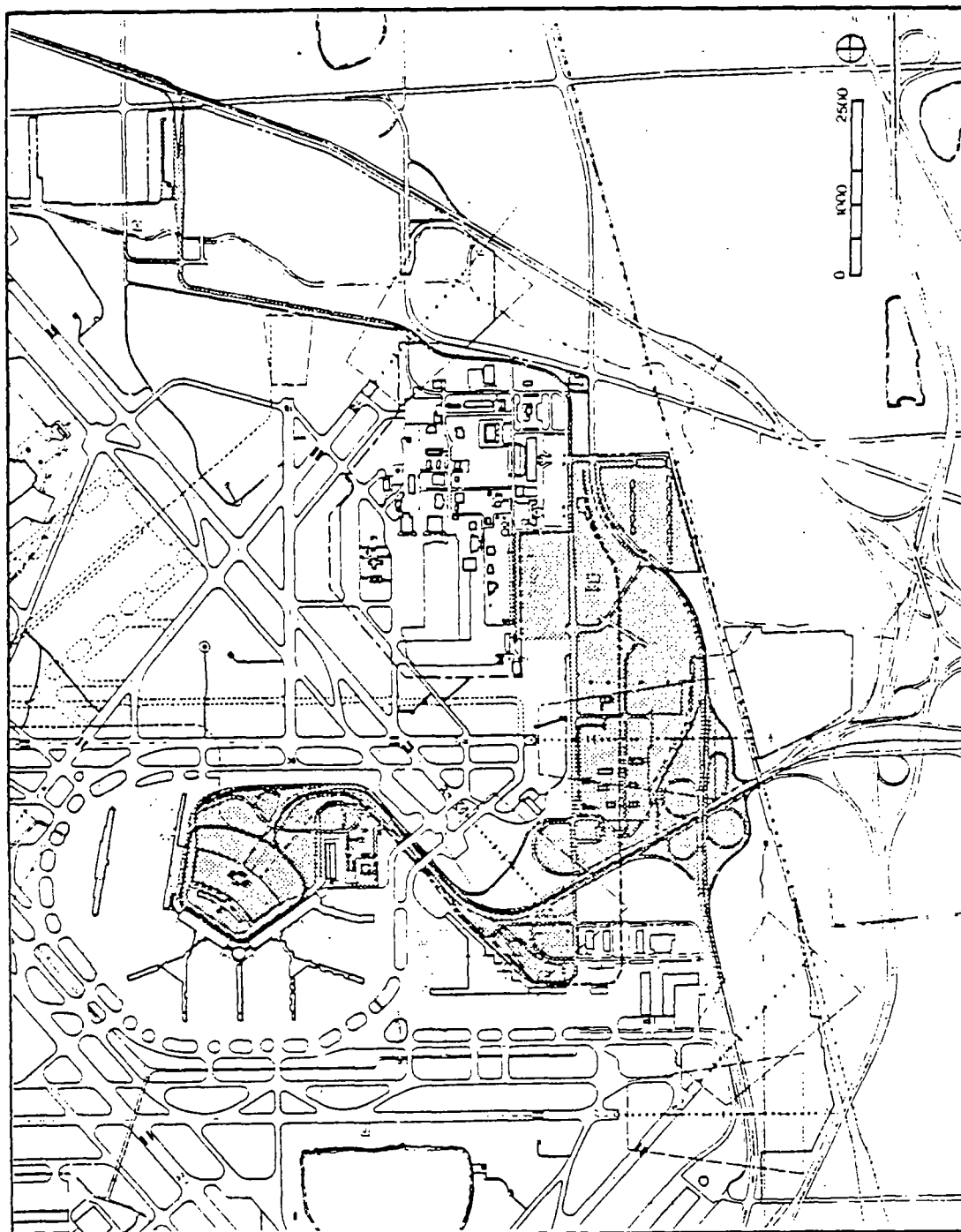
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**LANDRUM & BROWN**  
 Aviation Consultants

**TERMINAL SUPPORT AREA-PHASE II**

17137  
**F 2**





**12.7.82**

**CHICAGO O'HARE INTERNATIONAL AIRPORT**  
City of Chicago      JAMES M. BYRNE Mayor      THURGOOD MARSHALL      CHIEF JUSTICE OF THE SUPREME COURT      JACQUES H. DUBOIS      CHAIRMAN OF THE BOARD OF THE NATIONAL ASSOCIATION OF AIRPORTS

# THE UNIVERSITY OF CHICAGO

Justice William J. Brennan, Jr. and Justice  
Lewis F. Powell, Jr. announced the decision.

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**OTIARPE ASSOCIATES**  
 10000 15th Ave. S.W. • Seattle, WA 98148  
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# LANDLINE WITH YOU

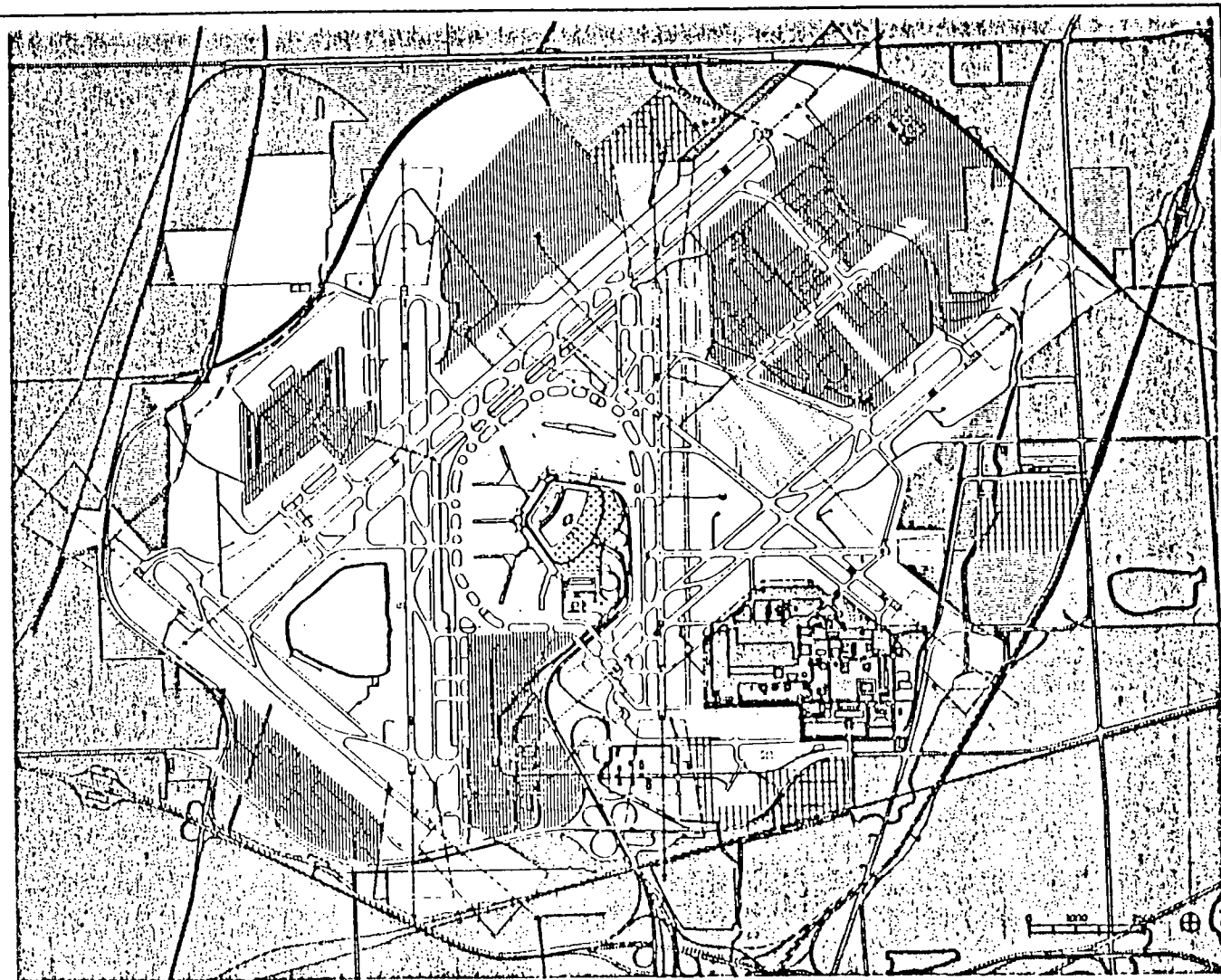
# LANDLINE WITH YOU

### TERMINAL SUPPORT AREA - PHASE III

EXHIBIT  
F3

12.7.82

-  Aviation Related Land Use
-  Other Compatible Commercial / Industrial Land Use
-  Air Rights Development - Compatible Use
-  Central Parking Area Air Rights Development - Compatible Use

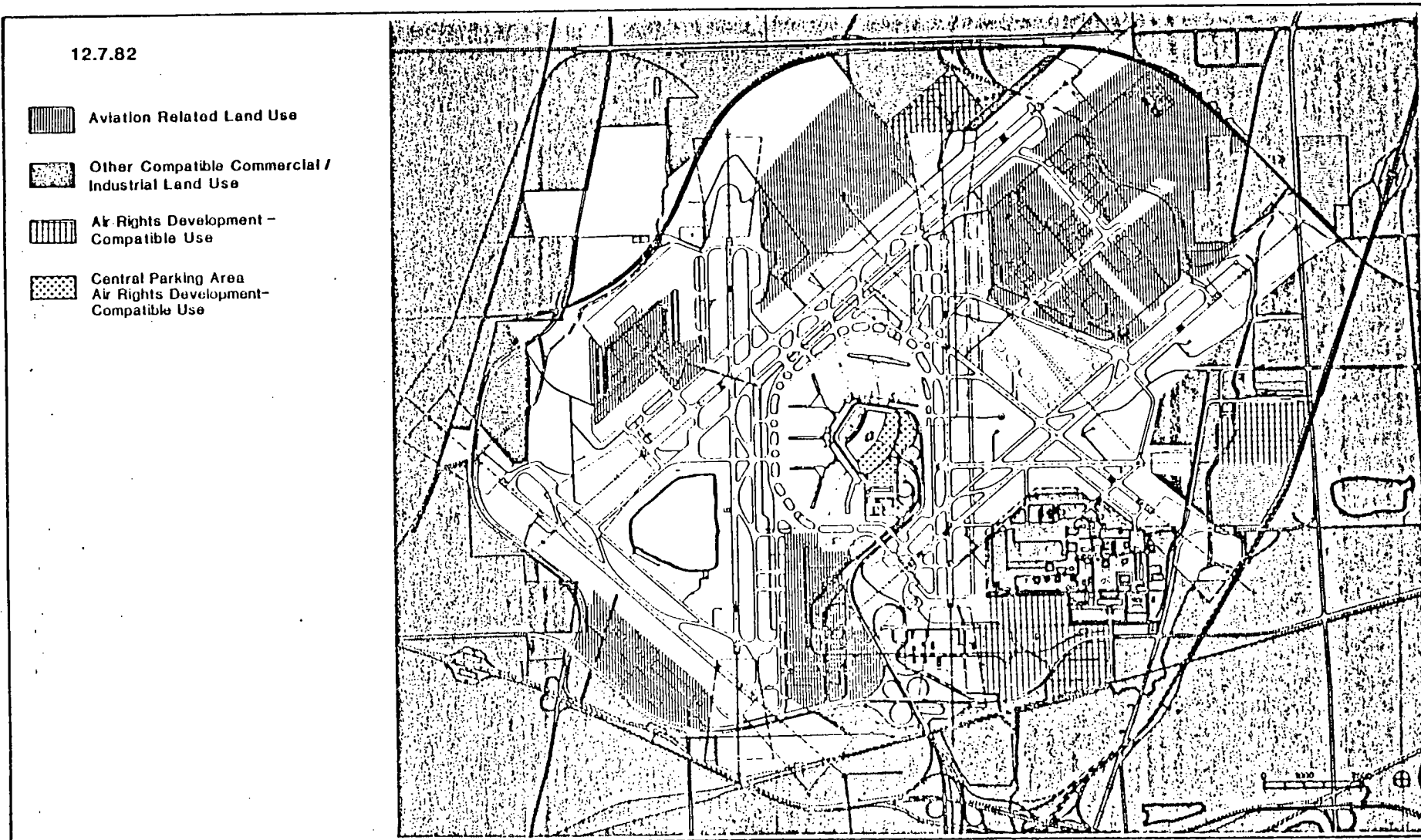


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 Aviation Consultants

LAND SUPPORT AREA - PHASE I

EXHIBIT  
**G1**



**CHICAGO O'HARE INTERNATIONAL AIRPORT**  
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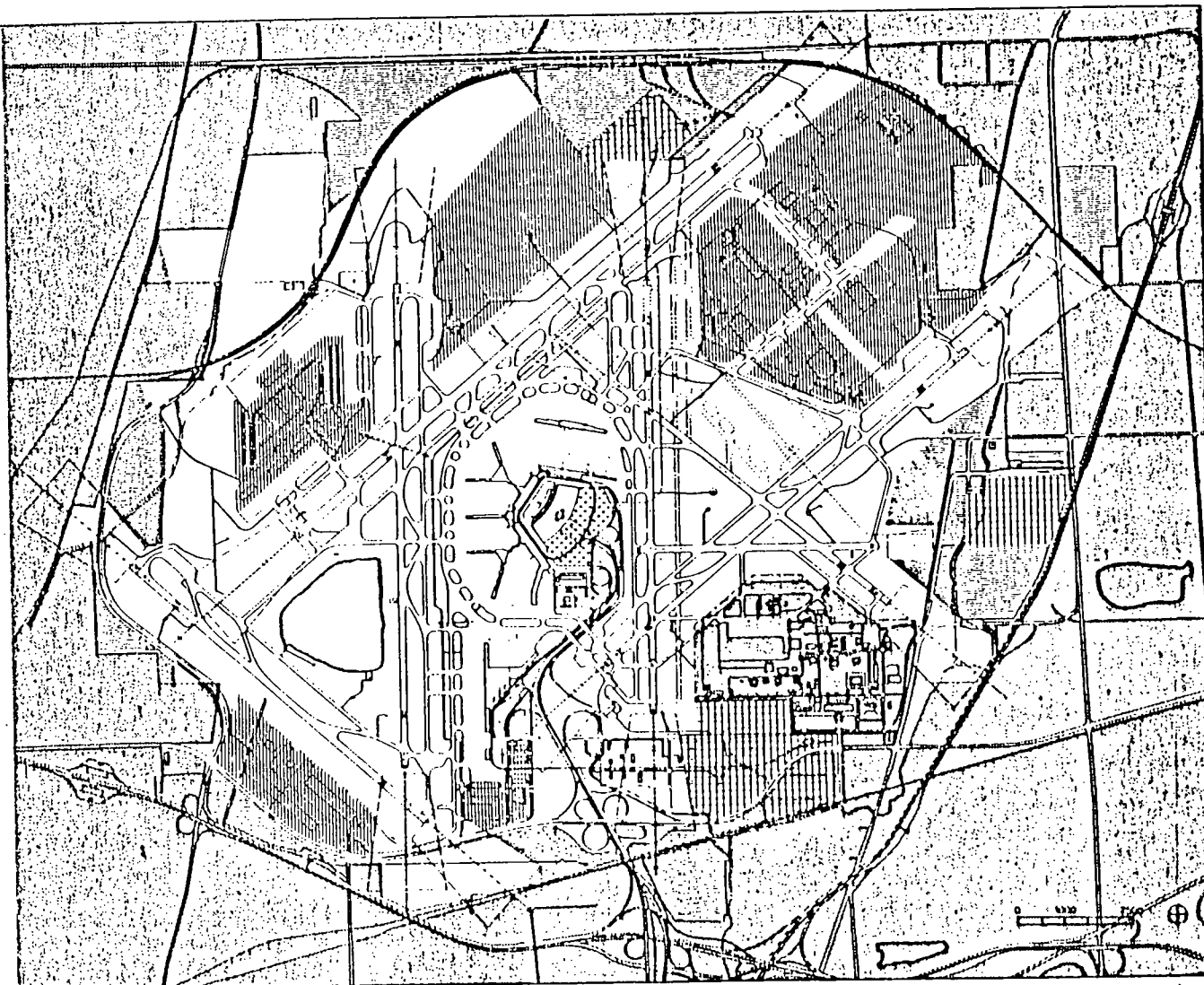
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 Architects

LAND SUPPORT AREA--PHASE II

EXHIBIT  
**G2**

12.7.82

-  Aviation Related Land Use
-  Other Compatible Commercial / Industrial Land Use
-  Air Rights Development - Compatible Use
-  Central Parking Area  
Air Rights Development - Compatible Use

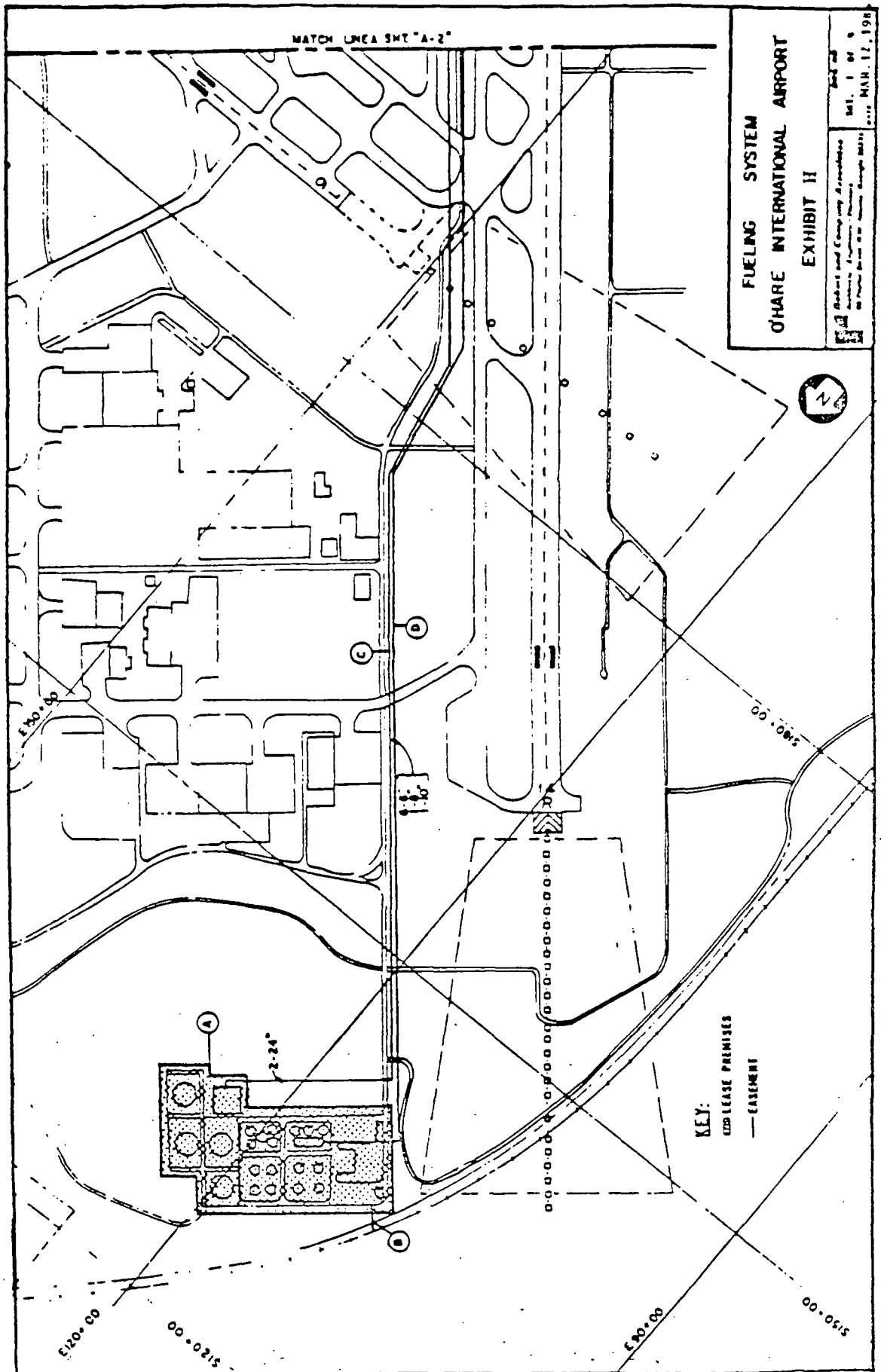


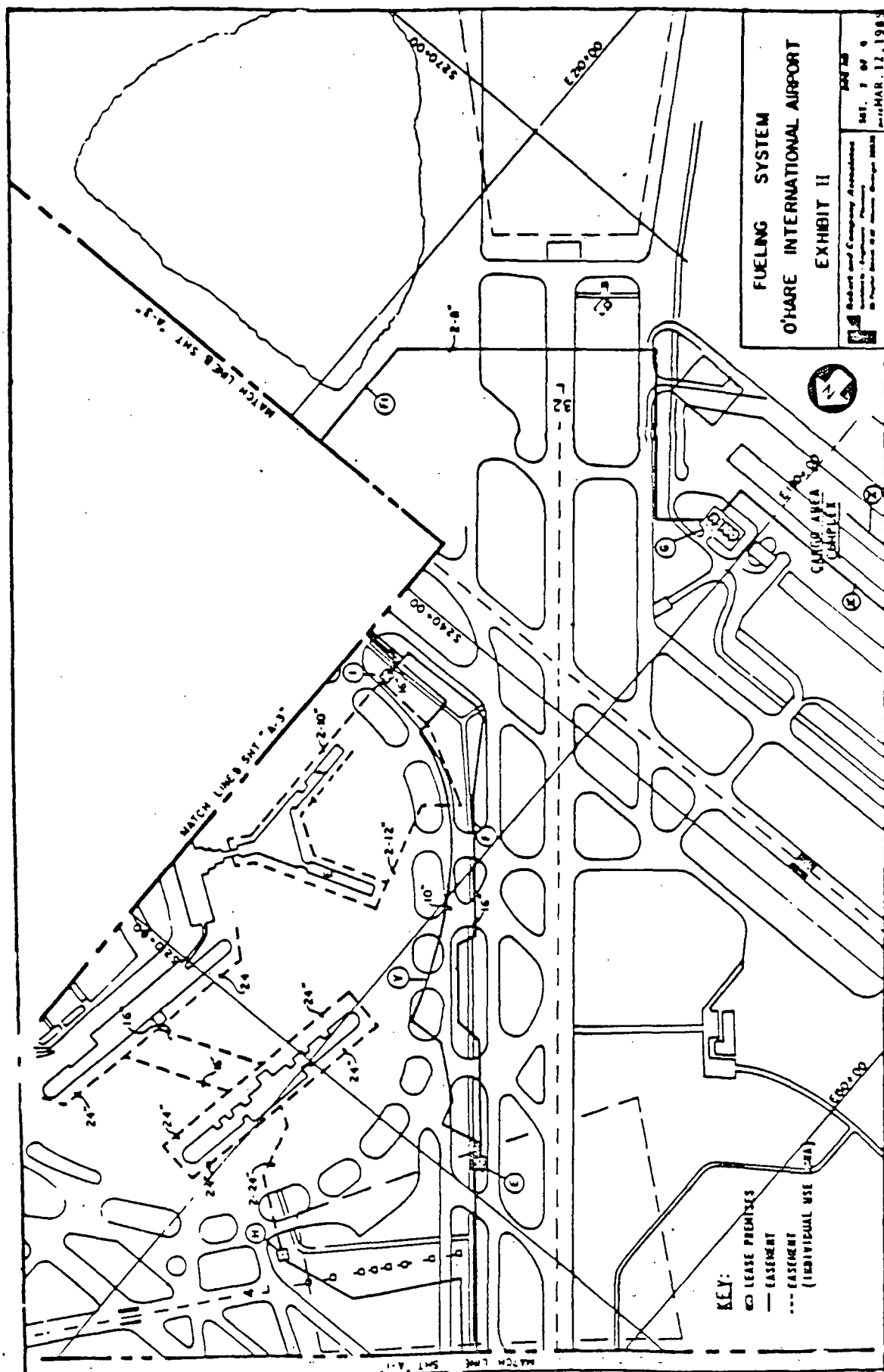
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 Representing the City of Chicago  
**LANDRUM & BROWN**  
 Aviation Consultants

LAND SUPPORT AREA - PHASE III

EXHIBIT  
**G3**



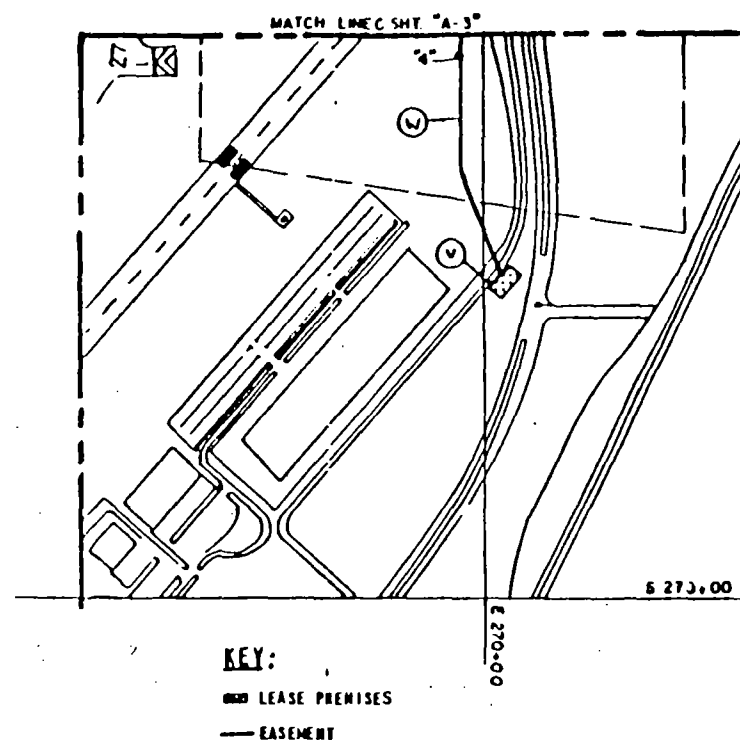




**LEGEND**

| ITEM                                             | CLASSIFICATION  | APPROX. AREA           |
|--------------------------------------------------|-----------------|------------------------|
| A. TANK FIRM                                     | LEASED PREMISES | 59.4 ACRES             |
| B. SUPPLY PIPELINE                               | EASEMENT        | 8' WIDE, 1200' LONG    |
| C. TRANSFER PIPING                               | EASEMENT        | 10' WIDE, 11,000' LONG |
| D. TRANSFER PIPING                               | EASEMENT        | 20' WIDE, 9,800' LONG  |
| E. BREAKOUT MANIFOLD                             | LEASED PREMISES | 576 SQ. FT.            |
| F. TRANSFER PIPING                               | EASEMENT        | 10' WIDE, 8,560' LONG  |
| G. TRANSFER PIPE                                 | EASEMENT        | 5' WIDE, 8,820' LONG   |
| H. CRUISE SHELTER                                | LEASED PREMISES | 1.5 ACRES              |
| I. ISOLATION VALVE PIT CONCOURSE 1               | LEASED PREMISES | 1,513 SQ. FT.          |
| J. ISOLATION VALVE PIT CONCOURSE E & F           | LEASED PREMISES | 755 SQ. FT.            |
| K. ISOLATION VALVE PIT CONCOURSE H               | LEASED PREMISES | 490 SQ. FT.            |
| L. ISOLATION VALVE PIT CONCOURSE H               | LEASED PREMISES | 520 SQ. FT.            |
| M. ISOLATION VALVE PIT CONCOURSE H               | LEASED PREMISES | 700 SQ. FT.            |
| N. ISOLATION VALVE PIT CONCOURSE L               | LEASED PREMISES | 490 SQ. FT.            |
| O. SACK FEED PIPING                              | EASEMENT        | 10' WIDE, 3,800' LONG  |
| P. SUPER SATELLITE FACILITY                      | LEASED PREMISES | 1.55 ACRES             |
| Q. OLYMPIC DISPENSING FACILITY                   | LEASED PREMISES | 1.5 ACRES              |
| R. L.A.T. MALP. BLDG. NO. 1 & 70'                | LEASED PREMISES |                        |
| S. AVIATION & AUTOMOTIVE BARREL FACILITY         | LEASED PREMISES |                        |
| T. TRUCK FILL BAY                                | LEASED PREMISES | 2.75 ACRES             |
| U. TRUCK FILL 1 INTERNATIONAL TERMINAL SATELLITE |                 |                        |
| V. REMOTE AIRCRAFT 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



\*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.



|                                                                                                                                      |                                    |
|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| <b>FUELING SYSTEM</b>                                                                                                                |                                    |
| <b>O'HARE INTERNATIONAL AIRPORT</b>                                                                                                  |                                    |
| <b>EXHIBIT H</b>                                                                                                                     |                                    |
| <br>Robert and Company Associates<br>Architects, Engineers, Planners<br>3000 North 10th Avenue, Suite 200<br>Chicago, Illinois 60640 | SHEET 1 OF 1<br>DATE: MAY 12, 1985 |



EXHIBIT

I

## CITY OF CHICAGO

1983 CHICAGO-O'HARE INTERNATIONAL AIRPORT  
GENERAL AIRPORT REVENUE BOND ORDINANCE

Adopted: \_\_\_\_\_, 1983

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AN ORDINANCE AUTHORIZING  
THE ISSUANCE  
BY THE CITY OF CHICAGO OF ITS  
CHICAGO-O'HARE INTERNATIONAL AIRPORT  
GENERAL AIRPORT REVENUE BONDS,  
AND PROVIDING FOR THE PAYMENT OF  
AND SECURITY FOR SAID BONDS

---

WHEREAS, the City of Chicago is a home rule unit of local government, duly organized and existing under the laws of the State of Illinois, and in accordance with the provisions of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois is authorized to own and operate commercial and general aviation facilities; and

WHEREAS, the City currently owns and operates an airport known as Chicago-O'Hare International Airport; and

WHEREAS, the City has heretofore determined to improve and expand said airport and to issue Bonds (as hereinafter defined), payable solely from Revenues (as hereinafter defined), to pay the cost of improvements to, and expansions of, said airport.

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

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 101. Short Title. This ordinance may hereafter be cited as the "1983 Chicago-O'Hare International Airport General Airport Revenue Bond Ordinance."

Section 102: Definitions. The following terms, for all purposes of this Ordinance, and of any ordinance amendatory or supplemental hereto, and of any certificate, opinion or other document herein mentioned, shall have the meanings herein specified unless the context clearly indicates otherwise:

"Accounts" means the special accounts created and established pursuant to Articles IV and V.

"Aggregate Debt Service" means, as of any particular date of computation and with respect to a particular Bond Year or other specified 12-month period, an amount of money equal to the aggregate of the amounts of Annual Debt Service with respect to such Bond Year or other specified 12-month period and to the Bonds of all Series.

"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.

"Airline Party" means, at any time, any person actively engaged in the Air Transportation Business at the Airport who then has an Airport Use Agreement in effect with the City, either directly or through a valid assignment.

"Airport" means Chicago-O'Hare International Airport as shown on Exhibit A attached to the Airport Use Agreements, 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.

"Airport Development Fund" means the Airport Development Fund created pursuant to Article VII of the Airport Use Agreements.

"Airport Development Fund Deposit Requirement" for any Fiscal Year means any amount required to be deposited in the Airport Development Fund from any source in any Fiscal Year under the Airport Use Agreements.

"Airport Development Plan" means the Airport Development Plan as said term is defined in the Airport Use Agreements.

"Airport Fees and Charges" means Airport Fees and Charges as said term is defined in the Airport Use Agreements.

"Airport Fund" means the Airport Fund created pursuant to Article VII of the Airport Use Agreements.

"Airport Use Agreements" means (a) the airport use agreement and terminal facilities leases entered into between the City and various companies engaged in the Air Transportation Business as authorized by an ordinance adopted by the City Council of the City on \_\_\_\_\_, 1983, entitled:

"AN ORDINANCE AUTHORIZING THE CITY OF CHICAGO TO EXECUTE NEW AIRPORT USE AGREEMENTS WITH UNITED AIRLINES, INC., AMERICAN AIRLINES, INC., TRANS WORLD AIRLINES, INC., NORTHWEST ORIENT AIRLINES, INC., DELTA AIR LINES, INC., AND US AIR, INC.,"

(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 the agreements referred to in (a) above, 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 as the agreements referred to in (a) above, 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 in accordance with their terms and Section 714.

"Annual Debt Service" means, as of any particular date of computation and with respect to a particular Bond Year or other specified 12-month period and to Bonds of a particular Series, an amount of money equal to the sum of (a) all interest payable during such Bond Year or other specified 12-month period on all Bonds of said Series Outstanding on said date of computation and (b) all Principal Installments payable during such Bond Year or other specified 12-month period with respect to all Bonds of said Series Outstanding on said date of computation, all calculated on the assumption that Bonds will after said date of computation cease to be Outstanding by reason, but only by reason, of the payment when due and application in accordance with this Ordinance of Principal Installments payable at or after said date of computation.

"Authorized Newspapers" means not less than two newspapers or financial journals, printed in the English language and customarily published (except in the case of legal holidays) at least once a day for at least five days in each calendar week, one of which is of general circulation in the City, and the other of which is of general circulation in the Borough of Manhattan, City and State of New York.

"Authorized Officer" means (a) the Mayor, the City Treasurer, the City Comptroller, or any other official of the City designated as an "Authorized Officer" under this Ordinance by the Mayor by a Certificate signed by the Mayor and filed with the Trustee for so long as such designation shall be in effect and (b) the City Clerk with respect to the certification of any ordinance or resolution of the City Council or any other document filed in his office.

"Bond Counsel" means a firm of attorneys having expertise in the field of law relating to municipal, state and public agency financing, selected by the City and satisfactory to the Trustee.

"Bondholder" or "holder" or words of similar import, when used with reference to a Bond, means any person who shall be the bearer of any Outstanding Bond registered to bearer or not registered, or the registered owner of any Outstanding Bond at the time registered other than to bearer.

"Bonds" means any of the Bonds of the City authenticated and delivered under and pursuant to this Ordinance.

"Bond Year" means a 12-month period commencing on January 2 of each calendar year and ending on January 1 of the next succeeding year.

"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.

"Capitalized Interest" means any amount included in the proceeds of any Series for the payment of interest on Bonds.

"Capitalized Interest Account" means an Account maintained in the Construction Fund for the deposit of the portion, if any, of the proceeds of any Series representing Capitalized Interest.

"Certificate" means an instrument of the City in writing signed by an Authorized Officer. Any such instrument in writing and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed so as to form a single instrument. Any Certificate of the City may be based, insofar as it relates to legal, accounting or engineering matters, upon the opinion or representation of counsel, accountants, or engineers, respectively, unless the officer signing such Certificate knows, or in the exercise of reasonable care should have known, that the opinion or representation with respect to the matters upon which such Certificate may be based, as aforesaid, is erroneous. The same officer of the City, or the same counsel or accountant or other persons, as the case may be, need not certify to all of the matters required to be certified under any provision of this Ordinance, but different officers, counsel, accountants or other persons may certify to different facts, respectively. Every Certificate, and every certificate or opinion of counsel, accountants, engineers or other persons provided for herein shall include:

(a) a statement that the person making such certificate or opinion or representation has read the pertinent provision of this Ordinance to which such statement, certificate, opinion or representation relates;

(b) a brief statement as to nature and scope of the examination or investigation upon which the statements, opinions or representations are based;

(c) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion with respect to the subject matter referred to in the instrument to which his signature is affixed; and

(d) with respect to any statement relating to compliance with any provisions hereof, a statement whether or not, in the opinion of such person, such provision has been complied with.

"City" means 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 Council" means the City Council of the City, or any succeeding governing or legislative body of the City.

"Code" means the Internal Revenue Code of 1954, as from time to time supplemented and amended. References to the Code and to sections of the Code shall include relevant final, temporary or proposed Regulations as in effect from time to time and, with reference to any Series, as applicable to obligations issued on the date of issuance of such Series.

"Commissioner of Aviation" means the Commissioner of the Department of Aviation of the City, or any successor or successors to the duties of such official.

"Commissioner of Public Works" means the Commissioner of the Department of Public Works of the City, or any successor or successors to the duties of such official.

"Construction Fund" means the Construction Fund created by Section 401.

"Consulting Engineer" means a registered or licensed engineer or engineers, or firm or firms of engineers, with expertise in the field of designing, preparing plans and specifications for, supervising the construction, improvement and expansion of, and supervising the maintenance of, airports and aviation facilities, entitled to practice and practicing as such under the laws of the State of Illinois, who, in the case of any individual, shall not be a director, officer or employee of either the City or any Airline Party.

"Costs of Issuance" means any item of expense payable or reimbursable, directly or indirectly, by the City and related to the authorization, offering, sale, issuance and delivery of Bonds, including but not limited to travel and other expenses of any officer or employee of the City in connection with the authorization, offering, sale, issuance and delivery of such Bonds, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any Fiduciary, legal fees and disbursements, fees and disbursements of the Independent Airport Consultant, Independent Accountant and the Consulting Engineer, fees and disbursements of other consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of Bonds, premiums on municipal Bond insurance, credit facility charges and costs and expenses of refunding.

"Counsel's Opinion" means a written opinion of counsel selected by the City (who may be the Corporation Counsel for the City). Any Counsel's Opinion may be based, insofar as it relates

matters (information with respect to which is in the of the City) upon a certificate or opinion of, or opinion by, an officer of the City, unless such counsel in the exercise of reasonable care should have known, certificate or opinion or representation with respect to upon which his opinion may be based, as aforesaid, is

"Service Fund" means the Debt Service Fund created by

"Service Reserve Fund" means the Debt Service Reserve Fund created by Section 501.

"Service Reserve Fund Requirement" means for the current Bond Year an amount equal to the maximum amount of Debt Service for such Bond Year.

"Emergency Reserve Fund" means the Emergency Reserve Fund pursuant to Article VII of the Airport Use Agreements.

"Emergency Reserve Fund Deposit Requirement" for any Fiscal Year means any amount required to be deposited in the Emergency Reserve Fund in any Fiscal Year under the Airport Use Agreements.

"Event of Default" means an Event of Default under Section

"Full Faith and Credit Obligation" means any direct obligation of, or any agreement to make, the full and timely payment of principal of and interest on any debt or obligation which is guaranteed by, the United States of America.

"Fiduciary" means the Trustee or any Paying Agent or any other person, as may be appropriate.

"Fiscal Year" means January 1 through December 31 of any such other fiscal year as the City may adopt for the purposes of, including any transition fiscal year adopted by the City pursuant to Article XXIII of the Airport Use Agreement.

"Funds" means the special funds created and established pursuant to Articles IV and V or pursuant to Article VII of the Airport Use Agreements.

"Government Grants-in-Aid" means those moneys granted to the City by the United States of America or any agency thereof, or any agency 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.

"Independent Accountant" means a certified public accountant duly licensed by the City and licensed to practice in the State of Illinois and who (a) in the case of an individual, shall not be an officer or employee of either the City or any Airline

Party, (b) shall be satisfactory to the Trustee and (c) may be the accountant that regularly audits the books of the City or the Airport.

"Independent Airport Consultant" means a consultant, other than the Consulting Engineer, selected by the City, 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 the City or any Airline Party.

"Interest Account" means the Interest Account in the Debt Service Fund.

"Interest Payment Date" means any January 1 or July 1 on which a Principal Installment or interest on any Series is payable in accordance with its terms and the terms of this Ordinance and the Supplemental Ordinance authorizing such Series.

"Junior Lien Obligations" means any bonds, notes or evidences of indebtedness, other than Bonds and Special Facility Revenue Bonds, issued by the City as permitted by Section 705.

"Junior Lien Obligation Debt Service Fund" means the Junior Lien Obligation Debt Service Fund created by Section 501.

"Land Support Area" means the land and air rights identified as the "Land Support Area" on Exhibit G attached to the Airport Use Agreements, and, except as otherwise provided therein, all structures, improvements, facilities, roads and utilities now or hereafter located thereon.

"Maintenance Reserve Fund" means the Maintenance Reserve Fund created pursuant to Article VII of the Airport Use Agreements.

"Majority-in-Interest" means a Majority-in-Interest of the Airline Parties determined in accordance with the provisions of the Airport Use Agreements.

"Net Revenues Available for Debt Service" for any Fiscal Year means the net income before extraordinary items of the Airport (excluding the net income of the Land Support Area except to the extent deposited in the Revenue Fund) calculated in accordance with generally accepted accounting principles (a) plus (i) interest payable on Bonds, (ii) interest payable on Junior Lien Obligations, (iii) any transfers to the Revenue Fund from the Airport Development Fund or the Emergency Reserve Fund pursuant to Sections 10.04(c) or 11.03(b) of the Airport Use Agreements, (iv) any balance held in the Revenue Fund at the end of the preceding Fiscal Year and (v) depreciation, amortization of debt discount and financing expenses and (b) minus, to the extent included in such net income before extraordinary items of the Airport, (i) any passenger facility charge or similar tax levied by and on behalf of the City and collected during such Fiscal

Year, (ii) interest or other income earned on the Airport Development Fund, the Emergency Reserve Fund and the Construction Fund, (iii) Government Grants-in-Aid (except to the extent used to pay for or reimburse the cost of any Capital Project previously funded through the issuance of Bonds or Junior Lien Obligations), (iv) any amounts derived by the City from Special Facility Financing Arrangements entered into in connection with Special Facility Improvements to the extent such moneys 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, (v) gifts to fund Capital Projects and (vi) the proceeds of any condemnation awards.

"Operation and Maintenance Expense Projection" for any Fiscal Year means the estimate of Operation and Maintenance Expenses (excluding Operation and Maintenance expenses of the Land Support Area and required deposits in the Operation and Maintenance Reserve Fund and Maintenance Reserve Fund) for such Fiscal Year prepared pursuant to Section 7.02 of the Airport Use Agreements.

"Operation and Maintenance Expenses" means Operation and Maintenance Expenses as said term is defined in the Airport Use Agreements.

"Operation and Maintenance Fund" means the Operation and Maintenance Fund created pursuant to Article VII of the Airport Use Agreements.

"Operation and Maintenance Reserve Fund" means the Operation and Maintenance Reserve Fund created pursuant to Article VII of the Airport Use Agreements.

"Operation and Maintenance Reserve Fund Deposit Requirement" for any Fiscal Year means the amount, if any, required to increase the balance in the Operation and Maintenance Reserve Fund (including amounts receivable from the Operation and Maintenance Fund) to an amount equal to one-fourth of such Fiscal Year's Operation and Maintenance Expense Projection and as adjusted at mid-year pursuant to Section 7.06 of the Airport Use Agreements.

"Ordinance" means this ordinance as originally adopted and as the same may from time to time be amended or supplemented by Supplemental Ordinances adopted and effective in accordance with Article X.

"Outstanding", when used with reference to the Bonds, means, as of any date, all Bonds theretofore or thereupon being authenticated and delivered under this Ordinance except:

- (a) Bonds cancelled by the Trustee at or prior to such date or theretofore delivered to the Trustee for cancellation;

(b) Bonds (or portions of Bonds) for the payment or redemption of which there shall be held in trust and set aside for such payment or redemption (whether at, prior to or after the maturity or redemption date) moneys or Federal Obligations the principal of and interest on which when due or payable will provide moneys, together with the moneys, if any, deposited with the Trustee at the same time, in an amount sufficient to pay the principal or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, and, if such Bonds are to be redeemed, for which notice of such redemption shall have been given as provided in Article VI or provisions satisfactory to the Trustee shall have been made for the giving of such notice;

(c) Bonds for the transfer or exchange of, in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to this Ordinance; and

(d) Bonds deemed to have been paid as provided in Section 1401.

"Paying Agent" means any bank or trust company designated as a paying agent for a Series and its successor or successors hereafter appointed in the manner herein provided.

"Principal Account" means the Principal Account in the Debt Service Fund.

"Principal Installment" means, as of any particular date of computation and with respect to Bonds of a particular Series, an amount of money equal to the aggregate of (a) the principal amount of Outstanding Bonds of said Series which mature on a single future date, reduced by the aggregate principal amount of such Outstanding Bonds which would at or before said future date be retired by reason of the payment when due and application in accordance with this Ordinance of Sinking Fund Payments payable at or before said future date for the retirement of such Outstanding Bonds, plus (b) the amount of any Sinking Fund Payments payable on said future date for the retirement of any Outstanding Bonds of such Series, and said future date shall, for all purposes hereof, be deemed to be the date when such Principal Installment is payable and the date of such Principal Installment.

"Project Account" means each separate Account established in the Construction Fund with respect to any particular Capital Project or Projects.

"Qualified Collateral" means:

(a) Federal Obligations;

(b) 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; and

(c) 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.

"Qualified Investments" means:

(a) Federal Obligations;

(b) Deposits in interest-bearing time deposits or certificates of deposit or similar arrangements issued by any bank or national banking association, including a Fiduciary, which deposits, to the extent not insured by the Federal Deposit Insurance Corporation, shall be secured by Qualified Collateral having a current market value (exclusive of accrued interest) at least equal to 110% of the amount of such deposits, marked to market monthly, and which Qualified Collateral 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 the City and the Trustee, with another bank, trust company or national banking association for the benefit of the 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 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 Federal Obligations having a current market value at least equal to 103% of the amount of the repurchase agreement, marked to market weekly, and which Federal Obligations shall 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 the City and the Trustee, with another bank, trust company or national banking association for the benefit of the 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.

"Redemption Price" means with respect to any Bond, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond or the Supplemental Ordinance under which such Bond was issued.

"Refunding Bonds" means all Bonds, whether issued in one or more Series, authenticated and delivered on original issuance for the purpose of the refunding of Bonds of any Series and all Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to this Ordinance.

"Regulations" means the Income Tax Regulations (26 CFR Part 1) promulgated under and pursuant to the Code.

"Revenue Fund" means the Revenue Fund created by Section 501.

"Revenues" means all amounts received or receivable directly or indirectly by the City for the use and operation of, or with respect to, the Airport (excluding the Land Support Area), including, without limitation: 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 the City in the operation thereof; Concession Revenues, as defined in the Airport Use Agreements, and concession revenues derived from the International Terminal Area, as defined in the Airport Use Agreements; interest payments

to the City made pursuant to Section 7.08 of the Airport Use Agreements; 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 and the Operation and Maintenance Reserve Fund; 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 of the Airport Use Agreements; provided, however, that Revenues shall not include: (a) any amounts derived by the City from Special Facility Financing Arrangements entered into in connection with Special Facility Improvements to the extent such moneys 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 the 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 Bonds or Junior Lien Obligations), (e) insurance proceeds which are not deemed to be revenues in accordance with generally accepted accounting principles, (f) the proceeds of any condemnation awards, and (g) the proceeds of any borrowings by the City.

"Series" shall mean all of the Bonds authenticated and delivered on original issuance pursuant to a Supplemental Ordinance and designated as a Series therein.

"Series 1982 Bonds" means the Chicago-O'Hare International Airport Special Facility Revenue Bonds, Series 1982-A, B and C (Delta Air Lines, Inc. Terminal Project) of the City dated November 15, 1982.

"Series 1959 Bonds" means Chicago-O'Hare International Airport Revenue Bonds issued under that certain 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 of and interest on said bonds," adopted by the City Council of the City on December 29, 1958, as heretofore supplemented by ordinances adopted by the City Council of the City on February 16, 1959, February 1, 1961, July 13, 1962, July 21, 1967, June 26, 1968, March 25, 1970, and August 30, 1972.

"Sinking Fund Payment" means, as of any particular date of determination and with respect to the Outstanding Bonds of any Series, the amount required by a Supplemental Ordinance to be paid in any event by the City on a single future date for the retirement of Bonds of such Series which mature after said future

date, but does not include any amount payable by the City by reason only of the maturity of a Bond.

"Special Capital Project Expenditure" means a Special Capital Project Expenditure as said term is defined in the Airport Use Agreements.

"Special Capital Projects Fund" means the Special Capital Projects Fund created pursuant to Article VII of the Airport Use Agreements.

"Special Facility Financing Arrangements" means (a) a lease or loan agreement and any contemporaneous financing instruments relating to Special Facility Improvements entered into by the City pursuant to which the lessee or borrower agrees to make payments to the 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 the City and for which no mechanism for reimbursement to the City has been established other than payments pursuant to such lease or loan agreement and any contemporaneous financing instrument and (iii) all sinking and other reserve fund payments required by the 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 the 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.

"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.

"Special Facility Revenue Bonds" means bonds, notes or other evidences of indebtedness of the City, with respect to which the principal, premium, if any, and interest are payable solely from the proceeds of the sale of such bonds, notes or other evidences of indebtedness and from rentals or other charges derived by the City under and pursuant to one or more Special Facility Financing Arrangements relating to specific Special Facility Improvements entered into between the 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 the City, and for which the City has no taxing obligation.

"Supplemental Ordinance" means an ordinance supplemental to or amendatory of this Ordinance, adopted by the City Council and effective as provided in Article X.

"Trustee" means the bank, trust company or national banking association appointed as trustee hereunder pursuant to Section 1301 or its successor hereinafter appointed in the manner provided in this Ordinance.

Section 103. Interpretation.

(a) In this Ordinance, unless the context otherwise requires:

(i) The terms "hereby," "hereof," "hereto," "hereunder" and any similar terms used herein refer to this Ordinance, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of adoption of this Ordinance;

(ii) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(iii) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(iv) Words importing the redemption or redeeming of a Bond or the calling of a Bond for redemption do not include or connote the payment of such Bond at its stated maturity or the purchase of such Bond;

(v) Any percentage of Bonds, for purposes of this Ordinance, shall be computed on the basis of the unpaid principal amount of Bonds Outstanding at the time the computation is made or is required to be made hereunder;

(vi) Any headings preceding the text of the several Articles and Sections of this Ordinance, 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 Ordinance, nor shall they affect its meaning, construction or effect; and

(vii) Articles and Sections mentioned by number only are the respective Articles and Sections of this Ordinance so numbered.

(b) Any publication to be made under the provisions of this Ordinance in successive weeks or on successive dates may be made in each instance upon any business day of the week and need not be made in the same Authorized Newspapers for any or all of the

successive publications but may be made in different Authorized Newspapers. If, because of the temporary or permanent suspension of the publication or general circulation of any of the Authorized Newspapers or for any other reason, it is impossible or impractical to publish any notice pursuant to this Ordinance in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice.

Section 104. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Ordinance on the part of the City or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed separable from the remaining covenants and agreements hereof and shall in no way affect the validity of the other provisions of this Ordinance or of the Bonds.

Section 105. Successors and Assigns. Whenever in this Ordinance the City is named or referred to, it shall and shall be deemed to include its successors and assigns whether so expressed or not. All of the covenants, stipulations, obligations, and agreements by or on behalf of, and other provisions for the benefit of, the City contained in this Ordinance shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, authority, agent or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the City, or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions of this Ordinance.

Section 106. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the City, the Fiduciaries and the holders of the Bonds and the coupons thereunto appertaining, if any, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation thereof. All the covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Fiduciaries and the holders of the Bonds and the coupons thereunto appertaining, if any.

## ARTICLE II

### AUTHORIZATION, OBLIGATION AND ISSUANCE OF BONDS

Section 201. Authorization for Ordinance. This Ordinance is adopted by virtue of and pursuant to the home rule powers of the City. The City has ascertained and hereby determines and declares that adoption of this Ordinance is necessary to meet the

commercial and general aviation needs of the citizens of the City, that each and every act, matter, thing or course of conduct as to which provision is made herein is necessary or convenient in order to carry out and effectuate such purposes of the City and to carry out its powers and is in furtherance of the public benefit, safety and welfare of the City and that each and every covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the Bonds and are contracts or agreements necessary, useful and convenient to carry out and effectuate the corporate purposes of the City.

Section 202. Ordinance to Constitute Contract. In consideration of the purchase and acceptance of Bonds by those who shall hold the same from time to time, the provisions of this Ordinance and any Supplemental Ordinance shall be a part of the contract of the City with the holders of Bonds and shall be deemed to be and shall constitute a contract between the City, the Trustee and the holders from time to time of the Bonds or the coupons, if any, thereto appertaining.

Section 203. Authorization of Bonds. In order to provide sufficient funds for the financing or refinancing of Capital Projects, Bonds are hereby authorized to be issued from time to time in one or more Series as hereinafter provided, without limitation as to amount except as may be limited by law for the purpose of (a) the payment, or the reimbursement for the payment of, the costs of one or more Capital Projects, (b) the refunding of any Bonds or other obligations issued to finance or refinance one or more Capital Projects, including, but not limited to, the refunding of the Series 1982 Bonds, any other Special Facility Revenue Bonds and Junior Lien Obligations, (c) the refunding of the Series 1959 Bonds or (d) funding of the Debt Service Reserve Fund and any other Fund or Account as specified in the Supplemental Ordinance under which such Bonds are issued; including, in each case payment of Costs of Issuance.

Section 204. Source of Payment; Pledge of Revenues. The Bonds shall be legal, valid and binding limited obligations of the City payable solely from Revenues and certain other moneys and securities held by the Trustee under the provisions of this Ordinance. The Bonds and the interest thereon do not constitute an indebtedness or a loan of credit of the City within the meaning of any constitutional or statutory limitation, and neither the faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. A pledge of the Revenues and of all moneys and securities held or set aside or to be held or set aside by any Fiduciary under this Ordinance is hereby made, and the same are hereby pledged, to secure the payment of the principal and Redemption Price of, and interest on, the Bonds, subject only to the provisions of this Ordinance requiring or permitting the payment, setting apart or appropriation thereof for or to the purposes and on the terms, conditions, priorities and order set forth in or provided under

this Ordinance. This pledge shall be valid and binding from and after the date of issuance of any Bonds hereunder; the Revenues so pledged and then or thereafter received by the City shall immediately be subject to the lien of such pledge without any physical delivery or further act; and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City, irrespective of whether such parties have notice thereof.

Section 205. Issuance and Delivery of Bonds. After their authorization by a Supplemental Ordinance, Bonds of any Series may be executed by or on behalf of the City and delivered to the Trustee for authentication and, upon compliance by the City with the requirements, if any, set forth in such Supplemental Ordinance and with the requirements of Section 206 or, in the case of Refunding Bonds, Section 207, the Trustee shall thereupon authenticate and deliver such Bonds to or upon the order of the City.

Section 206. Conditions Precedent to Delivery of any Series. Bonds of any Series shall be executed by the City and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the City or upon its order, but only following the receipt by the Trustee of:

(a) A copy of this Ordinance certified by the City Clerk;

(b) A Counsel's Opinion to the effect that (i) the City had the right and power to adopt this Ordinance and the Supplemental Ordinance authorizing such Series; (ii) this Ordinance and such Supplemental Ordinance have been duly and lawfully adopted by the City Council, are in full force and effect and are valid and binding upon the City and enforceable in accordance with their terms; (iii) this Ordinance creates the valid pledge of Revenues, moneys and securities which it purports to create; and (iv) upon the execution, authentication and delivery thereof, the Bonds of such Series will have been duly and validly authorized and issued in accordance with the Constitution and laws of the State of Illinois and this Ordinance;

(c) A written order as to the delivery of such Series, signed by an Authorized Officer and stating (i) the identity of the purchasers, aggregate purchase price and date and place of delivery of such Series and (ii) that no Event of Default has occurred and is continuing under this Ordinance;

(d) A copy of the Supplemental Ordinance authorizing such Series, certified by the City Clerk, which shall specify:

(i) The authorized principal amount and Series designation of such Bonds;

(ii) The purpose or purposes for which such Series is being issued;

(iii) The date or dates, and the maturity date or dates, of the Bonds of such Series;

(iv) The interest rate or rates to be borne by the Bonds of such Series or the manner of determining such rate or rates, and the Interest Payment Dates therefor;

(v) The manner of dating, numbering and lettering the Bonds of such Series;

(vi) The Paying Agent or Paying Agents and the place or places of payment of the principal and Redemption Price, if any, of, and interest on, the Bonds of such Series or the manner of appointing and designating the same;

(vii) The Redemption Price or Prices, if any, of, and, subject to the provisions of Article VI, the redemption terms for, the Bonds of such Series;

(viii) The amount and due date of each Sinking Fund Payment, if any, for Bonds of like maturity of such Series;

(ix) If so determined by the City, provisions for the sale of the Bonds of such Series;

(x) The forms of the Bonds of such Series, of the coupons to be attached to the coupon Bonds of such Series and of the Trustee's certificate of authentication;

(xi) Any limit on the aggregate principal amount of such Series which may be authenticated and delivered under such Supplemental Ordinance (except for Bonds authenticated and delivered upon registration and transfer of, or in exchange for, or in lieu of, other Bonds of such Series pursuant to Article III); and

(xii) Any other provisions deemed advisable by the City as shall not conflict with the provisions hereof;

(e) A Certificate stating:

(i) The amount, if any, of the proceeds of such Series to be paid to the Trustee for deposit in the Debt Service Reserve Fund, so that the amount held therein shall be equal to the Debt Service Reserve Fund Requirement after giving effect to the issuance of such Series;

(ii) The amount, if any, of the proceeds of such Series to be paid to the Trustee for deposit in a Capitalized Interest Account;



(iii) The amount of the proceeds of such Series to be paid to the Trustee for deposit in a Project Account; and

(iv) The purpose or purposes for which the balance, if any, of the proceeds of such Bonds is to be used.

(f) A Certificate stating that Annual Debt Service on such Series in each year such Series is Outstanding constitutes Debt Service as such term is defined in the Airport Use Agreements and may be included by the City in the relevant calculations of Airport Fees and Charges;

(g) If Majority-in-Interest approval is required by the Airport Use Agreements for the issuance of such Series, a Certificate stating that such approval has been obtained;

(h) A certificate of the Independent Airport Consultant setting forth, for each of the five Fiscal Years following the Fiscal Year in which the Consulting Engineer estimates that the Capital Project financed by such Series will be completed, or if there are more than one such Capital Project, the Capital Project scheduled to be last completed, estimates of Revenues and the Operation and Maintenance Expenses and other amounts required to be deposited into the Funds created under this Ordinance, and demonstrating that Net Revenues Available for Debt Service in each such Fiscal Year shall at least equal an aggregate amount equal to the sum of (i) the amounts required by Section 503 to be deposited for each such Fiscal Year in the Debt Service Reserve Fund, the Operation and Maintenance Reserve Fund, the Maintenance Reserve Fund, the Special Capital Projects Fund and the Junior Lien Obligation Debt Service Fund, and (ii) one and twenty-five hundredths times the Aggregate Debt Service for the Bond Year commencing during each such Fiscal Year reduced by an amount equal to any amount held in any Capitalized Interest Account for disbursement during such Bond Year to pay interest on Bonds;

(i) With respect to any Series of Bonds issued to pay the costs of Capital Projects not described in the Airport Development Plan, a certificate of an Independent Accountant stating that with respect to any period of 12 consecutive months within the 18 calendar month-period next preceding the date of issuance of such Bonds, the Net Revenues Available for Debt Service were equal to not less than the sum of (i) the amounts required by Section 5.03 to be deposited for such 12 consecutive months in the Debt Service Reserve Fund, the Operation and Maintenance Reserve Fund, the Maintenance Reserve Fund, the Special Capital Projects Fund and the Junior Lien Obligation Debt Service Fund, and (ii) one and twenty-five hundredths times the Aggregate Debt Service for such 12-month period excluding any amount of Aggregate Debt Service which was paid from the Capitalized Interest Account during such 12-month period; and.

(j) Such further documents and moneys as are required by the provisions of Article X or any Supplemental Ordinance.

Section 207. Conditions Precedent to Delivery of any Series of Refunding Bonds. All Refunding Bonds of any Series shall be executed by the City and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the City or upon its order, but only following the receipt by the Trustee of:

(a) The documents referred to in subsections (a), (b), (c), (d), (e), (f) and (g) of Section 206;

(b) If a redemption of Bonds is to be effected, irrevocable instructions to the Trustee to give due notice of redemption of all the Bonds to be refunded and the redemption date or dates, if any, upon which such Bonds are to be redeemed;

(c) If a redemption of Bonds is to be effected and the redemption is scheduled to occur subsequent to the next succeeding 45 days, irrevocable instructions to the Trustee to publish as provided in Article VI notice of redemption of such Bonds on a specified date prior to their redemption date;

(d) A certificate of an Independent Accountant stating the amount of either (i) moneys (which may include all or a portion of the proceeds of the Refunding Bonds to be issued) in an amount sufficient to pay the Bonds to be refunded at the applicable Redemption Price of the Bonds to be refunded together with accrued interest on such Bonds to the redemption date or dates, or (ii) Federal Obligations the principal of, and interest on, which when due (without reinvestment thereof), together with the moneys (which may include all or a portion of the proceeds of the Refunding Bonds to be issued), if any, which must be contemporaneously deposited with the Trustee, to be sufficient to pay when due the applicable Redemption Price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date or dates or the date or dates of maturity thereof,

(e) Such further documents and funds as are required by the provisions of Article X or any Supplemental Ordinance.

Section 208. Application of Proceeds of Bonds and Refunding Bonds. The proceeds, including accrued interest, of any Series shall be deposited with the Trustee and shall be applied by the Trustee in accordance with the Certificate delivered to the Trustee pursuant to Section 206(e).

## ARTICLE III

## GENERAL TERMS AND PROVISIONS OF BONDS

Section 301. Title and Date of Bonds. Subject to the provisions of Section 303, each Bond shall be entitled "Chicago-O'Hare International Airport General Airport Revenue Bond" or such other title as may be specified in, and shall bear such additional letter or number Series designation as shall be determined in, the Supplemental Ordinance authorizing such Bonds. Each coupon Bond shall be dated as of the date specified in or determined in accordance with the Supplemental Ordinance authorizing such Bond and shall bear interest, from its date, payable in the case of installments due at and prior to maturity, in accordance with, and upon surrender of, the appurtenant interest coupons as they severally become due. Each registered Bond shall be dated as of the Interest Payment Date next preceding the date of authentication and delivery thereof by the Trustee, except that (a) if such date of authentication and delivery shall be prior to the first Interest Payment Date, said Bond shall be dated as of the date of the Bonds in coupon form, as specified in the Supplemental Ordinance authorizing such Bonds, or, if no coupon Bonds are issued, then as of the date specified in such Supplemental Ordinance, (b) if such date of authentication and delivery shall be an Interest Payment Date, said Bond shall be dated as of such Interest Payment Date, or (c) if interest due on said Bond shall not have been paid in full, then notwithstanding any of the foregoing provisions of this Section, said Bond shall be dated as of the date to which interest has been paid in full on said Bond. Each registered Bond shall bear interest from its date.

Section 302. Payment Dates. All Principal Installments shall become due on the first day of January and all interest on Bonds shall become due on the Interest Payment Dates, in such years as shall be specified in the Supplemental Ordinance authorizing each Series.

Section 303. Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Ordinance as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, or otherwise, as may be determined by the City prior to the authentication and delivery thereof.

Section 304. Place and Medium of Payment. Principal, interest and premium, if any, with respect to the Bonds shall be payable in lawful money of the United States of America. The principal of and premium, if any, on the coupon Bonds not registered as to principal shall be payable at the principal corporate trust office of the Trustee or, at the option of the holder, at the principal office of any other Paying Agent. Interest on the coupon Bonds shall be payable at the principal corporate trust

office of the Trustee or, at the option of the holder, at the principal office of any other Paying Agent upon presentation and surrender of the coupons representing such interest. The principal of and premium, if any, on registered Bonds (including coupon Bonds registered as to principal) shall be payable at the principal corporate trust office of the Trustee. Interest on fully registered Bonds without coupons shall be paid by the Trustee by check or draft mailed to the registered owners at the addresses of such owners appearing on the registration books maintained by the City for such purpose at the principal corporate trust office of the Trustee.

Section 305. Form and Denominations; Payment of Interest. The Bonds of each Series may be issued in the form of coupon Bonds, registrable as to principal only, in the denomination of \$5,000 each, or in the form of fully registered Bonds without coupons, in denominations of \$5,000 or any integral multiple thereof, or in both such forms or in such other denomination or denominations as shall be specified in the Supplemental Ordinance authorizing such Series. Coupon Bonds shall be in form initially payable to bearer with a single coupon attached for each installment of interest thereon, but shall be registrable as to principal only in the manner provided in Section 307. Coupon Bonds shall be payable as to interest only according to the tenor and upon presentation and surrender of the coupons appertaining thereto as they severally become due. Interest on Bonds in fully registered form shall be payable to the registered owners at the addresses of such owners appearing on the registration books maintained by the City for such purpose at the principal corporate trust office of the Trustee.

Section 306. Interchangeability of Bonds.

(a) Coupon Bonds, upon surrender thereof at the principal corporate trust office of the Trustee with all unmatured coupons attached, may, at the option of the holder thereof, and upon payment by such holder of any charges which the City or the Trustee may make as provided in Section 308, be exchanged for an equal aggregate principal amount of fully registered Bonds of the same Series, maturity and interest rate of any authorized denominations.

(b) Bonds issued in fully registered form, upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his duly authorized attorney, may at the option of the registered owner thereof, and upon payment by such registered owner of any charges which the Trustee may make as provided in Section 308, be exchanged for an equal aggregate principal amount of coupon Bonds of the same Series, maturity and interest rate with appropriate coupons attached, or of Bonds issued in fully registered form of the same Series, maturity and interest rate, of any of the authorized denominations.

Section 307. Negotiability, Transfer and Registry.

(a) Title to all coupon Bonds, except when registered as to principal otherwise than to bearer, shall pass by delivery as negotiable instruments payable to bearer. Any coupon Bond may be registered as to principal on the registration books maintained by the City at the principal corporate trust office of the Trustee, upon presentation thereof at said office and the payment of a charge sufficient to reimburse the City or the Trustee for any tax, fee or other governmental charge required to be paid with respect to such registration, and such registration shall be noted on such Bond. After said registration, no registration of transfer thereof shall be valid unless made on said books at the request of the registered owner in person or by his attorney duly authorized in writing, and similarly noted on such Bond, but such Bond may be discharged from registration by being in like manner transferred to bearer. Thereafter such Bond may again, from time to time, be registered or discharged from registration in the same manner. Registration of any coupon Bond as to principal, however, shall not affect the negotiability by delivery of the coupons appertaining to such Bond, but every such coupon shall continue to pass by delivery and shall remain payable to bearer.

(b) The transfer of each fully registered Bond and each coupon Bond which shall at the time be registered as to principal other than to bearer shall be registrable only upon the registration books maintained by the City for that purpose at the principal corporate trust office of the Trustee, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee and duly executed by the registered owner or his duly authorized attorney. Upon the surrender for registration of transfer of any such registered Bond, the City shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds registered in the name of the transferee or, at the option of the transferee, a coupon Bond or Bonds, with appropriate coupons attached, of the same aggregate principal amount, Series, maturity and interest rate as the surrendered Bond.

(c) As to any coupon Bond registered as to principal other than to bearer the person in whose name the same shall be registered upon the registration books maintained by the City at the principal corporate trust office of the Trustee may be deemed and treated as the absolute owner thereof, whether such Bond shall be overdue or not, for all purposes, except for the purpose of receiving payment of coupons, and payment of, or on account of, the principal or Redemption Price, if any, of such Bond shall be made only to, or upon the order of, such registered owner thereof but such registration may be changed as above provided, and neither the City nor any Fiduciary shall be affected by any notice to the contrary. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond

to the extent of the sum or sums so paid. The City and any Fiduciary may deem and treat the bearer of any coupon as the absolute owner thereof, whether such coupon shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever, and may deem and treat the bearer of any coupon Bond which shall not at the time be registered as to principal other than to bearer, as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal or Redemption Price, if any, thereof and for all other purposes whatsoever except for the purpose of receiving payment of coupons, and neither the City nor any Fiduciary shall be affected by any notice to the contrary. The City and each Fiduciary may deem and treat the person in whose name any fully registered Bond shall be registered upon the registration books maintained by the City at the principal corporate trust offices of the Trustee as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, or interest thereon and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor any Fiduciary shall be affected by any notice to the contrary.

Section 308. Regulations With Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging Bonds or registering the transfer of Bonds is exercised, the City shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. All registered Bonds surrendered for exchange or registration of transfer shall forthwith be cancelled by the Trustee. All coupon Bonds and the coupons thereto appertaining surrendered in any such exchanges or transfers may, in the Trustee's discretion, be retained in the possession of the Trustee for the purpose of reissuance upon subsequent exchanges, and the Trustee, prior to reissuance of any such coupon Bonds, shall detach therefrom and cancel all matured coupons. For every such exchange or registration of transfer of Bonds, whether temporary or definitive, the City or the Trustee may, as a condition precedent to the privilege of making such exchange or registration of transfer, make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer, and, except (a) with respect to the delivery of definitive Bonds in exchange for temporary Bonds, (b) in the case of a Bond issued upon the first exchange or registration of transfer of a Bond or Bonds hereunder or (c) as otherwise provided herein, may charge the person requesting such exchange or registration of transfer a sum sufficient to pay the cost of preparing each new Bond issued upon such exchange or registration of transfer. Neither the City nor the Trustee shall be required to exchange or register the transfer of Bonds of any Series for a period of ten days next preceding an Interest Payment Date on the Bonds of such Series or, in the case of any

proposed redemption of Bonds for a period of ten days next preceding any selection of Bonds to be redeemed or thereafter until the first publication or mailing of any notice of redemption.

Section 309. Bonds Mutilated, Destroyed, Stolen or Lost.  
In case any Bond shall become mutilated or be destroyed, stolen or lost, the City shall execute, and thereupon the Trustee shall authenticate and deliver a new Bond (with appropriate coupons attached in the case of coupon Bonds) of like Series, maturity, principal amount and interest rate as the Bond and attached coupons, if any, so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond and attached coupons, if any, or in lieu of and substitution for the Bond and coupons, if any, destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the City and the Trustee that such Bond and attached coupons, if any, have been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the City and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the City and the Trustee may prescribe and paying such expenses as the City and Trustee may incur in connection therewith. All Bonds and coupons so surrendered to the Trustee shall be cancelled by it. Any such new Bond or coupons issued pursuant to this Section in substitution for a Bond or coupons alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the City, whether or not the Bond or coupons so alleged to be destroyed, stolen or lost constitute contractual obligations at any time enforceable by anyone, and shall be, to the same extent as such Bond or coupons alleged to be destroyed, stolen or lost and in place of which such Bond was issued, equally secured by the pledge contained in Section 204 with all other Bonds and coupons issued under this Ordinance.

Section 310. Preparation of Definitive Bonds, Temporary Bonds.

(a) Definitive Bonds shall be lithographed or printed with steel engraved borders. Until the definitive Bonds of any Series are prepared, the City may execute in the same manner as is provided in Section 312 and, upon the request of the City, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof and as to exchangeability of coupon Bonds and fully registered Bonds, one or more temporary Bonds (which may be registrable as to principal and interest) substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, but with or without coupons, in denominations of \$5,000 or any integral multiple thereof, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The installments of interest payable on such temporary Bonds in coupon form shall be payable only upon the presentation and surrender of the coupons therefor attached thereto or, if no coupons for such interest are attached thereto, then only upon presentation of such temporary Bonds for notation

thereon of the payment of such interest. The City at its own expense shall prepare and execute and, upon the surrender therefor of such temporary Bonds for exchange and cancellation with all unmatured coupons, if any, and all matured coupons, if any, for which no payment or only partial payment has been provided, attached, the Trustee shall authenticate and, without charge to the holder thereof, deliver in exchange therefor, at the principal corporate trust office of the Trustee definitive coupon Bonds, with appropriate coupons attached, or, at the option of the holder, definitive Bonds issued in fully registered form, of the same aggregate principal amount, Series and maturity as the temporary Bonds surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to this Ordinance.

(b) If the City shall authorize the issuance of temporary Bonds in more than one denomination, the holder of any temporary Bond or Bonds may, at his option, surrender the same to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount, Series and maturity of any other authorized denomination or denominations, and thereupon the City shall execute and the Trustee shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes, fees and charges provided for in Section 308, shall deliver a temporary Bond or Bonds of like aggregate principal amount, Series and maturity in such other authorized denomination or denominations as shall be requested by such holder.

(c) All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Trustee.

Section 311. Cancellation and Destruction of Bonds or Coupons. All Bonds paid or redeemed, either at or before maturity, together with all unmatured coupons, if any, thereto appertaining, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds and coupons, together with all Bonds purchased by the Trustee, shall thereupon be promptly cancelled. All interest coupons shall be promptly cancelled upon their payment and delivered to the Trustee. Bonds and coupons so cancelled may at any time be cremated or otherwise destroyed by the Trustee, who shall execute a certificate of cremation or destruction in duplicate by the signature of one of its authorized officers describing the Bonds and coupons so cremated or otherwise destroyed, and one executed certificate shall be filed with the City and the other executed certificate shall be retained by the Trustee.

Section 312. Execution.

(a) The Bonds shall be executed in the name of the City by the manual or facsimile signature of the Mayor and its corporate seal, or a facsimile thereof, shall be affixed, imprinted, engraved



or otherwise reproduced thereon and attested by the manual or facsimile signature of the City Clerk.

(b) In case any officer whose signature, or a facsimile of whose signature, shall appear on any Bonds or coupons shall cease to hold such office before authentication and delivery of the Bonds by the Trustee, such Bonds shall nevertheless be valid and sufficient for all purposes, the same as if the person whose signature, or a facsimile thereof, appears on such Bonds had not ceased to hold such office. Any Bond may be signed, sealed or attested on behalf of the City by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such Bond such person may not have held such office.

(c) The coupons appertaining and to be attached to any Bonds shall bear and be executed by the facsimile signature of the Mayor and the City may from time to time adopt and use for that purpose the facsimile signature of any person who shall have been the Mayor at any time on or after the date of such Bond; notwithstanding that at the date of such Bond such person may not be the duly elected Mayor or that at the time when such Bonds shall be authenticated and delivered or such coupons shall be attached such person may have ceased to hold such office.

#### Section 313. Authentication.

(a) The Bonds shall bear thereon a certificate of authentication executed manually by the Trustee. No Bond and no coupon thereto appertaining shall be entitled to any right or benefit under this Ordinance or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the City shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered under this Ordinance and that the holder thereof is entitled to the benefits hereof.

(b) Except as otherwise provided herein, the Trustee, before authenticating and delivering any coupon Bonds, shall cut off, cancel and destroy all matured coupons thereto attached, except matured coupons for which payment in full has not been provided. However, when such Bonds are issued in exchange for registered Bonds upon which interest is in default, as shown by the records of the Trustee, such Bonds shall have attached thereto all coupons maturing after the date to which interest has been paid in full, as shown by the records of the Trustee, and in case any interest installments shall have been paid in part, appropriate notation shall be made on the coupons to evidence such fact.

## ARTICLE IV

## CONSTRUCTION FUND

Section 401. Deposits in Construction Fund.

(a) The City shall deposit with the Trustee the amount of the proceeds of any Series specified in the Certificate referred to in Section 206(e)(iii), which amount shall be credited by the Trustee to the Construction Fund, which is hereby created, and shall be held in trust in one or more Project Accounts pending the application of such proceeds as provided in the Supplemental Ordinance under which such Series was issued and shall be subject to the pledge contained in Section 204 in favor of the holders of the Outstanding Bonds pending their application as so provided.

(b) The amount, if any, of Capitalized Interest included in the proceeds of the Bonds of any Series as specified in the Certificate referred to in Section 206(e)(ii) shall be deposited in a Capitalized Interest Account. Separate Capitalized Interest Accounts may be created and maintained for each Series.

(c) The City shall also deposit with the Trustee all Government Grants-in-Aid for or with respect to any Capital Project funded or to be funded in part from the proceeds of Bonds. The Trustee shall be accountable only for moneys actually so deposited. All such Government Grants-in-Aid shall be deposited by the Trustee in the Construction Fund and credited to a Project Account created therefor.

Section 402. Costs of Capital Projects. For the purposes of this Ordinance the costs of Capital Projects shall include:

(a) Obligations incurred for labor and to contractors, builders, and materialmen in connection with the construction, installation and acquisition of the Capital Projects or any part thereof, and obligations incurred for the installation and acquisition of machinery and equipment;

(b) Payment to owners and others for real property including payments for options, easements or other contractual rights;

(c) All expenses incurred in the acquisition of real property, including all costs and expenses of whatever kind in connection with the exercise of the power of eminent domain, and including the cost of title searches and reports, abstracts of title, title certificates and opinions, title guarantees, title insurance policies, appraisals, negotiations and surveys;

(d) The amount of any damages incident to or consequent upon the construction, installation and acquisition of the Capital Projects;

(e) The cost of any indemnity, fidelity and surety bonds, the fees and expenses of the Fiduciaries during construction, installation and acquisition of Capital Projects, and premiums on insurance, if any, in connection with such Capital Projects during construction, installation and acquisition, including builders' risk insurance;

(f) The cost of engineering and architectural services which includes borings and other preliminary investigations to determine foundation or other conditions, expenses necessary or incident to the development of contract documents and supervising construction, as well as for the performance of all other duties of engineers and architects set forth herein in relation to the construction, installation and acquisition of such Capital Projects or the issuance of Bonds therefor;

(g) The Costs of Issuance;

(h) Any cost properly chargeable to such Capital Projects prior to and during construction, installation and acquisition;

(i) The cost of restoring, repairing and placing in its original condition, as nearly as practicable, all public or private property damaged or destroyed in the construction of such Capital Projects and the cost thereof, or the amount required to be paid by the City as adequate compensation for such damage or destruction, and all costs lawfully incurred or damages lawfully payable, with respect to the restoration, relocation, removal, reconstruction or duplication of property made necessary or caused by the construction and installation of such Capital Projects and the cost thereof;

(j) Any obligation or expense incurred by the City for moneys advanced in connection with the construction, installation and acquisition of Capital Projects and the cost thereof; and

(k) All other items of cost and expense not elsewhere in this Section specified, incident to the construction, installation and acquisition of Capital Projects and the financing thereof, including the payment of the costs of interest on Bonds from amounts in the Capitalized Interest Account.

#### Section 403. Disbursements from Construction Fund.

(a) All disbursements from the Construction Fund (except for disbursements from any Capitalized Interest Account to the Interest Account which shall be scheduled and made as interest is required to be paid on the related Bonds) shall be made in accordance with requisitions signed by the City Comptroller and, except in respect of disbursements for the payment of Costs of

Issuance, shall be accompanied by a statement signed by the Commissioner of Public Works, in respect of each payment, as to the following:

- (i) Item number of the payment;
- (ii) The name of the person, firm or corporation to whom the payment is due;
- (iii) The amount to be paid and the Project Account within the Construction Fund to which the item is to be charged;
- (iv) The Capital Project and purpose, by general classification, for which payment is to be made;
- (v) That the obligations in stated amounts have been incurred by the City, and that each item thereof is a proper charge against such Project Account in the Construction Fund and is due and has not been included in any prior requisition which has been paid; and
- (vi) That there has not been filed with or served upon the City any notice of any lien, right to lien, or attachment upon or claim affecting the right to receive payment of any of the moneys payable to any of the persons, firms or corporations named which have not been released or will not be released simultaneously with the payment of such obligations, and in the event that any assignment of right to receive payment has been made and notice thereof has been given to the City and the City has accepted such assignment, the order directing payment shall recite that fact and direct the payment to be made to the assignee thereof as shown by the records of the City.

(b) In respect to disbursements from the Construction Fund, other than payment of Costs of Issuance, in payment for work done in connection with the construction, acquisition and installation of Capital Projects, such requisition, signed by the City Comptroller shall in addition to the accompanying statement to be executed by the Commissioner of Public Works, be accompanied by a certificate signed by a Consulting Engineer certifying that the obligations in stated amounts have been incurred by the City, and that each item thereof is a proper charge against the Construction Fund and has not been included in any prior requisition which has been paid, and insofar as any such obligation was incurred for work, materials, equipment or supplies, such work was actually performed in the furtherance of the construction, acquisition and installation of such Capital Projects delivered at the site of the Airport for those purposes, or delivered for storage or fabrication at a place or places approved by a Consulting Engineer and under the control of the City.

(c) Upon receipt of any such orders and accompanying certificates the Trustee shall pay each such obligation from the appropriate Project Account in the Construction Fund and the Trustee shall make disbursements in accordance with the directions from the City Comptroller. The moneys held in the Construction Fund shall be invested in accordance with the requirements of Section 505.

Section 404. Progress Reports and Completion Certificate. Promptly after the construction, installation and acquisition of the Capital Project or Projects for which a Project Account has been established, the City will deliver to the Trustee a Certificate stating the date of such completion.

At least once in each month during the period of the construction, installation and acquisition of each such Capital Project the City will cause the Consulting Engineer to prepare a progress report in connection with such construction, installation and acquisition of such Capital Project, including comparisons between the actual time elapsed and the actual costs and the estimates of such time and costs, which shall have been set forth in a statement prepared by the Consulting Engineer and filed with the City. Copies of such progress reports shall be filed with the Trustee and mailed to the holders of Bonds requesting copies thereof.

Section 405. Disposition of Remaining Balances.

(a) To the extent that there is any balance remaining in any Project Account established in the Construction Fund after the completion of the Capital Project or Projects for which such Project Account was established, such balance shall be transferred or withdrawn as shall be specified by the City pursuant to paragraph (b) of this Section from such Project Account for any one or more of the following purposes (i) to make transfers to one or more other Project Accounts to pay the costs of other Capital Projects, (ii) to make transfers into the Debt Service Reserve Fund to make up any deficiency therein, (iii) to make transfers to the Interest Account, or (iv) to redeem Bonds in accordance with the provisions of this Ordinance.

(b) Before any such transfer or withdrawal shall be made, the City shall file with the Trustee:

(i) its requisition therefor, stating the amount of the transfer or withdrawal and directing the Trustee as to the application of such amount;

(ii) a Certificate attached to the requisition certifying (1) that the Capital Project or Projects to which such balance relates have been completed and (2) that the sum stated in the Certificate is sufficient to pay, and is required to be reserved in the Construction Fund to pay, all items of cost of such Capital Project or Projects to which

such balance relates then remaining unpaid, including the estimated amount of any such items the amount of which is not finally determined and all claims against the City arising out of such Capital Project or Projects to which such balance relates;

(iii) a certificate of the Consulting Engineer attached to such requisition, certifying that such Capital Project or Projects to which such balance relates have been completed;

(iv) a Counsel's Opinion stating, in the opinion of the signer, that the City has acquired interests in all property constituting a part of such Capital Project or Projects to which such balance relates and all property incidental thereto sufficient for the purposes of the City, free from all liens, charges, conditions or encumbrances except such as will not under any circumstances cause the possession and use of the property by the City for Airport purposes to be disturbed and that, as to such parts of such Capital Project or Projects to which such balance relates as constitute real property acquired, constructed or installed under a right or interest less than a fee simple or perpetual easement, the right or interest is sufficient for the purposes of the Airport, and that there are no uncanceled mechanics', laborers', contractors', or materialmen's liens on any such property or any moneys of the City on file in any public office where the same should be filed in order to be valid liens against such property or any moneys of the City to which such balance relates, and that, in the opinion of the signer of such Counsel's Opinion, the time within which such liens can be filed has expired; and

(v) an opinion of Bond Counsel to the effect that such transfer or withdrawal will not adversely affect any exemption from Federal income taxes of interest on any Bonds theretofore issued.

(c) At the direction of the City expressed in a Certificate filed with the Trustee, moneys in any Capitalized Interest Account may be withdrawn and, pursuant to Section 1401, deposited in trust to pay or provide for the payment of Bonds of the Series with respect to which such Capitalized Interest Account is maintained; provided that immediately after such withdrawal there shall be held in such Capitalized Interest Account either moneys in an amount which shall be sufficient, or Qualified Investments the principal of and interest on which when due (without reinvestment thereof) together with the moneys held in such Capitalized Interest Account, shall be sufficient, to provide for the payment when due of the interest to accrue on all Bonds of such Series which remain Outstanding, on or prior to the date to which interest on such Series was originally capitalized.

## ARTICLE V

## REVENUES AND FUNDS

Section 501. Creation of Funds and Accounts. The following Funds and Accounts are hereby created:

(a) The Revenue Fund to be held and administered by the Trustee;

(b) The Debt Service Fund and two separate Accounts therein to be known as the Interest Account and the Principal Account to be held and administered by the Trustee;

(c) The Debt Service Reserve Fund to be held and administered by the Trustee; and

(d) The Junior Lien Obligation Debt Service Fund to be held and administered by the Trustee.

In addition, the City agrees to establish and maintain in accordance with the requirements of the Airport Use Agreements an Airport Fund, an Operation and Maintenance Fund, a Special Capital Projects Fund, an Operation and Maintenance Reserve Fund, and a Maintenance Reserve Fund. The City may also create an Emergency Reserve Fund and an Airport Development Fund pursuant to the Airport Use Agreements.

The Trustee shall, at the written request of the City, establish such additional Accounts within any of the Funds established under this Ordinance, and subaccounts within any of the Accounts established under this Ordinance, as shall be specified in such written request, for the purpose of identifying more precisely the sources of payments into and disbursements from such Funds, Accounts and subaccounts; but the establishment of any such additional Accounts or subaccounts shall not alter or modify any of the requirements of this Ordinance with respect to the deposit or use of moneys in any Fund or Account established hereunder. In addition, the Trustee shall, at the written request of the City, establish additional Accounts within the Junior Lien Obligation Debt Service Fund for the purpose of segregating amounts available to pay the principal of, premium, if any, and interest on separate series of Junior Lien Obligations and for the purpose of establishing the priority of one or more such Accounts over one or more other such Accounts. Nothing herein shall require the City to designate the Trustee as trustee for any Junior Lien Obligations.

Any moneys and securities held in the Revenue Fund or any other Fund or Account created under this Section shall be held in trust by the Trustee, as provided in this Ordinance, and shall be applied, used and withdrawn only for the purposes authorized in this Ordinance. All moneys and securities held by the City in the Operation and Maintenance Fund, the Special Capital Projects

Fund, the Operation and Maintenance Reserve Fund and the Maintenance Reserve Fund shall be accounted for and held separate and apart from all other moneys and securities of the City, shall be applied, used and withdrawn solely for the purposes authorized in this Ordinance and, until so applied, used and withdrawn, shall be held in trust by the City for such purposes. All moneys and securities held by the City in the Emergency Reserve Fund and the Airport Development Fund may be applied, used and withdrawn by the City for any lawful corporate purpose of the City, free of any lien or security interest in favor of the Trustee and the holders of the Bonds, but subject to any requirements of the Airport Use Agreements.

Section 502. Deposit of Revenues. Contemporaneously with the initial issuance of Bonds under this Ordinance, all amounts held in the Airport Fund shall be transferred by the City to the Trustee for deposit in the Revenue Fund. Thereafter, all Revenues shall be collected by the City and promptly deposited to the credit of the Revenue Fund in the name of the Trustee with a depository or depositories, each fully qualified under the provisions of Section 1303 to receive the same as deposits of money held by the Trustee, designated by the City and approved by the Trustee and statements giving the amount of each such deposit and the name of the depository shall be forwarded promptly to the Trustee by the City and by such depository. The Trustee shall be accountable only for moneys actually so deposited.

Section 503. Disbursement from Revenue Fund. The moneys in the Revenue Fund shall be disbursed and applied by the Trustee as required to make the following deposits on the dates and in the amounts provided:

(a) On the tenth day of each month the Trustee shall make the following deposits in the manner and order of priority set forth --

First: The Trustee shall first transfer to the City for deposit into the Operation and Maintenance Fund an amount equal to one-twelfth of the amount provided in the Operation and Maintenance Expense Projection for the current Fiscal Year; provided, however, that if the mid-year projection prepared in accordance with Section 7.06 of the Airport Use Agreements contains an adjustment of Operation and Maintenance Expenses (exclusive of Operation and Maintenance Expenses of the Land Support Area or required deposits in the Operation and Maintenance Reserve Fund and the Maintenance Reserve Fund), the amount required to be deposited in the Operation and Maintenance Fund each month of the second six-month period of each Fiscal Year shall be increased or decreased as appropriate by an amount equal to one-sixth of the amount of such adjustment.



Second: The Trustee shall next deposit into the Debt Service Fund, without priority one over the other, (i) into the Interest Account an amount equal to one-sixth of the amount of interest which will be due on all Outstanding Bonds on the next Interest Payment Date less any amounts payable from the Capitalized Interest Account and attributable to such Interest Payment Date; provided, however, that if the first Interest Payment Date for any Series is less than six months after the date of such Series the foregoing fraction insofar as such Series shall be concerned shall be one over the number of months to elapse in whole or in part between the date of issuance of such Series and the first Interest Payment Date for such Series, but thereafter such fraction shall be one-sixth, and (ii) into the Principal Account an amount equal to one-twelfth of the amount of the Principal Installments which will become due on all Outstanding Bonds on the next January 1; provided that if the first Principal Installment due on any Series is due in less than 12 months from the date of such Series the foregoing fraction insofar as such Series is concerned shall be one over the number of months to elapse in whole or in part between the date of issuance of such Series and the January 1 next ensuing on which a Principal Installment payment is due on such Series, but thereafter such fraction shall be one-twelfth.

Third: The Trustee shall next transfer to the City for deposit into the Special Capital Projects Fund the amount specified by the City in a Certificate filed with the Trustee as the amount to be deposited at such time in such Fund.

(b) On the business day of the Trustee immediately preceding each Interest Payment Date, the Trustee shall make the following deposits in the manner and order of priority set forth --

First: The Trustee shall first deposit into the Debt Service Fund the amount, if any, necessary to increase the amount on deposit therein to an amount sufficient to pay the interest and Principal Installments on all Outstanding Bonds becoming due on such Interest Payment Date.

Second: The Trustee shall next deposit into the Debt Service Reserve Fund the amount, if any, necessary to increase the amount on deposit therein to an amount equal to the Debt Service Reserve Fund Requirement.

Third: The Trustee shall next transfer to the City for deposit into the Operation and Maintenance Reserve Fund an amount equal to one-half of the Opera-

tion and Maintenance Reserve Fund Deposit Requirement, if any, for the current Fiscal Year; provided, however, that if the mid-year projection prepared in accordance with Section 7.06 of the Airport Use Agreements contains an adjustment of Operation and Maintenance Expenses (exclusive of Operation and Maintenance Expenses of the Land Support Area or required deposits in the Operation and Maintenance Reserve Fund and the Maintenance Reserve Fund), the amount required to be deposited in the Operation and Maintenance Reserve Fund on the business day of the Trustee immediately preceding the second Interest Payment Date of each Fiscal Year shall be increased or decreased as appropriate by an amount equal to the amount of such adjustment.

Fourth: The Trustee shall next transfer to the City for deposit into the Maintenance Reserve Fund an amount equal to the lesser of (i) \$1,500,000 and (ii) the amount, if any, required to increase the amount on deposit therein to \$3,000,000.

Fifth: The Trustee shall next transfer to the City for deposit into the Emergency Reserve Fund an amount equal to one-half of the Emergency Reserve Fund Deposit Requirement, if any, for the current Fiscal Year.

Sixth: The Trustee shall next transfer to the City for deposit into the Airport Development Fund an amount equal to one-half of the Airport Development Fund Deposit Requirement, if any, for the current Fiscal Year.

Seventh: The Trustee shall next deposit into the Junior Lien Obligation Debt Service Fund an amount, if any, equal to the amount required by any resolution or ordinance authorizing the issuance of Junior Lien Obligations to be deposited therein on such date.

(c) If at the time deposits are required to be made under paragraphs (a) or (b) of this Section the moneys held in the Revenue Fund are insufficient to make any required deposit, the deposit shall be made up on the next applicable deposit date after required deposits into all other Funds enjoying a higher priority shall have been made in full.

(d) Notwithstanding any other provision of this Ordinance, the Trustee and the City shall be mandatorily and irrevocably obligated to apply moneys in the Maintenance Reserve Fund to make up any deficiencies in the Debt Service Reserve Fund. In the event moneys are so applied, the amount applied shall be restored on the next applicable deposit date after all other Fund deposits enjoying a higher priority shall have been made in full.

(e) The amount of the Airport Development Fund Deposit Requirement and the Emergency Reserve Fund Deposit Requirement shall be stated in a Certificate which shall be delivered to the Trustee prior to such deposits.

(f) Notwithstanding any other provision of this Ordinance, at the end of each Fiscal Year amounts on deposit in the Debt Service Fund, the Debt Service Reserve Fund, the Operation and Maintenance Fund, the Operation and Maintenance Reserve Fund, the Maintenance Reserve Fund and the Junior Lien Obligation Debt Service Fund in excess of the amount required hereunder to be on deposit in such Fund at the end of such Fiscal Year shall be transferred to the Revenue Fund.

Section 504. Use of Funds. The moneys on deposit in the Funds and Accounts listed in Section 501, except the Emergency Reserve Fund and the Airport Development Fund, shall be used for the purposes and uses specified as follows:

(a) In addition to disbursements authorized by Section 503, the Trustee shall apply moneys in the Revenue Fund to make up any deficiency arising in the Funds described in clauses First, Second and Seventh of paragraph (b) of Section 503 in the order of their priority one over another and in the manner specified in Section 503 and shall thereafter as may be directed by a Certificate of the City make any payment to an Airline Party required by Sections 5.03(b), 5.06(c) and 7.07 of the Airport Use Agreements.

(b) The moneys in the Operation and Maintenance Fund shall be used by the City only to pay Operation and Maintenance Expenses (excluding Operation and Maintenance Expenses of the Land Support Area and required deposits in the Operation and Maintenance Reserve Fund and Maintenance Reserve Fund) or to repay amounts borrowed from the Operation and Maintenance Reserve Fund. Loans from the Operation and Maintenance Reserve Fund to the Operation and Maintenance Fund shall be repaid as soon as funds for such loan repayment are available in the Operation and Maintenance Fund.

(c) The moneys in (i) the Interest Account shall be used only for the payment of the interest on the Bonds. The moneys in the Principal Account shall be used only for the payment of Principal Installments on the Bonds. The Trustee shall transfer to the Paying Agents the necessary moneys to pay all such interest and Principal Installments becoming due on each Interest Payment Date prior to such Interest Payment Date and the Paying Agents shall apply such amounts to the payment of such interest and Principal Installments on and after the due dates thereof.

(d) The moneys in the Special Capital Projects Fund shall be used only for the purpose of making Special Capital Project Expenditures.

(e) The moneys in the Debt Service Reserve Fund shall be used for the payment of the interest and Principal Installments on Bonds, whenever and to the extent moneys in the Interest Account and Principal Account, respectively, are insufficient therefor. At the direction of the City expressed in a Certificate filed with the Trustee, moneys in the Debt Service Reserve Fund may be withdrawn and deposited in trust to pay or provide for the payment of Bonds pursuant to Section 1401; provided, however, that immediately after such withdrawal the amount on deposit in the Debt Service Reserve Fund equals or exceeds the Debt Service Reserve Fund Requirement.

(f) The moneys in the Operation and Maintenance Reserve Fund shall be used by the City 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 Operation and Maintenance Expenses of the Land Support Area and required deposits in the Operation and Maintenance Reserve Fund and Maintenance Reserve Fund).

(g) The moneys in the Maintenance Reserve Fund shall be used by the City only for paying the cost of extraordinary maintenance expenditures, such as costs incurred for major repairs, renewals and replacements at the Airport, whether caused by normal wear and tear or by unusual and extraordinary occurrences including costs of painting, major repairs, renewals and replacements and 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 purposes set forth in this paragraph by an Independent Airport Consultant.

(h) The moneys in the Junior Lien Obligation Debt Service Fund shall be transferred by the Trustee to the appropriate trustees or paying agents under the appropriate ordinances or resolutions authorizing the issuance of Junior Lien Obligations for the purpose of paying such amounts as may be required to be paid by such resolutions or ordinances.

Section 505. General Regulations as to Investments.

(a) All moneys held in any Fund or Account established and created under this Ordinance or the Airport Use Agreements, other than the Emergency Reserve Fund and the Airport Development Fund, shall be invested in Qualified Investments at the direction of the City Treasurer.

(b) Qualified Investments purchased as an investment of moneys in any Fund or Account established and created under this Ordinance or the Airport Use Agreements, other than the Emergency Reserve Fund and the Airport Development Fund, shall be deemed at all times to be a part of such Fund or Account. Qualified Invest-

ments so purchased shall be sold at the best price obtainable whenever it shall be necessary so to do in order to provide moneys to make any withdrawal or payment from such Fund or Account. 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 or Account have been invested shall mature not later than the respective dates as estimated by the Trustee based on information provided by the City, when the moneys held for the credit of any Fund or Account will be needed.

(c) In computing the amount in any Fund or Account, obligations maturing within the three year period next succeeding the date of computation shall be valued at amortized value and obligations maturing more than three years following the date of computation shall be valued at the lower of amortized value or market value.

(d) For purposes of this Ordinance 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 for each Interest Payment Date after such purchase from the purchase price in the case of an obligation purchased at a premium or adding the amount thus calculated for each Interest Payment Date after such purchase 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 at any other time required hereunder, and on any particular date shall not include the amount of interest then earned or accrued to such date on any deposit or investment.

## ARTICLE VI

### REDEMPTION OF BONDS

Section 601. Privilege of Redemption and Redemption Price. Bonds of any Series subject to redemption prior to maturity pursuant to the Supplemental Ordinance authorizing such Series shall be redeemable, upon published notice as provided in this Article, at such times, at such Redemption Prices plus interest accrued and unpaid to the redemption date and upon such terms as may be specified in such Bonds, in this Ordinance and in the Supplemental Ordinance authorizing such Series.

Section 602. Redemption at the Election or Direction of the City. In the case of any redemption of Bonds other than as provided in Section 603, the City shall give written notice to the Trustee of its election or direction so to redeem, of the

redemption date, of the Series to be redeemed, of the principal amounts of the Bonds of each maturity of such Series to be redeemed (which redemption dates, Series, maturities and principal amounts thereof to be redeemed shall be determined by the City in its sole discretion, subject to any limitations with respect thereto contained in this Ordinance and any Supplemental Ordinance) and of any moneys to be applied to the payment of the Redemption Price. Such notice shall be given at least 45 days prior to the redemption date or such shorter time as shall be acceptable to the Trustee. Upon the giving of such notice, the City, if it holds the amounts to be applied to the payment of the Redemption Price plus interest accrued and unpaid to the redemption date, shall pay to the Trustee or to the appropriate Paying Agents an amount in cash which, in addition to other moneys, if any, available therefor held by such Paying Agents, will be sufficient to redeem on the redemption date at the Redemption Price thereof plus interest accrued and unpaid to the redemption date, all of the Bonds to be redeemed. The City shall promptly notify the Trustee in writing of all such payments made by the City to a Paying Agent.

Section 603. Redemption Otherwise Than at City's Election or Direction. Whenever by the terms of this Ordinance or the Supplemental Ordinance authorizing any Series of Bonds the Trustee is required to redeem Bonds otherwise than at the election or direction of the City, and subject to and in accordance with the terms of this Article and, to the extent applicable, Article V, the Trustee shall select the redemption date of the Bonds to be redeemed, and give notice of redemption in the manner prescribed in Section 605.

Section 604. Selection of Bonds to be Redeemed by Lot. In the event of redemption of less than all the Outstanding Bonds of like Series and maturity, the Trustee shall assign to each such Outstanding fully registered Bond a distinctive number for each \$5,000 of the principal amount of such Bond and shall select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers of all such coupon Bonds of the denomination of \$5,000 then Outstanding and the numbers assigned to such fully registered Bonds as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the coupon Bonds of the denomination of \$5,000 bearing the numbers so selected and the fully registered Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such fully registered Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. For the purpose of this Section, Bonds which have heretofore been selected by lot for redemption shall not be deemed Outstanding Bonds.

Section 605. Notice of Redemption. When the Trustee shall receive notice from the City of its election or direction to redeem Bonds pursuant to Section 602 and when redemption of Bonds

is required pursuant to Section 503, the Trustee shall (but only if the funds then, or committed to be, on deposit with the Trustee and available for such purpose, shall be sufficient to pay the Redemption Price in full) give notice in the name of the City, of the redemption of such Bonds, which notice shall specify the Series and maturities of the Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed and, in the case of fully registered Bonds to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of fully registered Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue and be payable. Such notice shall be given by publication once a week for at least two successive weeks in the Authorized Newspapers, the first such publication to be not less than 30 days nor more than 45 days prior to the redemption date. The Trustee shall also mail a copy of such notice, postage prepaid, not less than 30 days before the redemption date to the registered owners of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registration books maintained by the City at the principal corporate trust office of the Trustee, and to the holder of any coupon Bond who shall have filed with the Trustee an address for notices, but such mailing shall not be a condition precedent to such redemption and failure so to mail any such notice shall not affect the validity of the proceedings for the redemption of Bonds.

Section 606. Payment of Redeemed Bonds. Notice having been given by publication in the manner provided in Section 605, the Bonds or portions thereof called for redemption shall become due and payable on the redemption date so designated at the Redemption Price therein stated, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, together with, in the case of Bonds registered otherwise than to bearer, a written instrument of transfer duly executed by the registered owner or his duly authorized attorney, and, in the case of coupon Bonds, all appurtenant coupons maturing subsequent to the redemption date, such Bonds, or portions thereof, shall be paid at the Redemption Price, plus interest accrued and unpaid to the redemption date not represented by coupons for matured interest installments. All interest installments represented by coupons which shall have matured on or prior to the redemption date shall continue to be payable to the bearers of such coupons. If there shall be drawn for redemption less than all of a fully registered Bond, the City shall execute and the Trustee shall authenticate

and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the fully registered Bond so surrendered at the option of the owner thereof, either coupon Bonds or registered Bonds of like Series and maturity in any of the authorized denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest to the redemption date, shall be held by any Paying Agent so as to be available therefor on said date and if notice of redemption shall have been published as aforesaid, then, from and after the redemption date interest on the Bonds or portions thereof so called for redemption shall cease to accrue and become payable, and the coupons for interest appertaining thereto maturing subsequent to the redemption date shall be void. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

## ARTICLE VII

### COVENANTS OF THE CITY

Section 701. Equality of Security. All Bonds, regardless of Series, date of issuance and date of sale, shall be secured by the pledge contained in Section 204; and the security so pledged shall not be used for any other purpose except as expressly permitted by the terms of this Ordinance, so long as any Bonds remain Outstanding and unpaid.

Section 702. Equality of Bonds. All Bonds authorized hereunder shall be on a parity and rank equally without preference, priority or distinction over any other thereof as to security, regardless of the time or times of their issue, and the provisions, covenants and agreements set forth herein to be performed by and on behalf of the City shall be for the equal benefit, protection and security of the holders of any and all Bonds of each Series and the coupons thereto appertaining. The City covenants that it will not issue any obligations, payable from the Revenues or any other moneys pledged herein, nor voluntarily create or cause or permit to be created any debt, lien, pledge or assignment, having priority to or being on a parity with, the Bonds.

Section 703. Punctual Payment. The City covenants that it will duly and punctually pay or cause to be paid the principal of, premium, if any, and interest on, all Bonds and all Sinking Fund Payments due hereunder in strict conformity with the terms of such Bonds and of this Ordinance and the Supplemental Ordinances authorizing the Bonds of each Series, and that it will faithfully observe and perform all the conditions, covenants and requirements of this Ordinance, each such Supplemental Ordinance and of the Bonds issued thereunder.



Section 704. Rate Covenant.

(a) The City covenants that it will fix and establish, and revise from time to time whenever necessary, such rentals, rates and other charges for the use and operation of the Airport and for certain services rendered by the City in the operation thereof as will cause in each Fiscal Year a sufficient amount to be on deposit in the Revenue Fund to permit the deposits required by Section 503 to be made.

(b) The City covenants that Revenues in each Fiscal Year in which Bonds are Outstanding shall equal an amount at least sufficient to produce Net Revenues Available For Debt Service of not less than an aggregate amount equal to the sum of (i) the amounts required by Section 503 to be deposited for such Fiscal Year in the Debt Service Reserve Fund, the Operation and Maintenance Reserve Fund, the Maintenance Reserve Fund, the Special Capital Projects Fund and the Junior Lien Obligation Debt Service Fund and (ii) one and twenty-five hundredths times the Aggregate Debt Service for the Bond Year commencing during such Fiscal Year reduced by an amount equal to any amount held in any Capitalized Interest Account for disbursement during such Bond Year to pay interest on Bonds.

Section 705. Against Pledge of Revenues. The City shall not hereafter issue any bonds, notes, or other evidences of indebtedness secured by the pledge contained in Section 204, other than the Bonds, and shall not create or cause to be created any lien or charge on Revenues, or on any other amounts pledged for the benefit of holders of Bonds under this Ordinance; provided, however, that neither this Section nor any other provision of this Ordinance shall prevent the City from (a) issuing bonds, notes or other evidences of indebtedness payable out of, or secured by a pledge of, Revenues to be derived on and after such date as the pledge contained in Section 204 shall be discharged and satisfied as provided in Section 1401, or (b) from issuing bonds, notes or other evidences of indebtedness (including bonds, notes or other evidences of indebtedness evidencing loans made by the City to the Airport) which are payable out of or secured by the pledge of amounts which may be withdrawn from the Junior Lien Obligation Debt Service Fund.

Section 706. Offices For Servicing Bonds. The City shall at all times maintain one or more agencies in the City of Chicago, Illinois, or the City of New York, New York, where Bonds and coupons may be presented for payment, where Bonds may be presented for registration, registration of transfer or exchange and where notices, demands and other documents may be served upon the City in respect of the Bonds and coupons or of this Ordinance. The City hereby appoints the Trustee an agent for the registration, registration of transfer or exchange of Bonds and for the service upon the City of such notices, demands and other documents. The City hereby appoints each Paying Agent as an agent to maintain such agencies for the payment or redemption of Bonds and coupons.

Section 707. Insurance. The 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 the City and the Trustee as co-assureds as their interests may appear. Without limiting the foregoing, the 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 of 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 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 the 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, the 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 the City, protecting the 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) above 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 the City under this Section shall contain a waiver of subrogation on the part of the insurer in favor of the City and the Airline Parties.

(e) If, at any time, the City is obligated under any other agreement then in effect between the City and any Airline Parties to provide, with respect to premises at the Airport, insurance of the nature and in not less than the amounts described in this Section, then the provisions of this Section shall be subject to the applicable provisions of such other agreement.

Section 708. Use of Insurance Proceeds. If the Airport, or any portion thereof, shall be substantially damaged or destroyed by fire or other casualty, the City shall deposit with the Trustee the net proceeds of any insurance received with respect thereto, and the Trustee shall deposit such net proceeds in a special trust account or, in the case of damage to or destruction of any Capital Project then under construction, in the Project Account relating to such Capital Project. Moneys on deposit in any such special trust account or Project Account shall be disbursed in the same manner, and subject to the same conditions, as provided in Section 403 with respect to disbursements from the Construction Fund, subject to the following additional conditions:

(a) If an Airline Party's Exclusive Use Premises or Airline's Aircraft Parking Area, as such terms are defined in the Airport Use Agreements, or any portion thereof, are damaged or destroyed by fire or other casualty, the City, after consultation with such Airline Party, 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 the City and such Airline Party.

(b) If any part of the Airport other than Exclusive Use Premises, Aircraft Parking Area and Land Support Area, as such terms are defined in the Airport Use Agreements, are damaged or destroyed by fire or other casualty, the City, after consultation with such Airline Party (or its authorized representative), 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 building standards) 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 the City and a Majority-in-Interest.

Section 709. Annual Audit. The City covenants that it will within six months after the close of each Fiscal Year, furnish the Trustee 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. Such audit shall contain a calculation based on actual data enabling such Independent Accountant to certify that the coverage requirement contained in Section 704(b) has been satisfied. The City covenants that it will cause a copy of such audit to be delivered to the Trustee and mailed, postage prepaid, to the holders of any Bonds requesting copies thereof. Such audit shall be available for inspection by the holders of the Bonds at the office of the City Comptroller.

Section 710. Power to Issue Bonds and Make Pledge Contained in Section 204. The City is duly authorized under all applicable laws to issue the Bonds and to adopt this Ordinance and to make the pledge contained in Section 204 in the manner and to the extent provided. The Revenues and moneys and securities so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge contained in Section 204 and all corporate or other action on the part of the City to that end has been and will be duly and validly taken. The Bonds and the provisions of this Ordinance are and will be valid and legally enforceable obligations of the City in accordance with their terms and the terms of this Ordinance. The City shall at all times, to the extent permitted by law, defend, preserve and protect the pledge contained in Section 204 and all the rights of the Bondholders under this Ordinance against all claims and demands.

Section 711. Further Assurances. The City covenants that it will make or adopt and execute, or cause to be made, adopted and executed, any and all such further ordinances, acts, deeds, conveyances, assignments or assurances as may be reasonably required for effectuating the intention of this Ordinance, and for the better assuring and confirming unto the holders of the Bonds of the rights and benefits provided in this Ordinance or any Supplemental Ordinance.

Section 712. Prompt Acquisition and Construction. The City covenants that upon the receipt of the proceeds of any Series issued to pay the costs of Capital Projects, the City will with reasonable dispatch proceed with the construction, installation

and acquisition of such Capital Projects and that it will expeditiously complete such construction, installation and acquisition, in a good workmanlike manner, substantially in accordance with the plans and specifications therefor and in conformity with law and all requirements of all governmental agencies having jurisdiction thereover. The City will cause all materials and equipment incorporated in any such Capital Project to be of good quality, free and clear from any material faults or defects.

The City covenants that no payment will be made from the Construction Fund for labor or materials or to contractors, builders or materialmen, on account of the construction, acquisition and installation of Capital Projects, or any portion thereof, unless such portion is located on lands which are owned by the City in fee simple or over which the City shall have acquired sufficient leases, easements, servitudes or control for the purposes of such Capital Projects.

Section 713. Tax Covenants.

(a) The City covenants not to take any action or omit to take any action which is lawful and within its power to take, and which, if taken or omitted, would cause interest on the Bonds to be includable in gross income of the holders of the Bonds for Federal income tax purposes.

(b) The City further covenants that it will not take any action or omit to take any action with respect to the investment of the proceeds of any Series or with respect to the payments derived under the Airport Use Agreements which would result in causing Bonds of any Series to constitute "arbitrage bonds" within the meaning of such term as defined in the Code.

Section 714. Airport Use Agreements.

(a) The City shall operate and maintain the Airport in a manner which will entitle it at all times to charge and collect fees, charges and rentals in accordance with the Airport Use Agreements and shall take all reasonable measures permitted by law to enforce prompt payment to it of such fees, charges and rentals.

(b) The City covenants that it will not rescind, terminate, amend or modify any Airport Use Agreement if such rescission, termination, amendment or modification would in any manner materially and adversely affect the rights or security of the holders of the Bonds. In furtherance of such covenant the City agrees that while any Bonds are Outstanding the City shall not (i) rescind or terminate any Airport Use Agreement unless an "Event of Default" under Section 24.01 thereof has occurred and is continuing; provided, however, that the City may substitute under an Airport Use Agreement an airline engaged in an Air Transportation Business for any Airline Party, if the airline substituted for such Airline

Party agrees to undertake all of the obligations and duties of the Airline Party for which it is being substituted under such Airport Use Agreement, or (ii) amend any such Airport Use Agreement to modify the obligation of the Airline Party under such Airport Use Agreement with respect to the payment of Airport Fees and Charges sufficient, after taking into account all other Revenues, to satisfy all of the deposit requirements specified in Section 503 and to satisfy the covenant of the City specified in Section 704(b).

(c) The City covenants that it will file with the Trustee true and complete copies of each Airport Use Agreement and each amendment or supplement to any Airport Use Agreement.

### ARTICLE VIII

#### ADMINISTRATION OF AIRPORT

Section 801. Management. The City covenants that in order to assure the efficient management and operation of the Airport and to assure the holders of the Bonds that the Airport will be economically and efficiently operated on the basis of sound business principles, it will operate and maintain the Airport under the direction of the Commissioner of Aviation. The City will not take, or allow any other person to take, any action which would cause the Federal Aviation Administrator of the Federal Aviation Administration, Department of Transportation, or any successor to the powers and authority of such Administrator, to suspend or revoke the Airport's airport operating certificate issued under the Federal Aviation Act of 1958, or any successor statute. The City will comply with all valid acts, rules, regulations, orders and directives of any governmental, legislative, executive, administrative or judicial body applicable to the Airport, unless the same shall be contested in good faith, all to the end that the Airport will remain operative at all times.

Section 802. Operation and Maintenance of Airport. The City covenants that it will use its best efforts to see that the Airport shall at all times be operated and maintained in an efficient operating condition; and such repairs shall be made thereto as shall be necessary or appropriate in the prudent management thereof to insure its economic and efficient operation at all times. The City shall cause all rentals, rates and other charges for the use and operation of the Airport and for certain services rendered by the City in the operation thereof to be collected when and as due and shall prescribe and enforce rules and regulations for the payment thereof and for the consequences of nonpayment thereof. The City will, out of the Operation and Maintenance Fund, from time to time, duly pay and discharge, or cause to be paid and discharged, any taxes, assessments or other governmental charges lawfully imposed upon the Airport (excluding the Land Support Area) or upon any part thereof, or upon the Revenues, when the same shall become due, as well as any lawful claim for labor, materials, or supplies which, if unpaid, might

by law become a lien or charge upon the Airport, or which might impair the security of the Bonds.

Section 803. Maintenance of Powers. The City covenants that it will at all times use its best efforts to keep the Airport open for landings and takeoffs of aircraft of any type using facilities similar to those at the Airport and to maintain the powers, functions, duties and obligations now reposed in it pursuant to law, and will not at any time voluntarily do, suffer or permit any act or thing the effect of which would be to hinder, delay or imperil either the payment of the indebtedness evidenced by any of the Bonds or the performance or observance of any of the covenants herein contained. If at any time the City is unable to keep the Airport open for airport purposes as herein provided, it will use its best efforts, to the extent permitted by law, to make such use (including use for other than airport purposes) and take such action with respect to the Airport so as to produce revenues therefrom in accordance with proper and efficient business practices.

Section 804. Independent Airport Consultant. The City covenants that it will continuously employ an Independent Airport Consultant. The Independent Airport Consultant shall inspect the Airport and make reports thereon and advise and make recommendations to the City in connection with the administration, operation and maintenance thereof, including recommendations for any revisions necessary in fees, rates, and charges to comply with the provisions of this Ordinance, and shall prepare the Operation and Maintenance Expense Projection. Copies of each report and recommendation of the Independent Airport Consultant shall be sent as soon as available, but not later than 120 days prior to the commencement of each Fiscal Year, to the Commissioner of Aviation, the City Comptroller and the City Budget Director.

Section 805. Airport Budget. The City shall prepare prior to the beginning of each Fiscal Year an annual budget for the Airport setting forth for the ensuing Fiscal Year in reasonable detail, among other things, estimated Revenues and Operation and Maintenance Expenses. Such budget shall be prepared in accordance with applicable law and shall be made available to the City Council in sufficient time for it to act thereon as required by law. All Operation and Maintenance Expenses shall be reasonable and the total expenditures shall not exceed in any Fiscal Year the total expenditures thus set forth in the annual budget except to the extent approved by the City Council in accordance with law.

Section 806. Leases and Concessions. The City shall have the right for any term of years to let to any person, firm or corporation, or grant concessions or privileges in, any land of the Airport or any building or structure on such land for any purpose necessary or incidental to the operation of the Airport or for any purpose which in the opinion of the Independent Airport Consultant does not in any way interfere with the operation of the Airport.

## ARTICLE IX

## SPECIAL FACILITIES

Section 901. Construction, Installation and Acquisition of Special Facility Improvements. The construction, installation and acquisition of Special Facility Improvements is hereby authorized under and pursuant to the terms and conditions hereinafter set forth in this Article.

Section 902. Authorization. Before any Special Facility Improvement shall be constructed, installed or acquired by the City, the City, pursuant to this Article, shall adopt an ordinance or resolution describing in reasonable detail, sufficient for identification thereof, the Special Facility Improvement to be constructed, installed or acquired by the City, and before any Special Facility Revenue Bonds are issued the City shall likewise adopt an ordinance or resolution authorizing the issuance of Special Facility Revenue Bonds to finance the cost of construction, installation, or acquisition of such Special Facility Improvement and prescribing the rights, duties, remedies, and obligations of the City and the holders, from time to time, of such Special Facility Revenue Bonds.

Section 903. Special Facility Revenue Bonds. The Special Facility Revenue Bonds authorized by the ordinance or resolution referred to in Section 902 shall be revenue Bonds payable solely from rentals or other charges derived by the City under and pursuant to a Special Facility Financing Arrangement entered into by and between the City, as lessor or lender, and such person, either public or private, as shall lease, as lessee, the related Special Facility Improvement from the City, or borrow from the City to finance the construction, installation and acquisition of such Special Facility Improvement, and may be issued by the City notwithstanding the limitations, restrictions and conditions contained in this Ordinance relating to the issuance of Bonds; provided, however, that no Special Facility Revenue Bonds shall be issued by the City unless, prior thereto, there shall have been filed with the City a certificate, executed by the Independent Airport Consultant, certifying that the estimated rentals, debt service or other charges to be derived by the City under and pursuant to the related Special Facility Financing Arrangement will be at least sufficient to pay the principal of, premium, if any, and interest on, such Special Facility Revenue Bonds as the same mature and become due, all costs of operating and maintaining such Special Facility Improvement required to be paid for by the City and for which no mechanism for reimbursement to the City has been established other than pursuant to such Special Facility Financing Arrangement and all sinking and other reserve fund payments required by the ordinance or resolution authorizing the Special Facility Revenue Bonds as the same become due; and provided, further, that no such Special Facility Revenue Bonds shall be issued by the City until the City has entered into a Special Facility Financing Arrangement which shall be for a term



at least as long as the period during which such Special Facility Revenue Bonds are outstanding and unpaid.

## ARTICLE X

### SUPPLEMENTAL ORDINANCES

Section 1001. Supplemental Ordinances Effective Upon Filing With the Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Ordinance may be adopted by the City Council, which, upon the filing with the Trustee of a copy thereof certified by the City Clerk, shall be fully effective in accordance with its terms:

(a) To close this Ordinance against, or provide limitations and restrictions in addition to the limitations and restrictions contained in this Ordinance on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness;

(b) To add to the covenants and agreements of the City in this Ordinance other covenants and agreements to be observed by the City which are not contrary to or inconsistent with this Ordinance as theretofore in effect;

(c) To add to the limitations and restrictions in this Ordinance other limitations and restrictions to be observed by the City which are not contrary to or inconsistent with this Ordinance as theretofore in effect;

(d) To surrender any right, power or privilege reserved to or conferred upon the City by the terms of this Ordinance, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the City contained in this Ordinance;

(e) To authorize a Series and, in connection therewith specify and determine the matters and things referred to in Section 206 or Section 207, as the case may be, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with this Ordinance as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such Bonds;

(f) To confirm, as further assurance, the pledge under Section 204, and the subjection to any lien, claim or pledge created or to be created by, this Ordinance; and

(g) To modify any of the provisions of this Ordinance in any respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all

Bonds Outstanding at the date of the adoption of such Supplemental Ordinance shall cease to be Outstanding, and (ii) such Supplemental Ordinance shall be specifically referred to in the text of all Bonds of any Series authenticated and delivered after the date of the adoption of such Supplemental Ordinance and of Bonds issued in exchange therefor or in place thereof.

Section 1002. Supplemental Ordinances Effective Upon Consent of Trustee.

(a) For any one or more of the following purposes and at any time or from time to time, a Supplemental Ordinance may be adopted by the City Council, which, upon (i) the filing with the Trustee of a copy thereof certified by the City Clerk, and (ii) the filing with the Trustee and the City of an instrument in writing made by the Trustee consenting thereto, shall be fully effective in accordance with its terms:

(1) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Ordinance; or

(2) To insert such provisions clarifying matters or questions arising under this Ordinance as are necessary or desirable and are not contrary to or inconsistent with this Ordinance as theretofore in effect.

(3) To provide additional duties of the Trustee under this Ordinance.

(b) Any such Supplemental Ordinance may also contain one or more of the purposes specified in Section 1001, and in that event, the consent of the Trustee required by this Section shall be applicable only to those provisions of such Supplemental Ordinance as shall contain one or more of the purposes set forth in subsection (a) of this Section.

Section 1003. Supplemental Ordinances Effective With Consent of Bondholders. At any time or from time to time, a Supplemental Ordinance may be adopted by the City Council, subject to consent by Bondholders in accordance with and subject to the provisions of Article XI, which Supplemental Ordinance, upon the filing with the Trustee of a copy thereof certified by the City Clerk and upon compliance with the provisions of Article XI, shall become fully effective in accordance with its terms.

Section 1004. General Provisions.

(a) This Ordinance shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article and Article XI and in compliance with Section 8.02(b)(vi) of the Airport Use Agreements. Nothing in this Article or Article XI contained shall affect or limit the

right or obligation of the City to adopt, make, do, execute, acknowledge or deliver any ordinance, resolution, act or other instrument pursuant to the provisions of Section 711 or the right or obligation of the City to execute and deliver to any Fiduciary any instrument which elsewhere in this Ordinance it is provided shall be delivered to said Fiduciary.

(b) Any Supplemental Ordinance referred to and permitted or authorized by Sections 1001 and 1002 may be adopted by the City Council without the consent of any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. The copy of every Supplemental Ordinance filed with the Trustee shall be accompanied by a Counsel's Opinion stating that such Supplemental Ordinance has been duly and lawfully adopted in accordance with the provisions of this Ordinance, is authorized or permitted by this Ordinance, and is valid and binding upon the City and enforceable in accordance with its terms.

(c) The Trustee is hereby authorized to accept the delivery of a certified copy of any Supplemental Ordinance referred to and permitted or authorized by Sections 1001, 1002 or 1003 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected in relying on an opinion of counsel (which may be a Counsel's Opinion) that such Supplemental Ordinance is authorized or permitted by the provisions of this Ordinance.

(d) No Supplemental Ordinance shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

## ARTICLE XI

### AMENDMENTS

#### Section 1101. Mailing and Publication of Notice of Amendment.

(a) Any provision in this Article for the mailing of a notice or other paper to Bondholders shall be fully complied with if it is mailed postage prepaid only (i) to each registered owner of then Outstanding Bonds at his address, if any, appearing upon the registration books maintained by the City at the principal corporate trust office of the Trustee, (ii) to each holder of any coupon Bond who shall have filed with the Trustee within two years preceding such mailing an address for notices, and (iii) to the Trustee.

(b) Any provision in this Article for publication of a notice or other matter shall require the publication thereof only in the Authorized Newspapers.

Section 1102. Powers of Amendment. Any modification or amendment of this Ordinance or of any Supplemental Ordinance or of the rights and obligations of the City and of the holders of

the Bonds and coupons, in any particular, may be made by a Supplemental Ordinance, with the written consent given as provided in Section 1103 (a) of the holders of at least two-thirds in principal amount of the Bonds Outstanding at the time such consent is given, (b) in case less than all of the several Series of then Outstanding Bonds are affected by the modification or amendment, of the holders of at least two-thirds in principal amount of the then Outstanding Bonds of each Series so affected, and (c) in case the modification or amendment changes the terms of any Sinking Fund Payment, of the holders of at least two-thirds in principal amount of the then Outstanding Bonds of the particular Series and maturity entitled to such Sinking Fund Payment; except that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of this Ordinance if the same adversely affects or diminishes the rights of the holders of Bonds of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment Bonds of any particular Series or maturity would be affected by any modification or amendment hereof and any such determination shall be binding and conclusive on the City and all holders of Bonds.

Section 1103. Consent of Bondholders.

(a) The City may at any time adopt a Supplemental Ordinance making a modification or amendment permitted by the provisions of Section 1102, to take effect when and as provided in this Section. A copy of such Supplemental Ordinance (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall be mailed by the City to Bondholders and shall be published in the Authorized Newspapers at least once a week for two successive weeks (but failure to mail such copy and request shall not affect the validity of the Supplemental Ordinance when consented to as in this Section provided). Such Supplemental Ordinance shall not be effective unless and until (1) there shall have been filed with the Trustee (1) the written consents of holders of the percentages of Outstanding Bonds specified in Section 1102 and (2) a Counsel's Opinion

stating that such Supplemental Ordinance has been duly and lawfully adopted and filed by the City in accordance with the provisions of this Ordinance, is authorized or permitted hereby and is valid and binding upon the City and enforceable in accordance with its terms and (ii) a notice shall have been published as hereinafter provided in this Section.

(b) The consent of a Bondholder to any modification or amendment shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 1315. A certificate or certificates signed by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with Section 1315 shall be conclusive that the consents have been given by the holders of the Bonds described in such certificate or certificates. Any such consent shall be binding upon the holder of the Bonds giving such consent and upon any subsequent holder of such Bonds and of any Bond issued in exchange therefor (whether or not such subsequent holder thereof has notice thereof) unless such consent is revoked in writing by the holder of such Bonds giving such consent or a subsequent holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee hereinafter provided for in this Section is filed, such revocation and, if such Bonds are transferable by delivery, proof that such Bonds are held by the signer of such revocation in the manner permitted by Section 1315. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee.

(c) At any time after the holders of the required percentages of Bonds shall have filed their consents to the Supplemental Ordinance, the Trustee shall make and file with the City and the Trustee a written statement that the holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Ordinance (which may be referred to as a Supplemental Ordinance adopted by the City Council on a stated date, a copy of which is on file with the Trustee) has been consented to by the holders of the required percentages of Bonds and will be effective as provided in this Section, may be given to Bondholders by the City by mailing such notice to Bondholders (but failure to mail such notice shall not prevent such Supplemental Ordinance from becoming effective and binding as provided in this Section) and by publishing the same in the Authorized Newspapers at least once not more than 90 days after the holders of the required percentages of Bonds shall have filed their consents to the Supplemental Ordinance and the written statement of the Trustee hereinabove provided for is filed. The City shall file with the Trustee proof of the publication of such notice and, if the same shall have been mailed to Bondholders, of the mailing thereof. A record, consisting of the papers required or permitted by this

Section to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Ordinance making such amendment or modification shall be deemed conclusively binding upon the City, the Fiduciaries and the holders of all Bonds and coupons at the expiration of 40 days after the filing with the Trustee of the proof of the first publication of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Ordinance in a legal action or equitable proceeding for such purpose commenced within such 40 day period; except that any Fiduciary and the City during such 40 day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Ordinance as they may deem expedient.

Section 1104. Modifications by Unanimous Consent. The terms and provisions of this Ordinance and the rights and obligations of the City and of the holders of the Bonds and coupons hereunder may be modified or amended in any respect upon the adoption by the City Council and filing by the City of a Supplemental Ordinance and the consent of the holders of all the then Outstanding Bonds, such consent to be given as provided in Section 1103 except that no notice to Bondholders either by mailing or publication shall be required; but no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without the filing with the Trustee of the written assent thereto of such Fiduciary in addition to the consent of the Bondholders.

Section 1105. Exclusion of Bonds. Bonds owned or held by or for the account of the City shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article, and the City shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the City shall furnish the Trustee with a Certificate upon which the Trustee may rely, describing all Bonds so to be excluded.

Section 1106. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as in Article X or this Article provided may, and, if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the City and the Trustee as to such action, and in that case upon demand of the holder of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the principal office of the Trustee or upon any exchange or registration of transfer of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such exchange or registration of transfer by the Trustee as to any such action. If the City or the Trustee shall so determine, new Bonds so modified as in the

opinion of the Trustee and the City to conform to such action shall be prepared, authenticated and delivered, and upon demand of the holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same Series and maturity then Outstanding, upon surrender of such Bonds with all unpaid coupons, if any, appertaining thereto.

## ARTICLE XII

### DEFAULT AND REMEDIES

Section 1201. Events of Default. Each of the following events of default is hereby declared an "Event of Default":

(a) Payment of the principal or Redemption Price, if any, of any Bond shall not be made when and as the same shall become due, whether at maturity or upon call for redemption or otherwise;

(b) Payment of any installment of interest on any Bond shall not be made when the same shall become due;

(c) The City shall fail or refuse to comply with the provisions of this Ordinance, or shall default in the performance or observance of any of the covenants, agreements or conditions on its part contained herein or the Bonds, which materially affects the rights of the holders of the Bonds, and such failure, refusal or default shall continue for a period of 45 days after written notice thereof by the Trustee or the holders of not less than 25% in principal amount of the Outstanding Bonds; provided, however, that in the case of any such default which can be cured by due diligence but which cannot be cured within the 45 day period, the time to cure shall be extended for such period as may be necessary to remedy the default with all due diligence.

Section 1202. Remedies.

(a) Upon the happening and continuance of any Event of Default specified in paragraph (a) or (b) of Section 1201, the Trustee shall proceed, or upon the happening and continuance of any Event of Default specified in paragraph (c) of Section 1201, the Trustee may proceed, and upon the written request of the holders of not less than 25% in principal amount of the Outstanding Bonds, shall proceed, in its own name, subject to the provisions of this Section, to protect and enforce its rights and the rights of the Bondholders by such of the following remedies as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

(i) By mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Bondholders, including the right to require the City to receive and collect the Revenues adequate to carry out the covenants and agreements as to such Revenues and the pledge contained in Section 204 and to require the City to carry out any other covenant or agreement with Bondholders and to perform its duties under this Ordinance;

(ii) By bringing suit upon the Bonds;

(iii) By action or suit in equity, require the City to account as if it were the trustee of an express trust for the Bondholders; or

(iv) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

(b) In the enforcement of any rights and remedies under this Ordinance, the Trustee shall be entitled to sue for, enforce payment on and receive any and all amounts then or during any default becoming, and at any time remaining, due from the City but only out of moneys pledged as security for the Bonds for principal, Redemption Price, interest or otherwise, under any provision of this Ordinance or of the Bonds, and unpaid, with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce a judgment or decree against the City for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect from any moneys available under this Ordinance for such purpose, in any manner provided by law, the moneys adjudged or decreed to be payable.

#### Section 1203. Priority of Payments After Default.

(a) In the event that upon the happening and continuance of any Event of Default, the moneys held by any Fiduciary shall be insufficient for the payment of principal or Redemption Price, if any, and interest then due on the Bonds, such moneys (other than moneys held for the payment or redemption of particular Bonds or coupons which have theretofore become due at maturity or by call for redemption) and any other moneys received or collected by the Trustee acting pursuant to this Article, after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the holders of the Bonds and for the payment of the charges and expenses and liabilities incurred and advances made by any Fiduciary in the performance of its duties under this Ordinance, shall be applied as follows:



First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates with interest on such Bonds from the respective dates upon which such principal or Redemption Price became due at the rate borne by the Bonds and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price, if any, due on such date, to the persons entitled thereto, without any discrimination or preference.

(b) Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The deposit of such moneys with the Paying Agents, or otherwise setting aside such moneys in trust for the proper purpose, shall constitute proper application by the Trustee and the Trustee shall incur no liability whatsoever to the City, to any Bondholder or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of this Ordinance as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate for the fixing of any such date. The Trustee shall not be required to make payment to the holder of any unpaid coupon or any Bond unless such coupon or such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 1204. Termination of Proceedings. In case any proceedings taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, then in every such case the City, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the

Trustee shall continue as though no such proceeding had been taken.

Section 1205. Bondholders' Direction of Proceedings.  
Anything in this Ordinance to the contrary notwithstanding, the holders of the majority in principal amount of the Bonds then Outstanding shall have the right by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder, except that such direction shall not be otherwise than in accordance with law or the provisions of this Ordinance, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Section 1206. Limitation on Rights of Bondholders.

(a) No holder of any Bond shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law under this Ordinance, or for the protection or enforcement of any right or remedy under this Ordinance or any right under law unless such holder shall have given to the Trustee written notice of the Event of Default or breach of duty on account of which such suit, action or proceeding is to be taken, and unless the holders of not less than 25% in principal amount of the Bonds then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have occurred, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers herein granted or granted under the law or to institute such action, suit or proceeding in its name and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers under this Ordinance or for any other remedy under this Ordinance or under law. It is understood and intended that no one or more holders of the Bonds hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Ordinance, or to enforce any right under this Ordinance or under law with respect to the Bonds or this Ordinance, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all holders of the Outstanding Bonds and coupons. Nothing in this Article contained shall affect or impair the right of any Bondholder to enforce the payment of the principal or Redemption Price, if any, of and interest on his Bonds, or the obligation of the City to pay the principal or Redemption Price, if any, of and interest on each Bond issued

under this Ordinance to the holder thereof at the time and place in said Bond and appurtenant coupons, if any, expressed.

(b) Notwithstanding anything to the contrary contained in this Section, or any other provision of this Ordinance, each holder of any Bond by his acceptance thereof shall be deemed to have agreed that any court in its discretion may require, in any suit for the enforcement of any right or remedy under this Ordinance, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the reasonable costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in any such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this paragraph shall not apply to any suit instituted by the Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding at least 25% in principal amount of the Bonds Outstanding, or to any suit instituted by any Bondholder for the enforcement of the payment of the principal or Redemption Price of or interest on any Bond on or after the respective due date thereof expressed in such Bond.

Section 1207. Possession of Bonds by Trustee Not Required. All rights of action under this Ordinance or under any of the Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the coupons appertaining thereto or the production thereof on the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the holders of such Bonds and coupons, subject to the provisions of this Ordinance.

Section 1208. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Bondholders by this Ordinance is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 1209. No Waiver of Default. No delay or omission by the Trustee or by any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein and every power and remedy given by this Ordinance to the Trustee and the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 1210. Notice to Bondholders. The Trustee shall give to the Bondholders notice of each Event of Default under this Ordinance known to the Trustee within 90 days after knowledge of the occurrence thereof, unless such Event of Default shall have been remedied or cured or necessary moneys provided

before the giving of such notice; but, except in the case of default in the payment of the principal or Redemption Price, if any, of or interest on any of the Bonds, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors or responsible officers of the Trustee in good faith determines that the withholding of such notice is in the interests of the Bondholders. Each such notice shall be given by the Trustee by mailing written notice thereof: (a) to all registered holders of Bonds, as the names and addresses of such holders appear upon the books for registration and transfer of Bonds as kept by the Trustee, (b) to such Bondholders as have filed their names and addresses with the Trustee for that purpose, and (c) to such other persons as is required by law.

Section 1211. Subordination of Detached Coupons. No coupon or claim for interest appertaining to any of the Bonds which in any way at or after maturity shall have been transferred or pledged separate and apart from the Bond to which it appertains shall, unless accompanied by such Bond, be entitled in case of an Event of Default under this Ordinance to any benefit by or from this Ordinance, except after the prior payment in full of the principal or Redemption Price, if any, of all of the Bonds then due and of all coupons and claims for interest then due not so transferred or pledged.

#### ARTICLE XIII

##### CONCERNING THE FIDUCIARIES

Section 1301. Trustee. The Trustee hereunder to be appointed shall be a bank, trust company or national banking association having the powers of a trust company doing business and having its principal office in the City of Chicago, in the State of Illinois, having a combined capital, surplus and undivided profits in excess of \$250,000,000 if there be such a bank, trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Ordinance. Unless otherwise provided in a Supplemental Ordinance adopted prior to the initial issuance of any Bonds, the Mayor is hereby authorized to appoint the Trustee by a written instrument delivered to the Trustee. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by a written instrument of acceptance addressed and delivered to the City and, the Trustee shall be deemed to have accepted such duties and obligations with respect to all Bonds thereafter to be issued; but only, however, upon the terms and conditions set forth in this Ordinance.

Section 1302. Appointment and Acceptance of Duties of Paying Agents.

(a) The City shall appoint one or more Paying Agents for the Bonds of any Series in the Supplemental Ordinance authorizing such Bonds or shall appoint such Paying Agent or Paying Agents by ordinance or resolution of the City Council adopted prior to the authentication and delivery of such Bonds, and may at any time or from time to time appoint one or more other Paying Agents in the manner and subject to the conditions set forth in Section 1314 for the appointment of a successor Paying Agent. The Trustee may be appointed and may act as a Paying Agent.

(b) Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by written instrument of acceptance executed and delivered to the City and the Trustee.

(c) The principal or corporate trust offices of the Paying Agents are hereby designated as the respective agencies of the City for the payment of the interest on and principal or Redemption Price of the Bonds.

Section 1303. Funds Held in Trust and Security Therefor. All moneys held by any Fiduciary, as such, at any time pursuant to the terms of this Ordinance shall be and hereby are assigned, transferred and set over unto such Fiduciary in trust for the purposes and upon the terms and conditions of this Ordinance. Subject to the provisions of Section 505 as to investment of moneys held hereunder, all moneys (not including securities) held by any Fiduciary, as such, may be deposited by such Fiduciary in its banking department or with such other banks, trust companies, or national banking associations, each having its principal place of business in the City, as may be designated by the City and approved by the Trustee. No such funds shall be deposited with any bank, trust company or national banking association, other than the Trustee, in an amount exceeding 50% of the amount which an officer of such bank, trust company or national banking association shall certify to the Trustee and the City as the combined capital and surplus of such bank, trust company or national banking association. No such funds shall be deposited or remain on deposit with any bank, trust company or national banking association in excess of the amount insured by the Federal Deposit Insurance Corporation, unless (a) such bank, trust company or national banking association shall have deposited in trust with the trust department of the Trustee or with a federal Reserve Bank or branch or, with the written approval of the Trustee and the City, pledged to some other bank, trust company or national banking association, for the benefit of the City and the appropriate Fund or Account, as collateral security for the moneys deposited. Qualified Collateral having a current market value (exclusive of accrued interest) at least equal to 110% of the amount of such moneys, or (b) in lieu of such collateral security as to all or

any part of such moneys, there shall have been deposited in trust with the trust department of the Trustee, for the benefit of the City and the appropriate Fund or Account, and remain in full force and effect as security for such moneys or part thereof the indemnifying Bond or Bonds of a surety company or companies qualified as surety for deposits of funds of the United States of America and qualified to transact business in the State of Illinois in a sum at least equal to the amount of such moneys or part thereof. The Trustee and every Paying Agent shall allow and credit interest on any such moneys held by it at such rate as it customarily allows upon similar moneys of similar size and under similar conditions or as required by law. Interest in respect of moneys or on securities in any Fund or Account shall be credited in each case to the Fund or Account in which such moneys or securities are held.

Section 1304. Responsibility of Fiduciaries. The recitals of fact herein and in the Bonds contained shall be taken as the statements of the City and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of this Ordinance or of any Bonds or coupons issued thereunder or in respect of the security afforded by this Ordinance, and no Fiduciary shall incur any responsibility in respect thereof. The Trustee shall, however, be responsible for its representation contained in its certificate on the Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the City or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own moneys, unless properly indemnified. No Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or default. Neither the Trustee nor any Paying Agent shall be under any responsibility or duty with respect to the application of any moneys paid to any one of the others.

Section 1305. Evidence on Which Fiduciaries May Act. Each Fiduciary shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, Bond or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be of counsel to the City, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, including payment of moneys out of any Fund or Account, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate, and such Certificate shall be full warrant for any action taken or suffered in good faith under the provisions

of this Ordinance upon the faith thereof, but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the City to any Fiduciary shall be sufficiently executed if executed in the name of the City by an Authorized Officer.

Section 1306. Compensation and Expenses. The City shall pay to each Fiduciary from time to time reasonable compensation for all services rendered under this Ordinance, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees incurred in and about the performance of their powers and duties under this Ordinance, and the Fiduciaries shall have a lien therefor on any and all moneys at any time held by it under this Ordinance. The City further agrees to indemnify and save each Fiduciary harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, which are not due to its negligence or default.

Section 1307. Permitted Acts and Functions. Any Fiduciary may become the owner of any Bonds and coupons, with the same rights it would have if it were not such Fiduciary. To the extent permitted by law, any Fiduciary may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Ordinance, whether or not any such committee shall represent the holders of a majority in principal amount of the Bonds then Outstanding.

Section 1308. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by this Ordinance by giving not less than 60 days' written notice to the City and publishing notice thereof, specifying the date when such resignation shall take effect, once in the Authorized Newspapers, and such resignation shall take effect upon the day specified in such notice unless previously a successor shall have been appointed, as provided in Section 1310, in which event such resignation shall take effect immediately on the appointment of such successor.

Section 1309. Removal of Trustee. The Trustee shall be removed by the City if at any time so requested by an instrument or concurrent instruments in writing, filed with the Trustee and the City, and signed by the holders of a majority in principal amount of the then Outstanding Bonds or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the City. The City may remove the Trustee at any time, except during the existence of an Event of Default, for such cause as

shall be determined in the sole discretion of the City by filing with the Trustee an instrument signed by an Authorized Officer of the City.

Section 1310. Appointment of Successor Trustee.

(a) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the City covenants and agrees that it will thereupon appoint a successor Trustee. The City shall publish notice of any such appointment made by it in the Authorized Newspapers, such publication to be made within 20 days after such appointment.

(b) If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 45 days after the Trustee shall have given to the City written notice, as provided in Section 1308, or after a vacancy in the office of the Trustee shall have occurred by reason of its removal or inability to act, the Trustee or the holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

(c) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a bank, trust company or national banking association meeting the requirements of Section 1301.

Section 1311. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under this Ordinance, shall execute, acknowledge and deliver to its predecessor Trustee, and also to the City, a written instrument of acceptance respecting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the request of the City, or of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under this Ordinance, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the City be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any



such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the City. Any such successor Trustee shall promptly notify the Paying Agents of its appointment as Trustee.

Section 1312. Merger or Consolidation. Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank, trust company or national banking association which is qualified to be a successor to such Fiduciary under Section 1310 or Section 1314 and shall be authorized by law to perform all the duties imposed upon it by this Ordinance, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding.

Section 1313. Adoption of Authentication. In case any of the Bonds contemplated to be issued under this Ordinance shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated, and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Bonds or in this Ordinance provided that the certificate of the Trustee shall have.

Section 1314. Resignation or Removal of Paying Agents and Appointment of Successors.

(a) Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Ordinance by giving at least 60 days' written notice to the City and Trustee. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the Trustee and signed by an Authorized Officer. Any successor Paying Agent shall be appointed by the City and shall be a bank, trust company or national banking association having the powers of a trust company, having a combined capital, surplus and undivided profits in excess of \$50,000,000, and willing and able to accept the office of Paying Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Ordinance.

(b) In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor then appointed, to the Trustee. In the event that for any reason there shall be no Paying Agent at any time, the Trustee shall act as such Paying Agent.

Section 1315. Evidence of Signatures of Bondholders and Ownership of Bonds.

(a) Any request, consent or other instrument which this Ordinance may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any person of the Bonds or coupons thereto appertaining, shall be sufficient for any purpose of this Ordinance (except as otherwise herein expressly provided) if made in the following manner, but the Trustee may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(1) The fact and date of the execution by any Bondholder or his attorney of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company satisfactory to the Trustee or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the jurisdiction in which he purports to act, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The authority of the person or persons executing any such instrument on behalf of a corporate Bondholder may be established without further proof if such instrument is signed by a person purporting to be the president or vice president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary; and

(2) The amount of Bonds transferable by delivery held by any person executing such request or other instrument as a Bondholder, and the numbers and other identification thereof, and the date of his holding such Bonds, may be provided by a certificate, which need not be acknowledged or verified, satisfactory to the Trustee, executed by an officer of a trust company, bank, financial institution or other depository or member of the National Association of Securities Dealers, Inc. wherever situated, showing that at the date therein mentioned such person exhibited to such officer or had on deposit with the Trustee the Bonds described in such certificate. Continued ownership after the date stated in such certificate may be proved by the presentation of such certificate if the certificate contains a statement by such officer that the Trustee held the Bonds therein referred to on the date of the certificate and that they will not be surrendered without the surrender of the certificate to the Trustee, except with the consent of the Trustee, and a certificate of the Trustee, which need not be acknowledged or verified, that such consent has not been given.

(b) The ownership of Bonds registered otherwise than to bearer and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books. Any request, consent or vote of the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the City or any Fiduciary in accordance therewith.

Section 1316. Preservation and Inspection of Documents.  
All documents received by any Fiduciary under the provisions of this Ordinance shall be retained in its possession and shall be subject at all reasonable times to the inspection of the City, any other Fiduciary and any Bondholder and their agents and their representatives, any of whom may make copies thereof.

#### ARTICLE XIV

#### MISCELLANEOUS

##### Section 1401. Defeasance.

(a) If the City shall pay or cause to be paid to the holders of all Bonds and coupons, the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein, in this Ordinance and the Supplemental Ordinances authorizing such Bonds, then the pledge contained in Section 204 and all other rights granted hereby shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the City, execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction and the Fiduciaries shall pay over or deliver to the City all Accounts, Funds and other moneys or securities held by them pursuant to this Ordinance which are not required for the payment or redemption of Bonds or coupons not theretofore surrendered for such payment or redemption.

(b) Bonds or coupons or interest installments for the payment or redemption of which funds shall have been set aside and shall be held in trust by Fiduciaries (through deposit by the City of moneys for such payment or redemption or otherwise) shall, at the maturity or upon the date upon which such Bonds have been duly called for redemption thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section. All Outstanding Bonds and all coupons appertaining to such Bonds shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the City shall have taken all action necessary to call such Bonds for redemption and notice of such redemption shall have been duly given or provision satisfactory to the Trustee shall have been made for the giving of such notice, (ii) there shall have been deposited with the Trustee

either moneys in an amount which shall be sufficient, or Federal Obligations the principal of and the interest on which when due (without reinvestment thereof) will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if any, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding 45 days, the City shall have given the Trustee, in form satisfactory to it, irrevocable instructions to publish, as soon as practicable, at least twice, at an interval of not less than seven days between publications, in the Authorized Newspapers a notice to the holders of such Bonds and coupons that the deposit required by clause (ii) above has been made with the Trustee and that said Bonds and coupons are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if any, of said Bonds. Neither such Federal Obligations or moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Federal Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if any, of and interest on said Bonds; but any cash received from such principal or interest payments on such Federal Obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in such Federal Obligations maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if any, and interest due and to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City, as received by the Trustee, free and clear of any trust, assignment, lien or pledge.

Section 1402. Funds Held for Particular Bonds and Coupons.

(a) The amounts held by any Fiduciary for the payment of the interest, principal or Redemption Price or accrued interest due on any date with respect to particular Bonds or coupons shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the holders of the Bonds and coupons entitled thereto and for the purposes of this Ordinance, such interest, principal or Redemption Price, after the due date thereof shall no longer be considered to be unpaid.

(b) If, through the deposit of moneys by the City or otherwise, the Fiduciaries shall hold, pursuant to this Ordinance, moneys sufficient to pay the principal and interest to maturity on all Outstanding Bonds and coupons, or in the case of Bonds in respect of which the City shall have taken all action necessary to redeem prior to maturity, sufficient to pay the Redemption

Price and interest to such redemption date, then at the request of the City all moneys held by any Paying Agent shall be paid over to the Trustee and, together with other moneys held by it hereunder, shall be held by the Trustee for the payment or redemption of Outstanding Bonds and coupons.

(c) Anything in this Ordinance to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge of any of the Bonds or coupons which remain unclaimed for six years after the date when all of the Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for six years after the date of deposit of such moneys if deposited with the Fiduciary after the said date when all of the Bonds became due and payable, shall, at the written request of the City, be repaid by the Fiduciary to the City, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged; but, before being required to make any such payment to the City, the Fiduciary shall, at the expense of the City, cause to be published at least twice, at an interval of not less than seven days between publications, in the Authorized Newspapers notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than ten nor more than 20 days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the City.

Section 1403. No Recourse Under Ordinance or on Bonds. All covenants, stipulations, promises, agreements and obligations of the City contained in this Ordinance shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any officer or employee of the City in his individual capacity, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claim based thereon or on this Ordinance against any officer or employee of the City or any natural person executing the Bonds.

Section 1404. Conflict. All ordinances and resolutions or parts of ordinances and resolutions or other proceedings of the City in effect as of the date hereof and in conflict herewith be and the same are repealed insofar as such conflict exists.

Section 1405. Publication; Effective Date. The City Clerk is hereby authorized and directed to publish this Ordinance in pamphlet form and this Ordinance shall take effect in the manner provided by law.

THIS EXHIBIT IS OMITTED INTENTIONALLY

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EXHIBIT LCHARGING OF O&M EXPENSES AND  
ASSIGNMENT OF REVENUES TO CRCs1. 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 prorata 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 prorata 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 prorata 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 prorata 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 prorata 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&amp;M EXPENSE CHARGE SUMMARY

|                                          | Cost Revenue Centers |                          |                            |                             |                         |
|------------------------------------------|----------------------|--------------------------|----------------------------|-----------------------------|-------------------------|
|                                          | <u>Airfield</u>      | <u>Terminal<br/>Area</u> | <u>Int'l.<br/>Terminal</u> | <u>Terminal<br/>Support</u> | <u>Land<br/>Support</u> |
| <u>Direct Charge</u>                     |                      |                          |                            |                             |                         |
| . DOA Operating                          | X                    | X                        | X                          | X                           | X                       |
| . Fire Department<br>(except paramedics) | X                    | X                        | X                          | X                           | X                       |
| . Police Department                      | X                    | X                        | X                          | X                           | X                       |
| . Ground Transportation<br>System        |                      |                          |                            | X                           |                         |
| . Shuttle Bus System                     |                      |                          |                            | X                           |                         |
| . Materials and Supplies                 | X                    | X                        | X                          | X                           | X                       |
| . Engr/Prof Svcs                         | X                    | X                        | X                          | X                           | X                       |
| . Repairs and Maintenance                | X                    | X                        | X                          | X                           | X                       |
| . Water Pollution Control                | X                    |                          |                            |                             | X                       |
| . Administrative-Vouchered               | X                    | X                        | X                          | X                           | X                       |
| <u>Allocated By Formula</u>              |                      |                          |                            |                             |                         |
| . Fringe Benefits                        | X                    | X                        | X                          | X                           | X                       |
| . Fire Department<br>(paramedics)        |                      | X                        | X                          |                             |                         |
| . Vehicles and Fuel                      | X                    | 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-DCA                     | X                    | X                        | X                          | X                           | X                       |

X - indicates that all or part of the cost is applicable to that CRC.

EXHIBIT MExisting Leases and Other Agreements  
Of Airline To Be Executed(THE FLYING TIGER LINE, INC.)

1. \*Cargo Building and Site Lease dated  
January 1, 1959.

\*It is understood that this Lease will terminate upon the demolition of the Cargo Building pursuant to the Airport Development Plan, at which time Airline will be reimbursed therefor pursuant to the Airport Use Agreement.

EXHIBIT NOPERATION AND MAINTENANCE RESPONSIBILITIESI. 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 curbsfront
  - 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 surfaces
  - 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; vestibuies; 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 particitions 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, repair, 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:

- . Pavements (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

|                                                                                                              | <u>Exclusive<br/>Use<br/>Premises</u> | <u>Public<br/>Use<br/>Premises</u> | <u>Terminal<br/>Support<br/>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<br>Protection, Emergency Medical<br>Services                                 | C                                     | C                                  | C                                    | C               |
| Plumbing Drainage                                                                                            | A <sup>1/</sup>                       | C                                  | C                                    | C               |
| Electrical Service and Lighting                                                                              | A <sup>1/</sup>                       | C                                  | C                                    | C               |
| HVAC                                                                                                         | A <sup>2/</sup>                       | C                                  | C                                    | C               |
| Glass Breakage                                                                                               | A                                     | C                                  | C                                    | C               |
| Communications Systems                                                                                       | A <sup>3/</sup>                       | C                                  | C                                    | C               |
| Custodial Service, including<br>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,<br>escalators, moving sidewalks,<br>horizontal moving devices,<br>transit systems) | A <sup>5/</sup>                       | C <sup>6/</sup>                    | C                                    | -               |
| Signage                                                                                                      | A                                     | C                                  | C                                    | C               |
| Airfield Pavements                                                                                           | A <sup>4/</sup>                       | C                                  | -                                    | C               |
| Auto Parking Facilities                                                                                      | -                                     | -                                  | C                                    | -               |
| Aircraft Fueling System                                                                                      | -                                     | -                                  | -                                    | A               |

KEY: A = Airline  
C = City

- <sup>1/</sup> Airline-installed devices and lamp/ballast replacement.  
<sup>2/</sup> Cleaning of grates and diffusers only.  
<sup>3/</sup> Exclusive/joint use systems installed by Airline.  
<sup>4/</sup> Pavement marking and cleaning at apron gates.  
<sup>5/</sup> Airline shall maintain and operate escalators, moving sidewalks and horizontal moving devices within Airline's Exclusive Use Premises.  
<sup>6/</sup> 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.

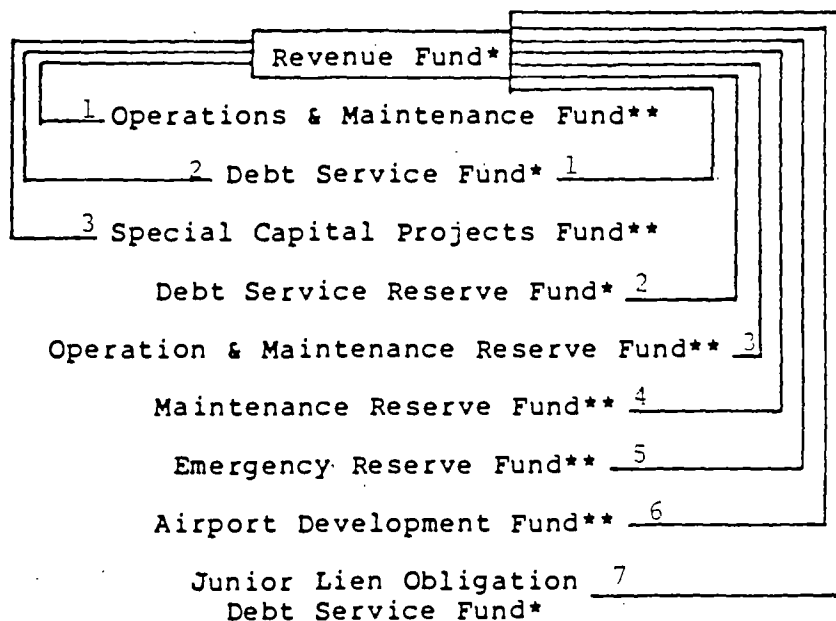


EXHIBIT CALLOCATION OF REVENUESMonthly Flow

On the tenth day of each month the Trustee shall make the following deposits in the manner and order of priority set forth below:

Semi-Annual Flow

On the business day of the Trustee immediately preceding each Interest Payment Date, the Trustee shall make the following deposits in the manner and order of priority set forth below:



\*Pursuant to Section 503 of the General Airport Revenue Bond Ordinance.

\*\*Indicates funds credited in Airport Use Agreement and Terminal Facilities Lease.

## EXHIBIT P

TERMINAL AREA USE CHARGE FORMULA

The Terminal Area Use Charge is determined based on the formulation described in Section 5.03 which is algebraically represented as follows:

$$\left[ \frac{A}{B} \times (C + C^1) \right] + \left[ \frac{A^1}{B^1} \times D \right] + \left[ \frac{E}{F} \times [(G + H + J + K) - (L + M)] \right] + [N] + [P] - [Q]$$

Where A is the Additional Footage of Exclusive Use Premises of the Airline per Section 5.04(a) (excluding Additional Footage which is part of a Special Facility Improvement).

Where B is the total Additional Footage of Exclusive Use Premises of all Airline Parties per Section 5.04(a) (excluding Additional Footage which is part of a Special Facility Improvement).

Where A<sup>1</sup> is the Additional Footage of Exclusive Use Premises of the Airline per Section 5.04(b) (including Additional Footage which is part of a Special Facility Improvement).

Where B<sup>1</sup> is the total Additional Footage of Exclusive Use Premises of all Airline Parties per Section 5.04(b) (including Additional Footage which is part of a Special Facility Improvement).

Where C is the Debt Service (net of Investment Income) allocated to Exclusive Use Premises (excluding Exclusive Use Premises which are part of a Special Facility Improvement) per Section 5.03(a) (i) (1).

Where C<sup>1</sup> is the Special Facility Revenue Bond Debt Service attributable to the Existing Footage portion of Exclusive Use Premises which are part of a Special Facility Improvement per Section 5.03(a) (i) (2).

Where D is the Debt Service (net of Investment Income) allocated to Type B Public Use Premises and to relocation costs per Section 5.03(a) (ii).

Where E is the total square footage of Exclusive Use Premises of the Airline per Section 5.04(c).

Where F is the total square footage of Exclusive Use Premises of all Airline Parties per Section 5.04(c).

Where G is the Debt Service (net of Investment Income) allocated to Type A Public Use Premises and to the capitalized costs of implementing the Use Agreement per Section 5.03(a)(iii)(1).

Where H is the Operation and Maintenance Expenses of the Terminal Area per Section 5.03(a)(iii)(2).

Where J is the Airport Development Fund, Emergency Reserve Fund and Special Capital Projects Fund payment requirements of the Terminal Area per Section 5.03(a)(iii)(3).

Where K is the allocated Terminal Area share of the Net Deficit of the Terminal Support Area per Section 5.03(a)(iii)(4). (If Terminal Support Area shows a surplus,  $K = 0$ .)

Where L is the Non-Use Agreement Revenues of the Terminal Area per Section 5.03(a)(iv)(1).

Where M is the allocated Terminal Area share of the Net Revenues of the Terminal Support Area per Section 5.03(a)(iv)(2). (If Terminal Support Area shows a deficit,  $M = 0$ .)

Where N is Airline's prorata share of the Debt Service, if any, (net of Investment Income) during construction of the Terminal Area, and of the Debt Service (net of Investment Income) allocated to Capital Projects enumerated in Section 5.05(b), per Section 5.03(a)(v).

Where P is the Debt Service (net of Investment Income) allocated to Airline's tenant improvements per Section 5.03(a)(vi).

Where Q is the credit for Special Facility Revenue Bond Debt Service payments related to the Existing Footage portion of Exclusive Use Premises, Public Use Premises and the Terminal Support Area per Section 5.03(b).

APPLICATION OF TERMINAL AREA USE CHARGES  
FORMULA TO TWO HYPOTHETICAL SITUATIONS

Example 1: Airline X

ASSUMPTIONS:

Airline X has Exclusive Use Premises solely in a Special Facility Improvement.

|                |   |              |                                                                      |
|----------------|---|--------------|----------------------------------------------------------------------|
| A              | = | 0            | (Additional Footage which is part of a Special Facility is excluded) |
| B              | = | 450,000      | square feet                                                          |
| A <sup>1</sup> | = | 100,000      | square feet                                                          |
| B <sup>1</sup> | = | 550,000      | square feet                                                          |
| C              | = | \$15,000,000 |                                                                      |
| C <sup>i</sup> | = | \$454,546    | (See calculation of Item Q below)                                    |
| D              | = | \$14,000,000 |                                                                      |
| E              | = | 150,000      | square feet                                                          |
| F              | = | 1,300,000    | square feet                                                          |
| G              | = | \$4,000,000  |                                                                      |
| H              | = | \$42,600,000 |                                                                      |
| J              | = | \$3,600,000  | (Assumes Special Capital Projects Fund payment requirement = 0)      |
| K              | = | 0            | (Assumes Terminal Support Area shows a surplus)                      |
| L              | = | \$27,000,000 |                                                                      |
| M              | = | \$1,500,000  |                                                                      |
| N              | = | \$3,090,909  | (See calculation below)                                              |
| P              | = | 0            | (Assumes tenant improvements financed independently)                 |
| Q              | = | \$4,954,546  | (See calculation of Item Q below)                                    |

CALCULATION OF ITEM QCredit For Existing Footage Portion of Exclusive Use Premises

Assumptions for calculation of credit relating to Existing Footage Portion of Airline X's Exclusive Use Premises in its Special Facility Improvement pursuant to Section 6.01(b) using the factors and formula set forth therein:

$$S - (S \times \frac{T}{U} \times \frac{V}{W})$$

S = \$3,000,000  
 T = 100,000 square feet  
 U = 150,000 square feet  
 V = 700,000 square feet  
 W = 550,000 square feet

$$\$3,000,000 - (\$3,000,000 \times \frac{100,000}{150,000} \times \frac{700,000}{550,000}) = \$ 454,546^*$$

(\* this number = C<sup>1</sup>)

PLUSCredit For Public Use Premises

Special Facility Revenue Bond Debt Service  
 related to Public Use Premises = \$3,000,000

PLUSCredit For Terminal Support Area

Special Facility Revenue Bond Debt Service  
 related to Terminal Support Area = \$1,500,000

Q = \$4,954,546

CALCULATION OF AIRLINE X's TERMINAL AREA USE CHARGE

| <u>Formula</u>                                                                                    | <u>Calculation</u>                                                                                               | <u>Charge</u>          |
|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|------------------------|
| $\frac{A}{B} \times (C + C^1)$                                                                    | $\frac{0}{450,000} \times (\$15,000,000 + \$454,546)$                                                            | = 0                    |
| $\frac{A^1}{B^1} \times D$                                                                        | $\frac{100,000}{550,000} \times \$14,000,000$                                                                    | = \$ 2,545,454         |
| $\frac{E}{F} \times [(G + H + J + K) - (L + M)]$                                                  | $\frac{150,000}{1,300,000} \times (\$4,000,000 + \$42,000,000 + \$3,600,000 + 0 - (\$27,000,000 + \$1,500,000))$ | = \$ 2,434,615         |
| N                                                                                                 | $\frac{100,000}{550,000} \times \$17,000,000$                                                                    | = \$ 3,090,909         |
| P                                                                                                 | 0                                                                                                                | = <u>0</u>             |
|                                                                                                   |                                                                                                                  | <u>\$ 8,070,978</u>    |
| Q                                                                                                 | \$4,954,546                                                                                                      | = <u>\$(4,954,546)</u> |
| Airline X's Terminal Area<br>Use Charge (less credit)                                             |                                                                                                                  | = <u>\$ 3,116,432</u>  |
| Amount paid by<br>Airline X for its Additional<br>Footage under its Special<br>Facility Agreement | \$3,000,000 - \$454,546                                                                                          | = \$ 2,545,454         |

APPLICATION OF TERMINAL AREA USE CHARGES  
FORMULA TO TWO HYPOTHETICAL SITUATIONS

Example 2: Airline Y

ASSUMPTIONS:

Airline Y has no Exclusive Use Premises in a Special Facility Improvement.

|                |   |                                                                             |
|----------------|---|-----------------------------------------------------------------------------|
| A              | = | 50,000 square feet                                                          |
| B              | = | 450,000 square feet                                                         |
| A <sup>1</sup> | = | 50,000 square feet                                                          |
| B <sup>1</sup> | = | 550,000 square feet                                                         |
| C              | = | \$15,000,000                                                                |
| C <sup>1</sup> | = | \$454,546 (See calculation of Item Q for Airline X)                         |
| D              | = | \$14,000,000                                                                |
| E              | = | 200,000 square feet                                                         |
| F              | = | 1,300,000 square feet                                                       |
| G              | = | \$4,000,000                                                                 |
| H              | = | \$42,600,000                                                                |
| J              | = | \$3,600,000 (Assumes Special Capital Projects Fund payment requirement = 0) |
| K              | = | 0 (Assumes Terminal Support Area shows a surplus)                           |
| L              | = | \$27,000,000                                                                |
| M              | = | \$1,500,000                                                                 |
| N              | = | \$1,545,453 (See calculation below)                                         |
| P              | = | 0 (Assumes tenant improvements financed independently)                      |
| Q              | = | 0                                                                           |

CALCULATION OF AIRLINE Y's TERMINAL AREA USE CHARGE

| <u>Formula</u>                                   | <u>Calculation</u>                                                                                               | <u>Charge</u>         |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------------|
| $\frac{A}{B} \times (C + C^1)$                   | $\frac{50,000}{450,000} \times (\$15,000,000 + \$454,546)$                                                       | = \$ 1,717,171        |
| $\frac{A^1}{B^1} \times D$                       | $\frac{50,000}{550,000} \times \$14,000,000$                                                                     | = \$ 1,272,726        |
| $\frac{E}{F} \times [(G + H + J + K) - (L + M)]$ | $\frac{200,000}{1,300,000} \times (\$4,000,000 + \$42,000,000 + \$3,600,000 + 0 - (\$27,000,000 + \$1,500,000))$ | = \$ 3,246,152        |
| V                                                | $\frac{50,000}{550,000} \times \$17,000,000$                                                                     | = \$ 1,545,453        |
| P                                                | 0                                                                                                                | = <u>0</u>            |
|                                                  |                                                                                                                  | <u>\$ 7,781,502</u>   |
| Q                                                | 0                                                                                                                | = <u>\$ -0-</u>       |
| Airline X's Terminal Area Use Charge             |                                                                                                                  | = <u>\$ 7,781,502</u> |



COMPARISON OF EXISTING FOOTAGE AND  
ADDITIONAL FOOTAGE RATES FOR  
AIRLINES X AND Y

Existing Footage Rate:

Airline X:

$$\frac{\$2,434,615}{150,000} = \$16.23 \text{ per square foot} + \$5.00 \text{ per square foot (Terminal Area Rental)} \\ = \$21.23 \text{ per square foot}$$

Airline Y:

$$\frac{\$3,246,152}{200,000} = \$16.23 \text{ per square foot} + \$5.00 \text{ per square foot (Terminal Area Rental)} \\ = \$21.23 \text{ per square foot}$$

Additional Footage Rate:

Airline X:

$$\begin{aligned} &(\$2,545,454 + \$3,090,909 + \$2,545,454) \\ &\quad \underline{\hspace{1.5cm}} \\ &\quad 100,000 \end{aligned} = \$81.81 \text{ per square foot} + \$21.23 \text{ per square foot} = \$103.04 \text{ per square foot}^*$$

Airline Y:

$$\begin{aligned} &(\$1,717,171 + \$1,272,726 + \$1,545,453) \\ &\quad \underline{\hspace{1.5cm}} \\ &\quad 50,000 \end{aligned} = \$90.70 \text{ per square foot} + \$21.23 \text{ per square foot} = \$111.93 \text{ per square foot}^*$$

\* This discrepancy is a result of different assumptions with respect to the per square foot debt service expense of Exclusive Use Premises constructed in the Special Facility versus other Exclusive Use Premises constructed at the Airport. The 150,000 square feet of Exclusive Use Premises in the Special Facility is assumed to have a \$3,000,000 debt service expense, or \$20.00 per square foot. (See assumptions in calculation of Item Q.) The other 550,000 square feet of Exclusive Use Premises constructed at the Airport (the total 700,000 square feet assumed in the calculation of Item Q less the 150,000 square feet which are part of the Special Facility) is assumed to have a \$15,000,000 debt service expense (see assumption of Item C), or \$27.27 per square foot.

# TERMINAL BASE BUILDING FINISH STANDARDS

EXHIBIT Q  
11.17.82  
PAGE 1 OF 4

| AREA        | SPACE DESIGNATION             | FLOOR                               | BASE                  | WALL STRUCTURE                                                              | CEILING                    | HVAC   | LIGHTING | ELECTRICAL                              | NOTES |
|-------------|-------------------------------|-------------------------------------|-----------------------|-----------------------------------------------------------------------------|----------------------------|--------|----------|-----------------------------------------|-------|
| BASEMENT    | Basement                      | Exposed Concrete                    |                       | Exposed Concrete Structure                                                  | Exposed Concrete Structure | II & V | 20 F.C.  | As Required                             |       |
|             | Service Tunnels               | Exposed Concrete                    |                       | Exposed Concrete Structure                                                  | Exposed Concrete Structure | II & V | 20 F.C.  | As Required                             |       |
|             | Fan Rooms                     | Exposed Concrete                    |                       | Exposed Concrete Structure<br>Concrete Block                                | Exposed Concrete Structure | II & V | 20 F.C.  | As Required                             |       |
|             | Mechanical & Electrical Rooms | Exposed Concrete                    |                       | Exposed Concrete Structure<br>Concrete Block                                | Exposed Concrete Structure | II & V | 20 F.C.  | As Required                             |       |
|             | Locker Rooms                  | Exposed Concrete                    |                       | Concrete Block                                                              | Exposed Concrete Structure | II VAC | 20 F.C.  | As Required                             |       |
|             | Toilet Rooms                  | Unglazed Ceramic Tile               | Unglazed Ceramic Cove | Unglazed Ceramic Tile                                                       | Cement Plaster             | II VAC | 20 F.C.  | As Required                             |       |
| CLAIM LEVEL | Bag Claim Lobby               | Terrazzo                            |                       | Precast Concrete Panel w/Exposed Aggregate & Exterior Glass Metal Partition | Metal Pan                  | II VAC | 50 F.C.  | As Required                             |       |
|             | Bag Claim Area                | Terrazzo                            |                       |                                                                             | Metal Pan                  | II VAC | 50 F.C.  | Power to Claim Unit Distribution Panel  |       |
|             | Bag Room                      | Structural Concrete & Concrete Fill |                       | Concrete Panel                                                              | Exposed Concrete Structure | II & V | 40 F.C.  | Power to Sort Device Distribution Panel |       |
|             | Bag Service Office            | Terrazzo                            | Metal                 | Metal Partition                                                             | Metal Pan                  | II VAC | 75 F.C.  | As Required                             |       |
|             | Toilet Rooms                  | Unglazed Ceramic Tile               | Unglazed Ceramic Cove | Unglazed Ceramic Tile                                                       | Cement Plaster             | II VAC | 20 F.C.  | As Required                             |       |
|             | Concessions                   | Terrazzo                            | By Tenant             | By Tenant                                                                   | By Tenant                  | II VAC |          | By Tenant                               |       |

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REPORTS OF COMMITTEES

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TERMINAL BASE BUILDING  
FINISH STANDARDS

EXHIBIT Q

11.17.82

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| AREA         | SPACE DESIGNATION        | FLOOR                 | BASE                  | WALL STRUCTURE        | CEILING        | HVAC | LIGHTING                                 | ELECTRICAL  | NOTES |
|--------------|--------------------------|-----------------------|-----------------------|-----------------------|----------------|------|------------------------------------------|-------------|-------|
| TICKET LEVEL | Ticket Lobby             | Terrazzo              | Metal                 | Exterior Curtain      | Metal Pan      | HVAC | 50 F.C. Lobby<br>100 F.C. Ticket Counter | As Required |       |
|              | Airlines Offices         | VAT                   | Metal                 | Metal Partition       | Metal Pan      | HVAC | 75 F.C.                                  | As Required |       |
|              | Concessions              | Terrazzo              | By Tenant             | By Tenant             | Metal Pan      | HVAC |                                          | By Tenant   |       |
|              | Toilet Rooms             | Unglazed Ceramic Tile | Unglazed Ceramic Cove | Unglazed Ceramic Tile | Cement Plaster | HVAC | 20 F.C.                                  | As Required |       |
|              | Passenger Relations Room | VAT                   | Metal                 | Metal Partition       | Metal Pan      | HVAC | 25 F.C.                                  | As Required |       |
| MEZZANINE    | Mezzanine Corridor       | Terrazzo              | Metal                 | Class Partition       | Metal Pan      | HVAC | 25 F.C.                                  | As Required |       |
|              | Airline Offices          | VAT                   | Metal                 | Metal Partition       | Metal Pan      | HVAC | 75 F.C.                                  | As Required |       |
|              | Locker Rooms             | VAT                   | Metal                 | Metal Partition       | Metal Pan      | HVAC | 20 F.C.                                  | As Required |       |
|              | Toilet Rooms             | Unglazed Ceramic Tile | Unglazed Ceramic Cove | Unglazed Ceramic Tile | Cement Plaster | HVAC | 20 F.C.                                  | As Required |       |
|              | Agent Lunch/Lounge       | VAT                   | Metal                 | Metal Partition       | Metal Pan      | HVAC | 25 F.C.                                  | As Required |       |
|              |                          |                       |                       |                       |                |      |                                          |             |       |
|              |                          |                       |                       |                       |                |      |                                          |             |       |

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# CONCOURSE BASE BUILDING FINISH STANDARDS

EXHIBIT Q

11.17.82

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| AREA            | SPACE DESIGNATION             | FLOOR                      | BASE         | WALL STRUCTURE             | CEILING                    | HVAC  | LIGHTING | ELECTRICAL                                     | NOTES |
|-----------------|-------------------------------|----------------------------|--------------|----------------------------|----------------------------|-------|----------|------------------------------------------------|-------|
| BASEMENT        | Tunnel                        | Exposed Concrete Structure |              | Exposed Concrete Structure | Exposed Concrete Structure | H & V | 20 F.C.  | As Required                                    |       |
|                 | Mechanical & Electrical Rooms | Exposed Concrete Structure |              | Concrete Block             | Exposed Concrete Structure | H & V | 20 F.C.  | As Required                                    |       |
| RAMP LEVEL      | Ready Rooms                   | Concrete Fill              | Glazed Block | Glazed Block               | Exposed Concrete Structure | HVAC  | 30 F.C.  | As Required                                    |       |
|                 | Maintenance Shops             | Concrete Fill              | Glazed Block | Glazed Block               | Exposed Concrete Structure | H & V | 50 F.C.  | As Required                                    |       |
|                 | Locker Rooms                  | Concrete Fill              | Glazed Block | Glazed Block               | Exposed Concrete Structure | H & V | 20 F.C.  | As Required                                    |       |
|                 | Toilet Rooms                  | Exposed Concrete           | Glazed Block | Glazed Block               | Cement Plaster             | H & V | 20 F. C. | As Required                                    |       |
|                 | Operations Offices            | VAT                        | Glazed Block | Glazed Block               | Metal Pan                  | HVAC  | 75 F.C.  | As Required                                    |       |
|                 | Storage Areas                 | Concrete Fill              | Glazed Block | Glazed Block               | Exposed Concrete Structure | H & V | 20 F.C.  | As Required                                    |       |
|                 | Bag Room                      | Concrete Fill              | Glazed Block | Glazed Block               | Exposed Concrete Structure | H & V | 40 F.C.  | Power to Distribution Panel for Sort Equipment |       |
| CONCOURSE LEVEL | Concourse                     | Terrazzo                   | Metal        | Plaster                    | Metal Pan                  | HVAC  | 25 F.C.  | As Required                                    |       |
|                 | Hotel Rooms                   | Terrazzo                   | Metal        | Plaster                    | Metal Pan                  | HVAC  | 35 F.C.  | As Required                                    |       |
|                 | Passenger Relations           | Terrazzo                   | Metal        | Plaster                    | Metal Pan                  | HVAC  | 25 F.C.  | As Required                                    |       |

5/30/85

REPORTS OF COMMITTEES

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# CONCOURSE BASE BUILDING FINISH STANDARDS

EXHIBIT Q

11.17.82

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[illegible]

AUTHORITY GRANTED FOR APPROVAL AND EXECUTION OF CERTAIN  
LEASES BETWEEN CITY AND AIRLINES OPERATING FROM  
INTERNATIONAL TERMINAL AT CHICAGO-O'HARE  
INTERNATIONAL AIRPORT.

The Committee on Aviation submitted the following report:

CHICAGO, May 28, 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 May 15, 1985) authorizing the approval and execution of certain leases between the City of Chicago and airlines operating from the International Terminal 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

*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 the airport known as Chicago-O'Hare International Airport (hereinafter, together with any additions thereto or enlargements thereof, referred to as the "Airport"), with the power to lease premises and facilities and to grant rights and privileges with respect thereto, all as hereinafter provided; and

WHEREAS, The City has constructed a terminal facility at the Airport commonly known as the International Terminal/Terminal 4 (hereinafter, the "International Terminal"); and

WHEREAS, Each of Alitalia, British Airways, Compania Mexicana de Aviacion, S.A., Compagnie Nationale Air France, El Al Israel Airlines, Ltd., Flugleidir H.F. (Icelandair), Koninklijke Luchtvaart Maatschappij (K.L.M.) Royal Dutch Airlines, National Air Carriers Association Facilities and Service Corp., Pan American World Airways, Inc., People Express Airlines, Inc., Sabena Belgian World Airways, Scandinavian Airlines System and Swiss Air Transport Co., Ltd. (collectively, the "Airlines") desire to lease from the City terminal space in the International Terminal and to obtain certain rights and privileges with respect thereto, all as hereinafter provided; and

WHEREAS, City is willing to lease space to the Airlines and grant rights and privileges with respect thereto to Airlines, upon the terms and conditions hereinafter provided; now, therefore,

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

SECTION 1. The International Terminal/Terminal 4 Facilities Lease 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 International Terminal/Terminal Facilities Lease in substantially the form attached hereto with appropriate exhibits attached 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.

Lease attached to this ordinance reads as follows:

*International Terminal/Terminal 4 Facilities Lease.*

This Lease, made and entered into as of this 15th day of March, 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 and by virtue of the laws of the \_\_\_\_\_ ("Airline").

*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 desires to lease to Airline and Airline desires to lease from City certain exclusive use premises (the "Exclusive Use Premises") in the International Terminal/Terminal 4 at the Airport (the "International Terminal"); now, therefore,

In consideration of the premises and of the mutual covenants and agreements herein contained, City and Airline agree as follows:

*Article I*  
*Term.*

Section 1.01. -- Term of Lease.

This Lease shall become effective as of March 15, 1985 and shall have an initial term ending March 14, 1986: the term of this Lease shall be extended automatically for two consecutive additional one-year periods unless written notice of termination is given by City or Airline to the other at least 60 days prior to the expiration of the initial term or the first renewal term as the case may be.

*Article II*

*Grant of Rights.*

Section 2.01. -- 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 its air transportation business.

(b) Nothing in this Lease shall be construed to permit the use of Airline's Exclusive Use Premises for the conduct of any business other than Airline's air transportation business. Such limitation includes but is not limited to the ground transportation business, restaurants or merchandising operations.

Section 2.02. -- Use of International Terminal.

(a) Airline shall have the non-exclusive right to use, in common with others, the public areas and airline joint-use areas of the International Terminal and the International Terminal aircraft parking areas pursuant to rules and regulations promulgated from time to time by the City.

(b) Airline acknowledges that City will impose charges and reporting requirements upon Airline, in addition to the charges payable hereunder for the Exclusive Use Premises, for the use of the non-exclusive areas of the International Terminal, the International Terminal aircraft parking areas and the Airport generally. Such charges may include, without limitation, fees for use of the International Terminal to enplane and deplane passengers, fees for use of the International Terminal aircraft parking area, fees for the use of the transportation system and landing fees.

Section 2.03. -- Restrictions.

The foregoing rights and privileges of Airline are subject to the following specific restrictions:

(a) Airline shall not do or authorize to be done anything which may interfere with the effectiveness of accessibility of the drainage and sewage system, water system,



communication system, fire protection system, or any other part of the utility, electrical or other system installed or located from time to time at the Airport.

(b) 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 Lease 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 pay City that part of all premiums paid by City which are charged because of such violation or failure by Airline.

(c) 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 performing any necessary repairs, and for the doing of any act which City may be obligated or have the right to do under this Lease.

### *Article III*

#### *Lease of International Terminal Exclusive Use Premises.*

##### **Section 3.01. -- Exclusive Use Premises.**

City hereby leases to Airline and Airline hereby hires and takes from City for Airline's exclusive use, and agrees to pay rentals calculated with reference to, the Exclusive Use Premises as shown on Exhibit A attached hereto, together with all improvements and fixtures located therein.

### *Article IV*

#### *International Terminal Rentals and Use Charges.*

##### **Section 4.01. -- Rentals and Use Charges.**

(a) At such times and in such manner as provided in Section 4.02, Airline shall pay rentals to City equal to \$5.00 per square foot per annum, payable in 12 monthly installments in advance, for Airline's Exclusive Use Premises.

(b) At such times and in such manner as provided in Section 4.02, Airline shall pay use charges to City equal to \$21.46 per square foot per annum for the initial term of this Lease, \$22.46 per square foot per annum for the first renewal period and \$23.46 per square foot per annum for the second renewal period, payable in 12 monthly installments in advance, for Airline's Exclusive Use Premises.

##### **Section 4.02. -- Payment of Rentals.**

Airline shall pay to City at the Office of the City Comptroller, Room 501, City Hall, Chicago, Illinois, 60602, or at such other place as the City Comptroller shall designate on or

before the first calendar day of each month all rentals and use charges payable for Airline's Exclusive Use Premises in accordance with Section 4.01. Any amount which is not paid when due shall bear interest at a rate two percentage points (2%) higher than the then-current corporate base rate announced by the largest commercial bank in Chicago, determined on the basis of total assets.

#### *Article V*

#### *Responsibilities of Airline.*

##### **Section 5.01. -- Maintenance, Replacement and Repair.**

Airline shall be responsible for and shall perform or cause to be performed, maintenance and repair of its Exclusive Use Premises. Airline shall, at all times:

(a) Keep 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 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; and

(c) Either directly or through an independent contractor, dispose of its garbage, debris and other waste materials (excluding snow and ice).

##### **Section 5.02. -- 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 of the Department of Aviation of City (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.

(b) Airline agrees to, and shall include in all construction contracts a provision whereby the contractor agrees to, indemnify, hold harmless and defend City, its officers, agents and employees against losses (except in cases in which such losses are caused solely 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 in an amount reasonably required by the Commissioner. 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 or 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 representative, at any reasonable 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 5.03. -- Taxes, Licenses and Permits.

Airline, its contractors and agents, 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 5.04. -- 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. 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; provide, 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 and personal property shall be identified as the property of Airline.

#### Section 5.05. -- 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.

#### Section 5.06. -- 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 V, 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, City may perform such obligation of Airline at any time without notice and charge Airline for the cost to City of such performance.

### *Article VI*

#### *Rules and Regulations; Compliance With Laws.*

Section 6.01. -- Rules and Regulations.

Airline shall comply, and shall use its best efforts to cause its 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.

Section 6.02. -- Compliance with Laws.

Airline shall comply with all applicable federal, state and local laws, codes, regulations, ordinances, rules and orders; provided, however, that 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 Airline, and Airline notifies City of such contest.

*Article VII*

*Exercise by City of Governmental Functions.*

Section 7.01. -- 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 of 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.

*Article VIII*

*Indemnity and Insurance.*

Section 8.01. -- 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, in each case, arising out of the following (except in cases in which such losses are caused solely by negligence of City or its agents, officers and employees) and only to the extent City is not reimbursed out of insurance proceeds therefor:

- (i) Airline's use or occupancy of the Airport or non-use (if such non-use is contrary to Airline's obligations hereunder) of any premises demised to Airline hereunder;
- (ii) 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

- (iii) The violation by Airline of any agreement, warranty, covenant or condition of this Lease, 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 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. 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 8.02. -- 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.

### Article IX

#### *Sublease and Assignment.*

#### Section 9.01. -- 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 rentals and 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 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 9.01.

### Article X

#### *Termination by City.*

Section 10.01. -- Events of Default Defined.

Each of the following shall be an "Event of Default" under this Lease:

(a) The failure by Airline to pay any rentals or use charges required to be paid hereunder at the times specified herein or any other obligations of Airline to City;

(b) The dissolution or liquidation of Airline;

(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 of any country 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 of force majeure or as may be provided in Section 11.01; or

(g) The failure by Airline to observe and perform any covenant, condition or agreement in this Lease 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 10.02. -- Remedies of 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 Lease and exclude Airline from possession of its Exclusive Use Premises;

(b) City may, without terminating this Lease, exclude Airline from possession of its Exclusive Use Premises, and use reasonable efforts to lease the Exclusive Use Premises to another airline for the account of Airline, holding Airline liable for rentals, use charges and other payments due up to the effective date of such leasing and for the excess, if any, of the rentals, use charges and other amounts payable by Airline under this Lease for the remainder of the term of this Lease over the rentals, use charges 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 rentals, use charges 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 Lease.

#### Section 10.03. -- No Remedy Exclusive.

No remedy conferred upon or reserved to City 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 to exercise any remedy it has under this Lease, it shall not be necessary to give any notice other than such notice as may be herein expressly required.

#### Section 10.04. -- Agreement to Pay Attorneys' Fees and Expenses.

In the event Airline defaults under this Lease and City employs attorneys or incurs other expenses for the collection of rentals or the enforcement of performance of any obligation or agreement on the part of Airline, Airline shall, on demand, pay to City the reasonable fees and expenses of such attorneys and such other expenses so incurred by City.

#### Section 10.05. -- Termination in Event of Handling Agreement.

Whether or not an Event of Default under this Lease has occurred, in the event that City approves a handling arrangement for Airline in Terminal 1, 2 or 3 at the Airport with any airline leasing or subleasing exclusive use premises in such terminal, City shall have the right to terminate this Lease and exclude Airline from possession of its Exclusive Use Premises by giving written notice of such termination to Airline.

### Article XI

#### *Termination by Airline.*

#### Section 11.01. -- Termination by Airline.

If Airline is not then in default in the payment of any amount due from it to City hereunder, Airline 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 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 Airline or 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.

## *Article XII*

### *Equal Opportunity.*

#### **Section 12.01. -- Equal Opportunity.**

Airline agrees that in performing under this Lease 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 12.01. 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 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, Sees. 13-1 to 13-4 inclusive; July 8, 1933, Ill. Rev. Stat. 1979, Ch. 29, Sees. 17 to 24 inclusive; July 21, 1961, Ill. Rev. Stat. 1979, Ch. 48, Sees. 851 to 866 inclusive, and July 26, 1967, Ill. Rev. Stat. 1979, Ch. 48, Sees. 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; Executive Order 85-2 promulgated by the Mayor of the City of Chicago on April 3, 1985.

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 12.02. -- 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.

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 12.03. -- 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 12.04. -- 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 12.05. -- 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 XIII*

*Miscellaneous.*

Section 13.01. -- 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, Room 1111, Chicago, Illinois 60602, or 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,

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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 13.02. -- No Abatement or Set-off.

Airline shall not abate, suspend, postpone, set-off or discontinue any payments of rentals or use charges which it is obligated to pay hereunder. Nothing contained in this Section 13.02 shall release City from the performance of any of its obligations under this Lease. 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 13.03. -- Governing Law.

under this Lease shall be brought by the City or the Airline in a court of competent jurisdiction located in the City of Chicago, County of Cook, State of Illinois, and Airline hereby consents to the jurisdiction of such court and expressly agrees not to contest said jurisdiction.

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 hereunto affixed and attested by the City Clerk of City, and Airline has caused this Lease 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 A printed on pages 17269 thru 17281 of this Journal.]

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AUTHORITY GRANTED FOR APPROVAL OF RATES AND  
CHARGES FOR AIRLINES USING INTERNATIONAL  
TERMINAL AT CHICAGO-O'HARE  
INTERNATIONAL AIRPORT.

The Committee on Aviation submitted the following report:

CHICAGO, May 28, 1985.

*To the President and Members of the City Council:*

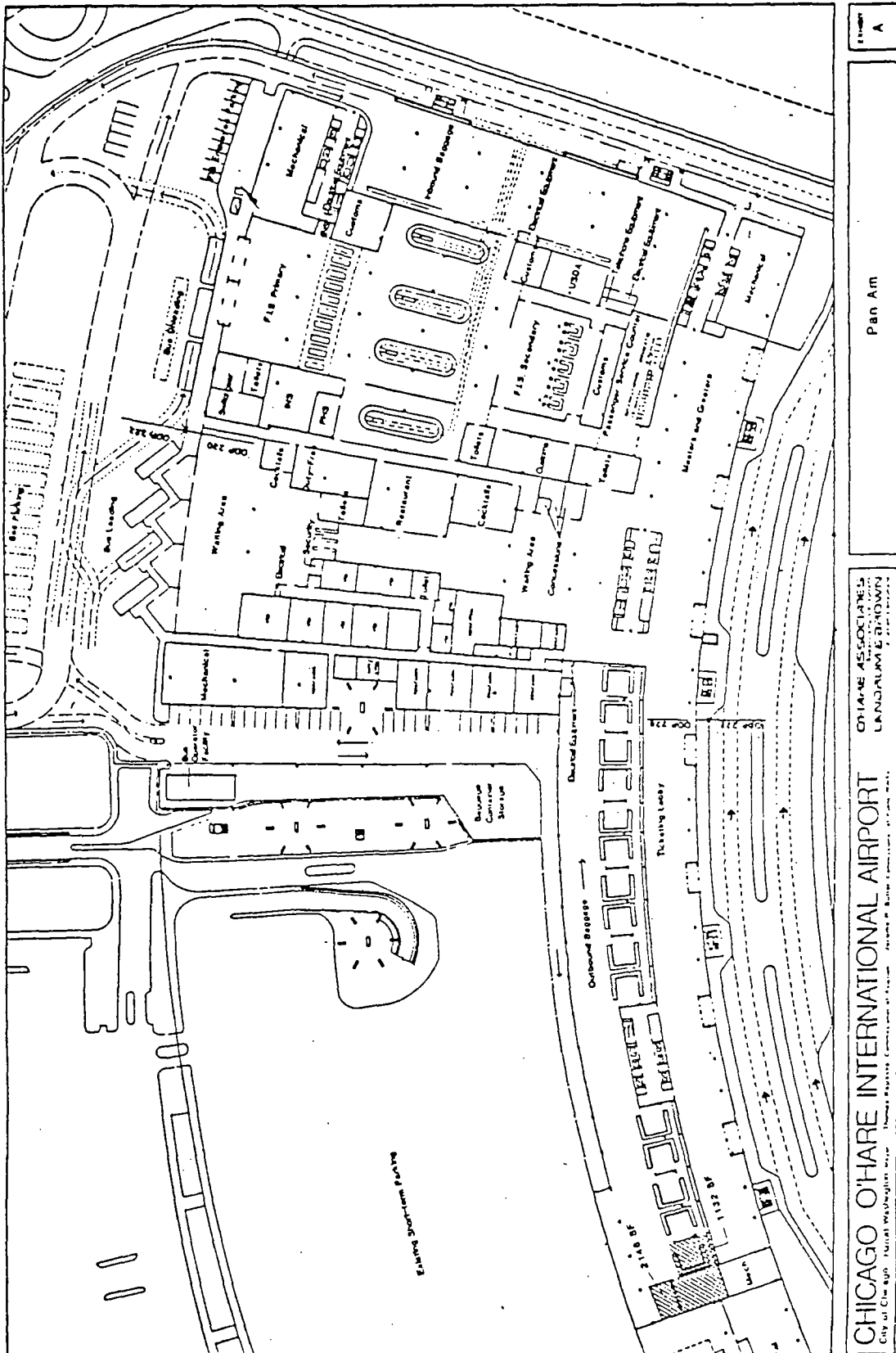
Your Committee on Aviation begs leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith (which was referred on May 15, 1985) approving rates and charges for airlines using the International Terminal at Chicago-O'Hare International Airport.

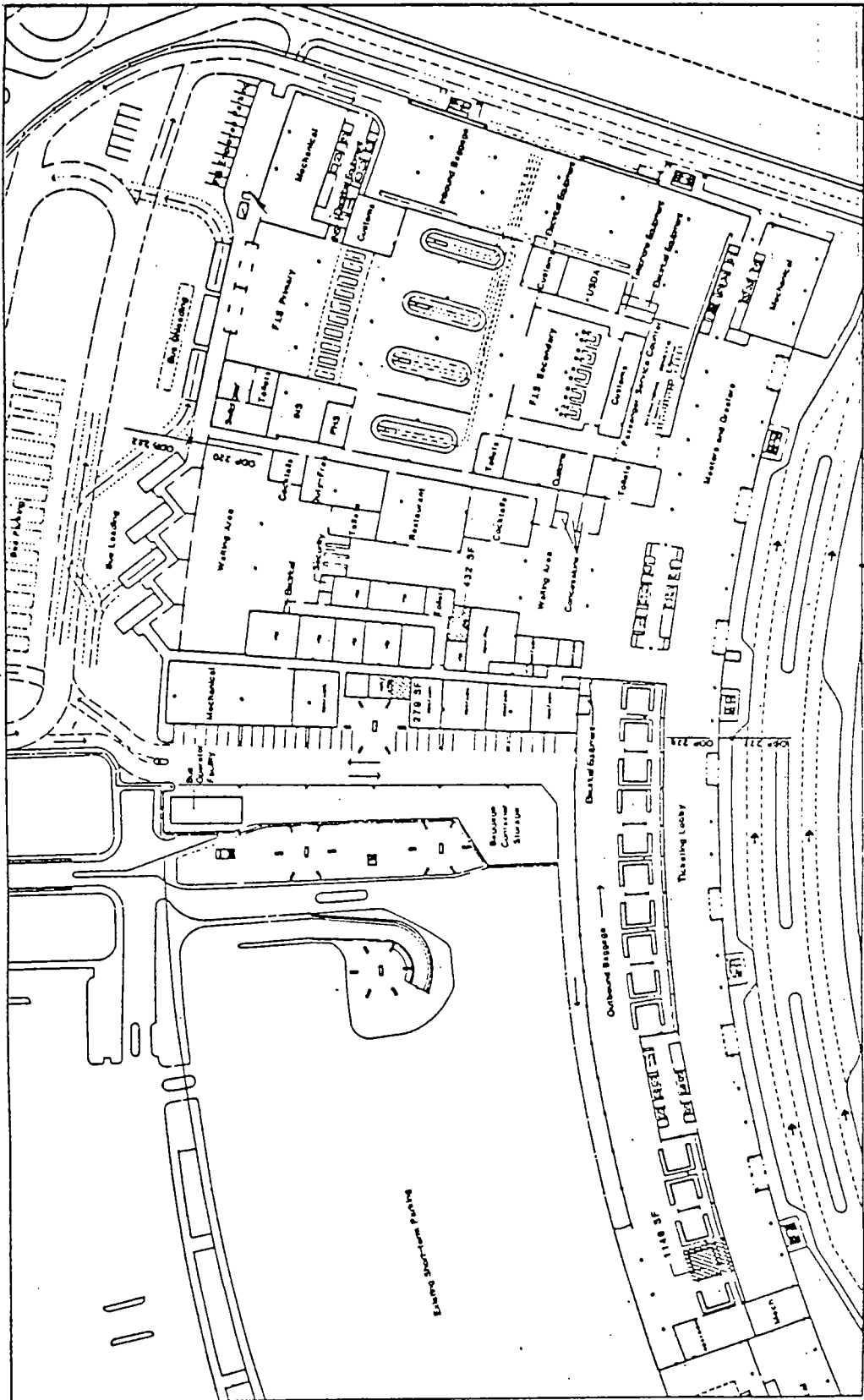
This recommendation was concurred in unanimously by the members of the committee.

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:

(Continued on page 17282)



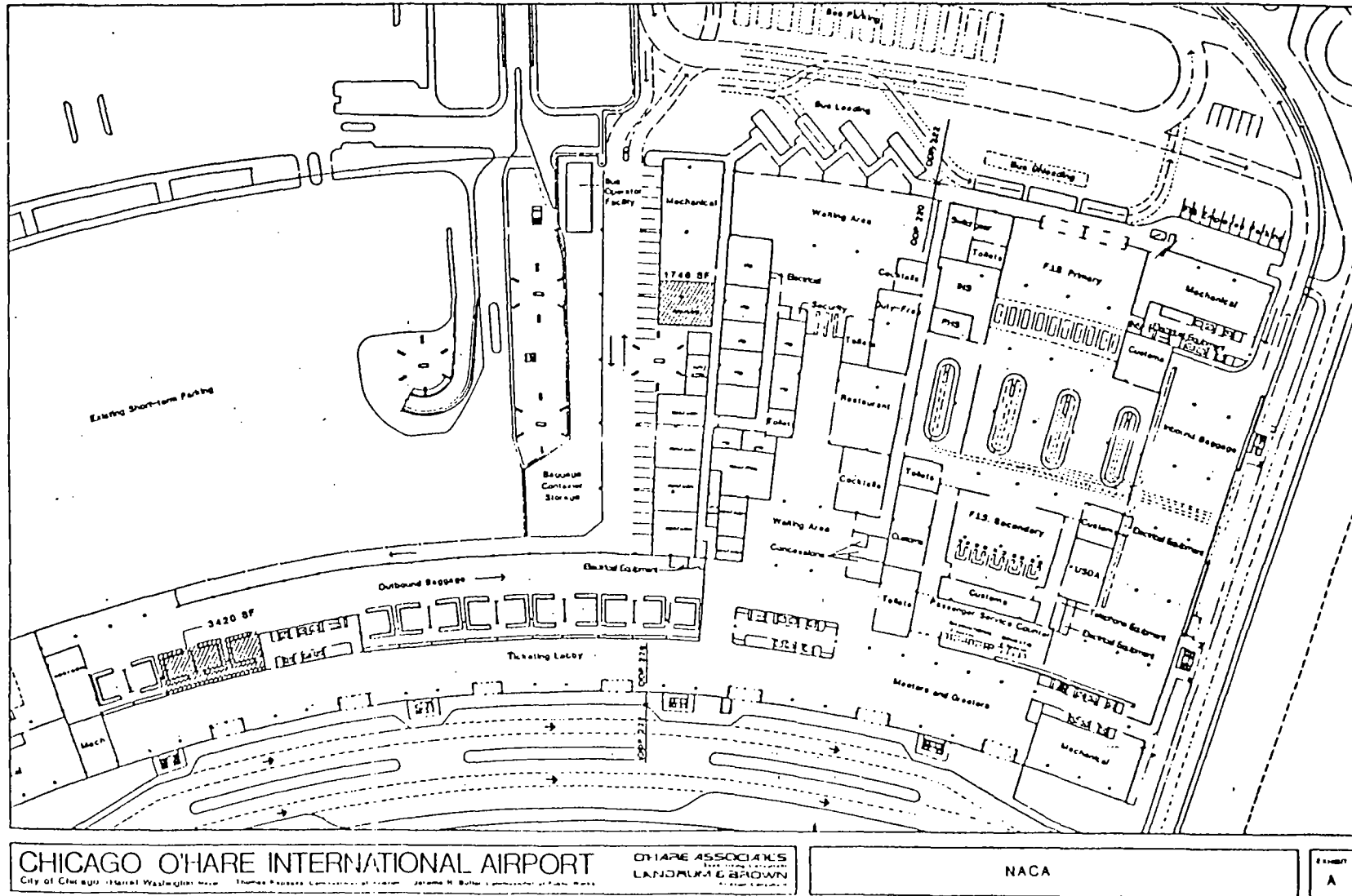


12-10-01

**Sabona**

OTIARE ASSOCIATES  
LANDRUM E. J. BROWN  
10101 1st Avenue

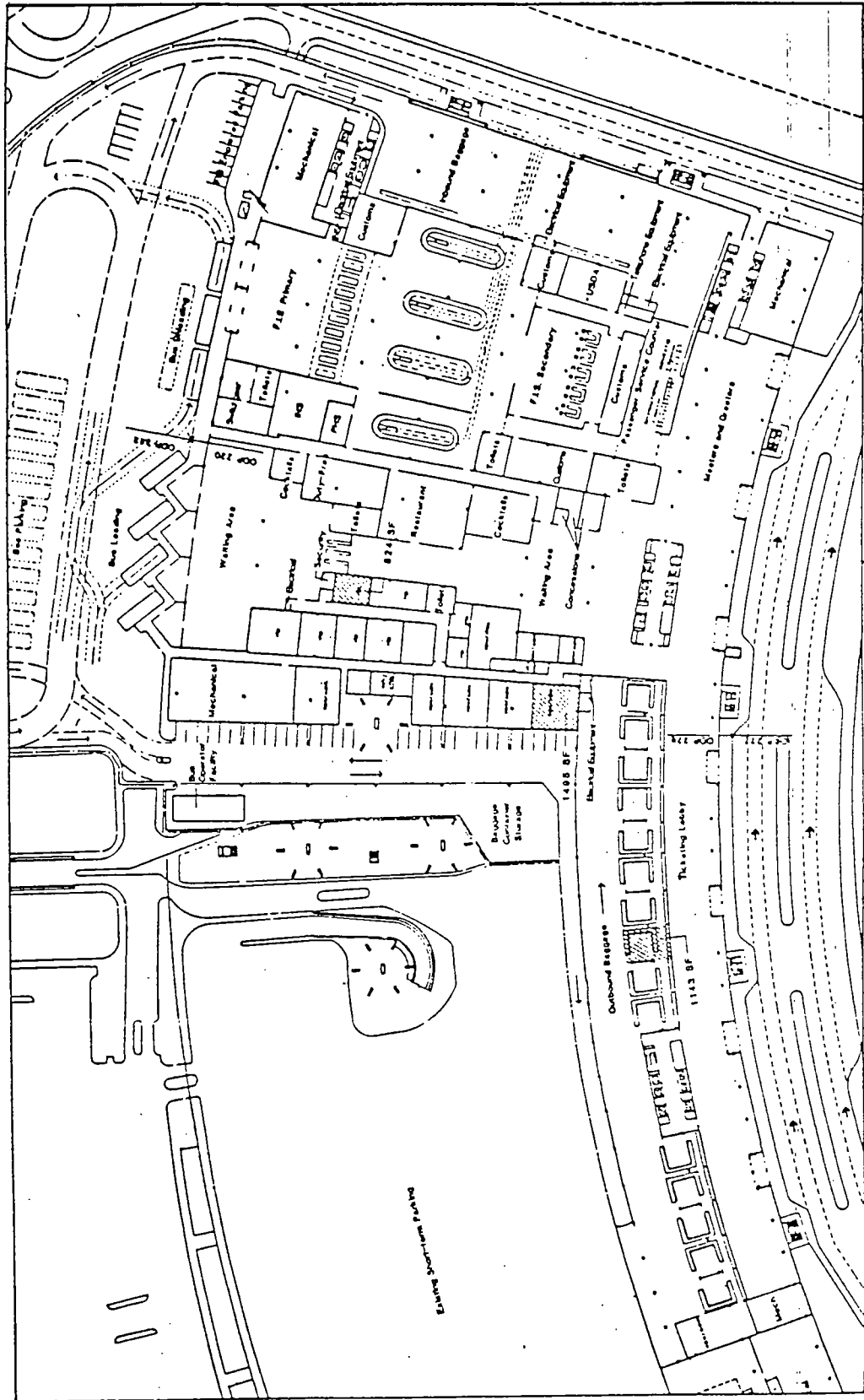
**CHICAGO O'HARE INTERNATIONAL AIRPORT**  
City of Chicago, Daniel W. Ryan, Mayor; Thomas P. O'Donnell, President; Richard J. Daley, Mayor; Richard J. Daley, Mayor











Sheet  
A

Air France

CHICAGO O'HARE INTERNATIONAL AIRPORT  
 City of Chicago, Illinois  
 Terminal 1  
 Landmark & Shadow  
 Project Location

CHICAGO O'HARE INTERNATIONAL AIRPORT  
 City of Chicago, Illinois  
 Terminal 1  
 Landmark & Shadow  
 Project Location



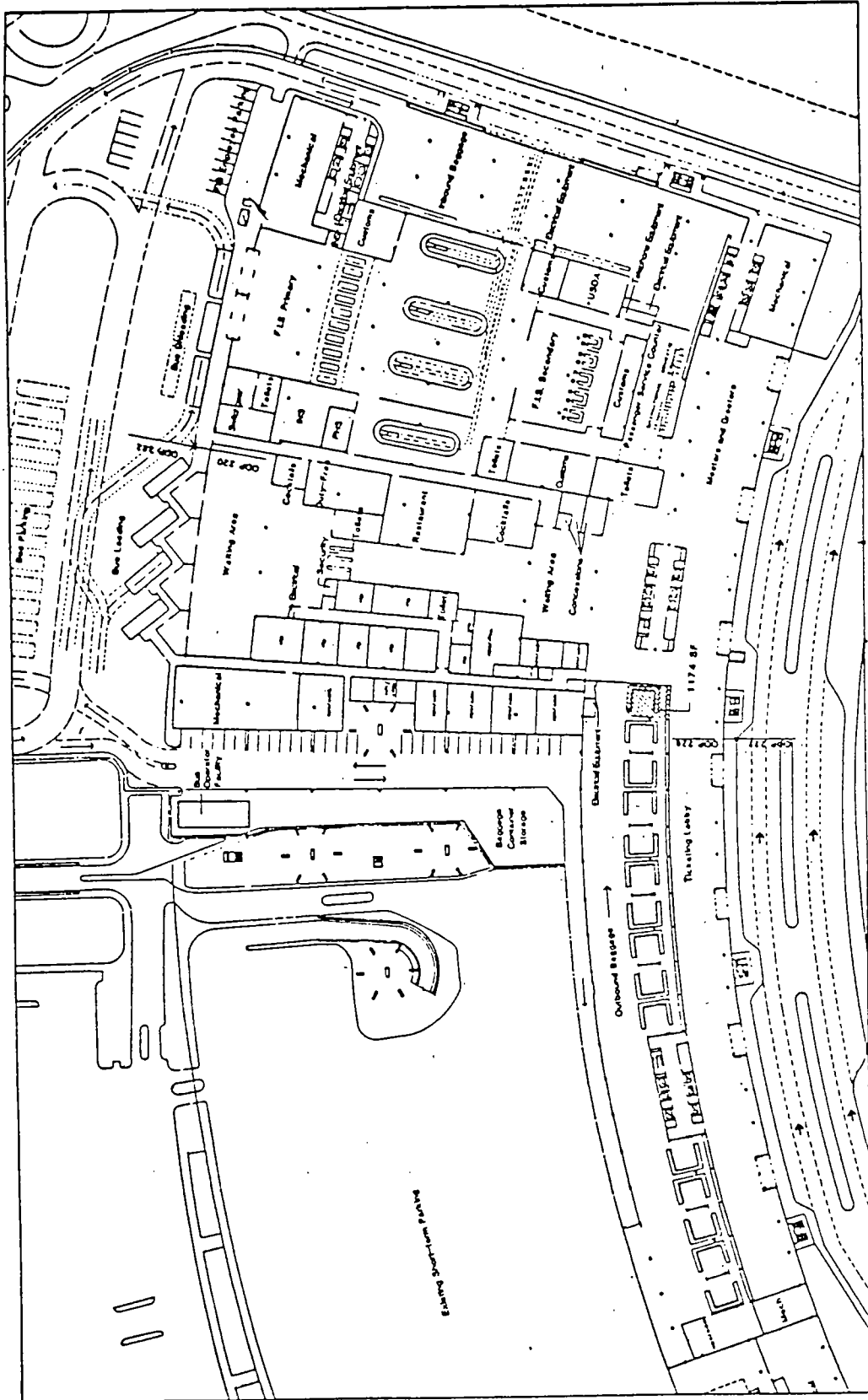












Sheet  
A

Icelandair

OTIS ASSOCIATES  
LANDRUM & BROWN  
Architects

CHICAGO O'HARE INTERNATIONAL AIRPORT  
City of Chicago, Illinois  
Thomas H. Baker, Commissioner of Public Works  
Thomas H. Baker, Commissioner of Public Works



(Continued from page 17268)

*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

*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 the airport known as Chicago-O'Hare International Airport (hereinafter, together with any additions thereto or enlargements thereof, referred to as the "Airport"), with the power to lease premises and facilities and to grant rights and privileges with respect thereto, all as hereinafter provided; and

WHEREAS, The City has constructed a terminal facility at the Airport commonly known as the International Terminal/Terminal 4 (hereinafter, the "International Terminal"); and

WHEREAS, Under the terms of Article XIV of the 1983 Airport Use Agreement and Terminal Facility Lease (hereinafter, the "Agreement") the City covenants that it shall impose rentals, charges and Federal Inspection Service 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 prorata share of the foregoing costs and expenses based upon such person's use of the International Terminal Area; now, therefore,

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

SECTION 1. The computation of rentals and charges for the International Terminal Cost/Revenue Center, effective March 15, 1985, will be as follows:

(a) International Terminal Rental

At such times and in such manner as provided in the International Terminal/Terminal 4 Facilities Lease, tenant shall pay rental to the City equal to \$5.00 per square foot per year for the Exclusive Use Premises from time to time leased.

(b) International Terminal Exclusive Premises Use Charge

Tenant shall also pay an Exclusive Premises Use Charge based upon the estimated costs of maintaining and operating these premises as provided in the International Terminal/Terminal 4 Facilities Lease of \$21.46 per square foot in

Tenant shall also pay an Exclusive Premises Use Charge based upon the estimated costs of maintaining and operating these premises as provided in the International Terminal/Terminal 4 Facilities Lease of \$21.46 per square foot in 1985. Allowing for inflation, this use charge will increase to \$22.46 per square foot in 1986 and to \$23.46 per square foot in 1987.

(c) International Terminal Tenant Passenger Use Charge

Semi-annually, the amount required to be charged users of the International Terminal Cost/Revenue Center (as determined by the Independent Airport Consultant pursuant to Article XIV of the 1983 Airport Use Agreement and Terminal Facilities Lease and approved by the Commissioner of the Department of Aviation) less the revenue anticipated to be obtained from International Terminal Exclusive Use Premises Rentals and Use Charges will be used to compute the International Terminal deficit. The resultant deficit shall be divided by the number of arriving and departing passengers anticipated to utilize the facility during the rate period to determine the Passenger Use Charge for jointly used airline premises in the facility. This per passenger charge will be billed monthly to each tenant of the International Terminal and lessee of Exclusive Use Premises in the Terminal Area based on the number of passengers arriving and departing the International Terminal during the month. The Tenant Passenger Use Charge rate for 1985 is \$1.09 per arriving or departing passenger.

(d) International Terminal Non-Tenant Passenger Use Charge

Non-tenant airlines (those without Exclusive Use Premises in the International Terminal or Terminal Area) will pay a Non-Tenant Passenger 75 percent higher than the tenant use charge computed in item (3) above. This Non-Tenant Passenger Use Charge is based on the substantially higher costs of providing a facility and collecting fees from such non-tenant airlines. The Non-Tenant rate for 1985 is \$1.91 per arriving or departing passenger, to be collected at the time of operation by the City or its agent.

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

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AUTHORITY GRANTED FOR EXECUTION OF LICENSE AGREEMENT BETWEEN  
CITY AND CHICAGO FIRST NATIONAL BANK AND INDEPENDENCE BANK  
OF CHICAGO FOR OPERATION OF FOREIGN CURRENCY EXCHANGE  
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 *Pass* the proposed ordinance transmitted herewith (which was referred by the Department of Aviation on April 22, 1985) approving a license agreement between the City of Chicago and the joint venture composed of Chicago First National Bank and Independence Bank of Chicago for the operation of a foreign currency exchange 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

*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 the Mayor, subject to approval by the Corporation Counsel as to form and legality, is authorized to execute on behalf of the City of Chicago a Foreign Currency Exchange Concession License Agreement with First Chicago International, for certain premises at Chicago-O'Hare International Airport, said agreement to be in substantially the following form:

*Foreign Currency Exchange Concession  
License Agreement.*

This Agreement (hereinafter referred to as this "Agreement") made this \_\_\_\_\_ day of \_\_\_\_\_, 1985, between the City of Chicago, a Municipal Corporation of United States (hereinafter referred to as "Licensor") and First Chicago International a United States corporation, (hereinafter referred to as "Licensee").

*Witnesseth:*

Whereas, Licensors own and operate the Airport known as Chicago-O'Hare International Airport, (hereinafter referred to as "Airport"), situated in the City of Chicago, Counties of Cook and DuPage, State of Illinois; and

Whereas, Licensee desires to obtain from Licensors a license to operate a Foreign Currency Exchange concession with certain privileges and rights in the Airport's Terminal Building; and

Whereas, The Licensors deem it advantageous to itself and to its operation of the Airport to grant unto the Licensee a license to operate a Foreign Currency Exchange concession area with the rights and privileges as herein set forth; now, therefore;

#### *Article I*

##### *Premises.*

A. Licensors, in consideration of the compensation and the sundry covenants and agreements set forth herein to be kept and performed by Licensee, does hereby grant unto Licensee the following areas, all of which Licensee accepts, at Chicago-O'Hare International Airport, described as Foreign Currency Exchange Concession Areas:

- (1) Space \_\_\_\_\_, consisting of approximately \_\_\_\_\_ square feet in Terminal Building No. 4 as indicated in Exhibit "A" which is attached hereto and made a part hereof.
- (2) Space \_\_\_\_\_, consisting of approximately \_\_\_\_\_ square feet in Terminal Building \_\_\_\_\_ as indicated in Exhibit "B" which is attached hereto and made a part hereof.

B. In either the International Terminal and/or Domestic Terminals: an area or areas to be determined by the Commissioner of Aviation for the storage of two or more mobile currency exchange stations, which areas may be changed, reduced or expanded as the Commissioner may deem necessary from time to time during the term of this Agreement, with corresponding changes in rentals and premises being administratively adjusted in line with the prevailing rate for such space at the Airport.

Licensee may operate mobile carts within Airport for the uses permitted herein provided that the manner of such operation shall be subject to the sole consent of the Commissioner of Aviation. Any such operation of mobile carts shall be subject to Airport's rules and regulations and any other conditions reasonably required by the Commissioner of Aviation.

In the event that increased international travel operating from the terminals referred to in Paragraph A above or from any other terminal makes it difficult for Licensee to serve the need of international passengers adequately with existing facilities, Licensors and Licensee will use their best efforts to agree upon the manner in which those needs can be met efficiently, including approval by Licensors of the use and storage of additional mobile carts and approval of additional fixed space on mutually agreeable terms.

Licensee may request of the Commissioner of Aviation in addition to the premises granted above, space for use as an office, storage of equipment or similar purpose in connection with its operation. If in the judgment of the Commissioner of Aviation space is available for the purpose requested, such space will be provided to Licensee on a thirty (30) day revocable basis at the then current rate charged by City for comparable space at the Airport.

## *Article II*

### *Term.*

The term of this Agreement shall be for a period of five (5) years, beginning on \_\_\_\_\_, 1985, the day of approval of authorizing ordinance by the City Council of the City of Chicago and terminating on the last day of the sixtieth month following the day of certification for occupancy of the Foreign Currency Exchange Concession area described in Exhibit "A", or December 31, 1990, whichever date comes first. Licensors and Licensee within 30 days after the date of certification for occupancy shall execute a joint acknowledgement establishing the exact date of termination of this Agreement.

"Certification of Occupancy" shall mean the date on which the Commissioner of Public Works of the City of Chicago (hereinafter called "Commissioner of Public Works") shall certify that all necessary improvements in the granted areas as described in Article V have been completed and such areas are ready for normal business operations.

In the event Licensee shall, with the consent of the City, hold over and remain in possession of the premises after the expiration of the term of this Agreement, such holding over shall not be deemed to operate as a renewal or extension of this Agreement, but shall only create an occupancy from month-to-month on the same terms, conditions, and covenants, including consideration, herein contained.

In the event that air transportation operations are discontinued at the Airport, then the terms and conditions of this Agreement, shall thereafter no longer be operative, except as they apply to the payment of outstanding fees, the performance of covenants and obligations occurring prior to the date of such discontinuance, or to other specific conditions of termination or cancellation contained herein.

## *Article III*

### *License Fee.*

A. During the term of this Agreement, Licensee agrees to pay Licensors:

1.) An annual fixed license fee equal to \$30.00 per square foot per annum for all granted areas, temporary or existing that are at that time in use by Licensee, with payment equal to one-twelfth thereof, due each month, in advance;

2.) A percentage license fee with respect to gross receipts over the first \$9,500,000.00 of annual sales derived from the sale of U.S. and Foreign Currencies, bank notes and travelers checks at Chicago-O'Hare International Airport, equal to:

- (i) 1.50% of such gross receipts from the sale of U.S. and Foreign Currencies and bank notes, and
- (ii) 0.50% of such gross receipts from the sale of travelers checks.

3.) A percentage license fee of 1% of gross receipts for all sales derived from the sale of precious metals and bullion at Chicago-O'Hare International Airport:

4.) An annual minimum license fee of \$250,000.00, for the twelve month period immediately following the first day of the month immediately following the date on which the Foreign Currency Exchange Concession Area described in Section A of Article I is issued a certification for occupancy, by the Commisisoner of Public Works. In subsequent years the annual minimum license fee shall be adjusted in direct proportion to the increase or decrease in enplaned International passenger when compared to 1984 year end total passenger figures.

B. Schedule of Payments. Licensee shall pay each month in advance to the City Comptroller of the City of Chicago (hereinafter called "City Comptroller") the sum equal to 1/12 of the annual minimum license fee noted above for Chicago-O'Hare International Airport. The initial payment of the annual minimum license fee is to be the month immediately following the certification of occupancy for the Foreign Currency Exchange Concession Area by the Commissioner of Public Works.

Licensee, within fifteen (15) days of the end of each calendar month, shall furnish a separate monthly report of gross receipts for each location at Chicago- O'Hare International Airport, certified by an officer of Licensee, to the City Comptroller and the Commissioner of Aviation.

Additional payments or refunds, required by adjustments, or by the percentage license fee described in Section A., 2. of this Article, if any, for fees payable or paid in excess of amount paid as required above shall be made concurrent with the submission of the annual "Statement of Sales and Fees" required by Paragraph D, of Article III. The annual minimum license fee, referred to in this Article is intended to be and is an annual license fee and not a monthly license fee.

C. Records of Licensee. The Licensee shall, with respect to business done by it in said Foreign Currency Exchange concession operation, keep true and accurate accounts, records, books, and data, which shall show, among other things, all sales made and services performed for cash, or credit, or otherwise (without regard to whether paid or not), and, also, the gross receipts of said business, and the aggregate amount of all services and of all the Licensee's business done upon and within said Foreign Currency Exchange concession areas. The term "gross receipts", as used herein, shall be construed to mean, for all the purposes thereof, the aggregate amount of all goods sold and services performed for cash, or credit, or otherwise, of every kind, name and nature, regardless of when or whether paid for or not, together with the aggregate amount of all service for like property, or services, at

the price thereof, as if the same had been sold for cash or the fair and reasonable value thereof, whichever is greater. Licensee agrees to maintain an adequate and reasonable system of internal control to insure that revenues are properly reported to the Licensor. Licensee's methods of accounting, record keeping and internal control procedures must be described by the Licensee in writing and submitted to the City Comptroller for approval prior to the effective date of this Agreement such approval shall not be unreasonably withheld. Any changes to the internal controls must be reported to the City Comptroller in writing thirty (30) days prior to the effective date of change. The City Comptroller has the authority to require additional internal controls or procedures as he deems reasonably appropriate.

The term "gross receipts" shall include: (a) the retail price of all merchandise sold, and services rendered in, on, about or from the granted premises or from such other locations on Airport operated by Licensee, as herein provided, including total sales or purchases of foreign and United States currency, bank notes, coins and any other exchanges permitted under this Agreement; (b) the full amount of all orders for goods or services accepted by Licensee in, on, about or from the granted premises, whether or not to be filled or performed at any other place, and the full amount of all orders accepted by Licensee elsewhere, but to be filled or performed in, on, about or from the granted premises.

The term "gross receipts" shall exclude: (a) Federal, State, municipal or other governmental excise taxes, (except Federal Manufacturer's Excise Tax), use, sale privilege or retailer's occupation taxes now or hereafter imposed and collected by Licensee or its sublicensee directly from patron or customers, or as part of the price of any goods, wares, merchandise, services or displays and paid over in turn by the party so collecting to any governmental agency; but this provision shall not excuse the Licensee or its sublicensee from paying to governmental agencies all taxes for which it may be liable to them; (b) sales made to employees at a discount; (c) refunds for merchandise returned by customers because of their dissatisfaction therewith.

D. Books, Records, and Audits. Licensee shall maintain at its office in Chicago or make available in Chicago if requested: its books, ledgers, journals, accounts and records wherein are kept all entries reflecting its operations at the Airport under this Agreement. Such books, ledgers, journals, accounts and records shall be available for inspection and examination by the Commissioner of Aviation and the Comptroller of the City of Chicago, or their duly authorized representatives, at reasonable times during business hours, and to make copies and excerpts therefrom as may be necessary to make a full, proper and complete audit of all business transacted by Licensee in connection with its operation hereunder.

Within 120 days of the signing of this Agreement, Licensee shall furnish the Licensor with a written statement indicating Licensee's election to report either on a calendar year or fiscal year basis; such letter shall explain the Licensee's fiscal year if elected. Within 120 days after the close of each calendar or fiscal year, as previously elected, or the termination of the agreement through passage of time or otherwise, the Licensee will provide the Licensor with a "Statement of Sales and Fees" representing receipts by month for the period being reported on, which shall be certified by the chief financial officer of the Licensee.

The following is an example of an opinion which would satisfy these requirements:

"I, the chief financial officer of the licensee, have examined the accompanying statement of sales and fees reports to the City of Chicago by \_\_\_\_\_ a \_\_\_\_\_ for the year ended \_\_\_\_\_ relating to Foreign Currency Exchange concession operations at Chicago-O'Hare International Airport pursuant to an Agreement between the City of Chicago and \_\_\_\_\_ a \_\_\_\_\_ dated \_\_\_\_\_. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstance.

In our opinion, the accompanying statement of receipts showing gross receipts of \_\_\_\_\_ presents fairly the amount of gross receipts, as defined in the Agreement, for the year ended \_\_\_\_\_."

If the opinion of the chief financial officer is qualified or conditional in any manner, the City Comptroller has the right to cause an audit to be performed at Licensee's expense.

Licensee shall, upon request, furnish such other further financial or statistical reports as the City may, from time to time, require relating to sales at Chicago- O'Hare International Airport.

D. Pro Rata Payment. If the commencement or termination of this Agreement fall 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 Licensee to Licensor *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.

E. Interest for Late Payment. Without waiving any other right of action available to Licensor in the event of delinquency by Licensee for a period of thirty (30) days or more in its payment to Licensor of the above fees and charges, and without waiving the interest specified herein upon acceptance of said payment, Licensee shall pay to Licensor interest thereon at the rate of ten (10%) percent *per annum* 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 Licensee in which event the legal rate of interest shall prevail if money is determined to be owed.

#### Article IV

##### *General Description of the Concession.*

A. Merchandise. Licensee shall have the right at Chicago-O'Hare International Airport to operate a Foreign Currency Exchange concession and in connection therewith shall have the right to and shall sell items subject to the limitations set forth below. Licensee shall engage in no other business activity on the Airport or premises and shall not sell items other than those enumerated below on the basis indicated without written authorization of the Commissioner of Aviation.



Licensee shall be permitted to and shall provide on an exclusive basis:

- (1) The Currencies and/or bank notes of the countries listed on Exhibit "C";
- (2) Sell and cash travelers checks expressed in foreign currencies;
- (3) Accept and cash Eurochèques in various currencies:

And on a non-exclusive basis:

- (1) Sell and cash U.S. dollar travelers checks;
- (2) Accept major credit cards (i.e. VISA, Mastercard, American Express, etc.) for cash advances in U.S. dollars; and
- (3) At the discretion of the Licensee, the sale of gold and silver bullion and coins and other like items traded primarily for their intrinsic value as precious metals (not jewelry or numismatic coinage value).

Except with the prior written approval of the Commissioner of Aviation, the Licensee shall not install or operate any coin-activated vending machines or devices of any nature, kind or type; nor shall he engage in any activity other than those enumerated above.

B. Speciality and/or Ethnic Shops Concession. Licensor reserves the right at any time to enter into agreements with others, including but not limited to, duty free shop operators for the operation of the Airport concessions dealing exclusively in particular lines of merchandise or service such as, but not limited to jewelry, toys, travel accessories, etc.

C. Conflicts between Concessions. In the event of a conflict between Licensee and any other licensee or concessionaire at the Airport as to the items and merchandise to be sold by the respective concessionaire or licensee, Licensee agrees that the Commissioner of Aviation shall make the final decision as to which unspecified items or merchandise may be sold by this Licensee and Licensee agrees to be bound by such decision of the Commissioner of Aviation.

## Article V

### *Investment by the Licensor and Licensee.*

A. Licensee agrees, as a necessary condition of this Agreement, to completely construct, fixture or remodel to the extent necessary the Foreign Currency Exchange Concession Area at Chicago-O'Hare International Airport. This construction is to begin immediately after approval of the plans and specifications by the Department of Public Works of the City of Chicago. All such improvements, decor and equipment as are specified hereinafter as the responsibility of the Licensee, shall be furnished, supplied, installed and/or constructed by Licensee at its sole cost and expense, and Licensee agrees and guarantees to make capital investments for said purposes, exclusive of any capital improvements made by Licensor, in the minimum amount of Fifty Thousand and no/100 Dollars (\$50,000.00).

B. Installations by the Licensor and by Licensee. In the concession area designated on Exhibit "A", the Licensor will provide:

- (1) Finished floors.
- (2) General illumination.
- (3) Adequate heat and ventilation, the adequacy to be determined by the Licensor.

In these same spaces the Licensee will provide:

- (1) All necessary improvements not provided by the Licensor including, but not limited to counters, cabinets, interior partitions, enclosures, doors, additional lighting fixtures, decorations and all other fixtures, equipment and supplies.
- (2) All equipment, furniture, furnishings and fixtures necessary in the proper conduct of Licensee's business.
- (3) Electrical services and outlets provided in suitable numbers and location.

C. Improvements, Equipment and Decor installed by Licensee at Chicago- O'Hare International Airport:

1.) Licensee agrees that all improvements, equipment and decor installed shall be designed to make the concession areas more attractive and provide better service to the public. All such items shall employ optimum essentials of aesthetics, convenience, function and design and shall be compatible in such respects with those of the Airport.

2.) Plans and specifications, and changes thereto, for all such structures and improvements shall be subject to the advance approval in writing of the Commissioner of Aviation and Commissioner of Public Works.

3.) During the period of construction, all construction work, workmanship, materials and installation involved or incidental to the construction of the Concession Area shall be subject at all time to inspection by Licensor without additional cost to Licensee. Licensee shall give or cause to be given to the Commissioner of Aviation and Commissioner of Public Works advance notice before starting any new work, and shall provide and cause the contractors and subcontractors to provide reasonable and necessary facilities for inspection. Licensee shall cause all construction work, workmanship, materials and installation to be in full compliance with plans and specifications.

4.) Licensee shall reimburse Licensor for the reasonable cost of reviewing said plans and specifications, inspections or other related engineering services upon receipt of a warrant from Licensor.

5.) Licensee shall at all times throughout the term hereof maintain the improvements and all other portions of the granted premises in good and serviceable condition and repair.

6.) Licensee shall keep the granted premises and the improvements and facilities constructed thereon free and clear of any and all liens in any way arising out of the action, or use thereof by Licensee; provided however, that Licensee may in good faith contest the validity of any lien sought to be imposed.

7.) In the event that the granted premises are reasonably required for other Airport purposes prior to the expiration of this Agreement, and after using his best efforts to provide substitute premises which are deemed unsuitable by Licensee, the Commissioner of Aviation may upon sixty (60) days advance written notice to the Licensee direct Licensee to vacate the same provided that Licenser, within sixty (60) days after Licensee removal therefrom, will pay to Licensee the unamortized portion of the cost of any permanent structures, fixtures, and improvements constructed and installed thereon; such amortization to be computed on a straight-line basis over the period from the completion of said improvements to the expiration date hereof

D. Concession Area Layout and Decoration. The Licensee shall be entitled to layout the space as it desires, subject to written approval of the Commissioner of Aviation in advance of any installation.

E. Alterations, Additions or Replacements. Following the installation as hereinabove set forth, Licensee shall make no alterations, additions or replacements without obtaining the Commissioner of Aviation's written approval in advance thereof. The Licensee shall obtain prior approval from the Commissioner of Aviation and the Commissioner of Public Works before installing, at its own expense, any equipment which requires new electrical or plumbing connections or changes in those installed on the premises as of the effective date of this Agreement.

#### Article VI

##### *Services to be Performed by Licensee.*

A. Hours of Operation. The concession at Chicago-O'Hare International Airport shall remain open to serve the maximum number of incoming and outgoing International passengers, during reasonable business hours, seven days a week, provided, however, that if the Commissioner of Aviation deems it necessary to better serve the public, the Licensee agrees to remain open for longer periods as may be reasonably directed in writing by said Commissioner of Aviation.

B. Type of Operation. The Licensee shall operate the concession in accordance with the highest standards for this type of operation at other major airport terminal buildings. Products offered shall be dispensed in compliance with all applicable federal, state, and local laws, ordinances and regulations. The service shall at all times be prompt, clean, courteous and efficient.

C. Personnel. Licensee shall at all times during the hours of operation of the concession, have a reasonable number of multi-lingual employees on duty. The Licensee's employees shall at all times be clean, courteous, efficient and neat in appearance. Employees of Licensee while on duty shall be identified as such by uniform or name badge. The Licensee shall not employ any person or persons in or about the granted premises who shall use

improper language or act in a loud or boisterous or otherwise improper manner. The Licensee agrees to dispense with the services of any employee whose conduct the Commissioner of Aviation reasonably feels is detrimental to the best interest of the Licensor.

D. Laws, Ordinances, etc. The Licensee shall observe and obey all the laws, ordinances, regulations, and rules of the federal, state, and municipal governments which may be applicable to its operations at the Airport.

E. Trash, Garabage, etc. Licensor will remove all refuse disposed of in designated areas, however, the Licensee shall provide a complete and proper arrangement for the adequate sanitary handling and disposal of all trash, garbage and other refuse caused as a result of the operation of its business. The Licensee shall provide and use suitable covered metal receptacles for all garbage, trash, and other refuse on or in connection with the granted premises. Piling of boxes, cartons, barrels, or other similar items, in an unsightly or unsafe manner, on or about the granted premises, is forbidden. Such trash, garbage, and other refuse shall be disposed of between the hours of 12:00 midnight and 8:00 A.M. each day in a place to be designated by the Commissioner of Aviation.

F. Foreign Currency Exchange Concession Operation. The Licensee shall bear at his own expense all costs of operating the concession, and shall pay in addition to the above-mentioned license fee all other costs connected with the use of the premises and facilities, right and privileges granted, including, but not limiting the generality thereof, maintenance, cleaning of glass enclosures inside and out, insurance, any and all taxes, janitorial service and supplies, and shall pay for all permits and licenses required by law.

G. Public Address System. The Licensee shall permit the installation in its premises of a system for flight announcements and other information broadcast over that system if in the opinion of the Commissioner of Aviation such installation is necessary.

H. Maintenance. Licensee shall maintain all of its installed improvements, trade fixtures, enclosure walls and doors in good order and repair, keeping the same clean, safe, functioning, and sanitary.

#### *Article VII*

##### *Service to be Performed by the Licensor.*

The Licensor will maintain the structure, the roof and outer walls of the Terminal Buildings in tenantable condition and shall be responsible for providing heat, air conditioning and maintenance to all public areas.

Licensor will not furnish janitorial service, interior or exterior window cleaning, gardening or custodial services anywhere on the granted premises.

#### *Article VIII*

##### *Quality and Price Control.*

A. Merchandise. Licensor agrees that Licensee's selection of currencies and products, its schedules of prices, charges and rates for same, shall be within Licensee's discretion; however, in entering into this Agreement, Licensee acknowledges the desire and obligation of Licensor to provide the public and the air traveler a high level of public service. Therefore, Licensee covenants and agrees to offer for sale from the granted premises currencies and merchandise at prices not to exceed the prices customarily charged for similar services and merchandise in Chicago metropolitan area operations. If in the opinion of the Commissioner of Aviation, the selection of currencies offered is inadequate in general or at any particular concession location, if the merchandise is not of high quality, if any of said prices, charges and rates are excessive the Commissioner of Aviation shall meet and confer with Licensee regarding such matters but Licensee acknowledges that Licensor's reasonable determination as to same shall be conclusive. Failure on the part of Licensee to correct, rectify or modify its prices and quality within thirty (30) days of being advised in writing by the Commissioner of Aviation shall be cause for default by Licensor, under the provisions of Article XXIII.

B. Inspection and Review. At Licensor's discretion, responsible representatives of Licensor and Licensee will confer for the purpose of making a complete inspection of Licensee's operations, including a review of the quality of service, merchandise and prices, maintenance of premises, furnishings and equipment and such other items as Licensor may wish to inspect or review.

#### *Article IX*

##### *Interruptions, Reduction and Cancellation of Operations.*

In the event of an interruption or reduction in concession services beyond the control of Licensee, including but not limited to acts of God, accidents, weather and conditions arising therefrom, strikes, boycotts, lockouts, bankruptcy and discontinuation of airline service, riot, fire, earthquakes, flood, storm, lightning, epidemic, insurrection, rebellion, revolutions, civil war, hostilities, war, the declaration or existence of a national emergency and condition arising therefrom, and such interruption or reduction of services results in reduction in gross receipts of thirty (30%) percent in one or more locations, based upon the previous three (3) months average sale at each location, Licensor agrees that the obligation of Licensee for payment of the minimum annual percentage fee shall be suspended proportionately after a thirty-day (30) period in direct relation to gross receipts generated by each affected location and such suspension shall continue until such time as the gross receipts obtain a level equal to eighty (80) percent of the gross receipts for such location during the three (3) month period preceding the suspension. The percentage license fee shall not be affected.

This Agreement shall be subject to cancellation by the Licensee in the event of any one or more of the following events:

- (1) The permanent abandonment of the Airport or Terminal Building No. 4 unless, in the case of abandonment of Terminal Building No. 4 the Licensee is relocated into an equivalent location pursuant to Article XXV.

- (2) The lawful assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of said Airport, or any substantial part or parts thereof, in such a manner as to substantially restrict Licensee for a period of at least ninety (90) days from operating thereon.
- (3) Issuance by any court of competent jurisdiction of any injunction in any way preventing or restraining the user of such Airport in such manner as to substantially restrict Licensee by the remaining in force of such injunction for a period of at least ninety (90) days.
- (4) The breach by the Licensor in the performance of any covenant or agreement herein required to be performed by the Licensor and the failure of the Licensor to remedy such breach for a period of sixty (60) days after receipt from the Licensee of written notice to remedy the same.

#### Article X

##### *Property Rights Upon Termination.*

Upon the termination of this Agreement, through passage of time or otherwise, Licensee shall aid the Licensor in all ways reasonably possible in continuing the business of operating a Foreign Currency Exchange concession in said terminal building(s) uninterrupted. Licensee further agrees to sell any or all Licensee's furniture, furnishings, trade fixtures and equipment installed or used upon said premises by Licensee to the Licensor, or any interest thereto which Licensee may have, should the Licensor notify the Licensee in writing at least ten (10) days before such termination date that the Licensor desires to purchase any or all of said furniture, furnishings, fixtures and equipment. In the event the Licensor exercises its option to purchase any or all of said furniture, furnishings, fixtures, and equipment, it is agreed that the purchase price shall be the fair market value of such items at the date of such termination. If the parties are unable to agree upon the fair market value, it is agreed that each party shall appoint an appraiser and the two so appointed shall name a third appraiser and that the three appraisers so named shall determine the fair market value of such items, which determination shall be final and binding upon the parties hereto.

Upon the termination of this Agreement, through passage of time or otherwise, it is mutually agreed that the Licensee shall have no further claim, right, title or interest in or to any of the improvements installed by it under this Agreement, including but not limited to, the enclosure walls and doors, subject, however, to Licensor's right to acquire Licensee to remove all or any portion of said improvements, equipment, fixtures, and facilities and to restore the premises, wherein the same were installed, or the affected portions thereof, to their original condition, reasonable wear and tear excepted. This Article does not supersede rights granted to Licensee in Section C. 7), Article 5 hereof.

#### Article XI

##### *Damage or Destruction of Premises.*

Should any portion of the granted premises be partially damaged by fire or other casualty, other than a fire or casualty resulting from any negligence of Licensee, but not be rendered untenable thereby, such premises shall be repaired by Licensor at its expense as quickly as practicable; and, in such event, there shall be no abatement of the minimum percentage fee payable hereunder. In the event, however, that such damage from such fire or other casualty, other than fire or casualty resulting from any negligence of Licensee, is so extensive as to render any portion of the premises untenable, the damage shall be repaired by Licensor at its expense as quickly as practicable and the minimum percentage fee payable hereunder shall abate proportionately from the date of such damage until such time as the said premises shall again be tenantable. The percentage licensee fee provided hereunder shall not be affected by such circumstances.

Should any portion of the granted premises be so extensively damaged by fire or other casualty, other than a fire or casualty resulting from any negligence of Licensee, as to render the same untenable, and should Licensor fail or refuse to repair or rebuild the same, Licensee shall be under no obligation to do so and shall be relieved of its obligation to continue the business formerly conducted by it in such area or areas, until such time as Licensor shall furnish Licensee with replacement space suitable to Licensee. In such event, if the damage is to the premises situated at Chicago-O'Hare International Airport, the fixed license fee payable hereunder with respect thereto shall abate.

In the event that a terminal building at the Airport shall be totally destroyed by fire or other disaster, this Agreement shall thereupon terminate only as to the granted premises which are located in the terminal building so destroyed.

Should the terminal building at Chicago-O'Hare International Airport be damaged by fire or other casualty, other than a fire or other casualty resulting from any negligence of Licensee, or should any alterations or repairs be necessitated thereto as a result of which the traveling public is partially or totally diverted from those areas of the terminal in which Licensee is operating its concession (even if no actual damage is caused to the premises granted Licensee therein), the fixed license fee payable hereunder shall, until such time as such diversion ceases, be totally abated (if the diversion is total) or reasonably and proportionately adjusted (if the diversion is partial) to reflect such interference with the normal operation of Licensee's business. Licensor and Licensee shall forthwith negotiate in good faith such reasonable fee adjustment. The percentage fee provided hereunder shall not be affected.

## *Article XII*

### *Insurance.*

Licensee shall procure and maintain during the term of this Agreement the following insurance:

- (1) Worker's Compensation, with Employer's Liability limits not less than \$1,000,000 each accident.
- (2) Comprehensive General Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit Bodily Injury and Property Damage,

including Contractual Liability, Personal Injury, Products and Completed Operations Coverages.

- (3) Comprehensive Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit Bodily Injury and Property Damage, including Employer's non-ownership liability and hired auto coverage.
- (4) Property Insurance on tenant improvements, fixtures, and equipment insuring against the perils of fire, lightning, extended coverage perils, vandalism and malicious mischief in the granted premises in an amount equal to the full replacement value of tenant improvements, fixtures and equipment.

Comprehensive General Liability Insurance, Comprehensive Automobile Liability Insurance, and Property Insurance policies shall be endorsed to provide the following:

- (1) Name as Additional Insured the City of Chicago, and its members, and all of the officers, agents, and employees of each of them in respect to the foreign currency concession.
- (2) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

All Policies Shall Be Endorsed to Provide:

Forty-five (45) days advance notice to City of cancellation, non-renewal or reduction in coverage, delivered to the following:

|                          |     |                          |
|--------------------------|-----|--------------------------|
| Commissioner             | and | City Comptroller         |
| Department of Aviation   |     | City of Chicago          |
| City of Chicago          |     | 121 North LaSalle Street |
| 121 North LaSalle Street |     | Room 511 -- City Hall    |
| Room 1111 -- City Hall   |     | Chicago, Illinois 60602  |
| Chicago, Illinois 60602  |     |                          |

Certificates of insurance evidencing all coverages and endorsements above shall be furnished to the City before commencing any operations under this Agreement.

Licensee agrees that the terms of these Insurance requirements may be increased and revised upon the written demand of the City, which demand must be based on reasonable and justifiable grounds.

All insurance coverage shall be with a company or companies approved by City's Comptroller.

Licensee expressly understands and agrees that any insurance protection furnished by Licensee hereunder shall in no way limit its responsibility to indemnify and save harmless Licensors under the provisions of Article XIV of this Agreement.



*Article XIII**Employment Preference.*

Licensee agrees that it will use its best efforts to employ residents of the City of Chicago in the operation of its concession at the Airport. Licensor shall have access to all employment information relating to residency of prospective and existing personnel, including but not limited to: newspaper advertisements, employment applications and hiring and termination data to determine compliance with this Article. The information obtained thereby may be used in the consideration of the grant of future concession rights.

*Article XIV**Indemnity.*

The Licensee does hereby covenant and agree to indemnify, save harmless from and defend the Licensor against all fines, suits, claims, demands and actions of any kind and nature including but not limited to antitrust claims, arising by reason of any or all of its operations hereunder and does hereby agree to assume all the risk in the operation of its business hereunder and shall be solely responsible and answerable in damages for any and all accidents or injuries to persons or property arising by reason of any or all of its operations hereunder.

*Article XV**Inspection.*

The Licensee shall allow the Licensor's authorized representatives access to the granted premises at all reasonable hours, for the purpose of examining and inspecting said premises, for purposes necessary, incidental to or connected with the performance of its obligations hereunder, or in the exercise of Licensor's governmental functions.

*Article XVI**Ingress and Egress.*

Subject to regulations governing the use of the Airport, the Licensee, his agents and servants, patrons and invitees, and his suppliers of service and furnishers of materials shall have the right of ingress to and egress from the granted premises provided, however, that the suppliers of services, furnishers of materials, or stock shall do so in such reasonable manner and at such times so as not to interfere with normal Airport operations.

*Article XVII**Assignment, Subletting, Change of Ownership.*

Except as provided in Article XXX herein, Licensee shall not assign, transfer, pledge, surrender or otherwise encumber or dispose of this Agreement or any rights and privileges

created thereby, or any interest in any portion of the same, nor permit any other person or persons, company or corporation to occupy the premises, without the consent of the City Council being first obtained.

Any substantial change in ownership or proprietorship of Licensee, which has not received the prior written consent of the Commissioner of Aviation and which in the opinion of the Commissioner is not in the best interest of the City or the public, shall be subject to the remedies available in Article XXIII hereof

#### *Article XVIII*

##### *Signs.*

Licensee shall not erect, install, operate nor cause or permit to be erected, installed or operated in or upon the granted premises, the terminal buildings, or the Airport, any signs or other similar advertising device without first having obtained the Commissioner of Aviation's written consent thereto.

#### *Article XIX*

##### *Redelivery.*

Licensee will make no unlawful or offensive use of the granted premises and will at the expiration of this Agreement, through the passage of time or otherwise or upon any sooner termination thereof without notice, quit and deliver up said premises to the Licenser and those having its estate in the premises, peaceably, quietly and in as good order and condition, reasonable use and wear expected, as the same now are or may hereafter be placed by the Licensee or the Licenser.

#### *Article XX*

##### *Concessionaire's Bond.*

At the time of the execution of this Agreement, Licensee shall execute and deliver to the City Comptroller a Concessionaire's Bond or Irrevocable Letter of Credit satisfactory to the City Comptroller with an approved corporate surety in the sum of One Hundred Twenty-five Thousand Dollars and no/100 Dollars (\$125,000.00) which bond or letter of credit shall guarantee faithful performance of the provisions of this Agreement.

#### *Article XXI*

##### *Subject to Airline Agreements, Nondiscrimination and F.A.A. Requirements.*

A. This Agreement is subject to the provisions of Paragraph 4, Article XI of that certain Agreement entitled "Airport Use Agreement" of 1959 and the further provisions, including the right of cancellation of Section 6.04 Article VI of that certain Agreement entitled "Lease of Terminal Facilities" of 1959, and the further provisions of that certain Agreement, entitled "Airport Use Agreement and Terminal Facilities Lease" of 1983, and

to such other provisions of said related Agreements as may be pertinent as entered into between the City and Scheduled Airlines governing use and operation of the Airports.

B. Licensee, in performing under this Agreement, shall not discriminate against any worker, employee or applicant, or any member of the public, because of race, creed, color, religion, age, sex, national origin, or physical or mental handicap, nor otherwise commit an unfair employment practice. Licensee 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, national origin or physical or mental handicap. Such action shall include, but not be limited to the following; employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Licensee agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause. Licensee further agrees that this clause will be incorporated in all contracts entered into with suppliers of materials or services, contractors entered into with suppliers of materials or services, contractors and subcontractors and all labor organizations, furnishing skilled, unskilled and craft union skilled labor, or who may perform any such labor or services in connection with this Agreement.

Attention is called to Executive Order 11246, issued September 24, 1965, 3 C.F.R., 1964-1965 Compilation, p. 339, as modified by Executive Order 11375, issued October 13, 1967, 3 C.F.R., 1967 Compilation, p. 320; The Civil Rights Act of 1964, 42 U.S.C. Section 2000d, *et seq.*; The Age Discrimination Act of 1975, 42 U.S.C. Section 6101, *et seq.*, and all amendments to those statutes and executive orders and regulations of the United States Departments of Labor, Transportation, and Health, Education, and Welfare and most particularly Department of Transportation, Title 49, Code of Federal Regulations, Part 21; to the State Acts approved July 26, 1967, Ill. Rev. Stat., Ch. 48, Sections 381-387 inclusive; July 28, 1961, Ill. Rev. Stat., Ch. 38, Sections 13-1 to 13-4 inclusive; July 21, 1961, Ill. Rev. Stat., Ch. 48, Sections 851 to 856 inclusive; July 8, 1933, Ill. Rev. Stat., Ch. 29, Sections 17 to 24 inclusive (all 1977); and to an ordinance passed by the City Council of the City of Chicago, August 21, 1945, Journal of the Council Proceedings, p. 3877, Municipal Code of the City of Chicago, Ch. 198.7A.

To demonstrate compliance, Licensee and his contractors and subcontractors will furnish such reports and information relating to the employment in the concession areas as requested by the Chicago Commission on Human Relations.

#### Non-Discrimination in the Use of the Premises by Licensee.

This Agreement involves the construction or use of, or access to, space on, over, or under real property acquired, or improved under the Airport Development Aid Program and the Federal Aviation Administration, and therefore involves activity which services the public.

Licensee for himself, his personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of race, color, national origin or physical or mental handicap shall be excluded from participation in, denied benefits of, or otherwise be subjected to discrimination in the

use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishings of services thereon, no person on the grounds of race, color or national origin or physical or mental handicap shall be excluded from participation in, denied benefits of, or otherwise be subjected to discrimination, and (3) that Licensee shall use the granted premises in compliance with all other requirements imposed by, or pursuant to, the Department of Transportation regulations.

The breach of any of the above non-discrimination covenants, shall constitute cause for the City of Chicago to terminate this Agreement.

#### *Article XXII*

##### *Non-Waiver.*

Any waiver or any breach of covenants herein contained to be kept and performed by the Licensee shall not be deemed or considered as a continuing waiver and shall not operate to bar or prevent the Licensor from declaring a forfeiture for any succeeding breach either of the same conditions or covenants or otherwise.

#### *Article XXIII*

##### *Default.*

The entire Agreement is made upon the condition that if the Licensee shall be in arrears in the payment of any of the license fees for a period of thirty (30) days, or if Licensee shall fail to operate the facilities herein as required or if said Licensee shall fail or neglect to do, perform or observe any of the covenants contained herein on its part to be kept and performed and such failures or neglect shall continue for a period of not less than thirty (30) days after the Licensor has notified Licensee in writing of Licensee's default hereunder and Licensee has failed to correct such defaults within said thirty (30) days (such thirty-day notification period shall not be construed to apply if Licensee shall be declared to be bankrupt or insolvent according to law, or if any assignment of its property shall be made for the benefit of creditors), then in any of said cases or event, the Licensor, or the Commissioner of Aviation lawfully may, at its option, immediately or any time thereafter, without demand or notice, enter into, and upon the granted premises or any part thereof and in the name of the whole, and repossess the same and expel said Licensee and those claiming by, through, or under it, and remove its effects, if any, forcibly if necessary, without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used, for arrearages of license fees or preceding breach of covenant. On the reentry aforesaid, this agreement shall terminate.

#### *Article XXIV*

##### *Independence of Agreement.*

It is understood and agreed that nothing herein contained is intended or should be construed as in any way creating or establishing the relationship of co-partners or joint venturers between the parties hereto, or as constituting the Licensee or any employee or agent of Licensee as the agent, representative or employee of the Licensor for any purpose

or in any manner whatsoever. The Licensee is to be and shall remain an independent contractor with respect to all services performed under this Agreement.

#### *Article XXV*

##### *Rules, Regulations, Laws, Ordinances and Licenses.*

The Licenser shall have the right to and shall adopt and enforce reasonable rules and regulations with respect to the use of the Airports, Terminal Buildings, and related facilities, which Licensee agrees to observe and obey. The Licensee shall observe and obey all the laws, ordinances, regulations and rules of the federal, state and county and municipal governments which may be applicable to its operations at the Airport and shall obtain and maintain all permits and licenses necessary for its operation at the Airport. Licensee further agrees to pay all taxes imposed by law on the property or operation.

Licenser, by and through the Commissioner of Aviation, reserves the right to require of Licensee, during the term of this Agreement, the relocation of installed improvements within the Terminal Buildings or the exchange of any of the granted premises for other areas of equivalent size and exposure to the traveling public where and when in the opinion of said Commissioner same is necessary for the proper functioning of the Airport.

#### *Article XXVI*

##### *Notices.*

Notices to Licenser provided for herein shall be sufficient if sent by registered mail, postage prepaid, addressed to Department of Aviation, 121 North LaSalle Street, Room 1111, City Hall, Chicago, Illinois 60602, Attention Commissioner and notice to Licensee if sent by certified mail, postage prepaid, addressed to Licensee at The First National Bank of Chicago, One 1st National Plaza, Chicago, Illinois, 60670, Attention: Unit Head, First Investment Services or to such other addresses as the parties may designate to each other in writing from time to time.

#### *Article XXVII*

##### *Paragraph Headings.*

The paragraph headings contained herein are for convenience of reference and are not intended to define or limit the scope of any provision of this Agreement.

#### *Article XXVIII*

##### *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 effect any other covenant, condition or provision herein contained, provided that the invalidity of such covenant, condition or provision does not

materially prejudice either Licensor or Licensee in its respective rights and obligations contained in the valid covenants, conditions or provisions of this Agreement.

#### *Article XXIX*

##### *Prohibition of Recordation.*

This Agreement shall not and will not, nor shall any copy thereof, or any statement, paper of affidavit, in any way or manner referring hereto, be filed in the office of the Recorder of Deeds of Cook County or DuPage County, Illinois, or in any other public office, by Licensee or anyone acting for Licensee and that if the same be so filed, this Agreement and each and every provision hereof shall, at the option of the Licensor, be and become absolutely null and void any Licensor may declare such filing a breach of this Agreement.

#### *Article XXX*

##### *Participation of Independence Bank of Chicago.*

Notwithstanding any other provisions contained in this Agreement, Licensor's willingness to enter into this Agreement is conditioned upon Licensee entering into an agreement with Independence Bank of Chicago, an Illinois banking corporation ("IBC"), pursuant to which IBC shall provide certain services and participate in the establishment and operation of the Foreign Currency Exchange Concession areas granted herein; provided, however, that Licensee's agreement with IBC shall in no way affect the rights and obligations between Licensor and Licensee as set forth in this Agreement. Licensor agrees that the Foreign Currency Exchange Concession areas described in this Agreement may list the names of both First Chicago International and Independence Bank of Chicago. IBC shall acknowledge this Agreement on the signature page hereof to signify its agreement to the terms hereof and in recognition of its arrangement with Licensee.

In the event that Licensee and IBC shall, during the term of this Agreement, terminate their agreement referred to above, Licensee shall give notice of such termination to Licensor. During a period of not more than one hundred twenty (120) days following such termination, Licensee shall use its best efforts to select a new participant which shall be reasonably satisfactory to Licensor. If at the end of such period the Licensor is not satisfied with Licensee's efforts to select a new participant, then Licensor may treat such failure as a default by Licensee and may exercise the remedies provided in Article XXIII hereof. The assignment of IBC's rights under its Agreement with Licensee to IBC's parent holding company shall not be deemed to be a termination of such Agreement.

#### *Article XXXI*

##### *Government Approvals.*

The obligation of Licensee to perform its obligation under this Agreement shall be subject to (i) FCI giving forty-five (45) days prior notice to the Federal Reserve Bank of Chicago of its establishment of the Foreign Currency Exchange Concession as required by Section 211.4 (c) of Regulation K and (ii) IBC obtaining any consents which may be required by the Commissioner of Banks of the State of Illinois and the Federal Deposit

Insurance Corporation. All such notices or consents shall be completed prior to the commencement of the term of this Agreement as provided in Article II, failing which either party may terminate this Agreement without penalty.

Execution of this Agreement authorized by ordinance of the City Council of the City of Chicago passed \_\_\_\_\_, (C.J.P. pp. \_\_\_\_\_).

In Witness Whereof, the parties hereto have caused this Agreement to be executed under the respective seals on the day and year first above written.

[Signature forms omitted for printed purposes.]

Exhibit C attached to this ordinance reads as follows:

*Exhibit "C"*

The recipient of the award of the concession license will be required:

- 1) To have available for exchange the currencies of the following countries:

|                                    |           |               |
|------------------------------------|-----------|---------------|
| Austria                            | Greece    | Norway        |
| Australia                          | Holland   | Portugal      |
| Belgium                            | Hong Kong | Scotland      |
| Canada                             | India     | Singapore     |
| Denmark                            | Ireland   | Spain         |
| England                            | Italy     | Sweden        |
| Finland                            | Japan     | Switzerland   |
| France                             | Mexico    | United States |
| Federal Republic of Germany (West) |           |               |

Reasonable additions and deletions to the above list may be required and authorized by the Commissioner of Aviation.

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

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## COMMITTEE ON CABLE TELEVISION.

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*Action Deferred* -- CITY'S CABLE ADMINISTRATOR AND CHAIRMAN OF CITY COUNCIL COMMITTEE ON CABLE TELEVISION INSTRUCTED TO CONVENE MUNICIPAL UTILIZATION STUDY.

The Committee on Cable Television submitted the following report, which was, on motion of Alderman Gabinski and Alderman Schultzer, *Deferred* and ordered published:

CHICAGO, May 29, 1985.

*To the President and Members of the City Council:*

Your Committee on Cable Television having under consideration a proposed resolution submitted to the City Council on April 25, 1985, and referred to the Committee on Cable Television, instructing the City's Cable Administrator and the Chairman of the City Council Committee on Cable Television to assemble, convene, and chair a Municipal Utilization Study Panel. Said study panel shall be charged with the responsibility of drafting an ordinance embodying a comprehensive plan detailing the City's proposed use of Grantees' cable system.

A Committee meeting was held, and a vote taken on May 23, 1985, at which time your Committee on Cable Television recommended do Pass on the proposed resolution by a vote of 6 yeas and 3 nays.

Yeas -- Alderman Roti, Gabinski, Stone, Cullerton, Vrdolyak, Schuler.

Nays-- Sawyer, Bloom, Beavers.

Respectfully submitted,  
(Signed) EUGENE C. SCHULTER,  
*Chairman.*

The following is said resolution transmitted with the foregoing committee report:

WHEREAS, The City of Chicago, in its Request for Proposals for cable communications franchises in May of 1982, placed a high priority on developing governmental utilization of the proposed cable system; and

WHEREAS, The City of Chicago has continued to maintain its interest in promoting and increasing governmental efficiency and cooperation through the use of the cable systems to be constructed within the City; and

WHEREAS, On February 20, 1985, the City Council approved and adopted an ordinance granting a non-exclusive franchise to Communications and Cable of Chicago, Inc., to construct, operate, and maintain a cable television system within that franchise area of the City designated as Area One; and

WHEREAS, In approving and adopting said ordinance, the City Council also approved and adopted amendments to the existing franchise agreements pertaining to Areas 2, 3, 4, and 5; and

WHEREAS, Each of the respective franchise agreements executed between the City and the grantees for Areas 1, 2, 3, 4, and 5 now provides for an identical level and structure of commitment of resources within Exhibit 'H' of said franchise agreements; and

WHEREAS, Certain resources and commitments are provided to the City in said Exhibit 'H' of the Franchise Agreements to develop and enhance the City's use of Grantees' cable system; and



WHEREAS, It is in the best interest of the City of Chicago and all persons located therein that the planning and development of the City's utilization of the cable television system located within the City of Chicago be conducted in an open and orderly, cooperative and coordinated manner, so as to maximize the fullest potential of the City's use of the cable system; now, therefore,

*Be It Resolved by the City Council of the City of Chicago:*

1. That the City's Cable Administrator and the Chairman of the City Council Committee on Cable Television are instructed to assemble, convene, and chair a Municipal Utilization Study Panel. Said study panel shall be charged with the responsibility of drafting an ordinance embodying a comprehensive plan detailing the City's proposed use of Grantees' cable system.

2. That the composition of said study panel shall be as agreed upon by the Cable Administrator and Chairman of the Committee on Cable Television, but shall include, at all times, a representative of the Mayor's Office.

3. That any request by the City upon a Grantee, or combination of Grantees, to utilize those resources or commitments set forth in Exhibit 'H' of the Franchise Agreements shall be accepted and acted upon by a Grantee or combination of Grantees, if and only if said request is embodied in an Ordinance duly adopted by the City Council and signed by the Mayor.

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## COMMITTEE ON CULTURAL DEVELOPMENT AND HISTORICAL LANDMARK PRESERVATION.

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### APPOINTMENT OF MR. WILLARD BOYD TO THE DEPARTMENT OF CULTURAL AFFAIRS ADVISORY BOARD.

The Committee on Cultural Development and Historical Landmark Preservation submitted a report recommending that the City Council approve the appointment of Mr. Willard Boyd as a member of the Department of Cultural Affairs Advisory Board for a period of three years.

On motion of Alderman McLaughlin, the committee's recommendation was *Concurred In* and said proposed appointment of Mr. Willard Boyd was *Approved* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

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

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AUTHORITY GRANTED FOR SUBMISSION OF APPLICATION TO  
STATE HISTORIC PRESERVATION OFFICER THAT CITY BE  
APPROVED AS CERTIFIED LOCAL GOVERNMENT UNDER  
CERTIFIED LOCAL GOVERNMENT PROGRAM OF  
THE NATIONAL HISTORIC PRESERVA-  
TION ACT OF 1980.

The Committee on Cultural Development and Historical Landmark Preservation submitted a report recommending that the City Council adopt a proposed substitute resolution authorizing the Mayor to submit an application to the State Historic Preservation Officer on behalf of the City to be approved as a certified local government.

On motion of Alderman McLaughlin, the said proposed substitute resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

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

The following is said resolution as passed:

WHEREAS, The National Historic Preservation Act (16 U.S.C. 470 et. seq.) has provided the legal basis for the federal-state-local preservation partnership; and

WHEREAS, The National Historic Preservation Act provides that local governments, which are determined to be certified local governments by the State Historic Preservation Officer and the Secretary of Interior, can participate in the National Register of Historic Places process, and may apply for a portion of the state's allocation of federal funds; and

WHEREAS, The City of Chicago, through its local ordinance on landmark designation and historic preservation, and through its Commission on Chicago Historical and Architectural Landmarks, (hereinafter "Landmark Commission") meets all specified criteria for certified local government; and

WHEREAS, The certification of the City of Chicago as a certified local government will permit the City of Chicago to apply for federal monies specifically set aside for certified local governments to aid the historic preservation process and thereby enhance the architectural integrity and historic heritage of the City of Chicago; now, therefore,

*Be It Resolved by the City Council of the City of Chicago:*

SECTION 1. The Mayor of the City of Chicago is hereby authorized to submit application to the State Historic Preservation Officer on behalf of the City of Chicago to be approved as a certified local government under the Certified Local Government Program of the National Historic Preservation Act of 1980.

SECTION 2. This resolution shall be in full force and effect upon passage.

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*Placed on File--* COMMUNICATIONS FROM MAYOR HAROLD WASHINGTON  
CONCERNING WITHDRAWALS OF VARIOUS INDIVIDUALS  
AS MEMBERS TO DEPARTMENT OF CULTURAL  
AFFAIRS ADVISORY BOARD.

The Committee on Cultural Development and Historical Landmark Preservation submitted a report recommending that the City Council place on file two communications from Honorable Harold Washington, Mayor, withdrawing the names of Ms. Gini Sorrentini and Mr. Oscar Brown, Jr., as members of the Department of Cultural Affairs Advisory Board.

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

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COMMITTEE ON ECONOMIC DEVELOPMENT.

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CONDITIONAL APPROVAL OF INDUSTRIAL REVENUE BOND  
AUTHORIZED FOR RIDER DICKERSON, INCORPORATED.

The Committee on Economic Development submitted the following report:

CHICAGO, May 29, 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 May 15, 1985) providing for the conditional approval of an industrial revenue bond in the amount of \$750,000 to finance an industrial development project in the City of Chicago to be owned by Rider Dickerson, Inc., 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*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 \$750,000 aggregate principal amount of Industrial Revenue Bonds to finance an industrial development project in the City of Chicago, Illinois, to be used by Rider Dickerson, Inc., an Illinois corporation (the "Company"), as an industrial facility 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 for 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 \$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 Rider Dickerson, Inc., an Illinois corporation (the "Company").

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 municipality and 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 "Enabling 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 Enabling 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 Company proposes to acquire and install machinery, equipment and related property and to construct improvements in connection therewith, to be used by the Company as an industrial facility (the "Project") and to be located in the City of Chicago, Illinois. The Company 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 Enabling 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 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 Enabling Ordinance, to issue and sell its revenue bonds in an amount not to exceed \$750,000 (the "Bonds") to pay costs of the Project and costs incidental to the issuance of the Bonds.

(e) Pursuant to the Enabling 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 Company will promote and further the purposes of the Enabling 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 1985, 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 Enabling Ordinance as then in force.

(b) That it will cooperate with the Company 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 Company.

(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 Company 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 Company. Subject to the conditions above stated, the Company 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 Company will enter into a revenue agreement, as defined in the Enabling Ordinance, with the City under the terms of which the Company 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 Company.

(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, installation and construction of the Project or after payment of all costs of the acquisition, installation and construction of the Project, whichever is later, the Company (1) will furnish upon the 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, installation and construction of the Project, and (2) will 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 Company located within the City of Chicago, Illinois, during regular business hours all books, records and other documents of the Company 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 Company 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 Company), the Department, the City and the Company 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 the acquisition, installation and construction of the Project, including the fees and expenses of counsel to the City and the Department, and all attorneys and professionals involved in the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Company. If the events set forth in (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 Company 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 23rd 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 \$750,000 aggregate principal amount of Industrial Revenue Bonds (the "Bonds") of the City of Chicago, Cook County, Illinois (the "City"), the proceeds of which will be lent to Rider Dickerson, Inc. an Illinois corporation (the "Company"), to acquire and install a four-color press and other machinery, equipment and related property and to construct improvements in connection therewith (the "Project"), said press, machinery, equipment and relating property constituting a portion of the Project to be initially owned by the Company and said improvements constituting a portion of the Project to be made on real property leased to the Company and owned by American National Bank and Trust Company of Chicago, not individually but as trustee under Trust Agreement dated December 1, 1976, and known as Land Trust Number 39749, the beneficiaries of which Land Trust are James E. Madden, Norman J. Madden and Robert E. Madden, Jr. The Project is to be initially used by the Company for commercial printing purposes and to be located at 626 South Clark Street, Chicago, Illinois.

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 Company (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 for 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 notice 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 of the City of Chicago at its office located at 20 North Clark Street, Chicago, Illinois 60602, until \_\_\_\_\_, 1985. 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.

/s/ Robert Mier  
Commissioner of Economic Development,  
Department of Economic Development of the City  
of Chicago

APPROVAL GIVEN TO APPOINTMENT OF JOHN KENNEDY  
AS MEMBER OF COMMERCIAL DISTRICT  
DEVELOPMENT COMMISSION.

The Committee on Economic Development submitted the following report:

CHICAGO, May 29, 1985.

*To the President and Members of the City Council:*

Your Committee on Economic Development, having had under consideration a communication from the Honorable Harold Washington, Mayor, dated May 15, 1985, appointing John Kennedy as a member of the Commercial District Development Commission for a five year term, begs leave to recommend that Your Honorable Body Approve said appointment.

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 committee's recommendation was *Concurred In* and the said proposed appointment of John Kennedy was *Approved* by yeas and nays as follows:

*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*Nays* -- None.

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

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APPOINTMENT OF FIDEL LOPEZ AS MEMBER OF THE  
COMMERCIAL DEVELOPMENT COMMISSION.

The Committee on Economic Development submitted the following report:

CHICAGO, May 29, 1985.

*To the President and Members of the City Council:*

Your Committee on Economic Development, having had under consideration a communication from the Honorable Harold Washington, Mayor, dated May 15, 1985, appointing Fidel Lopez as Chairman of the Commercial District Development Commission for a five year term, begs leave to recommend that Your Honorable Body *Approve* said appointment.

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 committee's recommendation was *Concurred In* and the said proposed appointment of Fidel Lopez was *Approved* by yeas and nays as follows:

*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*Nays -- None.*

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

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APPROVAL GIVEN TO APPOINTMENT OF UTHMAN  
MUHAMMED AS MEMBER OF THE COMMERCIAL  
DISTRICT DEVELOPMENT COMMISSION.

The Committee on Economic Development submitted the following report:

CHICAGO, May 29, 1985.

*To the President and Members of the City Council:*

Your Committee on Economic Development, having had under consideration a communication from the Honorable Harold Washington, Mayor, dated May 15, 1985, appointing Uthman Muhammed as a member of the Commercial Development Commission for a five year term, begs leave to recommend that Your Honorable Body *Approve* said appointment.

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 committee's recommendation was *Concurred In* and the said proposed appointment of Uthman Muhammed was *Approved* by yeas and nays as follows:

*Yeas --* Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

*Nays -- None.*

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

## COMMITTEE ON LAND ACQUISITION AND DISPOSITION.

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CITY COMPTROLLER AUTHORIZED TO ADVERTISE FOR SALE  
VACANT PROPERTY LOCATED AT 812-826 NORTH  
MARSHFIELD AVENUE/815-827 NORTH  
PAULINA STREET.

The Committee on Land Acquisition and Disposition 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. The City Comptroller is authorized to advertise for sale the following parcels of City property which are no longer necessary, appropriate, required for the use of, profitable to or for the best interest of the City of Chicago. Said parcels are described as follows:

Parcel 1

(Commonly known as 812-826 North Marshfield Avenue/815-827 North Paulina Street, Parking Site No. 69.)

Lots 6, 7, 14, 15, Lot 8 (except the North Fourteen feet thereof), and Lot 13, (except the North Fourteen feet thereof), together with all that part of the North and South vacated public alley lying West of and adjoining the West line of Lots 6 to 8, both inclusive, lying East of and adjoining the East line of 13 to 15, both inclusive, lying South of and adjoining a line 14 feet South of and parallel with the North line of said 8 produced West 12 feet, and lying North of and adjoining the South line of said Lot 6 produced West 12 feet, all in Block 23 of Johnston's Subdivision of the East half of the Southeast quarter of Section 6, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 3

(Commonly known as 3-21 East 112th Place, Parking Site No. 34.)

Lots 16 through 24 both inclusively in Block 3 Dyk's Addition to Pullman being a Subdivision of Lot 2 Assessor's Division of the West half of the Northwest Quarter of Section 22, Township 37 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Subject to General Taxes after delivery of Deed.

Subject to covenants, zoning and building restrictions, easements and conditions, if any, of record.

SECTION 2. Bids for purchase of said property are to be solicited and bidding forms shall be obtained from the City Comptroller who is authorized to prepare such bidding forms which shall require, among other things, that each bidder furnish an Economic Disclosure Statement, in accordance with the requirements established by ordinance.

SECTION 3. The City Comptroller is authorized to solicit in the bidding form any relevant data, including the proposed use of the property, which will assist in the evaluation of the bid proposal.

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

On motion of Alderman Banks, 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Meil, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*Nays* -- None.

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

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#### ACCEPTANCE OF JUDGMENT ORDERS FOR ACQUISITION OF PROPERTY LOCATED AT 1201-1227 SOUTH STATE STREET.

The Committee on Land Acquisition and Disposition submitted three proposed orders (under separate committee reports) recommending that the City Council pass said proposed orders transmitted therewith to approve judgment orders for property located at 1201-1227 S. State Street for use as additional parking for the Central District Police Station.

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

*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*Nays* -- None.

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

The following are said orders as passed:

*Ordered*, The City Comptroller and the City Treasurer are authorized and directed to pay to the County Treasurer of Cook County the amount of Two Hundred Seventy-five Thousand and no/100 Dollars (\$275,000) plus statutory interest and \$29 Court costs as just compensation to be paid for the taking of the following described real property for use as a parking facility for the Central District Police Station:

The West 1/2 of Block 3 in Assessors Division of part of the North West fractional 1/4 of Section 22, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois excepting from said parcel that part described as follows:

Beginning at a point on the South line of 12th Street in said City 70 and 2/10 feet Eastwardly of the East line of State Street, thence southwardly parallel to the east line of State Street 50 feet; thence eastwardly parallel to the South line of 12th Street 15 feet; thence Northwardly parallel to the East line of State Street 50 feet to the South line of 12th Street; thence West along said South line of 12th Street 15 feet to the point of beginning, also

Beginning at a point 70 and 2/10 feet Easterly of the East line of State Street and 50 feet Southerly of the South line of 12th Street; thence Easterly parallel to the South line of 12th Street 74 feet more or less to the Westerly line of the alley running North and South between Wabash Avenue and State Street; thence Southwardly along the West line of said alley 18 feet; thence Westwardly parallel to the South line of 12th Street to a point 70 and 2/10 feet Easterly of the East line of State Street; thence North parallel to the East line of State Street 18 feet to the point of beginning. also,

Lot 1 in Seamans Subdivision of the West 1/2 of Block 4 in Assessors Division aforesaid. also,

The East 1/2 of Block 3 in Assessor's Division of the North West fractional 1/4 of Section 22, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois, described as follows: Beginning at the North East corner of the East 1/2 of Block 3 of said Assessor's Division; thence South along the East line of said East 1/2 of Block 3, the same being the West line of Wabash Avenue, a distance of 62.92 feet; thence West along a line of 62.92 feet South of and parallel to the North line of said East 1/2 of Block 3 a distance of 170.70 feet; thence North along the West line of said East 1/2 of Block 3, the same being the East line of an alley a distance of 62.92 feet; thence East along the North line of said East 1/2 of Block 3, the same being a line that is 17.0 feet South of and parallel to the North line of said Quarter Section, a distance of 170.70 feet to the point of beginning.

This payment is made in accordance with a Judgment Order entered in the Circuit Court of Cook County on May 1, 1985 in the case of City of Chicago v. Atchison, Topeka and Santa Fe Railroad, No. 83 L 51896. This payment shall be appropriated from Fund No. 471-4621-610.

*Ordered,* The City Comptroller and the City Treasurer are authorized and directed to pay to the County Treasurer of Cook County the amount of Eighty- three Thousand Five Hundred and no/100 Dollars (\$83,500) plus statutory interest and \$29 Court costs as just compensation to be paid for the taking of the following described real property for use as a parking facility for the Central District Police Station:

Lot 2 (except the West 30 feet thereof and except that part condemned for widening 12th Street) in Assessor's Division of the East 1/2 of Block 3 with the North 7 feet of the East 1/2 of Block 4 in Assessor's Division of the North West Fractional 1/4 of Section 22, Township 39 North, Range 14 East of the Third Principal Meridian also that part of the North West Fractional 1/4 of Section 22, Township 39 North, Range 14 East of the Third Principal Meridian, described as follows:

Commencing at a point on the West line of Wabash 132.20 feet South of the North line of said Section; thence North on the West line of Wabash Avenue 27.28 feet; thence West parallel with the North line of State Street and the West line of Wabash Avenue; thence South parallel with the West line of Wabash Avenue 27.28 feet; thence East to the point of beginning (except that part thereof falling in alley and except that part thereof falling in the right of way of the Chicago Transit Authority) in Cook County, Illinois.

This payment is made in accordance with a Judgment Order entered in the Circuit Court of Cook County on May 1, 1985 in the case City of Chicago v. Angelo DeOrio, No. 83 L 51437.

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*Ordered,* The City Comptroller and the City Treasurer are authorized and directed to pay to the County Treasurer of Cook County the amount of One Hundred Forty-three Thousand Four Hundred and no/100 Dollars (\$143,400) plus statutory interest and \$29 Court costs as just compensation to be paid for the taking of the following described real property for use as a parking facility for the Central District Police Station:

Lots 4 and 5, (except the West 22 feet thereof) and Lot 6, (except the West 25 feet thereof) in Assessor's Division of the East 1/2 of Block 3 and North 7 feet of the East 1/2 of Block 4 in Assessor's Division of part of the North West fractional 1/4 of Section 22, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

This payment is made in accordance with a Judgment Order entered in the Circuit Court of Cook County on May 1, 1985 in the case of City of Chicago v. Angelo DeOrio, No. 83 L 51437.

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APPROVAL GIVEN TO STIPULATED SETTLEMENT FOR ACQUISITION  
OF PROPERTY LOCATED AT JONQUIL TERRACE AND  
NORTH HERMITAGE AVENUE (HOWARD-DAN RYAN  
TRANSIT IMPROVEMENT).

The Committee on Land Acquisition and Disposition submitted a report recommending that the City Council pass a proposed order transmitted therewith, for stipulated settlement concerning acquisition of property necessary for the Howard-Dan Ryan Transit improvement.

On motion of Alderman Banks, 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*Nays* -- None.

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

The following is said order as passed:

*Ordered*, That the recommendations of the Commissioner of Public Works contained in his communication of May 1, 1985, recommending the approval of the stipulated settlement in connection with the acquisition of property for the construction of the Howard-Dan Ryan Improvement to the Rapid Transit Rail System as hereinafter listed, are hereby approved; and the City Comptroller and City Treasurer are hereby authorized and directed to pay to the owner or owners, the amount set forth together with accrued interest and court costs, if any, when approved by the Commissioner of Public Works from Fund 051-6210- 859.

| <i>Parcel</i> | <i>Address</i>                                                                  | <i>Amount</i> |
|---------------|---------------------------------------------------------------------------------|---------------|
| 3             | 50 feet South on South Side of<br>W. Jonquil Terrace and<br>N. Hermitage Avenue | \$28,000.00.  |

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*Action Deferred* -- ACCEPTANCE OF BID FOR PROPERTY  
LOCATED AT 211 SOUTH WOOD STREET/  
1759 WEST ADAMS STREET.

The Committee on Land Acquisition and Disposition submitted the following report which was, on motion of Alderman Vrdolyak and Alderman Madrzyk, *Deferred* and ordered published:

CHICAGO, May 29, 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 Finance, Real Estate Division, a proposed ordinance authorizing the acceptance of bid for property located at 211 S. Wood St./1759 W. Adams to Miss Clara Penny for \$7,800, 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 the members of the committee with no dissenting vote.

Respectfully submitted,  
(Signed) WILLIAM J. P. BANKS,  
Chairman.

The following is said proposed 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 Clara Penny, 1801 West Adams, Chicago, Illinois.

Real Estate 4286  
Address: 211 S. Wood St./  
1759 W. Adams St.

Permanent Tax No. 17-18-220-001  
Amount: \$7,800.00

Lot 1 in Ilett & Hartwell's Subdivision of Lots 1 to 9 in Walker's Resubdivision of Block 17 in Smith's Subdivision of Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of the Northeast 1/4 of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois, (commonly known as 211 South Wood Street/1759 West Adams Street).

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 Clara Penny, 1801 West Adams, Chicago, Illinois, with the City Clerk attesting to said conveyances.

SECTION 3. This ordinance shall be effective upon its passage.

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### COMMITTEE ON LEASES.

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CITY COMPTROLLER AUTHORIZED TO EXECUTE  
LEASES OF CERTAIN PROPERTY FOR  
MUNICIPAL PURPOSES.

The Committee on Leases submitted three proposed ordinances (under separate committee reports) recommending that the City Council pass said proposed ordinances transmitted therewith, to authorize the City Comptroller to lease specified parcels of property for use by City departments and agencies.

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

*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*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):

*Chicago Transit Authority.*

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

SECTION 1. The City Comptroller is authorized to execute on behalf of the City of Chicago, a renewal of lease between the City of Chicago, as lessor, and the Chicago Transit Authority, a Municipal Corporation, as lessee, for the premises known and described as follows:

Beginning at the southeast corner of N. Pulaski Road and W. Peterson Avenue; thence east 100 feet; thence south on a line parallel with and 100 feet east of the east line of N. Pulaski Road, 100 feet; thence southwesterly on a straight line to a point in the east line of N. Pulaski Road 150 feet south of the place of beginning; thence north along the east line of N. Pulaski Road, 150 feet to the place of beginning in the Southwest Quarter of Section 2, Township 40 North, Range 13, East of the Third Principal Meridian,

such lease to be approved by the Comptroller, Department of Finance, and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

[Lease and Exhibit A printed on pages 17324 thru  
17325 of this Journal.]

(Continued on Page 17326)

LEASE#20026(ILLINOIS)

## This Indenture, Made this \_\_\_\_\_ day of \_\_\_\_\_

A. D. 19 \_\_\_\_ Between City of Chicago, a Municipal Corporation  
 \_\_\_\_\_ party of the first part and Chicago Transit Authority, a Municipal Corporation, Merchandise Mart Plaza, P.O. Box 3555, Chicago, IL 60654  
 \_\_\_\_\_ party of the second part.

Witnesseth, that the party of the first part has demised and leased to the party of the second part the premises, situated in Chicago County of Cook and State of Illinois, known and described as follows: That part of the Southwest Quarter of Section 2, Township 40 North, Range 13 East of the Third Principal Meridian, described as follows: Beginning at the southeast corner of N. Pulaski Road and W. Peterson Avenue; thence east 100 feet; thence south on a line parallel with and 100 feet east of the east line of N. Pulaski Road, 100 feet; thence southwesterly on a straight line to a point in the east line of N. Pulaski Road 150 feet South of the place of beginning; thence north along the east line of N. Pulaski Road, 150 feet to the place of beginning, said described property outlined in read on plate attached hereto and made a part hereof. See Exhibit "A"

TO HAVE AND TO HOLD the same, unto the party of the second part, from the \_\_\_\_\_ 1st day of November A. D. 19 85 until the \_\_\_\_\_ 31st day of October

A. D. 19 90. And the party of the second part in consideration of said demise, does covenant and agree with the party of the first part as follows: City of Chicago, Department of Finance  
121 N. LaSalle, Room 107, Chicago, IL 60602

FIRST.—To pay to Lessor at \_\_\_\_\_  
 as rent for said leased premises for said term the sum of one and no/100 Dollars  
(\$1.00) in yearly installments upon the first day of November each and every year b.  
 (\_\_\_\_\_) payable in advance ~~of the term hereof.~~  
 the term hereof.

SECOND.—That ~~he~~ <sup>it</sup> has examined and know the condition of said premises; and has received the same in good order and repair, and that it will keep said premises in good repair during the term of this lease, at lessee's own expense; and upon the termination of this lease will yield up said premises to said party of the first part in good condition and repair (loss by fire and ordinary wear excepted).

THIRD.—That he will not sub-let said premises, nor any part thereof, nor assign this lease without the written consent of the party of the first part first had.

FOURTH.—To pay (in addition to the rents above specified) all water rents taxed, levied or charged on said demised premises, for and during the time for which this lease is granted.

For Additional Responsibilities of Lessor and Lessee

See Rider Attached Hereto and Made a Part Hereof.

~~The party of the second part hereby irrevocably constitutes~~ \_\_\_\_\_ or any attorney of any Court of Record, attorney for \_\_\_\_\_ in \_\_\_\_\_ name, on default by \_\_\_\_\_ of any of the covenants herein, to enter \_\_\_\_\_ appearance in any such Court of Record, waive process and service thereof, and trial by jury, and confess judgment against \_\_\_\_\_ in favor of said party of the first part, or \_\_\_\_\_ assigns for forcible detainer of said premises, with costs of said suit; and also to enter the appearance in such court of the party of the second part, waive process and service thereof, and confess judgment from time to time, for any rent which may be due to said party of the first part, or the assignees of said party by the terms of this lease, with costs, and Twenty Dollars attorney's fees, and to waive all errors and all right of appeal, from said judgment and judgments; and to file a consent in writing that a writ of restitution or other proper writ of execution may be issued immediately; said party of the second part hereby expressly waives all right to any notice or demand under any statute in this state relating to forcible entry and detainer.

In case said premises shall be rendered untenable by fire or other casualty, the lessor, may, at his option, terminate this lease, or repair said premises within thirty days, and failing so to do or upon the destruction of said premises by fire, the term hereby created shall cease and determine.

All the parties to this lease agree that the covenants and agreements herein contained shall be binding upon, apply and inure to, their respective heirs, executors, administrators and assigns.

WITNESS the hands and seals of the parties hereto the day and year first above written.

Approved as to form and legality, except \_\_\_\_\_ Chicago Transit Authority, a Municipal  
 as to property description and execution: Corporation.

Assistant Corporation Counsel

By: \_\_\_\_\_  
 Chairman, Chicago Transit Authority

Approved: \_\_\_\_\_  
 Director, Real Estate

Approved: \_\_\_\_\_  
 City Comptroller



(Continued from Page 17323)

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

Rider attached to this ordinance reads as follows:

*Rider.*

- Fifth: In every instance where it shall be necessary or desirable for the Lessor to serve any notice or demand upon the Lessee, it shall be necessary to send a written or printed copy thereof by United States Registered or Certified mail, postage prepaid, addressed to the Lessee at the premises and, in addition, to The Director of Real Estate, Department of Finance, 320 North Clark Street, Suite 505, Chicago, Illinois, 60610, or at such other place as the Lessee from time to time may appoint in writing in which event the notice or demand shall be deemed to have been served at the time copies are received at said locations.
- Sixth: It is understood and agreed that the demised premises are to be solely used by the Lessee for bus terminal purposes only and Lessor hereby grants permission to Lessee to maintain as at present installed all improvements and paving necessary for such use.
- Seventh: Lessee shall not place any permanent structure upon said property without prior written consent of Lessor.
- Eighth: It is understood and agreed that this lease may be terminated by Lessor at any time before the expiration of its term by giving to Lessee sixty (60) days notice in writing.
- Ninth: Lessee agrees to indemnify and hold City harmless against all liabilities, judgments, costs, damages and expenses which may accrue against, be charged to or recovered from City by reason or on account of damage to the property of City or injury to or death of any person, arising from Lessee's use of and occupation of and operations at said premises including acts of its agents, contractors and subcontractors. Any final judgments rendered against City for any cause for which Lessee is liable hereunder shall be conclusive against Lessee as to liability and amount.
- Tenth: Lessee shall not (a) assign or convey this lease or any interest under it; (b) allow any transfer hereof or any lien upon Lessee's interest by operation of law; (c) sublet the premises or any part thereof; (d) permit the use or occupancy of the premises or any part thereof, by anyone other than Lessee and for those purposes specified in proceeding paragraph, without, in each and every case obtaining the prior written approval of the Lessor.

- Eleventh: Lessee shall not use said premises for any commercial profit making, fund raising or political activity.
- Twelfth: Lessee shall comply at all times with the provisions of the Municipal Code in the use of said premises.
- Thirteenth: Lessee shall pay any and all leasehold or use taxes on premises, if levied within deadlines established by governmental taxing bodies.
- Fourteenth: All improvements made on the demised premises shall revert back to the Lessor at the term of this lease.
- Fifteenth: Upon termination of this lease, the Lessee agrees that it will yield up possession of the demised premises to the Lessor free from any debris and rubbish of any kind and in as good condition as when received.
- Sixteenth: In the event of breach of the covenants, terms and conditions contained herein by Lessor, Lessor shall have the right to terminate this lease immediately upon giving written notice by certified or registered mail to Lessee at address cited herein. Failure or neglect of Lessor to act upon breach of one or more of the covenants, terms and conditions, of this lease shall not constitute or be construed as a waiver of subsequent breach by the Lessee of any right created thereby.

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*Department of Streets and Sanitation.*

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

SECTION 1. That the City Comptroller is authorized to execute on behalf of the City of Chicago, an Agreement and Consent to Permit from the Department of Army, Corps of Engineers, for leasing of certain land located along the west side of the North Shore Channel and south of Bryn Mawr Avenue, to be used for salt storage by the Department of Streets and Sanitation; such Agreement and Consent to Permit to be approved as to form and legality by the Corporation Counsel in substantially the following form:

*Agreement and Consent to Permit.*

The Metropolitan Sanitary District of Greater Chicago (hereinafter referred to as "District") hereby consents and agrees to the following Permit:

Whereas, the District by written agreement dated August 31, 1951 and as amended on June 15, 1959 and on April 12, 1973 has leased certain land located along the west side of the North Shore Channel and south of Bryn Mawr Avenue to the Department of the Army, Corps of Engineers, as a site for U. S. Army Reserve Armory; and

Whereas, the City of Chicago has requested the use of a portion of the above- described land for the sole and exclusive purpose of bulk salt storage for conducting snow and ice

control operations thereupon during the next five winters beginning November 1, 1984 through April 30, 1985, and from November 1 through April 30 each year thereafter until April 30, 1989; and

Whereas, the Department of the Army, Corps of Engineers has consented to granting the City of Chicago a permit for storing approximately 2,000 tons of salt, a camp wagon, and mechanical equipment on the above-described property to effectuate the City's snow and ice control operations for the next five winter seasons; and

Whereas, the Department of the Army, Corps of Engineers and the City of Chicago agree to incorporate the following provisions into their permit:

1. The permittee shall provide 24-hour security on the above-described premises for the protection of material and equipment for the duration of the permit;
2. The permittee will undertake such measures as will prevent the leaching of storm runoffs or the spillage of salt into the North Shore Channel;
3. The permittee will not store salt over and across the location of the District's North Side Intercepting Sewer No. 4, its manholes and structures;
4. The permittee will place an impervious cover over the ground on which the salt is to be stored;
5. The permittee will erect an impervious dike no less than 15 feet back from the North Shore Channel the entire length of the storage facility and all drainage from the storage facility will be directed away from the North Shore Channel and into the sanitary sewerage system; and

Whereas, the Board of Commissioners of the District formally passed a Board Order at its regularly scheduled meeting on October 11, 1984 in which it approved the consenting to the granting of the above-described permit:

Now, Therefore, in consideration of the covenants and conditions contained herein, the Metropolitan Sanitary District of Greater Chicago hereby consents and agrees to the above-described permit between the lessee, the Department of the Army, Corps of Engineers, and the permittee, the City of Chicago, and to the provisions thereof subject to the above and foregoing terms and conditions which are incorporated herein and made a part hereof. Said permit shall not alter, affect, or terminate any duties and obligations of the Department of the Army under the above permit, and the Department of the Army shall remain liable for the performance of all its duties and obligations under said permit. Failure of the City to observe all of the foregoing conditions and terms shall be the basis for the immediate revocation of this consent.

Sanitary District reserve the right to cancel this Consent to Permit in whole or in part, for any purpose it deems appropriate, on 90-days advance written notice thereof to the City of Chicago, without any recourse whatsoever against the Sanitary District.

[Signature forms omitted for printing purposes.]

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

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*Department of Law.*

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

SECTION 1. That the City Comptroller is authorized to execute on behalf of the City of Chicago, a lease from the LaSalle Lakes Investors, an Illinois Limited Partnership, as sole beneficiary under American National Bank and Trust Company, under Trust Number 30503, dated November 30, 1970, for approximately 4,829 rentable square feet of office space on the seventh (7th) floor in room 704 and approximately 1,671 rentable square feet of office space on the seventh (7th) floor in room 703 at 180 North LaSalle Street, for use by the Department of Law, such lease to be approved by the Corporation Counsel and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

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

[Lease and Riders printed on pages 17330  
thru 17354 of this Journal.]

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## COMMITTEE ON LICENSE.

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### MUNICIPAL CODE CHAPTER 135 AMENDED BY ADDING NEW SECTION 135-16 CONCERNING PAINT AND HARDWARE LICENSE APPLICANTS.

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

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

SECTION 1. That Chapter 135 of the Municipal Code of Chicago is hereby amended by adding thereto, in its proper numerical sequence, a new section to be known as Section 135-16, and to read in italics as follows:

*135-16. It shall be the duty of the City to notify each applicant for a hardware store or retail paint store license, upon initial or renewal application, of the most updated regulations in this Code which would affect such applicant's business.*

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

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

(Continued on page 17355)



LEASE--Blank Form LEASE NO. 14056

Form C. O. No. 18

City of Chicago

**This Agreement,** Made this 19th day of April

A. D. 19 85, between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but solely as Trustee under Trust Agreement dated November 30, 1970 and known as Trust No. 30503 and the CITY OF CHICAGO, a Municipal Corporation, as Lessee:

Witnesseth: That the Lessor do hereby lease to the Lessee the following described premises situated in the City of Chicago, County of Cook and State of Illinois, to-wit: (1) 4,829 square feet of rentable area on the beneath (7th) floor in Suite 704 of the buildings (the "Building") located at 180 N. LaSalle Street, Chicago, Illinois for the Department of Law; (2) 1,671 square feet of rentable area on the 7th floor in Suite 703 of the Building for the Department of Law.

To have and to hold said premises unto the Lessee for a term beginning on the 10th day of June (the "Term") for Suite 704 A. D. 19 85 and ending on the 14th day of June A. D. 19 99. for both Suite 704 and Suite 703

\* and beginning for Suite 703 on the 1st day of January A.D. 1986.

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy thereof to the Lessor at Centre Properties, Ltd. Suite 3600, 180 N. LaSalle Street, Chicago, Illinois 60601 or at such other place as the Lessor from time to time in writing may appoint. For Notice Provisions to Lessee See Rider attached hereto and made a part hereof.

Provisions See Rider "B" Attached Hereto and Made a Part Hereof For Rental Payment Assessments for water tax levied against said premises for all or part of the term of this lease shall be paid by the Lessor

Lessor during the entire term of this lease shall keep in a condition of thorough repair and good order at Lessor's own expense, said demised premises and appurtenances, including catch basins, vaults and sidewalks. If the Lessor shall refuse or neglect to make needed repairs within ten days after written notice thereof sent by the Lessee, the Lessee is authorized to make such repairs and to deduct the cost thereof from rentals accruing under this lease.

For Responsibilities of Lessor and Lessee

See Rider "C" and Exhibit D Attached

Hereto and Made a Part Hereof

Lessee shall not assign this lease or sublet said premises or any part thereof without the written consent of the Lessor, and upon the termination of this lease shall surrender said premises to the Lessor in as good condition as at the beginning of the term of this lease, less by fire or other casualty, ordinary wear and repairs chargeable to the Lessor, excepted.

Lessor shall have the right of access at reasonable times for examining or exhibiting said premises and for making repairs, and shall be allowed to place thereon notices of "To Rent" for sixty days prior to the termination of this lease, and of "For Sale" at all times, but all such notices shall be placed in positions acceptable to the Lessee.

Lessee shall have the right to make such alterations, additions and improvements on said premises as it shall deem necessary, provided that such additions and improvements whether made during the term of this lease or prior thereto, shall be regarded as removable fixtures, all or any part of which the Lessee at its election may leave on said premises, or remove prior to the termination of this lease.

In case said premises shall be rendered untenable by fire or other casualty during said term, Lessor may rebuild said premises within thirty days, but failing so to do, or if said premises shall be destroyed by fire or other casualty, this lease thereby shall be terminated; in the event of such a termination of this lease, Lessee shall be chargeable with rent only to the date of such fire or other casualty, and if Lessor shall rebuild within thirty days, Lessee shall be excused from payment of rent for the period of such rebuilding.

In Witness Whereof, this lease is signed by or on behalf of the parties hereto the day and year first above written. Approved as to form and legality, except as to property description and execution.

Approved:

Assistant Corporation Counsel

Director,

Real Estate

Approved:

Corporation Counsel, Department of Law

LESSOR:

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, AS TRUSTEE U/T #30503

Comptroller

## RIDER "A"

ATTACHED AND MADE A PART OF THE LEASE BETWEEN AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, AS TRUSTEE U/T #30503 ("LESSOR") AND THE CITY OF CHICAGO/DEPARTMENT OF LAW ("LESSEE") FOR APPROXIMATELY 6,500 SQUARE FEET OF OFFICE SPACE ON THE SEVENTH (7TH) FLOOR OF THE BUILDING LOCATED AT 180 N. LASALLE STREET, CHICAGO, ILLINOIS.

## NOTIFICATION PROVISION

IN EVERY INSTANCE WHERE IT SHALL BE NECESSARY OR DESIRABLE FOR THE LESSOR TO SERVE ANY NOTICE OR DEMAND UPON THE LESSEE, IF SHALL BE NECESSARY TO SEND A WRITTEN OR PRINTED COPY THEREOF BY UNITED STATES REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, ADDRESSED TO THE LESSEE AT THE PREMISES AND, IN ADDITION, TO THE DIRECTOR OF REAL ESTATE, DEPARTMENT OF FINANCE, 320 NORTH CLARK STREET, SUITE 505, CHICAGO, ILLINOIS, 60610, OR AT SUCH OTHER PLACE AS THE LESSEE FROM TIME TO TIME MAY APPOINT IN WRITING IN WHICH EVENT THE NOTICE OR DEMAND SHALL BE DEEMED TO HAVE BEEN SERVED AT THE TIME COPIES ARE RECEIVED AT SAID LOCATIONS.

RIDER "B"

Area

The "Rentable Area of the Premises" as defined in Section 2(a)(vi) shall be deemed to be as follows:  
Suite 704 - 4829 square feet; Suite 703 - 1,671 square feet.

The "Rentable Area of the Building" as defined in Section 2(a)(v) shall be deemed to be 585,486  
square feet. The "Tenant's Proportionate Share" as defined in Section 2(a)(vii) shall be deemed to be  
as follows: Suite 704 - .704%; Suite 703 - .244%.

Stop

The "Tenant's Tax and Expense Stop" shall be \$11.00

Deposit

The Tenant has deposited the sum of \$ -0-

Dollars (\$                     ) as a security deposit (the "Security Deposit").

Term

The term (herein called "Term") shall be for                      years and                      months  
commencing on                     , 19                    , and ending on                     , 19                    .

~~It is understood that the Tenant shall pay as rent for the Premises the sums hereinafter provided, without any setoff, abatement, counterclaim or deduction whatsoever. If applicable, Tenant's obligations under this lease have been guaranteed under a separate written instrument, a copy of which is attached hereto as Exhibit "D."~~

## - IN CONSIDERATION THEREOF, THE PARTIES HERETO COVENANT AND AGREE:

Rent

1. Base Rent Subject to periodic adjustment as hereinafter provided, Tenant shall pay an annual base rent (herein called "Base Rent") to Landlord for the Premises of in the amounts set forth in the Rent Schedule attached to this Lease as Schedule 1, payable in equal monthly installments (herein called "Monthly Base Rent") of in the amounts set forth in the Rent Schedule attached to this Lease as Schedule 1, in advance on the first day of the Term and on the first day of each calendar month thereafter of the Term, and at the same monthly rate applied on a per diem basis for fractions of a month if the Term shall begin on any date except the first day, or shall end on any day except the last day of a calendar month. \*

Base Rent, Rent Adjustment (as hereinafter defined), Rent Adjustment Progress Payment (as hereinafter defined) and all other amounts becoming due from Tenant to Landlord hereunder (herein collectively called the "Rent") shall be paid in lawful money of the United States to Landlord at the office of Landlord, or as otherwise designated from time to time by written notice from Landlord to Tenant. ~~Concurrently with the execution hereof and at Landlord's request, Tenant shall pay Landlord Monthly Base Rent for the first full calendar month of the Term as set forth in Schedule 1.~~

Landlord may authorize Tenant to take possession of all or any part of the Premises prior to the beginning of the Term. If Tenant does take possession pursuant to authority so given, all of the covenants and conditions of this lease shall apply to and shall control such pre-Term occupancy. Rent for such pre-Term occupancy shall be paid upon occupancy and on the first day of each calendar month thereafter at the rate set forth in Sections 1 and 2 hereof. If the Premises are occupied for a fractional month, Rent shall be prorated on a per diem basis for such fractional month. The payment of Rent hereunder is independent of each and every other covenant and agreement contained in this lease.

Rent

Adjustment

2. Rent Adjustment The Base Rent shall be subject to periodic adjustment with respect to each Adjustment Year (as hereinafter defined), and Tenant shall pay any such adjustments, in accordance with the following provisions:

(a) Definitions As used in this lease,

(i) "Adjustment Date" shall mean the first day of the Term and each January 1 thereafter occurring within the Term.

(ii) "Adjustment Year" shall mean each calendar year during which an Adjustment Date occurs.

(iii) "Expenses" shall mean and include all expenses, costs, fees and disbursements paid or incurred by or on behalf of the Landlord for owning, managing, operating, maintaining and repairing the Building and the personal property used in conjunction therewith (said Building and personal property being herein collectively called the "Project"), including (without limitation) the cost of electricity, steam, water, gas, fuel, heating, lighting, air conditioning, window cleaning, janitorial service, insurance, including but not limited to, fire, extended coverage, liability, workmen's compensation, elevator, or any other insurance carried by the Landlord and applicable to the Project, painting, uniforms, management fees, supplies, sundries, sales or use taxes on supplies or services, cost of wages and salaries of all persons engaged in the operation, administration, maintenance and repair of the Project, and fringe benefits, including social security taxes, unemployment insurance taxes, cost for providing coverage for disability benefits, cost of any pensions, hospitalization, welfare or retirement plans, or any other similar or like expenses incurred under the provisions of any collective bargaining agreement, or any other cost or expense which Landlord pays or incurs to provide benefits for employees so engaged in the operation, administration, maintenance and repair of the Project, the charges of any independent contractor who, under contract with the Landlord or its representatives, does any of the work of operating, maintaining or repairing of the Project, legal and accounting expenses, including, but not to be limited to, such expenses as relate to seeking or obtaining reductions in and refunds of real estate taxes, or any other expense or charge, whether or not hereinbefore mentioned, which in accordance with generally accepted accounting and management principles respecting first-class office buildings in Chicago, Illinois, would be considered as an expense of owning, managing, operating, maintaining or repairing the Project. Expenses shall not include costs or other items included within the meaning of the term "Taxes" (as hereinafter defined), costs of alterations of the premises of tenants of the Building, costs of capital improvements to the Building, depreciation charges, interest and principal payments on mortgages, ground rental payments, and real estate brokerage and leasing commissions, except as hereinafter otherwise provided.

\* Provided that all no Monthly Base Rent shall be due for Suite 704 for the month of July, 1985 or for the month of July, 1986 and all no Monthly Base Rent shall be due for Suite 703 for the month of January, 1986 or for the month of January, 1987. It is understood that Tenant shall pay Rent Adjustment as hereinafter defined for each of the aforesaid 4 months.

Notwithstanding anything contained in this clause (iii) of Section 2(a) to the contrary,

(A) The cost of any capital improvements to the Building made after the date of this lease which are intended to reduce Expenses or which are required under any governmental laws, regulations, or ordinances which were not applicable to the Building at the time it was constructed, amortized over such reasonable period as Landlord shall determine, together with interest on the unamortized cost of any such improvement (at the prevailing construction loan rate available to Landlord on the date the cost of such improvement was incurred) shall be included in Expenses.

(B) If the aggregate space in the Building is not one hundred percent (100%) occupied by tenants during all or a portion of any Adjustment Year, then Landlord shall make an appropriate adjustment for such year of those components of Expenses which may vary depending upon the occupancy level of the Building, employing generally accepted accounting principles, so that all of such variable components of Expenses paid or incurred by Landlord are ratably allocated to the tenants then occupying space in the Building. Any such adjustments shall also be deemed expenses paid or incurred by Landlord and included in Expenses for such year, as if the Building had been one hundred percent (100%) occupied and the Landlord had paid or incurred such expenses. If Landlord does not furnish during any Adjustment Year any particular work or service (the cost of which, if performed by Landlord, would constitute an Expense) to a tenant who has undertaken to perform such work or service in lieu of the performance thereof by Landlord, Expenses shall be deemed to be increased by an amount equal to the additional expense which would reasonably have been incurred during such Adjustment Year by Landlord if it had, at its own expense, furnished such work or service to such tenant.

(iv) "Taxes" shall mean real estate taxes, assessments (whether they be general or special), sewer rents, rates and charges, transit taxes, taxes based upon the receipt of rent, and any other federal, state or local governmental charge, general, special, ordinary or extraordinary (but not including income or franchise taxes [other than income taxes similar to and including the Illinois Replacement tax], capital stock, inheritance, estate, gift, or any other taxes imposed upon or measured by the Landlord's income or profits, unless the same shall be imposed in lieu of real estate taxes or other ad valorem taxes), which may now or hereafter be levied, assessed or imposed against the Building or the land on which the Building is located (the "Land"), or both. The Building and the Land are herein collectively called the "Real Property."

Notwithstanding the foregoing,

(A) If at any time during the Term of this lease the method of taxation then prevailing shall be altered so that any new tax, assessment, levy, imposition or charge or any part thereof shall be imposed upon Landlord in place or partly in place of any such Taxes, or contemplated increase therein, and shall be measured by or be based in whole or in part upon the Real Property or the rents or other income therefrom, then all such new taxes, assessments, levies, impositions or charges or part thereof, to the extent that they are so measured or based, shall be included in Taxes levied, assessed or imposed against the Real Property to the extent that such items would be payable if the Real Property were the only property of Landlord subject thereto and the income received by Landlord from the Real Property were the only income of Landlord.

(B) Notwithstanding the year with respect to which any such taxes or assessments are levied, (i) in the case of special taxes or special assessments which may be payable in installments, the amount of each installment, plus any interest payable thereon, paid during a calendar year shall be included in Taxes for that year and (ii) if any taxes or assessments payable during any calendar year shall be computed with respect to a period in excess of twelve calendar months, then taxes or assessments applicable to the excess period shall be included in Taxes for that year. Except as provided in the preceding sentence, all references to Taxes "for" a particular year shall be deemed to refer to Taxes levied, assessed or imposed for such year without regard to when such Taxes are payable.

(C) Taxes shall also include any personal property taxes (attributable to the calendar year in which paid) imposed upon the furniture, fixtures, machinery, equipment, apparatus, systems and appurtenances used in connection with the Real Property or Project or the operation thereof.

(D) If the Building is not one hundred percent (100%) occupied by tenants during all or a portion of any Adjustment Year, then Landlord shall make an appropriate adjustment for such year of these components of Taxes which may vary depending upon the occupancy level of the Building, employing generally accepted accounting principles, so that all of such Taxes are ratably allocated to the tenants then occupying space in the Building. Any such adjustments shall also be deemed taxes levied or assessed against the Building and included in Taxes for such year, as if the Building had been one hundred percent (100%) occupied and such taxes were levied or assessed for such year.

(v) "Rentable Area of the Building" shall mean the sum of the areas on all office floors of the Building computed by measuring to the center line of the exterior glass wall on each entire floor, plus portions of mechanical space and common service areas in the Building and excluding only public stairs, elevator shafts, flues, stacks, pipe shafts and vertical ducts ("vertical penetrations"). No deduction shall be made for columns or projections necessary to the Building. If, during the Term of this lease, the actual Rentable Area of the Building is increased or decreased as a result of adding office space to the Building or removing office space from the Building, Landlord may change the Rentable Area of the Building by written notice to Tenant.

(vi) "Rentable Area of the Premises" shall mean (A) if this lease is for an entire floor, the area of the entire floor measured to the center line of the exterior glass wall, excluding vertical penetrations, plus a proportional share of building mechanical space and common service areas in the Building, or (B) if this lease is for less than an entire floor, the area measured from the center line of the exterior glass wall to the center line of all demising partitions and to the outside face of corridor partitions, plus (a) a proportionate share of public areas (including corridors, toilets, mechanical spaces and janitor, electrical and telephone closets) on the floor housing the Premises and (b) a proportionate share of mechanical space and common service areas in the Building. No deduction shall be made for columns or projections necessary to the Building.

(vii) "Tenant's Proportionate Share" shall mean the percentage obtained by dividing the Rentable Area of the Premises by the Rentable Area of the Building.

(viii) "Consumer Price Index" shall mean the Consumer Price Index for the City of Chicago, Urban Wage Earners and Clerical Workers, All Items, (base index year 1967 = 100) as published by the United States Department of Labor, Bureau of Labor Statistics. If the manner in which the Consumer Price Index is determined by the Bureau of Labor Statistics shall be substantially revised, including without limitation, a change in the base index year, an adjustment shall be made by Landlord in such revised index which would produce results equivalent, as nearly as possible, to those which would have been obtained if such Consumer Price Index had not been so revised. If the Consumer Price Index shall become unavailable to the public because publication is discontinued, or otherwise, or if equivalent data is not readily available to enable Landlord to make the adjustment referred to in the preceding sentence, then Landlord will substitute therefor a composite index based upon changes in the cost of living or purchasing power of

~~the consumer dollar published by any other governmental agency or, if no such index is available, then a comparable index published by a major bank or other financial institution or by a university or a recognized financial publication; provided, however, that Landlord may make adjustments to such substitute index necessary to produce substantially the same results as would have been obtained under the index.~~

~~(iv) "Base Consumer Price Index" shall mean the Consumer Price Index for the calendar month in which the Term commences.~~

(x) "Rent Adjustment" shall mean all adjustments to Base Rent provided in this Section 2, including any amounts payable by Tenant to Landlord on account of such adjustments.

(b) *Adjustments To Base Rent*

Tenant shall pay Rent Adjustment with respect to each Adjustment Year determined as hereinafter set forth. Base Rent payable by Tenant with respect to each Adjustment Year during which an Adjustment Date occurs shall be adjusted by adding thereto:

~~(i) the product of the Tenant's Proportionate Share, multiplied by the amount by which the Taxes and Expenses with respect to such Adjustment Year exceeds an amount equal to the product of the Tenant's Tax and Expense Stop multiplied by the Rentable Area of the Building (said adjustment being called the "Tax and Expense Adjustment"), plus~~

~~(ii) commencing with the Adjustment Year in which the second Adjustment Date of the Term occurs, an amount equal to the product of (x) the sum of (A) Base Rent specified in Section 1 hereof (but in no event less than the Base Rent for the first full twelve months of the Term during which Base Rent is payable) plus (B) the amount of the Rent Adjustment with respect to the immediately preceding Adjustment Year, multiplied by (y) .65, multiplied by (z) the percentage increase, if any, in the Consumer Price Index for the calendar month in which each Adjustment Date occurs, over the Base Consumer Price Index (said adjustment being called the "CPI Adjustment"); provided, however, that in no event shall the CPI Adjustment be computed with respect to any Adjustment Year be less than the highest CPI Adjustment computed herein with respect to any preceding Adjustment Year.~~

(c) *Payments of Rent Adjustment; Projections*

Tenant shall pay Tax and Expense Adjustment ~~and CPI Adjustment~~ to Landlord in the manner hereinafter provided.

(i) *Tax and Expense Adjustment.* Tenant shall make payments on account of its Tax and Expense Adjustment with respect to each Adjustment Year ("Rent Adjustment Progress Payment") effective as of the Adjustment Date with respect to each such Adjustment Year as follows:

(A) Landlord may, prior to each Adjustment Date or from time to time during the Adjustment Year in which such Adjustment Date occurs, deliver to Tenant a written notice or notices ("Projection Notice") setting forth (1) Landlord's reasonable estimates, forecasts or projections (collectively, the "Projections") of Taxes and Expenses with respect to such Adjustment Year, (2) Tenant's Tax and Expense Adjustment with respect to such Adjustment Year based upon the Projections, and (3) the amount of Tenant's Rent Adjustment Progress Payment based upon Tenant's Tax and Expense Adjustment as estimated by Landlord.

(B) Until such time as Landlord furnishes a Projection Notice with respect to an Adjustment Year, Tenant shall pay to Landlord a monthly installment of Rent Adjustment Progress Payment (at the time of and together with each payment of Monthly Base Rent) equal to the greater of the latest monthly installment of Rent Adjustment Progress Payment or one-twelfth (1/12) of Tenant's latest Tax and Expense Adjustment as determined by Landlord. On or before the first day of the next calendar month following Landlord's service of a Projection Notice, and on or before the first day of each month thereafter, Tenant shall pay to Landlord one-twelfth (1/12) of the Rent Adjustment Progress Payment shown in the Projection Notice. Within fifteen (15) days following Landlord's Service of a Projection Notice, Tenant shall also pay Landlord a lump sum equal to the Rent Adjustment Progress Payment shown in the Projection Notice less the sum of: (1) any previous payments of Rent Adjustment Progress Payment made during such Adjustment Year and (2) monthly installments of Rent Adjustment Progress Payment due for the remainder of such Adjustment Year pursuant to such Projection Notice.

~~(iii) *CPI Adjustment.* Tenant shall pay CPI Adjustment, effective as of the Adjustment Date with respect to each Adjustment Year, as follows:~~

~~(A) Tenant shall pay Landlord on or before the first day of each month of each Adjustment Year an amount equal to one-twelfth (1/12) of the CPI Adjustment, except as hereinafter provided. Landlord shall furnish Tenant a notice ("CPI Notice") showing the Consumer Price Index and the amount of Tenant's CPI Adjustment with respect to such Adjustment Year after Landlord shall have ascertained the Consumer Price Index to be used in calculating the CPI Adjustment with respect to an Adjustment Year.~~

~~(B) Until such time as Landlord furnishes a CPI Notice, Tenant shall continue to pay to Landlord monthly installments of CPI Adjustment in an amount equal to the latest monthly installment of CPI Adjustment. On or before the first day of the next calendar month following the Landlord's service of a CPI Notice, Tenant shall pay any amounts owed by Tenant, if any, for monthly installments of CPI Adjustment retroactive to the beginning of the period covered by such CPI Notice.~~

(d) *Readjustments*

At any time and from time to time following the end of each Adjustment Year and after Landlord shall have determined the actual amounts of Taxes and/or Expenses to be used in calculating the Tax and Expense Adjustment with respect to such Adjustment Year, Landlord shall notify Tenant in writing ("Landlord's Statement") of such Taxes and/or Expenses and Tenant's Tax and Expense Adjustment with respect to such Adjustment Year. If the Tax and Expense Adjustment owed for such Adjustment Year exceeds the Rent Adjustment Progress Payment paid by Tenant during such Adjustment Year, then Tenant shall, within thirty (30) days after the date of Landlord's Statement pay to Landlord an amount equal to such excess. If the Rent Adjustment Progress Payment paid by Tenant during such Adjustment Year exceeds the Tax and Expense Adjustment owed for such Adjustment Year, then Landlord shall credit such excess to Rent payable after the date of Landlord's Statement until such excess has been exhausted. If this lease shall expire prior to full application of such excess, Landlord shall pay to Tenant the balance thereof not theretofore applied against Rent and not reasonably required for payment of Rent Adjustment for the Adjustment Year in which the lease expires. No interest or penalties shall accrue on any amounts which Landlord is obligated to credit or pay to Tenant by reason of this Section 2(d). Unless the Tenant shall take written exception to any item within thirty (30) days after the furnishing of the Landlord's Statement, Landlord's Statement shall be considered as final and accepted by the Tenant.

(c) Proration and Survival

With respect to any Adjustment Year which does not fall entirely within the Term, Tenant shall be obligated to pay as Rent Adjustment for such Adjustment Year only a prorata share of Rent Adjustment as hereinabove determined, based upon the number of days of the Term falling within the Adjustment Year. Following expiration or termination of this lease, Tenant shall pay any Rent Adjustment due to the Landlord within fifteen (15) days after the date of Landlord's Statement sent to Tenant. Without limitation on other obligations of Tenant which shall survive the expiration of the Term, the obligations of Tenant to pay Rent Adjustment provided for in this Section 2 shall survive the expiration or termination of this lease.

(f) No Decrease In Base Rent

In no event shall any Rent Adjustment result in a decrease of the Base Rent payable hereunder as set forth in Section 1 hereof.

(g) Additional Rent

All amounts payable by Tenant as or on account of Rent Adjustment shall be deemed to be additional rent becoming due under this Lease.

## Security Deposit

~~3. Security Deposit. Tenant has deposited with Landlord the Security Deposit as security for the faithful performance of every provision of this lease to be performed by Tenant. If Tenant defaults with respect to any provision of this lease, including, but not limited to, the provisions relating to the payment of Rent, Landlord may use, apply or retain all or any part of this security deposit for the payment of any Rent and any other sum in default, or for the payment of any other amount which Landlord may spend or become obligated to spend by reason of Tenant's default or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is to be used or applied, Tenant shall within five (5) days after written demand therefor deposit cash with Landlord in an amount sufficient to restore the security deposit to its original amount and Tenant's failure to do so shall be a material breach of this lease. Tenant may not elect to apply any portion of the security deposit toward the payment of Rent or other charges payable by Tenant under this lease. Landlord shall not be required to keep this security deposit separate from its general funds and Tenant shall not be entitled to interest on such deposit. If Tenant shall fully and faithfully perform every provision of this lease to be performed by it, the security deposit or any balance thereof shall be returned to Tenant (or at Landlord's option to the last assignee of Tenant's interest hereunder) within thirty (30) days after the expiration of the lease Term and Tenant's vacation of the Premises. Tenant hereby agrees not to look to any mortgagee as mortgagee, mortgagee in possession or successor in title to the Building for accountability for any security deposit required by the Landlord hereunder, unless said sums have actually been received by said mortgagee as security for the Tenant's performance of this lease. The Landlord may deliver the funds deposited hereunder by Tenant to the purchaser of Landlord's interest in the Building, in the event that such interest is sold, and thereupon Landlord shall be discharged from any further liability with respect to such security deposit.~~

## Use of Premises

~~4. Use of Premises. Tenant shall use and occupy the Premises for general office purposes, and for no other use or purpose. Tenant shall not use or occupy the Premises or permit the use or occupancy of the Premises for any purpose or in any manner which (i) is unlawful or in violation of any applicable legal or governmental requirement, ordinance or rule; (ii) may be dangerous to persons or property; (iii) may invalidate or increase the amount of premiums for any policy of insurance affecting the Project, and if any additional amounts of insurance premiums are so incurred, Tenant shall pay to Landlord the additional amounts on demand; or (iv) may create a nuisance, disturb any other tenant of the Building or injure the reputation of the Building.~~

## Services

~~5. Services. The Landlord, as long as the Tenant is not in default under any provision of this lease, shall furnish the following services, which shall all be deemed Expenses (except to the extent to be paid entirely by Tenant, as hereinafter provided):~~

~~(a) Air-cooling and heat when necessary to provide a temperature condition required, in Landlord's judgment, for comfortable occupancy of the Premises under normal business operations, daily from 8:00 A.M. to 6:00 P.M. and Saturdays from 8:00 A.M. to noon, Sundays and holidays excepted. Wherever heat generating machines or equipment are used by Tenant in the Premises, which affect the temperature otherwise maintained by the air-cooling system, Landlord reserves the right to install supplementary air conditioning units in the Premises, and cost of such units and the expense of installation shall be paid by Tenant within ten days after Landlord's demand. The expense resulting from the operation and maintenance of any such supplementary air conditioning system shall be paid by the Tenant to the Landlord as additional rent at rates fixed by Landlord. Landlord's agreements hereunder are subject to Presidential and governmental restrictions on energy use.~~

~~(b) Cold water in connection with other tenants from City of Chicago mains for drinking water and other purposes drawn through fixtures installed by the Landlord, or by Tenant in the Premises with Landlord's written consent, and hot water in common with other tenants for lavatory purposes from regular Building supply. Tenant shall pay Landlord additional rent at rates fixed by Landlord for water furnished for any other purpose. The Tenant shall not waste or permit the waste of water.~~

~~(c) Janitor service and customary cleaning provided nightly in and about the Premises, Saturdays, Sundays and holidays excepted. The Tenant shall not provide any janitor service or cleaning without the Landlord's written consent and then only subject to supervision of Landlord and at Tenant's sole responsibility and by a janitor, cleaning contractor or employee at all times satisfactory to Landlord.~~

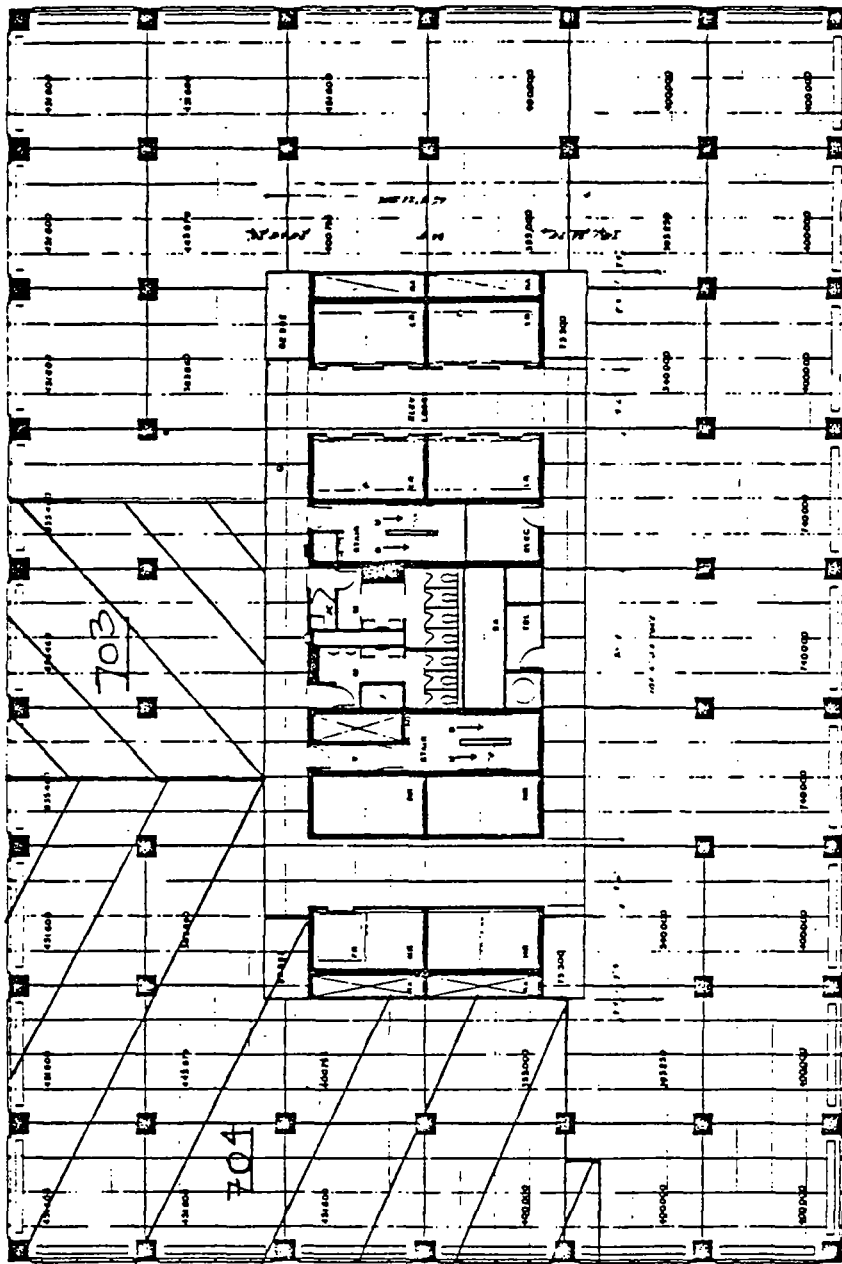
~~(d) Passenger elevator service in common with Landlord and other tenants, daily from 8:00 A.M. to 6:00 P.M. (Saturdays from 8:00 A.M. to 1:00 P.M.), Sundays and holidays excepted, and freight elevator service in common with Landlord and other tenants, daily from 9:30 A.M. to 11:30 A.M. and from 2:00 P.M. to 4:00 P.M., Saturdays, Sundays and holidays excepted. Such normal elevator service, passenger or freight, if furnished at other times shall be optional with Landlord and shall never be deemed a continuing obligation. The Landlord, however, shall provide limited passenger elevator service daily at all times such normal passenger service is not furnished. Operatorless automatic elevator service shall be deemed "elevator service" within the meaning of this paragraph.~~

~~(e) Electricity shall not be furnished by Landlord, but shall be furnished by the approved electric utility company serving the area. Landlord shall permit the Tenant to receive such service direct from such utility company at Tenant's cost and shall permit Landlord's wire and conduits, to the extent available, suitable and safely capable, to be used for such purposes. Tenant shall make all necessary arrangements with the utility company for metering and paying for electric current furnished by it to Tenant, and Tenant shall pay for all charges for electric current consumed on the Premises during Tenant's occupancy thereof. The electricity used during the performance of janitor service, the making of alterations or repairs in the Premises, and for the operation of the Building's air conditioning system at times other than as provided in paragraph (a) hereof, or the operation of any special air conditioning systems which may be required for data processing equipment or for other special equipment or machinery installed by Tenant, shall be paid for by Tenant. Tenant shall make no alterations or additions to the electric equipment or appliances without the prior written consent of the Landlord in each instance. Tenant also agrees to purchase from the Landlord or its agent all lamps, bulbs, ballasts and starters used in the Premises after the initial installation thereof. Tenant covenants and agrees that at all times its use of electric current shall never exceed the capacity of the feeders to the Building or the wires or wiring installed thereon.~~

- 4 -
- (h) Provided that all Base Rent and Rent Adjustment have been paid in full, Tenant shall have the right to review and examine Landlord's books and records for the Building, at reasonable times and upon prior written request to Landlord.
  - (i) As used herein, "Landlord" shall mean "Lessor" and "Tenant" shall mean "Lessee".

EXHIBIT A

LA SALLE STREET



LA SALLE STREET

FLOORS 3 11



MEASUREMENT  
USABLE  
FLOOR  
AREA



CLEANING SPECIFICATION FOR LASALLE PLAZA DIRECTLY  
RELATED TO TENANT SPACES TO BE FURNISHED BY LESSOR:

GENERALLY CLEANING - NIGHTLY - MONDAY THROUGH FRIDAY

1. SWEEP ALL RESILIENT TILE AND HARD SURFACE FLOORS WITH ANTIBACTERIA IMPREGNATED SWEEPING CLOTHS.
2. VACUUM CLEAN ALL CARPETS AND RUGS; MOVING LIGHT FURNITURE OTHER THAN DESKS AND FILE CABINETS, ETC.
3. EMPTY AND CLEAN ALL WASTEPAPER BASKETS, ASHTRAYS, RECEPTACLES, ETC., AND DAMP DUST AS NECESSARY.
4. REMOVE WASTEPAPER AND WASTE MATERIALS TO DESIGNATED AREA (COMPACTOR).
5. DUST ALL FURNITURE INCLUDING DESKS, CHAIRS AND TABLES WITH SPECIALLY TREATED CLOTHS.
6. DUST ALL EXPOSED FILING CABINETS, BOOKCASES AND SHELVES WITH SPECIALLY TREATED CLOTHS.
7. DUST AND SANITIZE ALL TELEPHONES.
8. LOW DUST ALL HORIZONTAL SURFACES TO HAND HEIGHT, INCLUDING BASEBOARDS, SILLS, LEDGES, COUNTERS AND SHELVES.
9. LOW DUST MOLDINGS, PICTURE FRAMES AND CONVECTORS.
10. CLEAN UPPER SIDE OF ALL GLASS FURNITURE TOPS.
11. SPOT CLEAN INTERIOR GLASS IN PARTITIONS AND DOORS.
12. DAMP MOP ELEVATORS CABS, LOBBIES AND CORRIDORS.
13. ALL LIGHTS SHALL BE TURNED OFF AFTER WORK IS COMPLETED AND FLOORS LEFT IN A NEAT AND ORDERLY CONDITION.
14. SWEEP ALL STAIRWELLS, MOP AS NECESSARY.
15. WIPE CLEAN ALL METAL DOOR KNOBS, KICK PLATES AND DIRECTORY SIGNS.

LAVATORIES - NIGHTLY

1. SWEEP AND MOP ALL CERAMIC TILE FLOORS WITH A GERMICIDAL SOLUTION.
2. WASH ALL BASINS, BOWLS, AND URINALS USING A GERMICIDAL SOLUTION.
3. WASH BOTH SIDES OF ALL TOILET SEATS WITH A GERMICIDAL SOLUTION.
4. WASH AND POLISH ALL MIRRORS, POWDER SHELVES, BRIGHT WORK, INCLUDING FLUSHOMETERS, PIPING AND TOILET SEAT HINGES.
5. DUST ALL PARTITIONS, TILE WALLS AND DISPENSERS, AND REMOVE FINGERMARKS OR SMUDGES.
6. EMPTY AND CLEAN PAPER TOWEL AND SANITARY DISPOSAL RECEPTACLES.
7. WASH RECEPTACLES WITH A GERMICIDAL SOLUTION.
8. FILL TOILET TISSUE HOLDERS, SOAP DISPENSERS, TOWEL DISPENSERS, AND SANITARY NAPKIN DISPENSERS. MATERIALS TO BE FURNISHED BY CENTRE PROPERTIES LTD.

WEEKLY:

1. SPOT CLEAN CARPETS.
2. REMOVE FINGERPRINTS FROM DOOR KNOBS, FRAMES, HANDLES AND RAILINGS, LIGHT SWITCHES AND PUSH PLATES.



3. DUST ALL DOOR LOUVERS AND OTHER VENTILATING LOUVERS WITHIN REACH.
4. HIGH DUST ALL LAVATORY SURFACES ONCE A WEEK.

MONTHLY:

1. DO ALL HIGH DUSTING, WHICH INCLUDES ALL VERTICAL SURFACES, SUCH AS WALLS, PARTITIONS, DRAPES, VENETIAN BLINDS AND OTHER SURFACES NOT REACHED IN NIGHTLY CLEANINGS.
2. VACUUM ALL GRILLS AND DUCT WORK.
3. MACHINE SCRUB ALL CERAMIC TILE FLOORS IN LAVATORIES.
4. IN ALL LAVATORIES, WASH PARTITIONS, TILE WALLS AND ENAMEL SURFACES WITH A PROPER DISINFECTANT.
5. CLEAN ALL INTERIOR GLASS IN PARTITIONS AND DOORS.

EVERY THREE MONTHS:

1. ALL RESILIENT TILE THROUGHOUT THE BUILDING, EXCEPT WHERE SCHEDULED OTHERWISE, SHALL BE SCRUBBED AND REFINISHED, USING A NEUTRAL, LOW ALKALINE WASHING SOLUTION AND A SYNTHETIC SLIP RESISTENT RESIN FLOOR FINISH. ALL AREAS SHALL BE BUFFED AFTER THEY ARE REFINISHED. A U/L APPROVES SLIP RESISTENT SYNTHETIC RESIN FLOOR FINISH SHALL BE USED IN ALL WAXING OPERATIONS. ALSO AN APPROVED LOW ALKALINE, NON-INJURIOUS DETERGENT SHALL BE USED FOR ALL FLOOR WASHING OPERATIONS.
2. ALL BASEBOARDS ARE TO BE WIPED CLEAN AFTER EACH REFINISHING OF FLOORS.
3. SPECIAL CARE IS TO BE TAKEN TO ASSURE THAT CHROME ON LEGS OF METAL FURNITURE ARE WIPED CLEAN AFTER EACH REFINISHING OF FLOORS.
4. USE "PILE LIFTER" ON ALL CARPETING.
5. VACUUM UPHOLSTERED FURNITURE, DRAPES, ETC.
6. DUST ALL LIGHTING FIXTURES.

## RIDER "C"

ATTACHED AND MADE A PART OF THE LEASE BETWEEN AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, AS TRUSTEE U/T #30503 ("LESSOR") AND THE CITY OF CHICAGO/DEPARTMENT OF LAW ("LESSEE") FOR APPROXIMATELY 6,500 SQUARE FEET OF OFFICE SPACE ON THE SEVENTH (7TH) FLOOR OF THE BUILDING LOCATED AT 180 NORTH LASALLE STREET, CHICAGO, ILLINOIS.

## LESSOR AND LESSEE RESPONSIBILITIES

## LESSOR UNDER THIS LEASE SHALL:

PROVIDE AND PAY FOR HEAT WHEN NECESSARY FOR COMFORTABLE OCCUPATION OF THE PREMISES AND MAINTAIN HEATING PLANT IN GOOD OPERABLE CONDITION

PROVIDE AND PAY FOR HOT AND DOMESTIC WATER AND MAINTAIN PLUMBING IN GOOD OPERABLE CONDITION

PROVIDE AND MAINTAIN ELEVATOR SERVICE AT ALL TIMES

MAINTAIN INTERIOR AND EXTERIOR OF BUILDING, INCLUDING ALL MECHANICAL COMPONENTS

COMPLY WITH ALL PROVISIONS OF THE CHICAGO MUNICIPAL BUILDING CODE IN THE REPAIR, CONSTRUCTION AND MAINTENANCE OF THE DEMISED PREMISES

PROVIDE AND PAY FOR REMOVAL OF SNOW AND ICE FROM SIDEWALKS WHICH IMMEDIATELY ABUT SAID PREMISES

PROVIDE AND MAINTAIN PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE IN THE AMOUNT OF \$500,000 COMBINED SINGLE LIMIT PER OCCURRENCE WITH AN UMBRELLA POLICY FOR BODILY INJURY AND PROPERTY DAMAGE COMBINED SINGLE LIMIT PER OCCURRENCE IN THE AMOUNT OF \$5,000,000; WITH THE CITY TO RECEIVE A CERTIFICATE OF INSURANCE FOR SAID COVERAGE PRIOR TO LEASE EXECUTION. SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE OF THIS LEASE, THE LESSOR SHALL MAIL TO THE LESSEE AT THE ADDRESS CITED HEREIN A COPY OF THE CANCELLATION NOTICE WITHIN FIFTEEN (15) DAYS OF RECEIPT THEREOF

PROVIDE AND PAY FOR CENTRAL AIR CONDITIONING FROM 8 A.M. TO 5 P.M. MONDAY THROUGH FRIDAY AND FROM 8 A.M. TO 12 P.M. ON SATURDAY EXCLUDING HOLIDAYS AND SUNDAYS

PROVIDE NIGHTLY CUSTODIAL SERVICE (SEE CLEANING SPECIFICATION ON FOLLOWING PAGES)

PROVIDE AND PAY FOR WINDOW WASHING OF ALL WINDOWS IN THE DEMISED PREMISES AT LEAST ONCE A YEAR

LESSOR SHALL COMPLY WITH WORK LETTER AGREEMENTS INCORPORATED AND MADE PART OF THIS AGREEMENT AS EXHIBITS D-1 AND D-2

## LESSEE UNDER THIS LEASE SHALL:

PAY FOR ELECTRICAL AS METERED

REPLACE BURNED OUT LIGHT BULBS AND WILL BE RESPONSIBLE FOR INSTALLATION OF THESE BULBS

RIDER "C"  
(CONTINUED)

ATTACHED AND MADE A PART OF THE LEASE BETWEEN AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, AS TRUSTEE U/T #30503 ("LESSOR") AND THE CITY OF CHICAGO/DEPARTMENT OF LAW ("LESSEE") FOR APPROXIMATELY 6,500 SQUARE FEET OF OFFICE SPACE ON THE SEVENTH (7TH) FLOOR OF THE BUILDING LOCATED AT 180 NORTH LASALLE STREET, CHICAGO, ILLINOIS

LESSOR AND LESSEE RESPONSIBILITIES

LESSEE UNDER THIS LEASE SHALL:

HAVE THE RIGHT TO PEACEFULLY AND QUIETLY ENJOY THE POSSESSION OF THE DEMISED PREMISES WITHOUT AN ENCUMBRANCE OR HINDERANCE BY, FROM OR THROUGH LESSOR ITS SUCCESSORS OR ASSIGNS SO LONG AS LESSEE SHALL OBSERVE AND PERFORM THE COVENANTS AND AGREEMENTS BINDING ON IT HEREUNDER

LESSEE SHALL COMPLY WITH WORK LETTER AGREEMENTS INCORPORATED AND MADE PART OF THIS AGREEMENT AS EXHIBITS D-1 AND D-2.

IF THE LESSOR SHALL BE UNABLE TO GIVE POSSESSION OF SUITE 703 ON JANUARY 1, 1986 BY REASON OF THE HOLDING OVER OF THE EXISTING TENANT THEREIN WITHOUT THE CONSENT OF LESSOR, LESSOR SHALL NOT BE SUBJECT TO ANY LIABILITY FOR FAILURE TO GIVE SUCH POSSESSION. UNDER SUCH CIRCUMSTANCES THE RENT FOR SUITE 703 SHALL NOT COMMENCE UNTIL SUITE 703 IS AVAILABLE FOR OCCUPANCY, AND NO SUCH FAILURE TO GIVE POSSESSION OF SUITE 703 ON JANUARY 1, 1986 SHALL AFFECT THE VALIDITY OF THIS LEASE OR THE OBLIGATIONS OF LESSEE HEREUNDER, NOR SHALL THE SAME BE CONSTRUED TO EXTEND THE TERM.

SCHEDULE 1BASE RENT SCHEDULE  
SUITE 704

| <u>Period</u>     | <u>Annual(ized) Base Rent</u> | <u>Monthly Base Rent</u> |
|-------------------|-------------------------------|--------------------------|
| 6/10/85 - 5/31/86 | \$86,922.00                   | \$7,243.50               |
| 6/1/86 - 5/31/87  | 89,529.72                     | 7,460.81                 |
| 6/1/87 - 5/31/88  | 92,233.92                     | 7,686.16                 |
| 6/1/88 - 6/14/89  | 94,986.48                     | 7,915.54                 |

BASE RENT SCHEDULE  
SUITE 703

| <u>Period</u>    | <u>Annual(ized) Base Rent</u> | <u>Monthly Base Rent</u> |
|------------------|-------------------------------|--------------------------|
| 1/1/86 - 5/31/86 | \$30,078.00                   | \$2,506.50               |
| 6/1/86 - 5/31/87 | 30,980.40                     | 2,581.70                 |
| 6/1/87 - 5/31/88 | 31,916.16                     | 2,659.68                 |
| 6/1/88 - 6/14/89 | 32,868.60                     | 2,739.05                 |

EXHIBIT D-1  
WORK LETTER AGREEMENT

April 19, 19 85

TO: City of Chicago, Department of Law

Gentlemen:

Re: Premises Located At:

180 N. LaSalle Street,Suite 704

Simultaneously with the execution of this Work Letter Agreement, you ("Tenant") and the undersigned ("Landlord") are entering into a lease (the "Lease") pertaining to inter alia the space referred to above (the "Premises").

In consideration of the covenants contained in this Work Letter Agreement and in the Lease, Landlord and Tenant agree as follows:

Tenant's  
Plans

1. Tenant desires Landlord to perform certain leasehold improvement work (the "Work") in the Premises. Tenant has furnished to Landlord a plan ("Tenant's Plan") for the Work, a copy of which is attached hereto as Schedule 1. Not later than April 29, 1985, Tenant shall furnish to Landlord such additional plans, drawings, specifications and finish details in sufficient detail to enable Landlord's architects and engineers to prepare the Working Drawings (as defined in Paragraph 2 below), including a final telephone layout and special electrical connection requirements, if any. The Work and all plans, drawings and specifications to be furnished by Tenant shall be subject to Landlord's approval, which Landlord agrees will not be unreasonably withheld. Approval by Landlord of the Work and Tenant's Plan shall not constitute any warranty by Landlord to Tenant of the adequacy of the design for Tenant's intended use of the Premises.

Working  
Drawings

2. If necessary for the performance of the Work, Landlord shall prepare final Working Drawings and specifications for the Work (the "Working Drawings") based upon the plans, drawings, specifications, finish details and other information furnished by Tenant to Landlord under Paragraph 1 above. Tenant shall pay the cost of preparation of the Working Drawings related to all above or non Building Standard Work. Tenant shall approve the Working Drawings within three (3) days after receipt of same from Landlord.

Performance  
of the Work

3. Except as hereinafter provided to the contrary, Landlord, at its expense, shall perform that portion of the Work shown on the Working Drawings which is listed on Schedule 2 attached to this Work Letter Agreement (which for purposes of this Work Letter Agreement are hereinafter referred to as "Building Standards"). Any portion of the Work other than that included in Building Standards shall be performed by Landlord at Tenant's sole expense. Tenant shall also pay any additional expenses incurred by Landlord in connection with the installation of Building Standard items, which additional expenses result from any special work, materials, finishes or installations required by Tenant or from any delays in the Work occasioned by Tenant. Tenant shall not be entitled to any credit or payment from Landlord for Building Standards not utilized by Tenant.

Payment

4. Prior to commencing the Work, Landlord will submit to Tenant a written statement of the cost of that portion of the Work to be paid for by Tenant, which cost shall include a 15% add-on charge for Landlord field supervision, administration and overhead, and ~~a 5% add-on charge for general conditions~~. Tenant agrees, within three (3) days after submission to it of such statement of cost, to execute and deliver to Landlord, in the form then in use by Landlord, an authorization to proceed with that portion of the Work to be paid for by Tenant, and Tenant shall also then pay to Landlord the amount set forth in Landlord's statement. Delays in the performance of the Work resulting from the failure of Tenant to comply with the provisions of the preceding sentence shall be deemed to be delays

## WORK LETTER AGREEMENT

\*for the Premises (i.s. Suite 704

caused by Tenant. No Work shall be commenced until Tenant has fully complied with the preceding portions of this Paragraph 4.

Substantial  
Completion

5. Landlord shall cause the Work to be "substantially completed" on or before the commencement of the Term, subject to delays beyond the reasonable control of Landlord and as defined in Paragraph 6 of this Work Letter Agreement. The Work shall be considered "substantially completed" for all purposes under this Work Letter Agreement and the Lease if and when the architect of Landlord who prepares the Working Drawings issues a written certificate to Landlord and Tenant, certifying that the Work has been completed (except for minor finish-out and "punchlist" items) in substantial compliance with the Working Drawings, or when Tenant first takes occupancy of the Premises, whichever first occurs. If the Work is not substantially completed on or before the commencement of the Term by reason of any delay (other than a delay specified in Paragraph 6 below), this Lease shall remain in effect, Landlord shall have no liability to Tenant as a result of any delay in occupancy, the date for commencement of the Term shall be extended (subject to Paragraph 6 below) to the date on which the Work is substantially completed, but the expiration date of the Term shall not be extended.

Tenant  
Delays

6. There shall be no extension of the commencement date of the Term (as permissibly extended under Paragraph 5 above) if the Work has not been substantially completed on said date by reason of any delay attributable to Tenant, including without limitation:

(i) the failure of Tenant to furnish all plans, drawings, specifications, finish details or the other information required under Paragraph 1 above on or before the date stated in Paragraph 1;

(ii) the failure of Tenant to comply with the requirements of Paragraph 4 above;

(iii) Tenant's requirements for special work or materials, finishes, or installations other than the Building Standards;

(iv) the performance of any other work in the Premises by any person, firm or corporation employed by or on behalf of Tenant, or any failure to complete or delay in completion of such work; or

(v) any other act or omission of Tenant.

Additional  
Work

7. Upon Tenant's request and submission by Tenant (at Tenant's sole cost and expense) of the necessary information and/or plans and specifications for work other than the Work specified in the Working Drawings (the "Additional Work"), Landlord may, at its election, perform the Additional Work, at Tenant's sole cost and expense. Prior to commencing any Additional Work requested by Tenant, Landlord shall submit to Tenant a written statement of the cost of such Additional Work which cost shall include a 15% add-on charge for Landlord field supervision, administration and overhead and ~~a 5% add-on charge for general conditions~~, and a proposed Tenant Extra Order (the "TEO") for Additional Work in the standard form then in use by Landlord. If Tenant shall fail to enter into said TEO within one (1) week after Tenant's receipt thereof, Landlord shall proceed to do only the Work specified in the Working Drawings. Tenant agrees to pay to Landlord, concurrently with its execution of the TEO, the entire cost of the Additional Work as shown in the statement delivered by Landlord.

Tenant  
Access

8. Landlord, in Landlord's discretion and upon request by Tenant, may grant to Tenant and Tenant's agents a license to enter the Premises prior to the date designated in the Lease for the commencement of the Term in order that Tenant may do other work required by Tenant to make the Premises ready for Tenant's use and occupancy. It shall be a condition to the grant by Landlord and continued effectiveness of such license that:

(a) Tenant shall give to Landlord not less than five (5) days' prior written notice of its request to have such access to the Premises, which notice shall contain and/or shall be accompanied by: (i) a description of and schedule for the work to be performed by those persons and entities for whom and which such access is being requested; (ii) the names and

## WORK LETTER AGREEMENT

addresses of all contractors, subcontractors and material suppliers for whom and which such early access is being requested and the approximate number of individuals, itemized by trade, who will be present in the Premises; (iii) copies of all contracts pertaining to the performance of the work for which such early access is being requested; (iv) copies of all plans and specifications pertaining to the work for which such access is being requested; (v) copies of all licenses and permits required in connection with the performance of the work for which such access is being requested; (vi) certificates of insurance (in amounts satisfactory to Landlord and with the parties identified on Exhibit "C" named as additional insureds) and instruments of indemnification against all claims, costs, expenses, damages and liabilities which may arise in connection with such work; and (vii) assurances of the availability of funds sufficient to pay for all such work. All of the foregoing shall be subject to Landlord's approval, which shall not be unreasonably withheld.

(b) Such early access shall be subject to scheduling by Landlord.

(c) Tenant's agents, contractors, workmen, mechanics, suppliers and invitees shall work in harmony and not interfere with Landlord and Landlord's agents in performing the Work and any Additional Work in the Premises, Landlord's work in other premises and in common areas of the Building, or the general operation of the Building. If at any time such entry shall cause or threaten to cause such disharmony or interference, including labor disharmony, Landlord may withdraw such license upon twenty-four (24) hours' prior written notice to Tenant.

Any such entry into and occupation of the Premises by Tenant shall be deemed to be under all of the terms, covenants, conditions and provisions of the Lease, excluding only the covenant to pay Rent and specifically including the provisions of Section 11 thereof. Landlord shall not be liable for any injury, loss or damage which may occur to any of Tenant's work or installations made in the Premises or to property placed therein prior to the commencement of the Term, the same being at Tenant's sole risk and liability. Tenant shall be liable to Landlord for any damage to the Premises or to any portion of the Work caused by Tenant or any of Tenant's employees, agents, contractors, workmen or suppliers. In the event the performance of the work by Tenant, its agents, employees or contractors causes extra costs to Landlord or requires the use of elevators during hours other than 8:00 a.m. to 4:30 p.m. on Monday through Friday (except holidays), Tenant shall reimburse Landlord for the entire extra cost and the cost incurred by Landlord for the engineers or operators under applicable union regulations or contracts.

9. The terms and provisions of the Lease, insofar as they are applicable to this Work Letter Agreement, are hereby incorporated herein by reference.

10. All amounts payable by Tenant to Landlord hereunder shall be deemed to be Rent under the Lease and upon any default in the payment of same, Landlord shall have all of the rights and remedies provided for in the Lease.

TENANT: THE CITY OF CHICAGO, a municipal corporation, acting through its Dept. of Law

LANDLORD: AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but solely as Trustee, as aforesaid

By: \_\_\_\_\_

By: \_\_\_\_\_

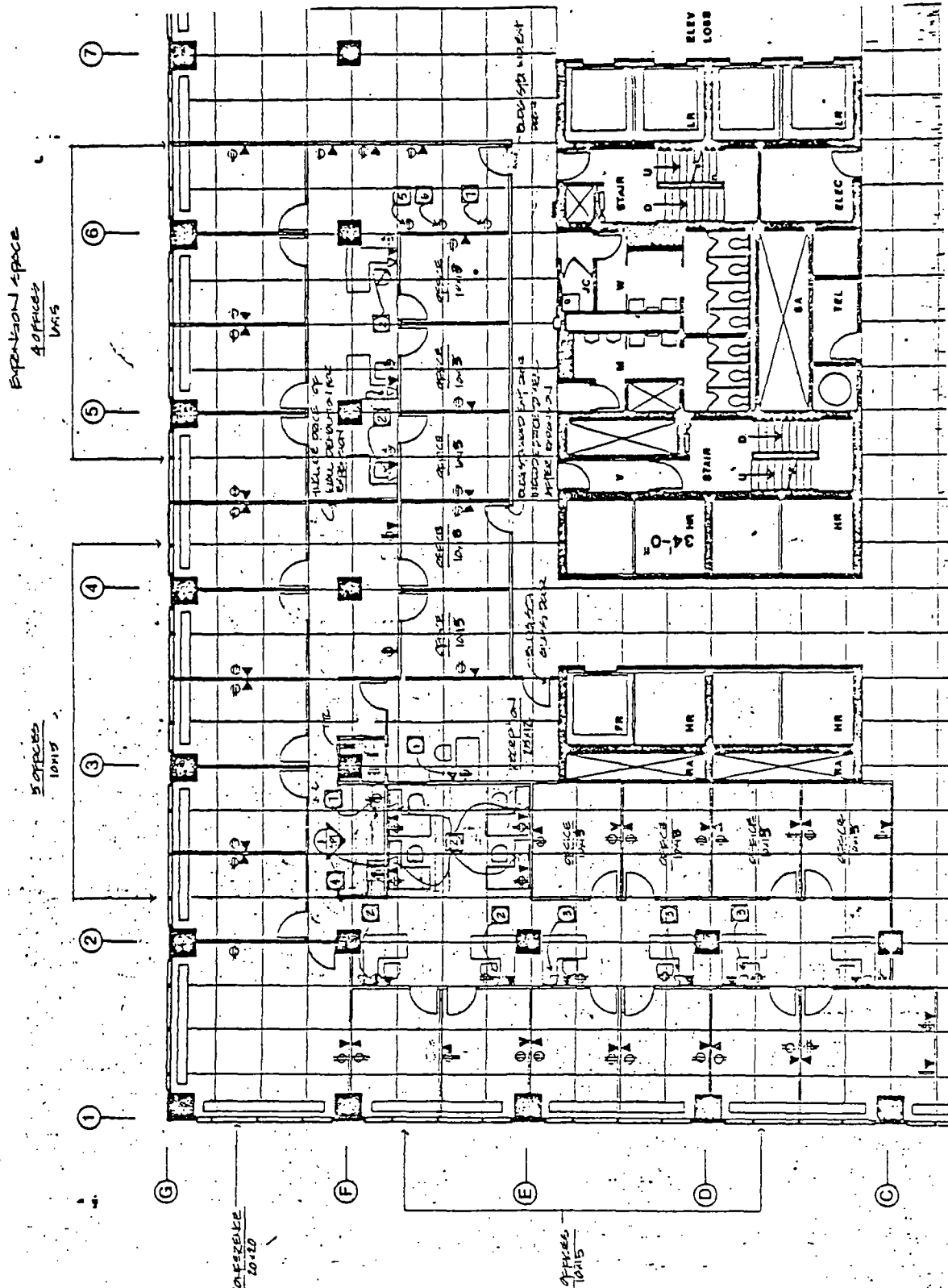
Title: \_\_\_\_\_

Title: \_\_\_\_\_

050784

This instrument is executed by AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as Trustee, as aforesaid. All the covenants and conditions to be performed hereunder by AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as Trustee, as aforesaid and not individually, and the obligations hereunder to be performed by reason of any of the covenants, statements, representations or warranties contained in this instrument.

SCHEDULE 1





## SCHEDULE 1



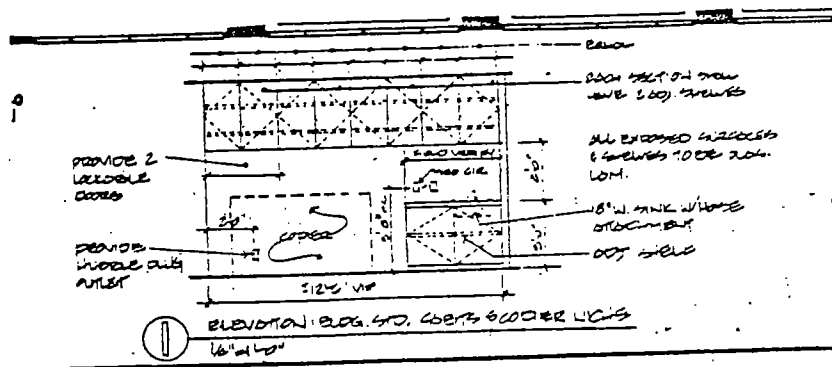
100 North LaSalle Street  
Chicago, Illinois 60602  
June 1985  
312-688-0288

|                            |                        |
|----------------------------|------------------------|
| CITY OF CHICAGO-HEG        |                        |
| THRU                       |                        |
| PRELIMINARY FORCE ANALYSIS |                        |
| PROJECT NUMBER<br>0471-56  | ISSUED DATE<br>1-28-85 |
| DATE<br>1-28-85            | PROJECT NAME<br>SP1    |
| SCALE<br>1/4" = 1'-0"      |                        |
| BY<br>EY                   |                        |

## GENERAL NOTES

1. SEE THE POINT SCORER  
THREAT
2. CON. DRESS
3. CRF. SIGNAL
4. 10% AS ABOVE. PACE  
REPERMUT
5. COPPER WARE. AND CRL
6. 12U
7. ALBANY LETTER PAPER
8. COPPER WARE. AND CRL

|                     |         |
|---------------------|---------|
| DESIGNED & DRAWN BY | 2-22-85 |
| DESIGNED            | 2-22-85 |
| DESIGNED FOR        | 2-22-85 |
| NO. OF REVISION     | DATE    |



LASALLE PLAZA  
Schedule 2  
"Work Letter Agreement"  
SUITE 704

| <u>Item</u>                               | <u>Allowance*</u>     | <u>Description</u>                                                                                                                                                                            |
|-------------------------------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Partitions                                | As required**         | 2-1/2" 23 ga. studs, 24" O.C. with one layer 3/8" drywall each side up to finished ceiling height.                                                                                            |
| Entry Doors                               | As required**         | Building standard framed glass door.                                                                                                                                                          |
| Secondary Exit Doors                      | As required **        |                                                                                                                                                                                               |
| Interior Doors                            | As required**         | 3'-0" x 7'-0" x 1-3/4" hollow core birch paint grade door with 1-1/2" pair plain paint grade butts; hollow metal frame and building standard, chrome finish passage set.                      |
| Duplex Electrical Outlets - 15A 110/120 V | As required**         | Duplex electrical outlets will be building standard type, recessed into partitions, complete with wiring enclosed in conduit.                                                                 |
| Telephone Outlets                         | As required**         | Telephone outlets will be building standard type, in 3/4" <u>empty</u> conduit recessed into partitions. Telephone cable furnished and installed by Tenant's supplier of telephone equipment. |
| Switches                                  | As required**         | Single pole, silent type toggle switch.                                                                                                                                                       |
| Light Fixtures                            | As required**         | 2' x 4' recessed fluorescent plenum fixtures.                                                                                                                                                 |
| Exit Lights                               | As required by Code   |                                                                                                                                                                                               |
| Acoustical Ceiling                        | Throughout            | Existing 12" x 12" x 3/4" concealed grid fissured acoustic tile.                                                                                                                              |
| Vinyl Base                                | As required**         | 2-1/2" brown or black resilient tile.                                                                                                                                                         |
| Carpet                                    | Throughout            | Building standard not to exceed \$12.50 per square yard, includes carpet, pad, and installation.                                                                                              |
| Painting                                  | As required**         | (2) coat Latex. One color per room chosen from building standard selection. Interior doors and frames to be painted to match wall in which they occur.                                        |
| Venetian Blinds                           | All perimeter windows | Building Standard Slim Line.                                                                                                                                                                  |

Note: It shall be the responsibility of the Tenant and the Tenant's vendor for any special electrical, telephone, or computer equipment to furnish and install cable or wiring that may be required for this special equipment.

\* (Based on net rentable area)

082284

\*\*The term "as required" shall mean pursuant to the attached Schedule 1. All other items shown on Schedule 1 but not mentioned above will be performed by Landlord at its sole cost and expense using building standard materials.

EXHIBIT D-2  
WORK LETTER AGREEMENTApril 19, 19 85TO: City of Chicago, Department of Law

Gentlemen:

Re: Premises Located At:

180 N. LaSalle StreetSuite 703

Simultaneously with the execution of this Work Letter Agreement, you ("Tenant") and the undersigned ("Landlord") are entering into a lease (the "Lease") pertaining to inter alia the space referred to above (the "Premises").

In consideration of the covenants contained in this Work Letter Agreement and in the Lease, Landlord and Tenant agree as follows:

Tenant's  
Plans

1. Tenant desires Landlord to perform certain leasehold improvement work (the "Work") in the Premises. Tenant has furnished to Landlord a plan ("Tenant's Plan") for the Work, a copy of which is attached hereto as Schedule 1. Not later than April 29, 1985, Tenant shall furnish to Landlord such additional plans, drawings, specifications and finish details in sufficient detail to enable Landlord's architects and engineers to prepare the Working Drawings (as defined in Paragraph 2 below), including a final telephone layout and special electrical connection requirements, if any. The Work and all plans, drawings and specifications to be furnished by Tenant shall be subject to Landlord's approval, which Landlord agrees will not be unreasonably withheld. Approval by Landlord of the Work and Tenant's Plan shall not constitute any warranty by Landlord to Tenant of the adequacy of the design for Tenant's intended use of the Premises.

Working  
Drawings

2. If necessary for the performance of the Work, Landlord shall prepare final Working Drawings and specifications for the Work (the "Working Drawings") based upon the plans, drawings, specifications, finish details and other information furnished by Tenant to Landlord under Paragraph 1 above. Tenant shall pay the cost of preparation of the Working Drawings related to all above or non Building Standard Work. Tenant shall approve the Working Drawings within three (3) days after receipt of same from Landlord.

Performance  
of the Work

3. Except as hereinafter provided to the contrary, Landlord, at its expense, shall perform that portion of the Work shown on the Working Drawings which is listed on Schedule 2 attached to this Work Letter Agreement (which for purposes of this Work Letter Agreement are hereinafter referred to as "Building Standards"). Any portion of the Work other than that included in Building Standards shall be performed by Landlord at Tenant's sole expense. Tenant shall also pay any additional expenses incurred by Landlord in connection with the installation of Building Standard items, which additional expenses result from any special work, materials, finishes or installations required by Tenant or from any delays in the Work occasioned by Tenant. Tenant shall not be entitled to any credit or payment from Landlord for Building Standards not utilized by Tenant.

Payment

4. Prior to commencing the Work, Landlord will submit to Tenant a written statement of the cost of that portion of the Work to be paid for by Tenant, which cost shall include a 15% add-on charge for Landlord field supervision, administration and overhead, ~~and a 5% add-on charge for general conditions.~~ Tenant agrees, within three (3) days after submission to it of such statement of cost, to execute and deliver to Landlord, in the form then in use by Landlord, an authorization to proceed with that portion of the Work to be paid for by Tenant, and Tenant shall also then pay to Landlord the amount set forth in Landlord's statement. Delays in the performance of the Work resulting from the failure of Tenant to comply with the provisions of the preceding sentence shall be deemed to be delays

## WORK LETTER AGREEMENT

\*for the Premises (i.e. Suite

caused by Tenant. No Work shall be commenced until Tenant has fully complied with the preceding portions of this Paragraph 4.

Substantial  
Completion

5. Landlord shall cause the Wprk to be "substantially completed" on or before the commencement of the Term,\*subject to delays beyond the reasonable control of Landlord and as defined in Paragraph 6 of this Work Letter Agreement. The Work shall be considered "substantially completed" for all purposes under this Work Letter Agreement and the Lease if and when the architect of Landlord who prepares the Working Drawings issues a written certificate to Landlord and Tenant, certifying that the Work has been completed (except for minor finish-out and "punchlist" items) in substantial compliance with the Working Drawings, or when Tenant first takes occupancy of the Premises; whichever first occurs. If the Work is not substantially completed on or before the commencement of the Term by reason of any delay (other than a delay specified in Paragraph 6 below), this Lease shall remain in effect, Landlord shall have no liability to Tenant as a result of any delay in occupancy, the date for commencement of the Term\*shall be extended (subject to Paragraph 6 below) to the date on which the Work is substantially completed, but the expiration date of the Term shall not be extended.

Tenant  
Delays

6. There shall be no extension of the commencement date of the Term\*as permissibly extended under Paragraph 5 above) if the Work has not been substantially completed on said date by reason of any delay attributable to Tenant, including without limitation:

(i) the failure of Tenant to furnish all plans, drawings, specifications, finish details or the other information required under Paragraph 1 above on or before the date stated in Paragraph 1;

(ii) the failure of Tenant to comply with the requirements of Paragraph 4 above;

(iii) Tenant's requirements for special work or materials, finishes, or installations other than the Building Standards;

(iv) the performance of any other work in the Premises by any person, firm or corporation employed by or on behalf of Tenant, or any failure to complete or delay in completion of such work; or

(v) any other act or omission of Tenant.

Additional  
Work

7. Upon Tenant's request and submission by Tenant (at Tenant's sole cost and expense) of the necessary information and/or plans and specifications for work other than the Work specified in the Working Drawings (the "Additional Work"), Landlord may, at its election, perform the Additional Work, at Tenant's sole cost and expense. Prior to commencing any Additional Work requested by Tenant, Landlord shall submit to Tenant a written statement of the cost of such Additional Work which cost shall include a 15% add-on charge for Landlord field supervision, administration and overhead and a ~~5% add-on charge for general conditions~~, and a proposed Tenant Extra Order (the "TEO") for Additional Work in the standard form then in use by Landlord. If Tenant shall fail to enter into said TEO within one (1) week after Tenant's receipt thereof, Landlord shall proceed to do only the Work specified in the Working Drawings. Tenant agrees to pay to Landlord, concurrently with its execution of the TEO, the entire cost of the Additional Work as shown in the statement delivered by Landlord.

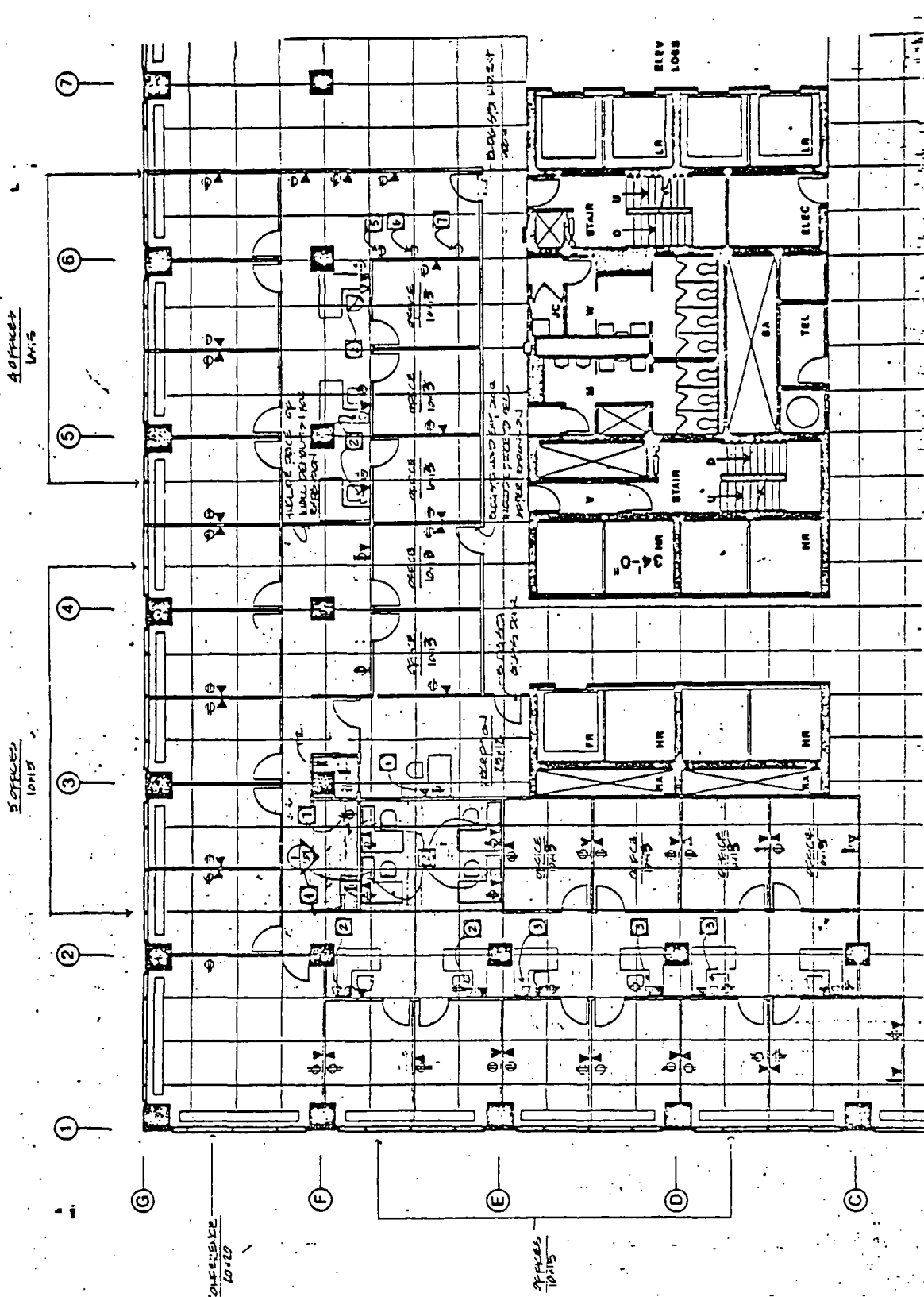
Tenant  
Access

8. Landlord, in Landlord's discretion and upon request by Tenant, may grant to Tenant and Tenant's agents a license to enter the Premises prior to the date designated in the Lease for the commencement of the Term in order that Tenant may do other work required by Tenant to make the Premises ready for Tenant's use and occupancy. It shall be a condition to the grant by Landlord and continued effectiveness of such license that:

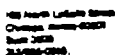
(a) Tenant shall give to Landlord not less than five (5) days' prior written notice of its request to have such access to the Premises, which notice shall contain and/or shall be accompanied by: (i) a description of and schedule for the work to be performed by those persons and entities for whom and which such access is being requested; (ii) the names and



SCHEDULE 1



**SCHEDULE 1**



CITY OF CHICAGO - METS

THRU

DECEMBER 31, 1956

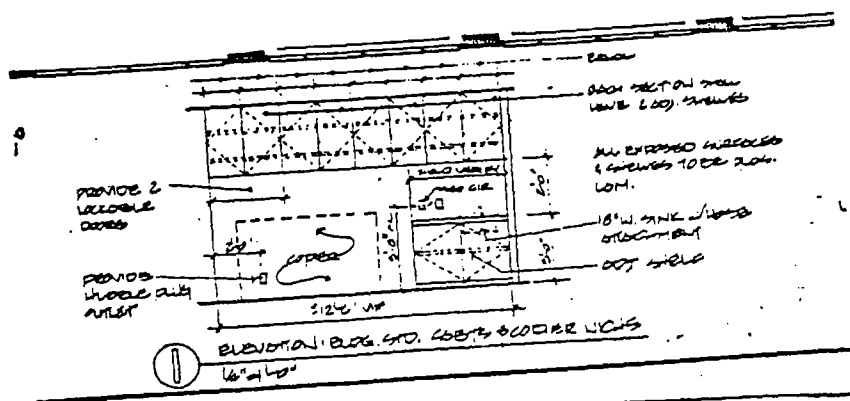
| DATE       | AMOUNT |
|------------|--------|
| 04-11-56   |        |
| JAN. 23-55 |        |
|            | SP1    |
|            |        |

### GENERAL NOTES

- 1. COW DRESSER
- 2. CAT. SQUAD
- 3. HAVE NO ABOVE. PRICE REPEROTELY
- 4. COPPER HANGER. AND CURE
- 5. IOW
- 6. ALMOST LATER PASTER
- 7. COOLER WITH BOLD PUG

|   |                             |         |
|---|-----------------------------|---------|
|   | REMOVED 04/26/05 FOR REVIEW | 2:26:05 |
|   | REMOVED                     | 2:26:05 |
| 1 | REMOVED FOR CLERK REVIEW    | 1:26:05 |

NO BY REVISION DATE



LASALLE PLAZA  
Schedule 2  
"Work Letter Agreement"  
SUITE 703

| <u>Item</u>                               | <u>Allowance*</u>     | <u>Description</u>                                                                                                                                                                     |
|-------------------------------------------|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Partitions                                | As required**         | 2-1/2" 23 ga. studs, 24" O.C. with one layer 3/8" drywall each side up to finished ceiling height.                                                                                     |
| Entry Doors                               | As required**         | Building standard.                                                                                                                                                                     |
| Secondary Exit Doors                      | As required **        |                                                                                                                                                                                        |
| Interior Doors                            | As required**         | 3'-0" x 7'-0" x 1-3/4" hollow core birch paint grade door with 1-1/2" pair plain paint grade butts; hollow metal frame and building standard chrome finish passage set.                |
| Duplex Electrical Outlets - 15A 110/120 V | As required**         | Duplex electrical outlets will be building standard type, recessed into partitions, complete with wiring enclosed in conduit.                                                          |
| Telephone Outlets                         | As required**         | Telephone outlets will be building standard type, in 3/4" empty conduit recessed into partitions. Telephone cable furnished and installed by Tenant's supplier of telephone equipment. |
| Switches                                  | As required**         | Single pole, silent type toggle switch.                                                                                                                                                |
| Light Fixtures                            | As required**         | 2' x 4' recessed fluorescent plenum fixtures.                                                                                                                                          |
| Exit Lights                               | As required by Code   |                                                                                                                                                                                        |
| Acoustical Ceiling                        | Throughout            | Existing 12" x 12" x 3/4" concealed grid fissured acoustic tile.                                                                                                                       |
| Vinyl Base                                | As required**         | 2-1/2" brown or black resilient tile.                                                                                                                                                  |
| Carpet                                    | Throughout            | Building standard not to exceed \$12.50 per square yard, includes carpet, pad, and installation.                                                                                       |
| Painting                                  | As required**         | (2) coat Latex. One color per room chosen from building standard selection. Interior doors and frames to be painted to match wall in which they occur.                                 |
| Venetian Blinds                           | All perimeter windows | Building Standard Slim Line.                                                                                                                                                           |

Notes: It shall be the responsibility of the Tenant and the Tenant's vendor for any special electrical, telephone, or computer equipment to furnish and install cable or wiring that may be required for this special equipment.

\* (Based on net rentable area)

082284

\*\*The term "as required" shall mean pursuant to the attached Schedule 1. All other items shown on Schedule 1 but not mentioned above will be performed by Landlord at its sole cost and expense using building standard materials.



(Continued from page 17329)

*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

*Nays* -- None.

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

---

*Referred* -- ISSUANCE OF LICENSE FOR PUBLIC PLACE OF  
AMUSEMENT FOR UNIVERSITY OF CHICAGO.

The Committee on License submitted a report recommending that the City Council refer to the Committee on Finance a proposed order directing the City Comptroller to issue a public place of amusement license to the University of Chicago for its Court Theater at 5535 South Ellis Avenue for the year 1985.

On motion of Alderman Huels, the committee's recommendation was *Concurred In* and the said proposed order was *Referred to the Committee on Finance*.

---

*Referred* -- ISSUANCE OF PARKING GARAGE LICENSE  
FOR HOLY CROSS HOSPITAL.

The Committee on License submitted a report recommending that the City Council refer to the Committee on Finance a proposed order directing the Director of Revenue to issue a Parking Garage license to Holy Cross Hospital, 2701 W. 68th Street for the operation of a 370-car parking facility.

On motion of Alderman Huels, the committee's recommendation was *Concurred In* and the said proposed order was *Referred to the Committee on Finance*.

---

*Referrcd* -- ISSUANCE OF LICENSE FOR PUBLIC PLACE OF  
AMUSEMENT TO REDEMPTORIST FATHERS OF SAINT  
ALPHONSUS PARISH.

The Committee on License submitted a report recommending that the City Council refer to the Committee on Finance a proposed ordinance for issuance of license to Redemptorist

Fathers of Saint Alphonsus for a public place of amusement license for the operation of the Athenaeum Theater, 2936 N. Southport Avenue.

On motion of Alderman Huels, the committee's recommendation was *Concurred In* and the said proposed order was *Referred to the Committee on Finance*.

---

## COMMITTEE ON ZONING.

---

### CHICAGO ZONING ORDINANCE AMENDED TO RECLASSIFY PARTICULAR AREAS.

The Committee on Zoning submitted the following report:

CHICAGO, May 21, 1985.

*To the President and Members of the City Council:*

Your Committee on Zoning begs leave to recommend that Your Honorable Body *Pass* the proposed ordinances transmitted herewith (referred to your committee on October 6, 1982, November 14 and December 12, 1984, January 23, February 20, March 20, 27, and April 18, 1985) to amend the Chicago Zoning Ordinance for the purpose of reclassifying particular areas.

This recommendation was concurred in by 7 members of the committee, with no dissenting vote.

Respectfully submitted,

(Signed) TERRY M. GABINSKI,  
*Chairman.*

(Signed) EDWARD R. VRDOLYAK,  
*Vice-Chairman.*

On motion of Alderman Gabinski, the committee's recommendation was *Concurred In* and each of the said proposed ordinances was *Passed* by yeas and nays as follows:

*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*Nays* -- None.

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

The following are said ordinances as passed (the italic heading in each case not being a part of the ordinance):

*Reclassification of Area Shown on Map No. 1-F.*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the B7-5 General Central Business District symbols and indications as shown on Map No. 1-F in the area bounded by

West Huron Street; the alley next west of and parallel to North Dearborn Street; the alley next south of and parallel to West Huron Street; the alley next east of and parallel to North Clark Street; a line 189.03 feet south of and parallel to West Huron Street; and North Clark Street,

to the designation of a Residential-Business Planned Development which is hereby established in the area above described, subject to such use and bulk regulations as are set forth in the Plan of Development herewith attached and made a part thereof and to no others.

[Residential-Business Planned Development printed on  
pages 17357 thru 17362 of this Journal.]

SECTION 2. That this ordinance shall be in force and effect from and after its passage and due publication.

---

*Reclassification of Area Shown on Map No. 5-N  
(as Amended).*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R1 Single Family Residence District symbols and indications as shown on Map No. 5-N in the area bounded by

West Wabansia Avenue; North Nordica Avenue; the alley next north of and parallel to West North Avenue; and North Neva Avenue,

to those of an R2 Single Family Residence District, and a corresponding use district is hereby established in the area described.

SECTION 2. That the Chicago Zoning Ordinance be further amended by changing all the B3-2 General Retail District symbols and indications as shown on Map No. 5-N in the area bounded by

(Continued on Page 17363)

RESIDENTIAL-BUSINESS PLANNED DEVELOPMENT  
STATEMENTS

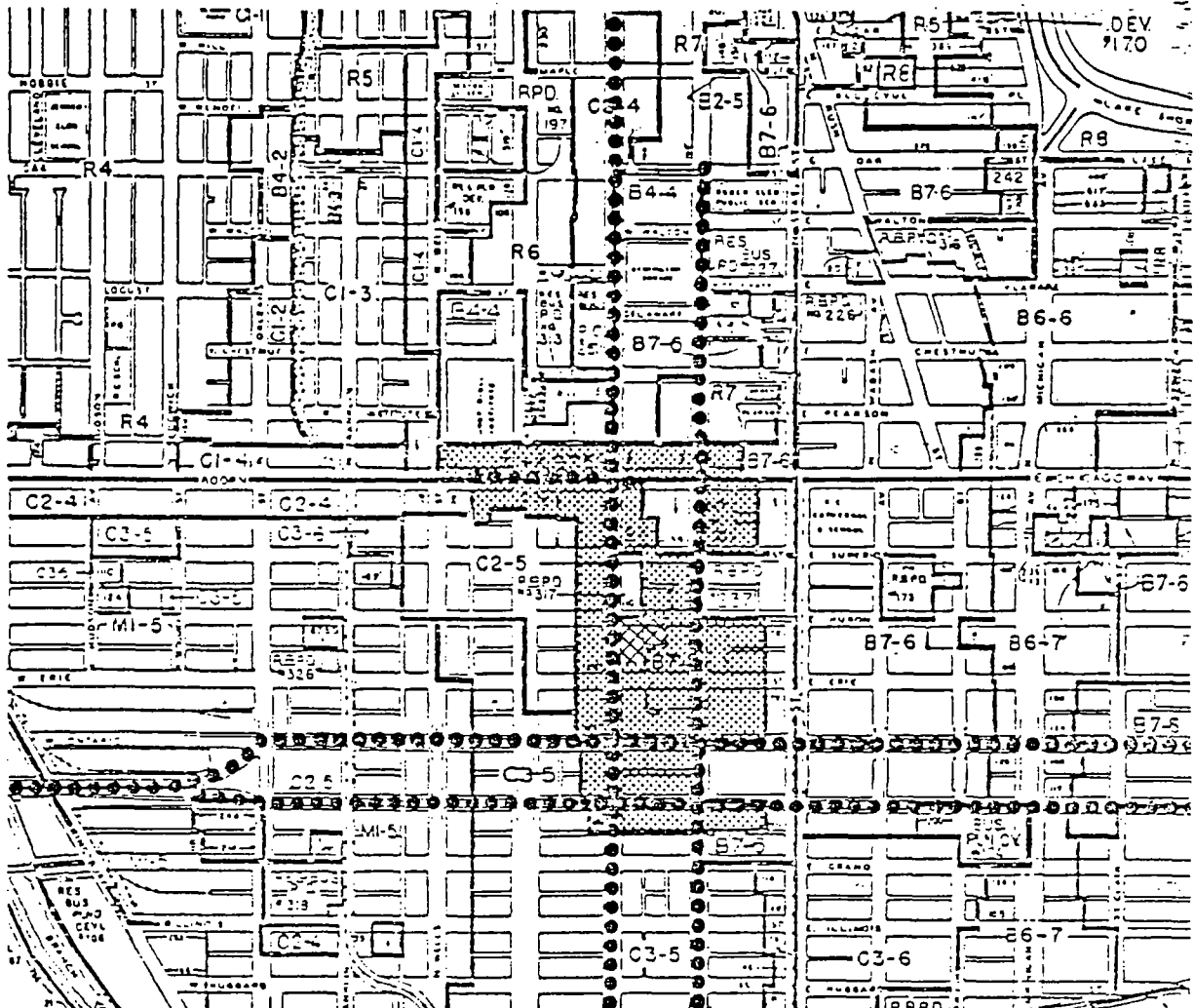
1. The area delineated hereon as "Residential-Business Planned Development is owned or controlled by Mayfair Management Company, an Illinois corporation, 111 West Jackson Boulevard, Chicago, Illinois.
2. All applicable official reviews, approvals or permits are required to be obtained by the Owner or his successors, assignees or grantees.
3. Use of land will consist of dwelling units, related recreational uses, including a swimming pool and health club, business uses, an earth station receiving dish, and off-street parking and related uses.
4. Any dedication or vacation of streets or alleys, or re-subdivision of parcels shall require a separate submittal on behalf of the Owner and approval by the City Council.
5. Off-street parking and off-street loading facilities shall be provided in compliance with this Plan of Development.
6. Service drives or any other ingress or egress lanes not heretofore proposed to be dedicated, shall be adequately designed and paved in accord with the regulations of the Department of Public Works and in compliance with the Municipal Code of Chicago, to provide ingress and egress for motor vehicles, including emergency vehicles. There shall be no parking permitted within such paved areas.
7. Identification and business identification signs may be permitted within the area delineated herein as Residential-Business Planned Development, subject to the review and approval of the Commissioner of the Department of Planning. There shall be no advertising signs permitted.
8. The height restriction of any building or any appurtenance attached thereto shall be subject to:
  - a. height limitations as certified on form FAA-117, or successor forms involving the same subject matter, and approved by the Federal Aviation Administration; and
  - b. airport zoning regulations as established by the Department of Planning, City and Community Development, Department of Aviation, and Department of Law, and approved by the City Council.

9. The following information sets forth data concerning the property included in said development and a generalized Land Use Plan (Site Plan) illustrating the development of said property in accordance with the intent and purpose of the Chicago Zoning Ordinance.
10. The Plan of Development, hereby attached, shall be subject to the "Rules and Regulations and Procedures in Relation to Planned Development", as adopted by the Commissioner of the Department of Planning.

APPLICANT: MAYFAIR MANAGEMENT COMPANY

DATE : February 19, 1985

RESIDENTIAL-BUSINESS PLANNED DEVELOPMENT  
EXISTING ZONING AND PREFERENTIAL STREET SYSTEM



NORTH

0 500 1000 1500

## LEGEND



EXISTING B7-5 ZONING DISTRICT



RESIDENTIAL-BUSINESS PLANNED DEVELOPMENT

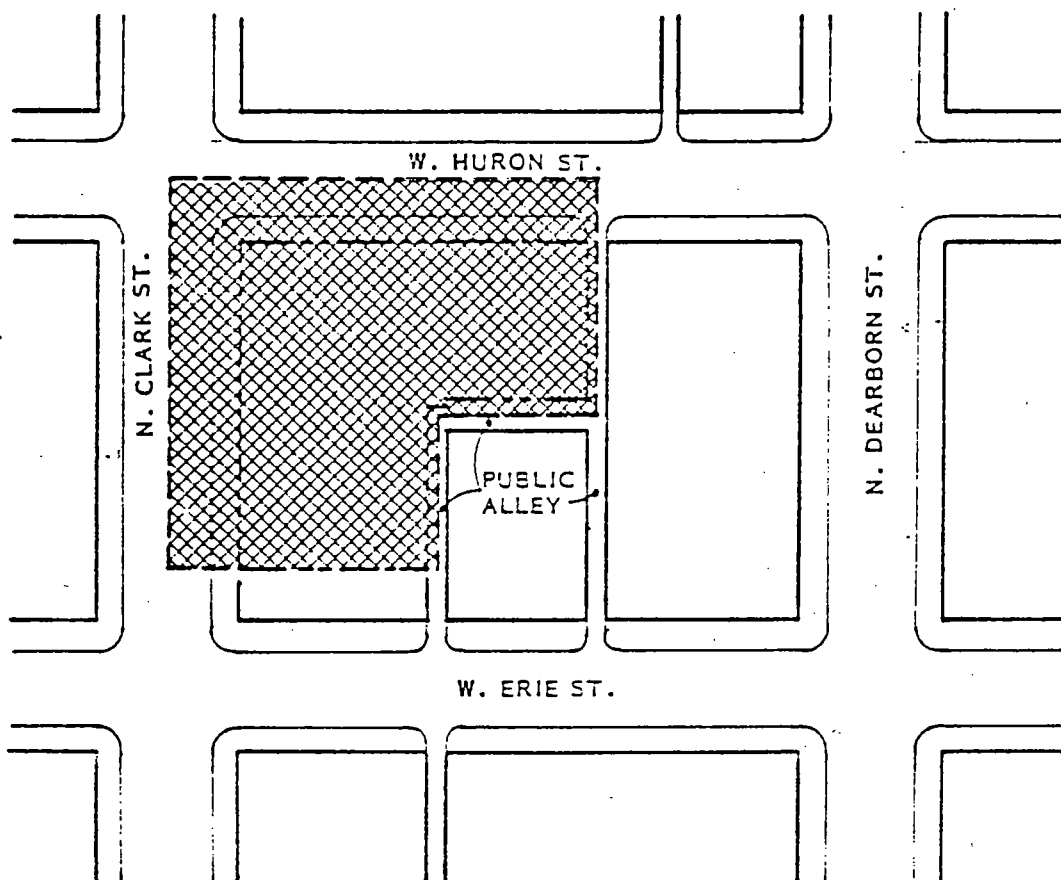


PREFERENTIAL STREETS

APPLICANT: MAYFAIR MANAGEMENT CO.

DATE: February 19, 1985

RESIDENTIAL-BUSINESS PLANNED DEVELOPMENT  
GENERALIZED LAND USE PLAN



0 50 100 200

LEGEND



DWELLING UNITS, RELATED RECREATIONAL USES,  
BUSINESS USES AND OFF-STREET PARKING



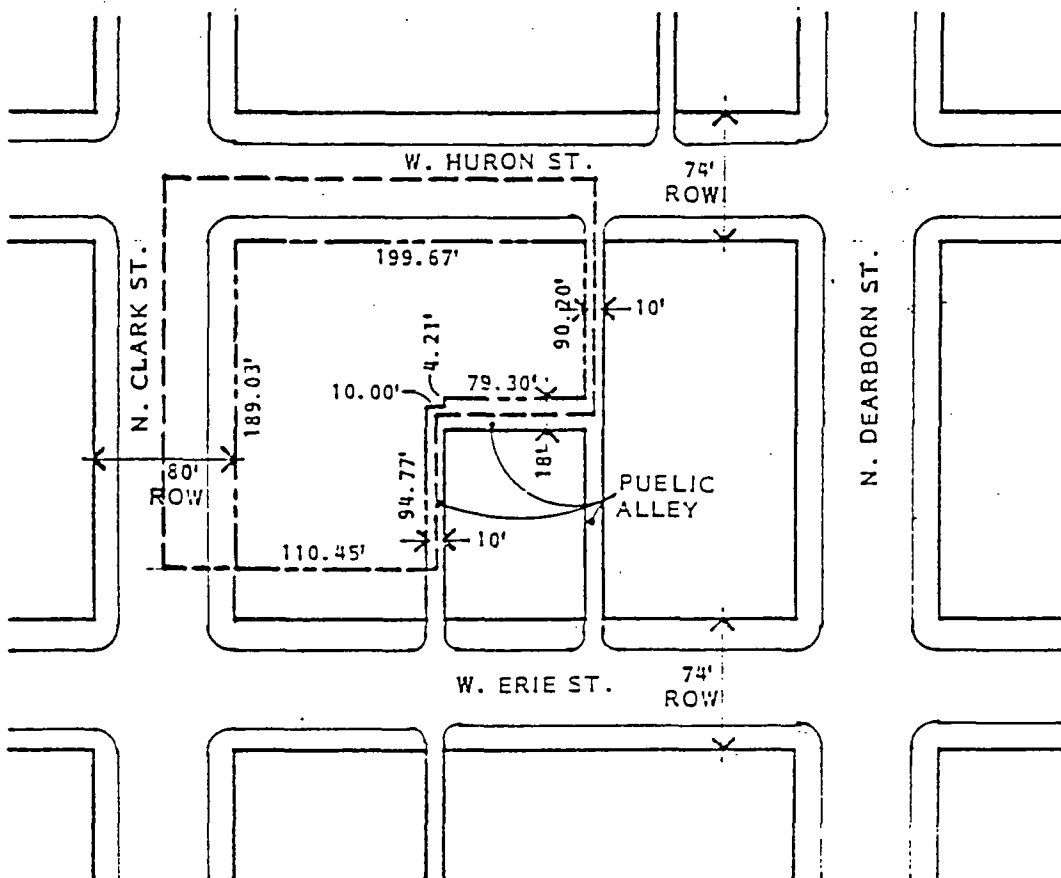
RESIDENTIAL-BUSINESS PLANNED DEVELOPMENT BOUNDARY



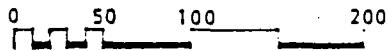
PROPERTY LINE

APPLICANT: MAYFAIR MANAGEMENT CO.  
DATE: February 19, 1985

RESIDENTIAL-BUSINESS PLANNED DEVELOPMENT  
PROPERTY LINE MAP AND RIGHT-OF-WAY ADJUSTMENT -



NORTH



### LEGEND

RESIDENTIAL-BUSINESS PLANNED DEVELOPMENT ECUNDARY

PROPERTY LINE

APPLICANT: MAYFAIR MANACEMENT CO.

DATE: February 19, 1985



## RESIDENTIAL-BUSINESS PLANNED DEVELOPMENT

## PLANNED DEVELOPMENT USE &amp; BULK REGULATIONS &amp; DATA

| NET SITE AREA                   | GENERAL<br>DESCRIPTION<br>OF LAND USE                                                                                                                                               | MAX NO. CF<br>DWELLING<br>UNITS | MAX FLOOR<br>AREA<br>RATIO | MAX PERCENTAGE<br>CF LAND<br>COVERED              |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------------|---------------------------------------------------|
| 28,966 s.f.<br>or<br>0.67 acres | Dwelling units,<br>related recrea-<br>tional uses, in-<br>cluding a swimming<br>pool, business uses,<br>(including an earth<br>station receiving<br>dish) and off-street<br>parking | 304                             | 11.6                       | 97% at grade;<br>42% at 52<br>feet above<br>grade |

NET SITE AREA

28,966 sq.ft.

GROSS SITE AREA (net site area + area of public streets and alleys)

47,287 sq.ft. = 28,966 sq.ft. + 18,321 sq.ft.

F.A.R. FOR NET SITE AREA

11.6

NUMBER OF DWELLING UNITS

304 including a maximum of 25 per cent Efficiency units

MAXIMUM AREA DEVOTED TO BUSINESS USES

30,000 sq.ft.

PERCENTAGE OF LAND COVERED

97% at grade; 42% at 52 feet above grade

MINIMUM NUMBER OF OFF-STREET PARKING SPACES

192

MINIMUM NUMBER OF OFF-STREET LOADING BERTHS

2

MINIMUM SETBACKS

0

APPLICANT: MAYFAIR MANAGEMENT COMPANY

DATE: February 19, 1985

(Continued from page 17356)

the alley next north of and parallel to West North Avenue; North Nordica Avenue; West North Avenue; a line 119.27 feet west of North Nordica Avenue; the alley next north of and parallel to West North Avenue (south side); a line 269.31 feet east of North Neva Avenue; West North Avenue; and North Neva Avenue,

to those of a B4-1 Restricted Service District, and a corresponding use district is hereby established in the area above described.

SECTION 3. This ordinance shall be in force and effect from and after its passage and due publication.

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*Reclassification of Area Shown on Map No. 7-M.*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the B5-2 General Service District symbols and indications as shown on Map No. 7-M in the area bounded by

a line 258 feet south of and parallel to the center line of West Barry Avenue; the center line of North Central Avenue; a line 358 feet south of and parallel to the center line of West Barry Avenue; and the center line of the alley next west of and parallel to North Central Avenue,

to those of a C1-2 Restricted Commercial District and a corresponding use district is hereby established in the area above described.

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

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*Reclassification of Area Shown on Map No. 8-F.*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R3 General Residence District symbols and indications as shown on Map No. 8-F in the area bounded by

a line 249 feet south of and parallel to the center line of West 31st Street; center line of alley next east of and parallel to South Wallace Street; a line 274 feet south of and parallel to the center line of West 31st Street; and center line of South Wallace Street,

to those of a B4-2 Restricted Service District and a corresponding use district is hereby established in the area above described.

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

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*Reclassification of Area Shown on Map No. 8-F.*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R3 General Residence District symbols and indications as shown on Map No. 8-F in the area bounded by

alley next south of and parallel to West 31st Street; alley next east of and parallel to South Wallace Street; a line 216.0 feet south of and parallel to West 31st Street; and South Wallace Street,

to those of a B4-2 Restricted Service District, and a corresponding use district, is hereby established in the area above described.

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

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*Reclassification of Area Shown on Map No. 10-K.*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R3 General Residence District symbols and indications as shown on Map No. 10-K in the area bounded by

a line 119.94 feet south of and parallel to West 46th Street; South Keeler Avenue; a line 210.94 feet south of and parallel to West 46th Street; and the alley next west of and parallel to South Keeler Avenue,

to those of an R4 General Residence District and a corresponding use district is hereby established in the area above described.

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

---

*Reclassification of Area Shown on Map No. 11-K.*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the B4-1 Restricted Service District symbols and indications as shown on Map No. 11-K in the area bounded by

the center line of West Lawrence Avenue; the center line of North Knox Avenue; the center line of the alley next south of and parallel to West Lawrence Avenue; and a line 183 feet west of and parallel to the center line of North Knox Avenue,

to those of a C1-1 Restricted Commercial District and a corresponding use district is hereby established in the area above described.

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

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*Reclassification of Area Shown on Map No. 12-C.*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the B4-4 Restricted Service District symbols and indications as shown on Map No. 12-C in the area bounded by

East 53rd Street; the alley next east of South Cornell Avenue; a line 50 feet south of East 53rd Street; and South Cornell Avenue,

to those of an R6 General Residence District and a corresponding use district is hereby established in the area above described.

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

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*Reclassification of Area Shown on Map No. 13-H  
(as Amended).*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the B3-2 General Retail District, B4-2 Restricted Service District, B5-3 General Service District, and C1-2 Restricted Commercial District symbols and indications as shown on Map No. 13-H in the area bounded by

the alley next north of and parallel to West Lawrence Avenue; North Claremont Avenue; the alley next north of and parallel to West Lawrence Avenue; the alley next west of and parallel to North Hoyne Avenue; a line 125 feet north of and parallel to

West Lawrence Avenue; North Hoyne Avenue; a line 25 feet north of and parallel to West Lawrence Avenue; North Seeley Avenue; a line 50 feet north of and parallel to West Lawrence Avenue; North Damen Avenue; West Lawrence Avenue; and a line 28 feet west of and parallel to North Claremont Avenue,

to those of a B2-1 Restricted Retail District and a corresponding use district is hereby established in the area above described.

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

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*Reclassification of Area Shown on Map Nos. 13-1 and 13-J  
(as Amended).*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R4 General Residence District symbols and indications as shown on Map Nos. 13-1 and 13-J in the area bounded by

West Carmen Avenue; the alley next east of North Kedzie Avenue; West Argyle Street; and the alley next west of North Kedzie Avenue,

to those of a B4-2 Restricted Service District and a corresponding use district is hereby established in the area above described.

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

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*Reclassification of Area Shown on Map No. 14-N.*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the R2 Single Family Residence and R3 General Residence Districts symbols and indications as shown on Map No. 14-N in area bounded by

the center line of West 59th Street; the center line of South Narragansett Avenue; a line 287.81 feet south of and parallel to the center line of West 59th Street; and the center line of South Nashville Avenue,

to those of a Residential Planned Development District, and a corresponding use district is hereby established in the area above described.

[Residential Planned Development printed on pages  
17368 thru 17372 of this Journal.]

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

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**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.

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**1. TRAFFIC REGULATIONS, TRAFFIC SIGNS AND  
TRAFFIC-CONTROL DEVICES.**

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***Referred -- ESTABLISHMENT OF LOADING ZONES AT  
SUNDRY LOCATIONS.***

The aldermen named below presented proposed ordinances to establish loading zones at the locations designated, for the distances specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

| Alderman              | Location                                                                                                                                                          |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| W. DAVIS (27th Ward)  | West Fulton Street at 543-545, 34 feet -- at all times;                                                                                                           |
| MELL (33rd Ward)      | North Western Avenue (west side) from the alley at 2054 south to 2050 North Western Avenue (approximately 50 feet) -- 9 A.M. to 5 P.M. -- Mondays thru Saturdays; |
| KOTLARZ (35th Ward)   | North Milwaukee Avenue (west side) at 2626 -- 8 A.M. to 6 P.M. -- Mondays thru Saturdays;                                                                         |
| CULLERTON (38th Ward) | West Irving Park Road at 6045 -- 7 A.M. to 6 P.M. -- Mondays thru Saturdays;                                                                                      |

(Continued on page 17373)

## RESIDENTIAL PLANNED DEVELOPMENT

## PLAN OF DEVELOPMENT

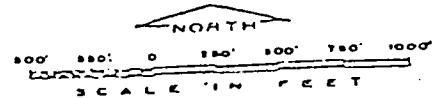
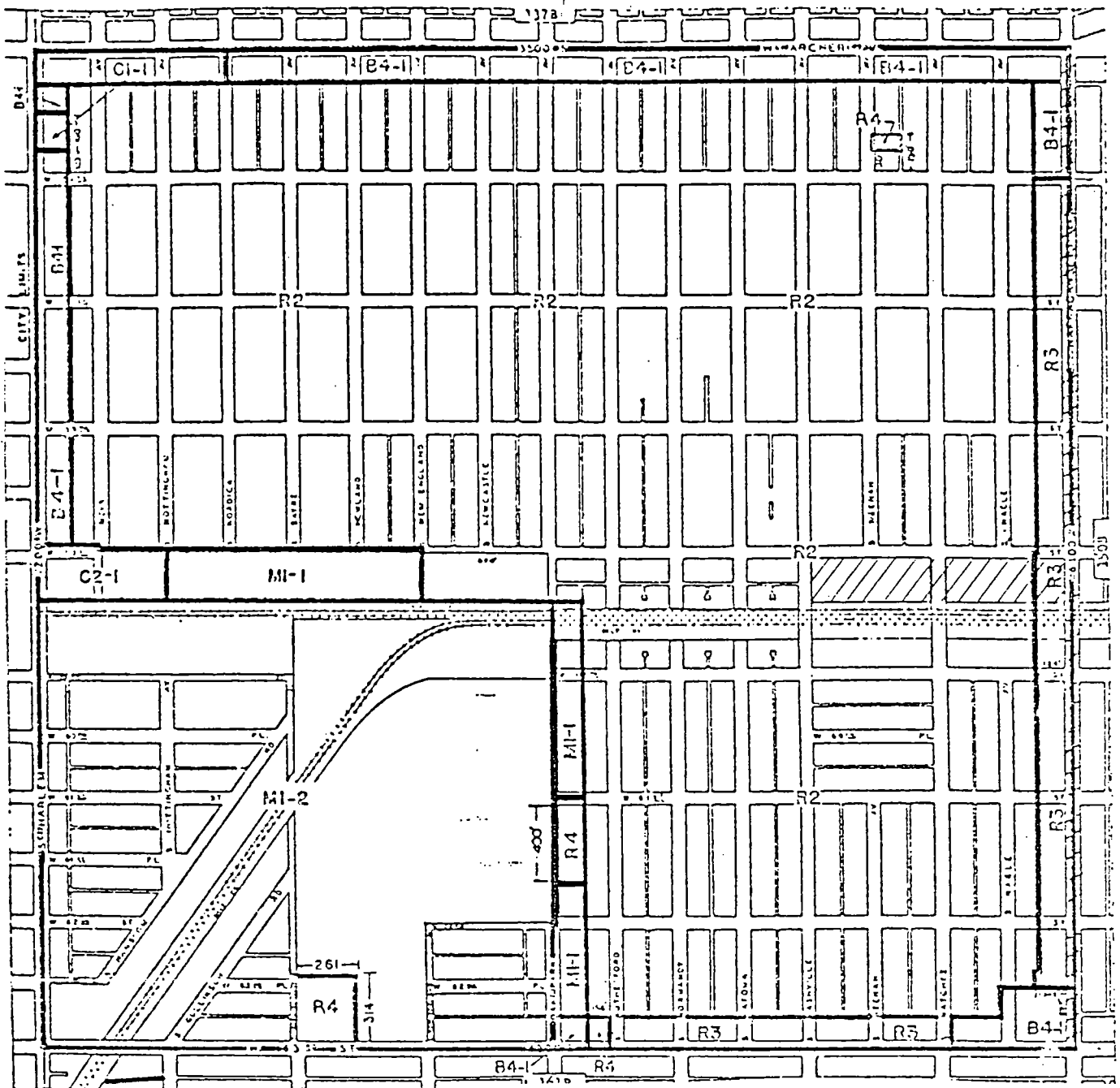
## STATEMENTS

1. The area delineated hereon as a "Residential Planned Development" is owned or controlled by Parkway Bank and Trust Company ATUT 7068, dated January 11, 1985.
2. Off-Street parking and loading facilities will be provided in compliance with this Plan of Development as authorized by this Plan of Development, subject to the review of the Department of Streets and Sanitation and the approval of the Department of Planning.
3. There will be dedications of South Neenah, South Natchez and South Nagle Avenues; there will be dedicated north and south alleys between Nashville and Neenah, Neenah and Natchez, Natchez and Nagle, and Nagle and Narragansett Avenues; there will be dedicated east-west alley adjacent to the railroad right-of-way between Nashville and Narragansett Avenues.
4. All applicable official reviews, approvals or permits are required to be obtained by Parkway Bank and Trust Company ATUT 7068, dated January 11, 1985, or its successors, assignees or grantees.
5. Service drives or any other ingress or egress shall be adequately designed and paved in accord with the regulations of the Department of Streets and Sanitation and in compliance with the Municipal Code of Chicago to provide ingress and egress for motor vehicles, including emergency vehicles. There shall be no parking permitted within such paved areas.  
  
Fire lanes shall be adequately designed and paved in compliance with the Municipal Code of Chicago to provide ingress and egress for emergency vehicles; there shall be no parking within such paved areas.
6. Use of land will consist of 61 single family homes and off-street parking, as authorized by this Plan of Development.
7. The following information sets forth data concerning the property included in said development and data concerning a generalized land use plan (Site Plan), illustrating the development of said property in accordance with the intent and purpose of the Chicago Zoning Ordinance.
8. Identification signs may be permitted with the approval of the Commissioner of Planning.
9. The Plan of Development hereby attached shall be subject to the "Rules, Regulations and Procedures in Relation to Planned Development", as adopted by the Commissioner of Planning.

APPLICANT: Richard Lelko

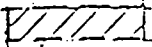
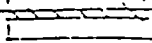
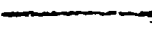
DATE: March 6, 1985

## EXISTING ZONING &amp; PREFERENTIAL STREET MAP



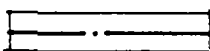
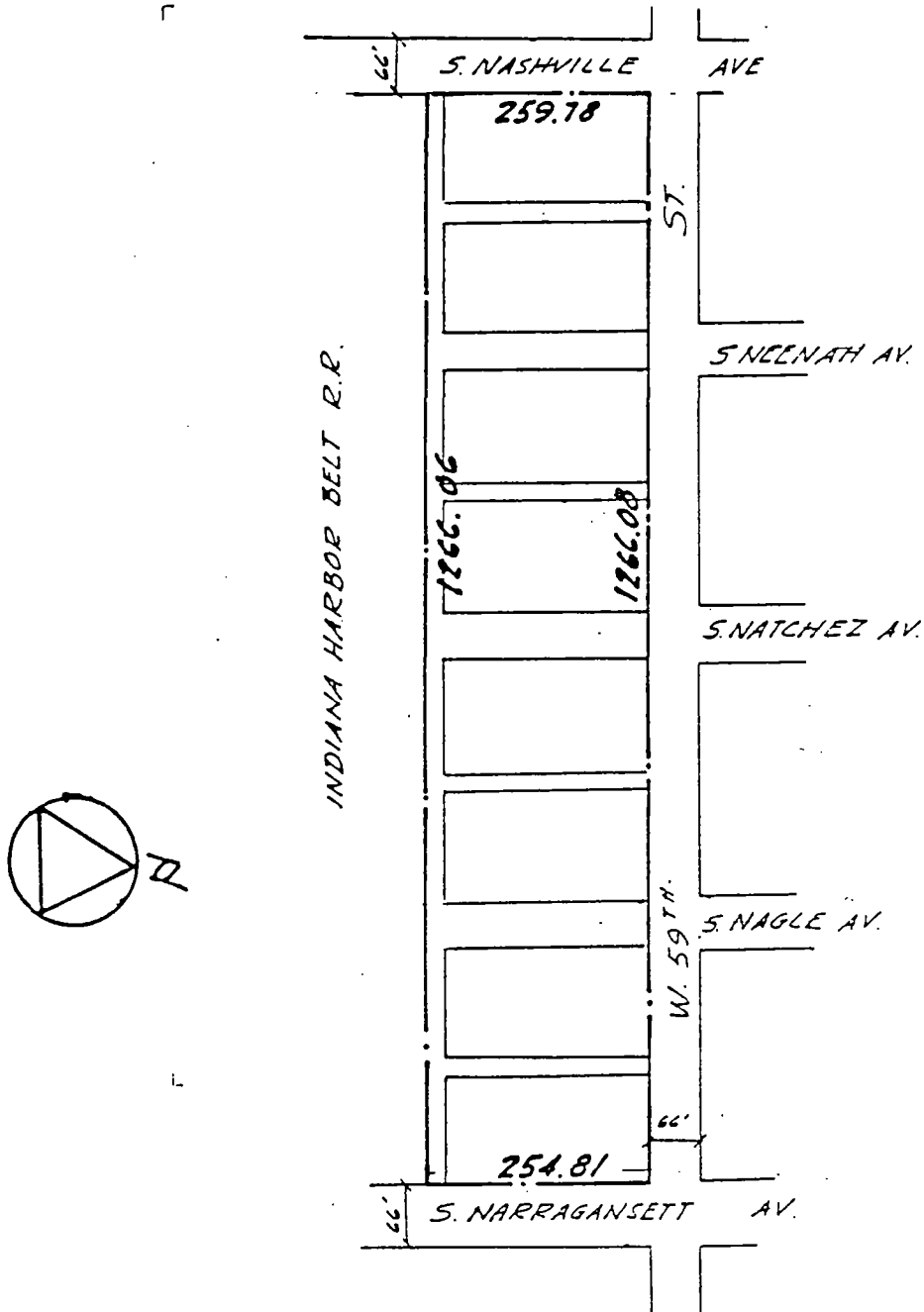
APPLICANT: Richard Lelko

DATED: March 6, 1985

 : PLANNED DEVELOPMENT  
 : PREFERENTIAL STREETS  
 : ZONING BOUNDARY



*RESIDENTIAL PLAN DEVELOPEMENT*  
*PROPERTY LINE & RIGHT OF WAY ADJUSTMENTS MAP*

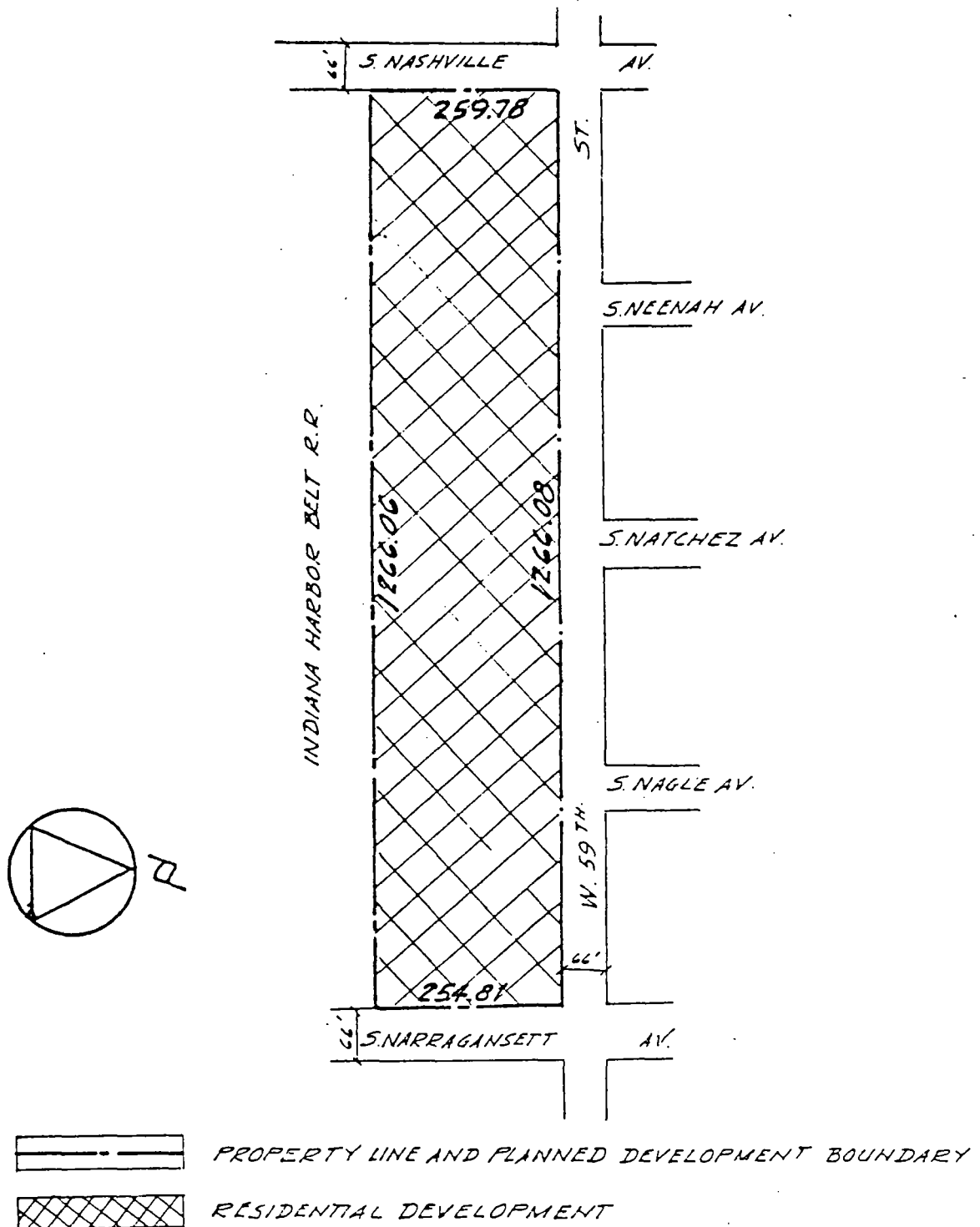


PROPERTY LINE & PLANNED DEVELOPEMENT BOUNDARY

APPLICANT: Richard Lelko

DATED: March 6, 1985

*RESIDENTIAL PLAN DEVELOPMENT  
GENERALIZED LAND USE MAP*



APPLICANT: Richard Lelko DATED: March 6, 1985

## RESIDENTIAL PLANNED DEVELOPMENT

PLANNED DEVELOPMENT USE AND BULK REGULATIONS & DATA

| <u>NET SITE AREA</u>          | <u>GENERAL DESCRIPTION<br/>OF LAND USE</u>   | <u>MAXIMUM F.A.R.</u> | <u>MAXIMUM % OF<br/>LAND COVERED</u> |
|-------------------------------|----------------------------------------------|-----------------------|--------------------------------------|
| 325,760 sq. ft.<br>7.48 acres | Residential Single<br>Family Residences (61) | 0.255                 | 25.5%                                |

MAXIMUM PERMITTED F.A.R. FOR TOTAL NET SITE AREA = 0.255

MINIMUM PERIPHERY SETBACKS - NORTH PROPERTY LINE = 3'  
SOUTH " " = 19'  
WEST " " = 20'  
EAST " " = 20'

MAXIMUM PERCENTAGE OF LAND COVERED = 25.5%

APPLICANT: Richard Lelko

DATE: March 6, 1985

(Continued from page 17367)

| Alderman           | Location                                                                                          |
|--------------------|---------------------------------------------------------------------------------------------------|
| HANSEN (44th Ward) | West Belmont Avenue (north side) at 806;                                                          |
| ORBACH (46th Ward) | West Grace Street (north side) -- 53 feet -<br>- 8 A.M. to 12 midnight -- Mondays thru Saturdays. |

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*Referred* -- RESTRICT MOVEMENT OF VEHICULAR TRAFFIC  
TO SINGLE DIRECTION ON SPECIFIED PUBLIC WAYS.

The aldermen named below presented proposed ordinances to restrict the movement of vehicular traffic to the direction indicated in each case, in specified public ways, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

| Alderman              | Location                                                                        |
|-----------------------|---------------------------------------------------------------------------------|
| HUTCHINSON (9th Ward) | South Eggleston Avenue from West 127th Street to West 129th Place -- southerly; |
|                       | South Emerald Avenue from West 127th Street to West 129th Place -- southerly;   |
|                       | South Lowe Avenue from West 127th Street to West 129th Place -- southerly;      |
|                       | South Normal Avenue from West 127th Street to West 129th Place -- northerly;    |
|                       | South Parnell Avenue from West 127th Street to West 129th Place -- southerly;   |
|                       | South Union Avenue from West 127th Street to West 129th Place -- northerly;     |
|                       | South Wallace Street from West 127th Street to West 129th Place -- northerly;   |
| KELLAM (18th Ward)    | South Komensky Avenue from West 86th Street to West 87th Street -- southerly;   |

## Alderman

## Location

KOTLARZ (35th Ward)

East-west alley bounded by North Milwaukee Avenue, West Barry Avenue, North Lawndale Avenue and North Monticello Avenue -- easterly.

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*Referred* -- INSTALLATION OF PARKING METERS ON NORTH CLARK STREET.

Alderman Hansen (44th Ward) presented a proposed order for the installation of four parking meters at 3151 North Clark Street, which was *Referred to the Committee on Traffic Control and Safety*.

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*Referred* -- REMOVAL OF PARKING METERS AT SPECIFIED LOCATIONS.

The aldermen named below presented two 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

HANSEN (44th Ward)

West Belmont Avenue at 806, parking meter 442-4035;

STONE (50th Ward)

West Devon Avenue at 2545, parking meters 483-4078 and 483-4079.

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*Referred* -- DISCONTINUE PARKING LIMITATION ON PORTION OF SOUTH EDBROOKE AVENUE.

Alderman Hutchinson (9th Ward) presented a proposed ordinance to discontinue the limitations against the parking of vehicles on South Edbrooke Avenue (both sides) from East 112th Street to East 113th Street (2 hours) 8 A.M. to 6 P.M., Mondays thru Saturdays, which was *Referred to the Committee on Traffic Control and Safety*.

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*Referred* -- PROHIBITION AGAINST PARKING OF VEHICLES AT ALL TIMES AT SPECIFIED LOCATIONS.

The aldermen named below presented proposed ordinances to prohibit at all times the parking of vehicles at the locations designated, for the distances specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

| Alderman                    | Location and Distance                                                                                                                                                                                                               |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>TILLMAN</i> (3rd Ward)   | South Wabash Avenue at 4715 and 4725 (driveways);                                                                                                                                                                                   |
| <i>EVANS</i> (4th Ward)     | South Ellis Avenue from a point 5 feet south of the driveway on 54th Street and South Ellis Avenue to a point 5 feet north thereof;                                                                                                 |
| <i>VRDOLYAK</i> (10th Ward) | South Avenue H at 10537 (except for handicapped);                                                                                                                                                                                   |
| <i>KELLAM</i> (18th Ward)   | South Sawyer Avenue at 8104 (except for handicapped);                                                                                                                                                                               |
| <i>SHEAHAN</i> (19th Ward)  | South Esmond Avenue (west side) at 10948;<br><br>South Kedzie Avenue (west side) from West 110th Street to a point 50 feet south thereof;<br><br>West 99th Street (north side) from South Artesian Avenue to South Campbell Avenue; |
| <i>W. DAVIS</i> (27th Ward) | West Erie Street at 2346 and 2315;                                                                                                                                                                                                  |
| <i>SANTIAGO</i> (31st Ward) | West Pierce Avenue at 3521 (except for handicapped);                                                                                                                                                                                |
| <i>GABINSKI</i> (32nd Ward) | West Cortland Street (south side) at 2023 (except for handicapped);                                                                                                                                                                 |
| <i>LAURINO</i> (39th Ward)  | West Catalpa Avenue at 3304 (except for handicapped);                                                                                                                                                                               |
| <i>SCHULTER</i> (47th Ward) | North Hamilton Avenue (east side) at 3415 (except for handicapped);<br><br>North Hermitage Avenue (east side) at 4031 (except for handicapped).                                                                                     |

*Referred --* PARKING OF VEHICLES PROHIBITED DURING  
SPECIFIED HOURS AT SPECIFIED LOCATIONS.

The aldermen named below presented proposed ordinances to prohibit the parking of vehicles during the hours designated at the locations and for the distances specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

| Alderman                   | Location, Distance and Time                                                                                                                                                                                                   |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>SHEAHAN</i> (19th Ward) | West 107th Street (south side) at South Harding Avenue -- 9 A.M. to 5 P.M. -- Mondays thru Sundays;<br><br>West 110th Place (south side) from 2023 east to South Longwood Drive -- 8 A.M. to 10 A.M. -- Mondays thru Sundays; |
| <i>NATARUS</i> (42nd Ward) | West Maple Street (south side) in front of parking meters numbered 219-1014 and 219-1117 located in the first block west of North State Street -- 4 P.M. to midnight - Mondays thru Sundays;                                  |
| <i>STONE</i> (50th Ward)   | West Greenleaf Avenue (south side) from North Western Avenue to the first alley west thereof -- 9 A.M. to 5 P.M. -- Mondays thru Saturdays.                                                                                   |

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*Referred --* DISCONTINUE PROHIBITION OF PARKING DURING  
SPECIFIED HOURS OF PORTION OF NORTH NORDICA  
AVENUE.

Alderman Banks (36th Ward) presented a proposed ordinance to discontinue the prohibition of parking during specified hours on North Nordica Avenue (both sides) at 1600 -- 8 A.M. to 9 P.M. -- Fridays, which was *Referred to the Committee on Traffic Control and Safety*.

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*Referred --* ESTABLISH RESIDENT PERMIT PARKING ZONES  
FOR VEHICLES AT SPECIFIED LOCATIONS.

The aldermen named below presented proposed orders to establish Resident Permit Parking Zones for vehicles at the locations designated, for the distances specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

| Alderman               | Location and Distance                                                                                                                                                                                        |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| KRYSTYNIAK (23rd Ward) | South Merrimac Avenue (west side) at 5600 --8 A.M. to 5 P.M. -- Mondays thru Fridays;                                                                                                                        |
| PUCINSKI (41st Ward)   | West Gregory Street (south side) between North Nottingham Avenue and North Sayre Avenue, and North Nordica Avenue (both sides) between West Gregory Street and the first alley north of West Higgins Avenue; |
| McLAUGHLIN (45th Ward) | West Warner Avenue (north side) from 4814 to 4872 -- Mondays thru Sundays, and West Warner Avenue (south side) from 4815 to 4857 -- Mondays thru Sundays.                                                    |

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*Referred* -- DESIGNATION OF SERVICE DRIVES.

The aldermen named below presented two proposed ordinances to designate as service drives and to permit diagonal parking in said locations, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

| Alderman               | Location                                                                                    |
|------------------------|---------------------------------------------------------------------------------------------|
| KRYSTYNIAK (23rd Ward) | South Normandy Avenue (east side) from West Archer Avenue to the first alley north thereof; |
| BANKS (36th Ward)      | North Meade Avenue at 2803 from West Diversey Avenue to the first alley north thereof       |

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*Referred* -- SPEED LIMITATIONS FOR VEHICLES ON SPECIFIED STREETS.

The aldermen named below presented proposed ordinances to limit the speed of vehicles on specified streets, which were *Referred to the Committee on Traffic Control and Safety*, as follows:



| Alderman                     | Street, Limit and Speed                                                                               |
|------------------------------|-------------------------------------------------------------------------------------------------------|
| <i>STREETER</i> (17th Ward)  | South Vincennes Avenue between West 80th Street and West 80th Place -- 15 miles per hour;             |
| <i>CULLERTON</i> (38th Ward) | North Narragansett Avenue between West Addison Street and West Irving Park Road -- 30 miles per hour. |

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Referred -- INSTALLATION OF TRAFFIC WARNING 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                                                                                                     |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| <i>ROTI</i> (1st Ward)       | West Flournoy Street at South Loomis Street -- "Stop";                                                                        |
| <i>TILLMAN</i> (3rd Ward)    | West 48th Street and South Princeton Avenue -- "4-Way Stop";<br><br>West 61st Street and South Normal Avenue -- "4-Way Stop"; |
| <i>HUTCHINSON</i> (9th Ward) | South Langley Avenue and East 112th Street -- "Stop";<br><br>South Langley Avenue and East 114th Street -- "Stop";            |
| <i>MAJERCZYK</i> (12th Ward) | West 39th Street and South Damen Avenue -- "2-Way Stop";                                                                      |
| <i>LANGFORD</i> (16th Ward)  | South Racine Avenue and West 61st Street -- "2-Way Stop";                                                                     |
| <i>STREETER</i> (17th Ward)  | South Vincennes Avenue between West 80th Street and West 80th Place -- "Slow Children Crossing";                              |
| <i>SHEAHAN</i> (19th Ward)   | South Leavitt Street and West 97th Street -- "2-Way Stop";                                                                    |

## Alderman

## Location and Type of Sign

*KRYSTYNIAK* (23rd Ward)

West 48th Street and South Kenneth Avenue -- "All Way Stop";

West 64th Street and South Nashville Avenue -- "4-Way Stop";

*HAGOPIAN* (30th Ward)

West Wrightwood Avenue and North Kilbourn Avenue -- "2-Way Stop";

*MELL* (33rd Ward)

North Sacramento Avenue and West Waveland Avenue -- "2-Way Stop";

*FROST* (34th Ward)

West 109th Street and South Halsted Street -- "U-Turn Permitted";

West 118th Street at South Peoria Street -- "Stop";

West 119th Street and South Parnell A

*KOTLARZ* (35th Ward)

North Central Avenue and West School Street -- "Stop";

West Grace Street and North Kildare Avenue -- "Stop";

North Lawndale Avenue and West Belle Plaine Avenue -- "Stop";

West Roscoe Street and North Karlov Avenue -- "Stop";

*BANKS* (36th Ward)

West Bloomingdale Avenue at North Sayre Avenue -- "Stop";

West George Street at North Merrimac Avenue -- "Stop";

North Newland Avenue at West Bloomingdale Avenue -- "Stop";

*PUCINSKI* (41st Ward)

North Brodman Avenue, North Forestview Avenue and Potawatomi Avenue -- "3-Way Stop";

| Alderman                   | Location and Type of Sign                                                                                                                                                                               |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>OBERMAN</i> (43rd Ward) | West Schubert Avenue and North Lakewood Avenue -- "4-Way Stop";<br><br>West Wrightwood Avenue at North Lakewood Avenue -- "Stop";<br><br>North Odell Avenue and West Pratt Avenue -- "4-Way Stop";      |
| <i>HANSEN</i> (44th Ward)  | North Halsted Street at West Diversey A                                                                                                                                                                 |
| <i>STONE</i> (50th Ward)   | West Hood Street and North Hoyne Avenue -- "4-Way Stop";<br><br>West Hood Street and North Hoyne Avenue -- "Children Crossing";<br><br>West Lunt Avenue and North Oakley Avenue -- "Children Crossing". |

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*Referred* -- REMOVAL OF TRAFFIC WARNING SIGNS AT  
SPECIFIED LOCATIONS.

The aldermen named below presented two proposed orders for the removal of stop signs at the area specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

| Alderman                   | Location and Type of Sign                                                  |
|----------------------------|----------------------------------------------------------------------------|
| <i>SHERMAN</i> (21st Ward) | Southwest corner of South Wentworth Avenue and West 83rd Street -- "Stop"; |
| <i>STONE</i> (50th Ward)   | West Hood Street and North Hamilton Avenue -- "Stop".                      |

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2. ZONING ORDINANCE AMENDMENTS.

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*Referred* -- ZONING RECLASSIFICATIONS OF PARTICULAR AREAS.

The aldermen named below presented three 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 HENRY (24th Ward):**

To classify as a C1-2 Restricted Commercial District instead of a B4-2 Restricted Service District the area shown on Map No. 4-J bounded by

West Ogden Avenue; South Homan Avenue; a line from a point 85 feet south of West Ogden Avenue as measured along the west line of South Homan Avenue to a point 30 feet west of and perpendicular to South Homan Avenue; a line from a point 85 feet south of West Ogden Avenue as measured along the west line of South Homan Avenue and then 30 feet west of and perpendicular to South Homan Avenue to a point 36.80 feet west of South Homan Avenue as measured along the south line of West Ogden Avenue.

**BY ALDERMAN KOTLARZ (35th Ward):**

To classify as an R6 General Residence District instead of an R3 General Residence District the area shown on Map No. 7-J bounded by

a line 63.50 feet north of West Schubert Avenue; the alley next east of and parallel to North St. Louis Avenue; West Schubert Avenue; and North St. Louis Avenue.

**BY ALDERMAN SCHULTER (47th Ward):**

To classify as a B4-3 Restricted Service District instead of a B3-3 General Retail District the area shown on Map No. 11-H bounded by

a line 200.75 feet south of West Lawrence Avenue; a line from a point 62.39 feet southwest of and perpendicular to North Lincoln Avenue and 192.29 feet south of West Lawrence Avenue measured along the west line of North Lincoln Avenue to a point 192.29 feet south of West Lawrence Avenue measured along the west line of North Lincoln Avenue; North Lincoln Avenue; a line from a point 73.37 feet southwest of and perpendicular to North Lincoln Avenue and 242.29 feet south of West Lawrence Avenue measured along the west line of North Lincoln Avenue to a point 242.29 feet south of West Lawrence Avenue measured along the west line of North Lincoln Avenue; a line 250.75 feet south of West Lawrence Avenue; and a line 50 feet east of North Western Avenue.

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**3. CLAIMS.**

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*Referred -- CLAIMS AGAINST CITY OF CHICAGO.*

The aldermen named below presented ten 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

LANGFORD (16th Ward)

Linda Anderson;

SHEAHAN (19th Ward)

Prudence Hughes;

Eugene Carroll;

LAURINO (39th Ward)

Ross B. Terry;

STONE (50th Ward)

Granville Gardens Condominium Association;

Howard A. Metzger;

Oakley North Condominium Association;

Royalton Condominium Homes;

Winchester Court Condominium Association;

Winston Towers No. 3 Condominium.

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#### 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--* AMENDMENT OF GRANT OF PRIVILEGE  
IN PUBLIC WAY.

A proposed ordinance amending a grant of privilege passed March 20, 1985 to The First National Bank of Chicago by striking therefrom "thirty-two (32) feet" and "sixty-six (66) feet" and inserting in lieu thereof "forty-five (45) feet" and "sixty (60) feet" respectively, which was *Referred to the Committee on Streets and Alleys*.

*Referred* -- ISSUANCE OF PERMITS TO CONDUCT ART  
FAIR ON SOUTH DEARBORN STREET.

Also, a proposed order authorizing and directing the Commissioner of Public Works to issue permits to Lawrence A. Herst for the purpose of holding an art fair on South Dearborn Street from West Harrison Street to West Polk Street for the period of August 3 and 4, 1985, which was *Referred to the Committee on Beautification and Recreation*.

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*Referred* -- ISSUANCE OF PERMITS TO CONDUCT STREET  
FAIR ON SOUTH DEARBORN STREET.

Also, a proposed order authorizing the Commissioner of Public Works to issue permits to the Burnham Park Planning Board for the purpose of holding the Printers Row Book Fair on South Dearborn Street between West Polk Street and West Harrison Street for the period of June 7 to June 9, 1985, which was *Referred to the Committee on Beautification and Recreation*.

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Presented by

ALDERMAN RUSH (2nd Ward):

DRAFTING OF ORDINANCES DIRECTED FOR VACATIONS  
OF PORTIONS OF SPECIFIED STREETS.

Three proposed orders reading as follows:

*Ordered*, That the Commissioner of Public Works is hereby directed to prepare an ordinance for the closing to vehicular traffic of that part of West 30th Street lying within the east and west right of way lines of the Northeast Illinois Railroad Corporation between South LaSalle Street and South Federal Street for the Northeast Illinois Railroad Corporation (No. 28-2-85-978); said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

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*Ordered*, That the Commissioner of Public Works is hereby directed to prepare an ordinance for the closing to vehicular traffic of that part of West 32nd Street lying within the east and west right of way lines of the Northeast Illinois Railroad Corporation between South La Salle Street and vacated South Federal Street for the Northeast Illinois Railroad Corporation (No. 33-2-85-979); 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 closing to vehicular traffic of that part of West 38th Street lying within the east and west right of way lines of the Northeast Illinois Railroad Corporation between South La Salle Street and South Federal Street for the Northeast Illinois Railroad Corporation (No. 33-2-85-980); said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

On motion of Alderman Rush, the foregoing proposed orders were *Passed*.

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*Referred* -- ISSUANCE OF PERMITS TO CONDUCT FESTIVAL ON  
PORTION OF SOUTH DR. MARTIN LUTHER KING JR. DRIVE.

Also, a proposed order authorizing and directing the Commissioner of Public Works to issue permits to the Douglas/Grand Boulevard Neighborhood Festival Coalition for the purpose of holding a festival on South Dr. Martin Luther King Jr. Drive from East 32nd Street to East 35th Street for the period August 2 - 4, 1985, which was *Referred* to the Committee on Beautification and Recreation.

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Presented by

ALDERMAN TILLMAN (3rd Ward):

DRAFTING OF ORDINANCE DIRECTED FOR VACATION OF  
SPECIFIED STREET.

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 remaining north-south 16-foot public alley in the block bounded by West 62nd Street, West 63rd Street, South Wentworth Avenue, and South La Salle Street for Candle Corporation of America (No. 16-3- 85-982); said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

On motion of Alderman Tillman, the foregoing proposed order was *Passed*.

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Presented by

ALDERMAN EVANS (4th Ward):

PERMISSION TO CONDUCT FLEA MARKET IN 5300 BLOCK  
OF SOUTH OLD LAKE PARK AVENUE.

A proposed order authorizing and directing the Commissioner of Public Works to grant permission to the Hyde Park Neighborhood Club for the purpose of holding a flea market in the 5300 block of South Old Lake Park Avenue for the period June 9, 1985.

Alderman Evans moved to *Suspend the Rules Temporarily* to permit the immediate consideration of and action upon the foregoing proposed order. The motion *Prevailed*.

Thereupon, on motion of Alderman Evans, 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

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

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*Referred --* ISSUANCE OF PERMIT TO CONSTRUCT AND  
MAINTAIN CANOPY AT SPECIFIED LOCATION.

Also, a proposed order authorizing the City Comptroller to issue a permit to Pelletier Enterprises, Incorporated, to construct, maintain and use a canopy attached to the building or structure at 1508 East 53rd Street, which was *Referred to the Committee on Streets and Alleys*.

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Presented by

**ALDERMAN BLOOM (5th Ward):**

*Referred --* ISSUANCE OF PERMIT TO MAINTAIN AND USE  
EXISTING CANOPY AT SPECIFIED LOCATION.

A proposed order authorizing the City Comptroller to issue a permit to South Shore Bank of Chicago to maintain and use an existing canopy attached to the building or structure at 1950 East 71st Street, which was *Referred to the Committee on Streets and Alleys*.

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*Referred --* AMENDMENT OF TAXICAB STAND 557.



Also, a proposed ordinance to amend the ordinance previously establishing taxicab stand 557 on South Columbia Drive along the west curb from a point to be hereafter designated as 401 feet south of the property line of East Museum Drive to a point 66 feet south thereof, which was *Referred to the Committee on Local Transportation*.

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Presented by

**ALDERMAN SAWYER (6th Ward):**

*Referred --* ISSUANCE OF PERMITS TO CONDUCT CARNIVAL  
ON PORTION OF EAST 72ND STREET.

A proposed order authorizing and directing the Commissioner of Public Works to issue the necessary permits to the Park Manor Businessmen's Association for the purpose of holding a carnival on East 72nd Street between South King Drive and South Calumet Avenue for the period June 27 - June 30, 1985, which was *Referred to the Committee on Beautification and Recreation*.

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Presented by

**ALDERMAN HUMES (8th Ward):**

*Referred --* INSTALLATION OF BUS PASSENGER SHELTER  
AT SPECIFIED LOCATION.

A proposed order authorizing and directing the Chicago Transit Authority to consider the installation of a bus passenger shelter at 1767 East 79th Street, which was *Referred to the Committee on Local Transportation*.

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Presented by

**ALDERMAN HUTCHISON (9th Ward):**

*Referred --* AMENDMENT OF MUNICIPAL CODE CHAPTER 193  
CONCERNING REMOVAL OF GRAFFITI FROM  
RESIDENTIAL PROPERTY.

A proposed ordinance to amend Chapter 193, by creating a new Section 193-20.1 of the Chicago Municipal Code requiring the removal of graffiti from residential, industrial and commercial buildings within a 30 day notification period, which was *Referred to the Committee on Municipal Code Revision*.

*Referred* -- BOARD OF LOCAL IMPROVEMENTS REQUESTED  
TO PAVE SPECIFIED PUBLIC WAYS BY SPECIAL  
ASSESSMENT.

Also, ten proposed orders requesting the Board of Local Improvements to process the paving of specified public ways with concrete by special assessment, which were *Referred to the Committee on Streets and Alleys*, as follows:

Alley bounded by East 124th Street, East 124th Place, South Michigan Avenue and South State Street;

Alley bounded by East 124th Place, East 125th Street, South State Street and South Wabash Avenue;

Alley bounded by West 124th Street, West 125th Street, South Wentworth Avenue and South Yale Avenue;

Alley bounded by West 124th Street, West 126th Street, South Stewart Avenue and South Harvard Avenue;

Alley bounded by East 125th Street, East 125th Place, South Michigan Avenue and South Wabash Avenue;

Alley bounded by East 125th Street, East 125th Place, South State Street and South Wabash Avenue;

Alley bounded by West 125th Place, West 126th Street, South Stewart Avenue and South Eggleston Avenue;

Alley bounded by West 126th Place, West 127th Street, South Eggleston Avenue and the railroad tracks;

"T" alley bounded by East 126th Street, East 127th Street, South Michigan Avenue and South State Street;

Alley bounded by West 126th Street, West 127th Street, South Yale Avenue and South Wentworth Avenue.

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*Referred* -- INSTALLATION OF CONCRETE WALKWAY AT  
INTERSECTION OF EAST 105TH AND SOUTH  
KING DRIVE.

Also, a proposed order authorizing the Chicago Transit Authority to consider the installation of a concrete walkway for the purpose of boarding and exiting buses at the southeast and northwest corners of East 105th Street and South King Drive, which was *Referred to the Committee on Local Transportation*.

*Referred* -- INSTALLATION OF DRINKING FOUNTAIN  
AT SPECIFIED LOCATION.

Also a proposed order authorizing the Commissioner of Public Works to consider the installation of a drinking water fountain on the southeast corner of the parkway at East 124th Place and South Michigan Avenue, which was *Referred to the Committee on Finance*.

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Presented by

ALDERMEN HUTCHINSON (9th Ward) and OTHERS:

GRATITUDE EXTENDED POLICE OFFICERS JACK DEHEER,  
JIM DIGNAN, EDWARD HOWARD AND NICHOLAS WILLIAMS  
ON APPREHENSION OF BURGLARY SUSPECTS.

A proposed resolution presented by Aldermen Hutchinson, Frost, Sawyer, Humes and Sherman reading as follows:

WHEREAS, A series of burglaries in the Roseland Business area earlier in 1985 upset the entire community and required the efforts of extremely perceptive police work; and

WHEREAS, 5th District Police Officers Nicholas Williams, Edward Howard, Jim Dignan and Jack Deheer engaged in an intensive investigation to apprehend the burglars, and as a result of their skill and diligent investigative techniques, were ultimately able to arrest ten suspects in this series of some 24 burglaries and were also able to recover a good deal of property stolen from Roseland area merchants; and

WHEREAS, The community of Roseland, and indeed all the citizens of the City of Chicago are proud and grateful for the outstanding investigative teamwork of these four officers, great representatives of "Chicago's Finest"; now, therefore,

Be it *Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th day of May, 1985 do hereby offer our congratulations and our deepest expressions of gratitude to the following Police Officers of the 5th District Tactical Unit:

Officer Jack Deheer (Badge No. 8855)

Officer Jim Dignan (Badge No. 8706)

Officer Edward Howard (Badge No. 16046) and

Officer Nicholas Williams (Badge No. 4786)

for their swift and thorough investigation and apprehension of suspects and property in the incidents involving a series of burglaries in the Roseland business community; and

Be it *Further Resolved*, That a suitable copy of this resolution be presented to each of the above Chicago Police Officers.

Alderman Hutchinson 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 Hutchinson, the foregoing proposed resolution was Adopted.

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Presented by

**ALDERMAN VRDOLYAK (10th Ward):**

*Referred --* AMENDMENT OF MUNICIPAL CODE CHAPTER 26  
CONCERNING TIMELY PAYMENT BY CITY FOR  
IMPROVEMENTS TO PUBLIC WAYS.

A proposed ordinance to amend Chapter 26 of the Municipal Code by the addition of a new section to be known as Section 26-30 requiring payment by the City within sixty days of receipt of bills, for improvements to any public way, which was *Referred to the Committee on Municipal Code Revision*.

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*Referred --* AMENDMENT OF MUNICIPAL CODE CHAPTER 26  
CONCERNING AWARDING OF CONTRACTS TO IMPROVE  
PUBLIC WAYS.

Also, a proposed ordinance to amend Chapter 26 of the Chicago Municipal Code by the addition of a new section to be known as Section 26-31 concerning the awarding of contracts to improve the public ways within a specified period, which was *Referred to the Committee on Municipal Code Revision*.

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Presented by

**ALDERMAN HUELS (11th Ward):**

DRAFTING OF ORDINANCE DIRECTED FOR VACATION OF  
SPECIFIED PUBLIC STREET.

A proposed order reading as follows:

*Ordered*, That the Commissioner of Public Works is hereby directed to prepare an ordinance for the vacation of West 32nd Street lying between a line 136 feet, more or less, east of the east line of South Wolcott Avenue and a line 283.4 feet east of the east line of South Wolcott Avenue; also, the east 25 feet of the remaining east-west 16-foot public alley

in the area bounded by West 31st Place, West 32nd Street, South Wolcott Avenue, and South Wood Street for East Baltimore Commissary, Inc. (No. 31-11-85-981); said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

On motion of Alderman Huels, the foregoing proposed order was Passed.

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CONGRATULATIONS EXTENDED TO LIEUTENANT WILLIAM MAHON  
ON HIS RETIREMENT FROM CHICAGO POLICE DEPARTMENT.

Also, a proposed resolution reading as follows:

WHEREAS, Lieutenant William Mahon has retired from the Chicago Police Department after 33 years of service; and

WHEREAS, Lt. Mahon joined the Chicago Park District Police on May 1, 1952, and remained with them until that Department merged with the Chicago Police Department on January 1, 1959; and

WHEREAS, In March of 1959, Officer Mahon was made a detective and had spent the next 2 years in the Cartage Detail, which was responsible for investigating the hijacking of trucks and burglaries of merchandise; and

WHEREAS, For the next six years, he was assigned to the Robbery Detail, after which he was assigned as an investigator for the Personnel Division of the Chicago Police Department; and

WHEREAS, Detective Mahon was made a sergeant in 1968, and had been assigned to the old 2nd District in the Patrol Division; and

WHEREAS, In 1970, he was appointed the Commanding Officer of Detached Services, which consisted of Mayor Richard J. Daley's bodyguards, State's Attorney Police, Port Security, and miscellaneous assignments of other police officers detached from services; and

WHEREAS, In 1976, Sergeant Mahon was made a Lieutenant of Police and had been assigned to the 13th District (Wood Street Station); and

WHEREAS, He was appointed the Commanding Officer of the Missing Persons Section of the Chicago Police Department in 1978, and in 1983, he was assigned to the 20th District and then, was appointed the Commanding Officer of Field Inquiry; and

WHEREAS, Lieutenant William Mahon spent the remainder of his career with the Chicago Police Department as a Field Lieutenant in the 6th District (Gresham Station); and

WHEREAS, During his tenure with the Department, he has done a fine job in serving the citizens of the City of Chicago with his total dedication and devotion to his fellow officers, staff, and civilians; now, therefore,

*Be It Resolved*, That we, the Mayor and the members of the City Council of the City of Chicago, gathered on this 29th day of May in 1985, do hereby extend our sincerest gratitude to Lieutenant William Mahon for his 33 years of service and that we also congratulate him on his retirement and may we also extend our best wishes to him in all of his future endeavors; and

*Be It Further Resolved*, That a suitable copy of this resolution be made available for Lt. William Mahon for a dinner held in his honor at the Martinique Restaurant on June 12, 1985.

Alderman Huels 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 Huels, the foregoing proposed resolution was *Adopted*.

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CONGRATULATIONS EXTENDED TO FIRST LUTHERAN  
CHURCH OF THE TRINITY ON ITS 120TH  
ANNIVERSARY.

Also, a proposed resolution reading as follows:

WHEREAS, The First Lutheran Church of the Trinity will celebrate its 120th year as a congregation on June 2, 1985; and

WHEREAS, The First Lutheran Church of the Trinity is one of Bridgeport's oldest residents, located in the great 11th Ward of the City of Chicago; and

WHEREAS, First Trinity began in the years of 1863-64, when the Reverend J.P. Beyer, the Pastor of the First Immanuel Lutheran Church, had noted that there were many children of German immigrant families had no school to attend; and

WHEREAS, Two branch schools were built, and in the fall of 1865, these families had formally organized the First Trinity; and

WHEREAS, By the turn of the century, the congregation had grown to well over 1,000 members, as the many new immigrants had come to Chicago; and

WHEREAS, Beginning in 1905, the church had begun to make the move to its present location at 31st and Lowe Avenue for a right-of-way; and

WHEREAS, By 1913, the school, parsonage, and church had all been completed; and

WHEREAS, Since then, the congregation had continued to grow and improve with the same ideals and traditions of those predecessors; and

WHEREAS, There will be a special anniversary celebration for the First Lutheran Church of the Trinity on June 2, 1985; now, therefore,

*Be It Resolved*, That we, the Mayor and the Members of the City Council of the City of Chicago, gathered on this 29th of May in 1985, do hereby extend our heartiest congratulations to the members of the First Lutheran Church of the Trinity, on this, their 120th Anniversary, with warmest wishes for continued growth and success in our community of the 11th Ward of the City of Chicago; and

*Be It Further Resolved*, That a suitable copy of this resolution be made available for the June 2nd celebration.

Alderman Huels 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 Huels, the foregoing proposed resolution was *Adopted*.

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RAY ELLITCH CONGRATULATED AS VALEDICTORIAN OF  
1985 GRADUATING CLASS OF DE LA SALLE  
HIGH SCHOOL.

Also, a proposed resolution reading as follows:

WHEREAS, Ray Ellitch is the Valedictorian for the 1985 Graduating Class from De La Salle High School; and

WHEREAS, During his four years at De La Salle High School, Ray has been an Honor Roll Student; and

WHEREAS, Among his honors, Ray has received a full academic scholarship to the University of Chicago, a United States Achievement Award for Leadership, a De Paul Scholarship, and was also nominated as a Candidate for the Air Force Academy; and

WHEREAS, Not only did Ray fulfill the various academic goals that he had set out to achieve, he was also active in several athletic activities where he had served as Captain of the De La Salle Wrestling and Baseball teams; and

WHEREAS, Ray is a resident of the Canaryville community of the 11th Ward, where he lives with his proud parents Jean and Ray; and

WHEREAS, Ray has chosen to attend the University of Chicago this September to further his education; now, therefore,

*Be It Resolved*, That we, the Mayor and the members of the City Council of the City of Chicago, gathered on this 29th day of May in 1985, do hereby extend our heartiest congratulations to Ray Ellitch on being the Valedictorian of the 1985 Graduating Class of De La Salle High School, and we also extend our best wishes to him in all of his future endeavors; and

*Be It Further Resolved*, That a suitable copy of this resolution be made available for Ray Ellitch.

Alderman Huels 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 Huels, the foregoing proposed resolution was *Adopted*.

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DOCTOR AND MRS. RALPH BERKOVITZ CONGRATULATED ON THEIR  
FIFTIETH WEDDING ANNIVERSARY.

Also, a proposed resolution reading as follows:

WHEREAS, On June 12, 1912, Ralph Jack Berkovitz was born at the Lying Inn Hospital in Chicago; and

WHEREAS, He had attended Lincoln Elementary School, Riley Junior High School, and Washington High School, in Indiana Harbor, Indiana, where he had graduated in June of 1929, as a member of the National Honor Society; and

WHEREAS, He had then attended the University of Illinois, where he was a member of the Tai Epsilon Phi fraternity for a year; and

WHEREAS, During the depression, he had worked at Inland Steel and had later returned to the Northern Illinois College of Optometry where he had become a doctor, now affectionately known by all as Dr. Berk; and

WHEREAS, In 1935, Dr. Berk was with the Ritholtz Optical Company in Peoria, Illinois, where he worked with Charlotte Marian Jacobson, who was his secretary; and

WHEREAS, On June 2, 1935, he married Charlotte, and the two of them had moved to Chicago; and

WHEREAS, Dr. Berk had his first office at 35th and Wood Street, where he and Charlotte had lived behind the drugstore; and

WHEREAS, In 1936, he had opened his store at 3505 South Halsted Street, as a jewelry and optical store; and

WHEREAS, In 1944, he had answered the call of duty and served in the United States Navy as a lieutenant junior grade, where he had also spent 6 months at Harvard



University for Officers Candidates, and he was assigned to San Diego, Pearl Harbor, and then stationed in Guam; and

WHEREAS, In 1947, their son Alan Dennis was born, and in the same year, Dr. Berk had opened his office at 3502 South Halsted Street in the 11th Ward of the City of Chicago where he remains today; and

WHEREAS, In 1976, his son Alan had married Nancy Ann Koner, and on August 16, 1983 their son Adam Leighton was born; and

WHEREAS, Dr. and Mrs. Berk will now share their 50th Anniversary together along with the family, on June 2, 1985; and

WHEREAS, Dr. and Mrs. Berk exemplify the goal to which most humans aspire, typifying the togetherness, warmth, and sense of mutual accomplishments that are key factors in an inevitable 50 years of marriage; now, therefore,

*Be It Resolved*, That we, the Mayor and the members of the City Council of the City of Chicago, gathered on this 29th day of May in 1985, do hereby extend our sincerest congratulations to Dr. and Mrs. Ralph Berk on their golden wedding anniversary, with best wishes for continued health and happiness in the many years to come; and

*Be It Further Resolved*, That a suitable copy of this resolution be made available for Dr. and Mrs. Berk.

Alderman Huels 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 Huels, the foregoing proposed resolution was *Adopted*.

---

Presented by

**ALDERMAN MAJERCZYK (12th Ward):**

*Referred* -- INSTALLATION OF BUS PASSENGER SHELTERS  
AT SPECIFIED LOCATIONS.

A proposed order for the installation of bus passenger shelters on the southwest and northeast corners of West 43rd Street and South Western Avenue, which was *Referred to the Committee on Local Transportation*.

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**BUILDINGS DECLARED PUBLIC NUISANCES AND ORDERED DEMOLISHED.**

Also, two proposed ordinances reading as follows:

WHEREAS, The building located at --

1633 W. 43rd 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 --

1633 W. 43rd Street,

is declared a public nuisance, and the Commissioner of Public Works is authorized and directed to cause the demolition of same.

SECTION 2. This ordinance shall be effective upon its passage. •

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WHEREAS, The buildings at the following locations, to wit:

4545 S. Laporte Avenue  
4109 S. Campbell Avenue

are so deteriorated and weakened that each 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 buildings at the following locations, to wit:

4545 S. Laporte Avenue  
4109 S. Campbell Avenue

are declared public nuisances, and the Commissioner of Buildings is authorized and directed to demolish the same.

SECTION 2. This ordinance shall be effective upon its passage.

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

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

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

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*Referred* -- ISSUANCE OF PERMIT FOR OPERATION OF  
NEWSPAPER STAND AT SPECIFIED LOCATION.

Also, a proposed order authorizing and directing the Commissioner of Public Works to issue a permit to James Serritella for the operation of a newspaper stand on the northeast corner of South Archer Avenue and South Sacramento Avenue, in compliance with the Chicago Municipal Code, which was *Referred to the Committee on Streets and Alleys*.

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Presented by

**ALDERMAN MADRZYK (13th Ward):**

*Referred* -- ISSUANCE OF PERMIT FOR INSTALLATION OF  
SIGN/SIGNBOARD AT SPECIFIED LOCATION.

A proposed order directing the Commissioner of Inspectional Services to issue a sign permit to James D. Ahern & Company to install a sign/signboard at 7353 South Cicero Avenue for Holiday Inn, which was *Referred to the Committee on Zoning*.

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Presented by

**ALDERMAN BURKE (14th Ward):**

CONGRATULATIONS EXTENDED TO EDWARD F. BRABEC FOR  
HIS OUTSTANDING SERVICE AND ACHIEVEMENTS.

A proposed resolution reading as follows:

WHEREAS, Edward F. Brabec, is a native of Chicago and has been active in local labor and community organizations; and

WHEREAS, Mr. Brabec, after attending St. Ignatius College Preparatory School and Washburne Trade School, served in the First Infantry Division, United States Army, from November, 1951 to October, 1953; and

WHEREAS, Mr. Brabec served as a member of the Executive Board of the Chicago Federation of Labor and Industrial Union Council from 1973 to 1976, when he was named second vice president and first vice president before being elected president in July of 1984; and

WHEREAS, Mr. Brabec was also chosen to serve as business manager for the Plumber's Union Local 130 from 1973 - 1984; and

WHEREAS, Mr. Brabec's distinguished community activities include serving as Trustee of the Chicago and Cook County Building and Construction Trades Council; International Vice President of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, General Chairman of Chicago's Saint Patrick's Day Parade since 1973 and serving on the boards of various charitable organizations and medical research institutions; and

WHEREAS, On June 18, 1985 Mr. Brabec will be honored at a testimonial dinner sponsored by the Back of the Yards Council; now, therefore,

*Be It Resolved*, That the Mayor and members of the Chicago City Council, in meeting assembled on this 29th day of May, 1985 A.D. do hereby extend their congratulations to Edward F. Brabec for his outstanding service and achievements in Chicago and wish him continued success; and

*Be It Further Resolved*, That a suitable copy of this resolution be prepared and presented to Edward F. Brabec.

Alderman Burke 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 Burke, seconded by Alderman Natarus the foregoing proposed resolution was *Adopted*.

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CONGRATULATIONS EXTENDED PATRICK S. DeMOON ON  
RECENT APPOINTMENT AS CHAIRMAN OF BOARD OF  
DIRECTORS OF INTERNATIONAL MUSEUM OF  
SURGICAL SCIENCE AND COLLEGE OF  
SURGEONS HALL OF FAME.

Also, a proposed resolution reading as follows:

WHEREAS, Patrick S. DeMoon is one of this City's most outstanding hospital administrators whose generosity and administrative abilities has made the International Musuem of Surgical Science and Hall of Fame world renown; and

WHEREAS, Patrick S. DeMoon has served diligently on the Board of Directors for the International Museum of Surgical Science and Hall of Fame for eight years; and

WHEREAS, The International Museum of Surgical Science and College of Surgeons Hall of Fame, located at 1615 North Lake Shore Drive, possesses one of the world's most complete medical collections, including surgical manuscript written by Indian medical students in Sanscrit on palm leaves about 2,000 years ago; now, therefore,

*Be It Resolved*, That the Mayor and the members of the City Council of the City of Chicago, assembled this day, May 29, 1985, hereby extend sincerest congratulations to Patrick S. DeMoon on his recent appointment as Chairman of the Board of Directors of the International Museum of Surgical Science and the College of Surgeons Hall of Fame; and

*Be It Further Resolved*, That a suitable copy of this resolution be prepared and presented to Patrick S. DeMoon.

Alderman Burke 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 Burke, seconded by Alderman O'Connor, the foregoing proposed resolution was *Adopted*.

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CONGRATULATIONS EXTENDED TO PAUL DAVIS NEWEY  
AS RECIPIENT OF ASSYRIAN HERITAGE  
ORGANIZATION'S HAMMURABI AWARD.

Also, a proposed resolution reading as follows:

WHEREAS, Paul Davis Newey is a distinguished member of the bar and a truly celebrated citizen of our community who is renown as an attorney in the private practice of law and in government; and

WHEREAS, His career has been profoundly shaped by the historical lesson that in the law we pursue justice, and as an attorney and scholar in law enforcement he has contributed materially to that pursuit; and

WHEREAS, Following his graduation from Chicago's John Marshall Law School, Paul Newey served with distinction in the United States Secret Service, the Federal Bureau of Narcotics, U.S. Central Intelligence Agency, and, during World War II, as Intelligence Officer in the U.S. Army; and

WHEREAS, He served as an outstanding First Assistant State's Attorney for Cook County and as chief investigator for the State's Attorney aided in the prosecution of major abuses of the public trust for which he was honored nationally and in Chicago and Cook County; and

WHEREAS, Paul Newey's pre-eminence as a public servant has earned him honor and applause, and he was cited by President Reagan, who said the nation owes Paul Newey a debt of gratitude, and by Governor Thompson, who saluted Mr. Newey for his dedication to law enforcement; and

WHEREAS, The Assyrian Heritage Organization of Chicago, representing many thousands of Assyrians throughout the Chicago area, is honoring Paul Newey, another distinguished descendant of the Assyrian people and culture; and

WHEREAS, The Assyrian Heritage Organization will confer its prestigious Hammurabi Award on Paul Newey, June 8, 1985; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this twenty-ninth day of May, do hereby extend our warmest congratulations to Paul Newey for honors so richly deserved and offer appreciation for his selfless contributions to our community; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to Paul Davis Newey.

Alderman Burke 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 Burke, the foregoing proposed resolution was *Adopted*.

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Presented by

ALDERMAN BRADY (15th Ward):

TRIBUTE TO THE LATE LORRAINE JOHNSON.

A proposed resolution reading as follows:

WHEREAS, God the Almighty in His Infinite Wisdom has called to her eternal reward Lorraine Johnson, one of this City's most noted social workers, community organizers and civil rights activists; and

WHEREAS, Lorraine Johnson, alarmed at the increasing problem of teenage pregnancy, left a 20-year career as a social worker and community organizer, left the youth shelter in Rogers Park where she was then employed, purchased an old house in Englewood, where the City's teenage pregnancy rate was the highest, and developed the House of the Black Madonna in honor of the famous portrait of the Virgin Mary so highly venerated in Poland; and

WHEREAS, The House of the Black Madonna, at 6909 S. Damen, under Lorraine Johnson's loving guidance, has provided support for many pregnant teenagers and has,

indeed, helped to solve the problem as she envisioned. She is a giving citizen who will be sorely missed; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th day of May, 1985, A. D., do hereby express our extreme sorrow on the untimely death of Lorraine Johnson, and that we extend to the many friends and people whom she gave so much help our deepest expressions of sympathy; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to the House of the Black Madonna.

Alderman Brady 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 Brady, the foregoing proposed resolution was *Adopted*.

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Presented by

**ALDERMAN LANGFORD (16th Ward):**

*Referred -- PERMISSION TO CONDUCT SIDEWALK SALES  
ON PORTIONS OF SPECIFIED STREETS.*

Two proposed orders authorizing and directing the Commissioner of Public Works to grant permission to hold sidewalk sales, which were *Referred to the Committee on Beautification and Recreation*, as follows:

Englewood Businessmen's Association -- to conduct a sidewalk sale on the 6200 thru 6500 blocks of South Halsted Street and on the 700 thru 900 blocks of West 63rd Street for the period June 20 to June 22, 1985;

Englewood Businessmen's Association -- to conduct a sidewalk sale on the 6200 thru 6500 blocks of South Halsted Street and on the 700 thru 900 blocks of West 63rd Street for the period August 1 to August 3, 1985.

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*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 Columbus Austin to operate a newspaper stand on the southeast corner of West 67th Street and South Racine Avenue during the hours of 5:00 A.M. to 2:00 P.M. daily, which was *Referred to the Committee on Streets and Alleys*.

Presented by

ALDERMAN KELLAM (18th Ward):

BEST WISHES EXTENDED TO ROBERT H. KEMPTON  
ON HIS RETIREMENT.

A proposed resolution reading as follows:

WHEREAS, Robert H. Kempton was born in the City of Chicago on March 25, 1923 and attended the Public Schools of the City of Chicago; and

WHEREAS, Bob served his country with the Marine Corps in World War II, and was awarded the Bronze Star for heroic action on Okinawa in 1945; and

WHEREAS, Bob married Annabelle Burke and they are the parents of Linda, Robert, Diana and Mary Sue, and the grandparents of five; and

WHEREAS, Bob has been a resident of the 18th Ward of the City of Chicago, and a member of numerous groups and organizations; social, civic, charitable, fraternal and professional in their scope; and

WHEREAS, Bob started his business career with the Pullman Car Company and has been a valued employee as Vice President in Charge of Public Relations for Marquette Bank for the past thirteen years, and in that position has received many awards for his dedicated service to the Bank and the City of Chicago, especially, his work for the southwest side of Chicago; and

WHEREAS, Bob is to retire on June 1, 1985, after a distinguished service career to his country, city and employer; now, therefore,

Be *It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered on this 29th day of May in 1985, do hereby extend our heartiest congratulations to Robert H. Kempton on his retirement, and that we extend our sincere best wishes to him in all his future endeavors; and

Be *It Further Resolved*, That a suitable copy of this resolution be made available for Robert H. Kempton.

Alderman Kellam 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 Kellam, seconded by Alderman Brady, the foregoing proposed resolution was *Adopted*.

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Presented by

ALDERMAN SHEAHAN (19th Ward):



*Referred --* ISSUANCE OF PERMIT TO CONDUCT ART FAIR  
AT SPECIFIED LOCATION.

A proposed order authorizing and directing the Commissioner of Public Works to issue permits to the Southwest Arts Council Fair for the purpose of holding an art fair on the southwest corner of West 107th Street and South Hale Avenue on July 14, 1985, which was *Referred to the Committee on Beautification and Recreation.*

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*Referred --* ISSUANCE OF PERMITS TO HOLD ARTS AND CRAFTS  
FAIR ON PORTION OF WEST 95TH STREET.

Also, a proposed order authorizing the Commissioner of Public Works to issue permits to the 95th Street Businessmen's Arts and Crafts Fair for the purpose of holding an arts and crafts fair on West 95th Street from South Vanderpoel Avenue to South Western Avenue on August 17, 1985, which was *Referred to the Committee on Beautification and Recreation.*

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*Referred --* ISSUANCE OF PERMIT TO CONDUCT  
ST. CAJETAN CHURCH IRISH FEST.

Also, a proposed order authorizing and directing the Commissioner of Public Works to issue the necessary permits to Pat Fleming to hold a "St. Cajetan Church Irish Fest" on West 112th Street from South Artesian Avenue to South Campbell Avenue and on South Campbell Avenue from West 112th Street to West 113th Street for the period June 22 to June 23, 1985, which was *Referred to the Committee on Beautification and Recreation.*

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Presented by

**ALDERMAN KELLEY (20th 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 Oscar Page Jackson for the operation of a stand on the southeast corner of East 67th Street and South King Drive from 6:00 A.M. to 12:00 noon daily, in compliance with the Chicago Municipal Code, which was *Referred to the Committee on Streets and Alleys.*

Presented by

ALDERMAN KRYSTYNIAK (23rd Ward):

*Referred* -- INSTALLATION OF ALLEY LIGHT AT 5322  
SOUTH KOSTNER AVENUE.

A proposed order authorizing and directing the Commissioner of Public Works to consider the installation of an alley light in back of premises located at 5322 South Kostner Avenue, which was *Referred to the Committee on Finance*.

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MR. AND MRS. EDWARD METKE CONGRATULATED ON  
THEIR GOLDEN WEDDING ANNIVERSARY.

Also, a proposed resolution reading as follows:

WHEREAS, Mr. and Mrs. Edward Metke are celebrating fifty golden years of wedded bliss; and

WHEREAS, Edward and Anne Metke were married May 25, 1935, and have lived in the great Brighton Park area of this City of Chicago throughout the entirety of their married lives; and

WHEREAS, In addition to their outstanding contributions to the community, Edward Metke has proven himself a devoted public servant, having been employed by the Chicago Transit Authority some 37 years until his retirement in 1972; in addition to her duties at home, Anne Metke worked at Western Electric until her retirement in 1969; and

WHEREAS, Edward and Anne Metke represent all that is solid and wonderful in family life; they have one son and four grandchildren; now, therefore,

*Be it Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th day of May, 1985, A.D., do hereby offer our heartiest congratulations to Mr. and Mrs. Edward Metke on the occasion of their Golden Wedding Anniversary, as well as our best wishes to this outstanding couple for many more years of happiness, togetherness and success; and

*Be it Further Resolved*, That a suitable copy of this resolution be presented to Mr. and Mrs. Edward Metke.

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*.

LEONARD JAMES BEYER CONGRATULATED ON ACHIEVING  
RANK OF EAGLE SCOUT.

Also, a proposed resolution reading as follows:

WHEREAS, Leonard James Beyer, young Chicago resident and outstanding member of St. Symphorosa's Boy Scout Troop No. 1439, has been elevated to the highest rank in Scouting, the Eagle Scout; and

WHEREAS, Leonard James Beyer represents all that we hope for in our youth, showing a dedication to the principles of scouting and of citizenship, a diligence in working towards specified goals, and an ability to live with and care for his fellow man; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th day of May, 1985, A.D., do hereby offer our heartiest congratulations to Leonard James Beyer on having been elevated to the exalted rank of Eagle Scout, as well as our best wishes to this outstanding citizen for a bright, happy, prosperous future; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to Leonard James Beyer.

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*.

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Presented by

ALDERMAN W. DAVIS (27th Ward):

DRAFTING OF ORDINANCE DIRECTED FOR VACATION OF  
SPECIFIED PUBLIC STREET.

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 west 115 feet of the first east-west 14.5-foot public alley north of West Washington Street in the block bounded by West Randolph Street, West Washington Street, North May Street, and North Aberdeen Street for American National Bank and Trust Company, as Trustee, Trust No. 50013, (No. 8-27-85-977); said ordinance to be transmitted to the Committee on Streets and Alleys for consideration and recommendation to the City Council.

On motion of Alderman W. Davis, the foregoing proposed order was *Passed*.

*Referred --* PAYMENT OF LICENSE FEE REQUIRED FOR  
SPECIAL POLICE EMPLOYED BY MARY THOMPSON  
HOSPITAL.

Also, a proposed ordinance to require the special police employed by Mary Thompson Hospital to pay the appropriate license fee of ten dollars pursuant to Chapter 173, Section 6 of the Chicago Municipal Code, which was *Referred to the Committee on Finance*.

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Presented by

**ALDERMAN D. DAVIS (29th Ward):**

*Referred --* ILLINOIS GENERAL ASSEMBLY MEMORIALIZED  
TO PASS HB 943 AND HB 944 CONCERNING  
ALCOHOLISM AND SUBSTANCE ABUSE.

A proposed resolution, presented by Alderman D. Davis, memorializing the Illinois General Assembly to pass HB 943 and HB 944 concerning development of programs for the treatment and prevention of alcoholism and substance abuse, which was *Referred to the Committee on Alcohol and Substance Abuse*.

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Presented by

**ALDERMAN GABINSKI (32nd Ward):**

*Referred --* ISSUANCE OF PERMIT TO CONDUCT STREET  
FESTIVAL.

A proposed order to grant permission to St. Boniface Church, c/o Reverend Ted Perzanowski, to conduct a festival on West Chestnut Street between North Noble Street and North Elizabeth Street from 6:30 P.M., Saturday, June 8 to 10:00 P.M., Sunday, June 9, which was *Referred to the Committee on Beautification and Recreation*.

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Presented by

**ALDERMAN MELL (33rd Ward):**

*Referred --* ISSUANCE OF PERMIT TO CONDUCT OUTDOOR  
REVIVAL SERVICE.

A proposed order to grant permission to the Maplewood Church of God, c/o Reverend Hector Quintana, to conduct an outdoor revival service on North Maplewood Avenue from the first alley north of West Fullerton Avenue to West Altgeld Street for the period June 7 -- June 8, 1985, which was *Referred to the Committee on Beautification and Recreation*.

*Referred* -- ISSUANCE OF PERMIT TO CONDUCT SIDEWALK  
SALE ON SPECIFIED DATES.

Also a proposed order to grant permission to Boston Department Store, c/o Morrie Friedman, to conduct a sidewalk sale in front on 2010 N. Milwaukee Avenue on specified dates between May 24, and September 29, 1985, which was *Referred to the Committee on Beautification and Recreation*.

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Presented by

ALDERMAN FROST (34th Ward):

BUILDING DECLARED PUBLIC NUISANCE AND  
ORDERED DEMOLISHED.

A proposed ordinance reading as follows:

WHEREAS, The building located at 11313 South Parnell Avenue, 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 11313 South Parnell Avenue, is declared a public nuisance and the Commissioner of Public Works is authorized and directed to cause demolition of same.

SECTION 2. This ordinance shall be effective upon its passage.

On motion of Alderman Frost, 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Nays -- None.

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

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TRIBUTE TO LATE ANNA BELL THOMAS ROBINSON.

Also, a proposed resolution reading as follows:

WHEREAS, God the Almighty in His Infinite Wisdom has called to her eternal reward Mrs. Anna Bell Thomas Robinson, noted educator, civil rights activist, and community leader, May 26, 1985; and

WHEREAS, Mrs. Anna Bell Thomas Robinson was born in Chicago August 14, 1902, and spent a long, fruitful career in the service of the people of this great City. The extent of her education was encompassing: an undergraduate degree from Chicago Normal College, graduate degrees from the University of Chicago, the Chicago Art Institute, the Chicago Fine Arts Academy, Northeastern Illinois University, Illinois State University and Chicago State University. One of her primary specialties was teaching educably mentally handicapped children, and she was also a specialist in child guidance, working in several Chicago elementary and high schools throughout a full and committed sixty-year career; and

WHEREAS, In addition to her career as an educator, Mrs. Robinson was extremely active throughout the Chicago community. Her favorite expression, "Carry On!", inspired fellow members of the many organizations to which she contributed her energies and expertise: the Chicago Historical Society, Chicago Heritage Committee, Morgan Park-Beverly Hills Human Relations Association, Chicago Psychological Society, Day Care Crisis Council of Chicago, among others. She was Founder and Executive Director of STEA, Inc. (Stabilization Through Education of an Area) Head Start and STEA, Inc., Morgan Park Adolescent Mental Health Center; and

WHEREAS, A member of Holy Name of Mary Roman Catholic Church, Anna Bell Robinson was the widow of Dr. Edward Jerome Robinson. All Chicago mourns the passing of this great lady and therein joins her son, three grandchildren, and many relatives and friends; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th Day of May, 1985, A. D., do hereby express our deep sense of loss over the passing of Mrs. Anna Bell Thomas Robinson, and that we extend to the family and many friends of this great lady our most sincere expression of sympathy; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to the family of Mrs. Anna Bell Thomas Robinson.

Alderman Frost 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 Frost, seconded by Aldermen Humes, D. Davis and Sheahan, the foregoing proposed resolution was *Adopted* by a rising vote.

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Presented by

ALDERMAN LAURINO (39th Ward):

CONGRATULATIONS EXTENDED FATHER ALBERT J. BUCKLEY ON  
HIS GOLDEN ANNIVERSARY AS A PRIEST.

A proposed resolution reading as follows:

WHEREAS, Father Albert J. Buckley, pastor emeritus of St. Edward Church on Chicago's great Northwest Side, is celebrating 50 golden years in the priesthood; and

WHEREAS, Father Albert J. Buckley has a long and distinguished career as one of this City's outstanding spiritual leaders: he was pastor of St. Edward Church 14 years, retiring from that post in 1981. Before that he was pastor of St. Ambrose Church for some 12 years, and his prior assignments as associate were at St. Francis de Paula, St. Hugh in Lyons, Our Lady Help of Christians, and St. Ambrose; and

WHEREAS, During World War II, Father Albert J. Buckley was a chaplain with the Air Force "Flying Tigers" and received a citation for his work in China; and

WHEREAS, Cardinal Bernardin recently congratulated members of the class of 1935 from St. Mary of the Lake Seminary, a class which most eminently included Father Albert J. Buckley; now, therefore,

Be *It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th Day of May, 1985, A.D., do hereby congratulate Father Albert J. Buckley, pastor emeritus of St. Edward Church, on the 50th Anniversary of his entering the priesthood, and that we extend to this outstanding spiritual guide our most sincere wishes for many more years of happiness and fulfillment; and

Be *It Further Resolved*, That a suitable copy of this resolution be presented to Father Albert J. Buckley.

Alderman Laurino 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 Laurino, the foregoing proposed resolution was *Adopted*.

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CONGRATULATIONS EXTENDED JOURNALIST JOAN ESPOSITO  
AS RECIPIENT OF DANTE AWARD.

Also, a proposed resolution reading as follows:

WHEREAS, Joan Esposito, well-respected journalist and co-anchorperson with John Drury on WLS-TV, Channel 7 in Chicago, has been presented the Dante Award by the Joint Civic Committee of Italian-Americans on May 17, 1984; and

WHEREAS, The Dante Award is granted in the belief that it symbolizes the immortal words of Dante Alighieri, who centuries ago said, "If I should prove a timid friend to truth, I fear to lose my fame among the people whose age will call the present era ancient"; and

WHEREAS, Joan Esposito has established a distinguished career in the Chicago media since she came here in July, 1981, first with WGN-TV, Channel 9, and since December, 1982, with WLS-TV. In 1982, she was recipient of a Chicago Emmy Award for Individual Achievement for newsmen who appear on camera; and

WHEREAS, Ms. Esposito is exceedingly qualified; she holds a B.S. in allied medicine, an M.A. in community health education and has been in the broadcasting field since 1979; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th Day of May, 1985, A.D., do hereby offer our congratulations to Joan Esposito as recipient of the coveted Dante Award, as well as our very best wishes to this outstanding Chicago citizen for many more successes in the future; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to Joan Esposito.

Alderman Laurino 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 Laurino, seconded by Aldermen Natarus, Pucinski and Roti, the foregoing proposed resolution was *Adopted*.

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*Referred* -- AMENDMENT OF MUNICIPAL CODE CHAPTER 27  
CONCERNING INSTALLATION OF NEIGHBORHOOD WATCH  
SIGNS.

Also, a proposed ordinance to amend Chapter 27, Section 27-209 of the Chicago Municipal Code by the addition of a new paragraph, Section 27-209 (c), concerning the installation of "Neighborhood Watch" signs, which was *Referred to the Committee on Municipal Code Revision*

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*Referred* -- INSTALLATION OF NEIGHBORHOOD WATCH SIGNS  
BY RESIDENTS AND BLOCK CLUBS.

Also, a proposed resolution concerning the feasibility of amending the Municipal Code of Chicago to consider the installation of Neighborhood Watch Signs by residents and block clubs who are participants in the Beat Representative "Neighborhood Watch" Program, which was *Referred to the Committee on Traffic Control and Safety*.

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Presented by

ALDERMAN O'CONNOR (40th Ward):



*Referred --* COMMITTEE ON EDUCATION URGED TO INVESTIGATE  
SAFETY IN AND AROUND SCHOOLS.

A proposed resolution instructing the Committee on Education to hold hearings to investigate what steps the Chicago Police Department has taken, or will take in the future to insure safety in and around Chicago schools and to investigate further the system by which gang related incidents are reported by the Board of Education and responded to by the Chicago Police Department, which was *Referred to the Committee on Education*.

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*Referred --* COMMITTEE ON EDUCATION INSTRUCTED TO HOLD  
HEARINGS CONCERNING BOARD OF EDUCATION  
FINANCIAL STATUS.

Also, a proposed resolution instructing the Committee on Education to hold hearings to determine the status of the finances of the Board of Education as they relate to the funding of school for the 1985-1986 school year, which was *Referred to the Committee on Education*.

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Presented by

**ALDERMAN O'CONNOR (40th Ward) and OTHERS:**

*Referred --* MUNICIPAL CODE CHAPTER 27, SECTION 27-416.1  
AMENDED CONCERNING PARKING VIOLATIONS.

A proposed ordinance presented by Aldermen O'Connor, Banks, Laurino, Cullerton, Orbach, Sheahan, Hansen, Schuler, Stone, Kotlarz, Mell and Kelley amending Chapter 27, Section 27-416.1 of the Chicago Municipal Code by adding additional language which would give section foremen within the Department of Streets and Sanitation the authority to issue traffic parking violation notices to vehicles in violation of Section 27-308(d) of the Municipal Code, which was *Referred to the Committee on Municipal Code Revision*.

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Presented by

**ALDERMAN O'CONNOR (40th Ward) and  
ALDERMAN PUCINSKI (41st Ward):**

CONGRATULATIONS EXTENDED RONALD E. CRANE ON  
HIS MANY OUTSTANDING ACHIEVEMENTS.

A proposed resolution reading as follows:

To honor, recognize and commend Ronald E. Crane for his outstanding achievements in a number of different fields, as well as his setting an example for all Chicagoans, young and old, and for his personal sacrifices and dedication to his community;

WHEREAS, At age 12, Ronald E. Crane entered the Illinois Junior Academy of Science Fairs and won outstanding awards at the Illinois State Finals for three years, with different inventions, one being a first place winner; and

WHEREAS, Ronald E. Crane, at age 14, set two unofficial world records by his being the youngest pilot to fly instruments, and the youngest pilot to fly across the United States; and

WHEREAS, Ronald E. Crane was a national merit scholar finalist and obtained a perfect score on the college entrance ACT in the physical sciences; and

WHEREAS, Ronald E. Crane entered Northwestern University Tech under early admission, thus becoming the only person to enter that institution without a high school diploma; and

WHEREAS, Ronald E. Crane has raised bees and produced honey, doing all the work required in this endeavor and donated that useful product to poor, sick and blind people on a charitable basis; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, in meeting assembled this 29th day of May, 1985, do hereby congratulate and extend our best wishes to Ronald E. Crane on all his accomplishments; and

*Be It Further Resolved*, That a suitable copy of this resolution be prepared for presentation to Ronald E. Crane.

Alderman O'Connor 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 O'Connor, the foregoing proposed resolution was *Adopted*.

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Presented by

**ALDERMAN PUCINSKI (41st Ward) and OTHERS:**

COMMENDATIONS EXTENDED TO CONGRESSMAN DAN ROSTENKOWSKI.

A proposed resolution presented by Aldermen Pucinski, Gabinski, Sheahan, Stone, Damato, Banks, Frost, Hagopian, McLaughlin, Laurino, Cullerton, Kotlarz and Santiago reading as follows:

WHEREAS, As Chairman of the House, Ways and Means Committee, Congressman Dan Rostenkowski will play a key role in formulating tax reform for the people of America; and

WHEREAS, The Constitution of the United States provides that all tax measures must originate in the U. S. House of Representatives, Congressman Rostenkowski, as Chairman of the House, Ways and Means Committee, will set the pace for tax reform; and

WHEREAS, In his democratic rebuttal last night to the President's message, Congressman Rostenkowski through his commendable action, brought great credit to Chicago and its people; and

WHEREAS, His appearance on national television last night gave the City of Chicago a new range of respect and credibility; and

WHEREAS, This native son of Chicago will be a key factor in formulating what the President called the "Second American Revolution"; and

WHEREAS, We can all take great pride in the leadership that Congressman Rostenkowski is providing in this crucial albeit complex field of taxation; and

WHEREAS, Through his stellar leadership, Congressman Rostenkowski has brought a new respect for the Democratic Party; now, therefore,

*Be It Resolved*, That the Mayor and the members of the City Council 1) commend Congressman Rostenkowski for his conduct last night on network television, 2) we commend him for bringing a new range of pride to all the people in Chicago, and 3) pledge our support for his efforts to produce a new hallmark of fairness in the tax reform package which he and Congress will submit to the President.

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, seconded by Alderman Gabinski, the foregoing proposed resolution was *Adopted*.

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Presented by

ALDERMAN NATARUS (42nd Ward):

*Referred* -- PAYMENT OF LICENSE FEE REQUIRED FOR  
SPECIAL POLICE EMPLOYED BY NORTHWESTERN  
UNIVERSITY.

A proposed ordinance to require special police officers employed by Northwestern University to pay the annual licensing fee of ten dollars pursuant to Chapter 173, Section 173-6 of the Chicago Municipal Code, which was *Referred to the Committee on Finance*.

*Referred --* ISSUANCE OF PERMIT TO NORTH DEARBORN  
ASSOCIATES TO CONDUCT GARDEN WALK AND  
HERITAGE FESTIVAL.

Also, a proposed order authorizing and directing the Commissioner of Public Works to issue a permit to North Dearborn Association for the conduct of a Garden Walk and Heritage Festival, which was *Referred to the Committee on Beautification and Recreation*.

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CONGRATULATIONS EXTENDED TO NORTH DEARBORN  
ASSOCIATION ON OCCASION OF THEIR 1985  
GARDEN WALK IN CHICAGO.

Also a proposed resolution reading as follows:

WHEREAS, The North Dearborn Association is one of the oldest street associations of its kind in Chicago, having introduced the concept of the "Garden Walk in Chicago"; and

WHEREAS, On Sunday, the 4th of August, 1985, the North Dearborn Association will celebrate its contributions toward the preservation and improvement of its community, and its heritage for future generations to enjoy, by conducting its 1985 North Dearborn Association Garden Walk; now, therefore,

*Be it Resolved*, That the Mayor and the members of the City Council of the City of Chicago, in a meeting assembled this 29th day of May, 1985, do hereby congratulate the North Dearborn Association - Mr. Phillip Wherry, President, Robert Baca, Chairperson, its Officers and Members, on the event of its 1985 "Garden Walk", and, further, for its work toward preserving and improving the North Dearborn Parkway community; and

*Be it Further Resolved*, That a suitable copy of this Resolution be prepared for presentation to the North Dearborn Association.

Alderman Natarus 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 Natarus the foregoing proposed resolution was *Adopted*.

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TRAFFIC LANE TOW AWAY ZONES ESTABLISHED ON  
PORTIONS OF SPECIFIED STREETS.  
(PILOT PROGRAM).

Alderman Natarus presented a proposed ordinance which reads as follows:

*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, (Pilot Program) 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                                                                                                                      |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| East Bellevue Place<br>(north side)   | From North State Street to North<br>Lake Shore Drive -- 9:00 A.M. to 1:00<br>P.M. -- Tuesdays -- April 15 to<br>November 1, 1985;   |
| East Bellevue Place<br>(south side)   | From North State Street to North<br>Lake Shore Drive -- 9:00 A.M. to 1:00<br>P.M. Wednesdays -- April 15 to<br>November 1, 1985;    |
| East Cedar Street<br>(north side)     | From North State Street to North<br>Lake Shore Drive -- 9:00 A.M. to 1:00<br>P.M. -- Tuesdays -- April 15 to<br>November 1, 1985;   |
| East Cedar Street<br>(south side)     | From North State Street to North<br>Lake Shore Drive -- 9:00 A.M. to 1:00<br>P.M. -- Wednesdays -- April 15 to<br>November 1, 1985; |
| East Chestnut Street<br>(north side)  | From North State Street to North<br>Michigan Avenue -- 9:00 A.M. to 1:00<br>P.M. -- Tuesdays -- April 15 to<br>November 1, 1985;    |
| East Chestnut Street<br>(south side)  | From North State Street to North<br>Michigan Avenue -- 9:00 A.M. to 1:00<br>P.M. -- Wednesdays -- April 15 to<br>November 1, 1985;  |
| East Elm Street<br>(south side)       | From North State Street to North<br>Lake Shore Drive -- 9:00 A.M. to 1:00<br>P.M. -- Wednesdays -- April 15 to<br>November 1, 1985; |
| North Dearborn Parkway<br>(west side) | From East Division Street to East<br>North Boulevard -- 9:00 A.M. to 1:00<br>P.M. -- Tuesdays -- April 15 to<br>November 1, 1985;   |
| North Dearborn Parkway<br>(east side) | From West Division Street to West<br>Goethe Street -- 9:00 A.M. to 1:00                                                             |

## Public Way

## Limit and Time

P.M. -- Wednesdays -- April 15 to  
November 1, 1985;

East Delaware Place  
(north side)

From North State Street to North  
Michigan Avenue -- 9:00 A.M. to 1:00  
P.M. -- Tuesdays -- April 15 to  
November 1, 1985;

East Delaware Place  
(south side)

From North State Street to North  
Michigan Avenue -- 9:00 A.M. to 1:00  
P.M. -- Wednesdays -- April 15 to  
November 1, 1985;

East Division Street  
(north side)

From North State Street to North  
Lake Shore Drive -- 9:00 A.M. to 1:00  
P.M. -- Tuesdays -- April 15 to  
November 1, 1985;

East Division Street  
(south side)

From North State Street to North  
Lake Shore Drive -- 9:00 A.M. to 1:00  
P.M. -- Wednesdays -- April 15 to  
November 1, 1985;

East Elm Street  
(north side)

From North State Street to North  
Lake Shore Drive -- 9:00 A.M. to 1:00  
P.M. -- Tuesdays -- April 15 to  
November 1, 1985;

East Oak Street  
(north side)

From North State Street to North  
Lake Shore Drive -- 9:00 A.M. to  
1:00 P.M. -- Tuesdays -- April 15 to  
November 1, 1985;

East Oak Street  
(south side)

From North State Street to North  
Lake Shore Drive -- 9:00 A.M. to 1:00  
P.M. -- Wednesdays -- April 15 to  
November 1, 1985;

East Pearson Street  
(north side)

From North State Street to North  
Michigan Avenue -- 9:00 A.M. to 1:00  
P.M. -- Tuesdays -- April 15 to  
November 1, 1985;

East Pearson Street  
(south side)

From North State Street to North  
Michigan Avenue -- 9:00 A.M. to 1:00  
P.M. -- Wednesdays -- April 15 to  
November 1, 1985;

## Public Way

## Limit and Time

East Walton Street  
(south side)

From North State Street to North  
Michigan Avenue -- 9:00 A.M. to 1:00  
P.M. -- Wednesdays -- April 15 to  
November 1, 1985;

East Walton Street  
(north side)

From North State Street to North  
Michigan Avenue -- 9:00 A.M. to 1:00  
P.M. -- Tuesdays -- April 15 to  
November 1, 1985;

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

Alderman Natarus moved to *Suspend the Rules Temporarily* for the 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Nays -- None.

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

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Presented by

**ALDERMAN OBERMAN (43rd Ward):**

*Referred -- PAYMENT OF LICENSE FEE REQUIRED FOR  
SPECIAL POLICE EMPLOYED BY DE PAUL  
UNIVERSITY.*

A proposed ordinance to require special police officers employed by DePaul University to pay the annual licensing fee of ten dollars pursuant to Chapter 173, Section 173-6 of the Chicago Municipal Code, which was *Referred to the Committee on Finance*.

*Referred* -- PERMISSION TO CONDUCT GARDEN WALK  
AND STREET FAIR AT SPECIFIED LOCATIONS.

Also, a proposed order authorizing and directing the Commissioner of Public Works to grant permission to Dennis R. Laughlin, 3709 North Janssen Avenue, c/o Sheffield Neighborhood Association, for the conduct of a garden walk and street fair on West Webster Avenue between North Sheffield and North Seminary Avenues; and on North Kenmore Avenue between West Dickens and West Belden Avenues, for the period of July 20 thru July 21, 1985, which was *Referred to the Committee on Beautification and Recreation*.

---

*Referred* -- PERMISSION TO CONDUCT STREET FAIR  
AT SPECIFIED LOCATIONS.

Also, a proposed order authorizing and directing the Commissioner of Public Works to grant permission to the Muscular Dystrophy Association to conduct a street fair on the 2200 and 2300 blocks of North Lincoln Avenue between Fullerton and Webster Avenues; 2200 block of North Geneva Terrace between Belden and Webster Avenues; 700 block of North Halsted Street between Halsted Street and Lincoln Avenue; and the 2200 block of North Orchard Avenue from the first alley south of North Lincoln Avenue, for the period of July 21, 1985, which was *Referred to the Committee on Beautification and Recreation*.

---

*Referred* -- PERMISSION TO CONDUCT SIDEWALK SALE  
AT SPECIFIED LOCATION.

Also, a proposed order authorizing and directing the Commissioner of Public Works to grant permission to the Diversey Avenue Merchants to conduct a sidewalk sale in the 400, 500, 600 and 700 blocks of West Diversey Parkway, for the period of June 27 thru June 30 (rain dates) July 1 and 2, 1985, which was *Referred to the Committee on Beautification and Recreation*.

---

Presented by

ALDERMAN HANSEN (44th Ward):

*Referred* -- COMMISSIONER OF PUBLIC WORKS URGED TO  
REPLACE GRASS PARKWAY WITH PERMANENT BRICK  
INSTALLATION.

A proposed order authorizing and directing the Commissioner of Public Works to replace the parkway grass area with a permanent installation of brick at the bus stop on the southwest corner of North Lake Shore Drive and West Hawthorne Place, which was *Referred to the Committee on Streets and Alleys*.



Presented by

ALDERMAN MC LAUGHLIN (45th Ward):

*Referred --* ISSUANCE OF PERMITS TO CONDUCT  
FAIR AT SPECIFIED LOCATION.

A proposed order authorizing the City Comptroller to issue a permit to St. John's Evangelical Lutheran Church, 4939 West Montrose Avenue, to conduct annual Fair on North Laverne Avenue from West Montrose Avenue south to West Pensacola Avenue, etc. for the period from June 20-23, 1985, which was *Referred to the Committee on Beautification and Recreation*.

---

*Referred --* AMENDMENT OF MUNICIPAL CODE CHAPTER 21  
CONCERNING CHICAGO LANDMARKS ORDINANCE.

Also, a proposed ordinance amending Chapter 21, Sections 21-62 thru 21-64.2 concerning the Chicago Landmarks Ordinance, which was *Referred to the Committee on Cultural Development and Historical Landmark Reservation*.

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JOSEPH P. MC DONAGH HONORED ON ACHIEVING  
RANK OF EAGLE SCOUT.

Also, a proposed resolution reading as follows:

WHEREAS, Joseph P. McDonagh, a member of Boy Scout Troop 904, has just earned the Eagle Badge, the highest award that can be earned in the Boy Scouts of America; and

WHEREAS, Joseph P. McDonagh, a resident of Chicago's great Northwest Side, maintains an honor roll status in school; and

WHEREAS, Joseph P. McDonagh, has been a positive influence with his associates and in the Community. He represents the best in youth of our great City, of which its leaders are so justly proud; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th day of May, 1985, A.D., do hereby offer our congratulations to Joseph P. McDonagh on achieving the status of Eagle Scout, as well as our best wishes to this fine young citizen for a bright, happy, prosperous future; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to Eagle Scout Joseph P. McDonagh.

Alderman McLaughlin 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 McLaughlin, the foregoing proposed resolution was *Adopted*.

---

CATHY KLATT HONORED ON EARNING GIRL SCOUT  
GOLD AWARD.

Also, a proposed resolution reading as follows:

WHEREAS, Cathy Klatt, a member of Senior Girl Scout Troop 30 just earned the Gold Award, the highest award that can be earned in the Girl Scouts of America; and

WHEREAS, Cathy Klatt has been a positive influence with her associates and in the Community. She represents the best in youth of our great City, of which its leaders are so justly proud; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th day of May, 1985, A.D., do hereby offer our congratulations to Cathy Klatt on achieving the Girl Scout Gold Award, as well as our best wishes to this fine young citizen for a bright, happy, prosperous future; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to Girl Scout Cathy Klatt.

Alderman McLaughlin 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 McLaughlin, the foregoing proposed resolution was *Adopted*.

---

TINA SCHAP HONORED ON EARNING THE GIRL SCOUT  
GOLD AWARD.

Also, a proposed resolution reading as follows:

WHEREAS, Tina Schap, a member of Senior Girl Scout Troop 30 just earned the Gold Award, the highest award that can be earned in the Girl Scouts of America; and

WHEREAS, Tina Schap has been a positive influence with her associates and in the Community. She represents the best in youth of our great City, of which its leaders are so justly proud; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th day of May, 1985, A.D., do hereby offer our congratulations to Tina Schap on achieving the Girl Scout Gold Award, as well as our best wishes to this fine young citizen for a bright, happy, prosperous future; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to Girl Scout Tina Schap.

Alderman McLaughlin 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 McLaughlin, the foregoing proposed resolution was *Adopted*.

---

GEORGENE SCHWEBEL HONORED ON EARNING THE  
GIRL SCOUT GOLD AWARD.

Also a proposed resolution reading as follows:

WHEREAS, Georgene Schwebel, a member of Senior Girl Scout Troop 30, just earned the Gold Award, the highest award that can be earned in the Girl Scouts of America; and

WHEREAS, Georgene Schwebel, has been a positive influence with her associates and in the Community. She represents the best in youth of our great City, of which its leaders are so justly proud; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th day of May, 1985, A.D., do hereby offer our congratulations to Georgene Schwebel on achieving the Girl Scout Gold Award, as well as our best wishes to this fine young citizen for a bright, happy, prosperous future; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to Girl Scout Georgene Schwebel.

Alderman McLaughlin 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 McLaughlin, the foregoing proposed resolution was *Adopted*.

---

Presented by

ALDERMAN SCHULTER (47th Ward):

CONGRATULATIONS EXTENDED MARIA HEREDIA AND EDDY BELTRAM  
AS OUTSTANDING GRADUATES OF JOHN J. AUDUBON  
ELEMENTARY SCHOOL.

A proposed resolution reading as follows:

WHEREAS, Maria Heredia and Eddy Beltram, excellent students throughout their grade school years, are being graduated from John J. Audubon Elementary School June 26, 1985, at 11 A.M.; and

WHEREAS, Maria Heredia and Eddy Beltram are outstanding examples of scholarship in the youth of which the leaders of this great City of Chicago are so justly proud; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this 29th Day of May, 1985, A.D., do hereby offer our congratulations to Maria Heredia and Eddy Beltram, two of the outstanding graduates of John J. Audubon Elementary School, as well as our best wishes to these fine young students for a happy, successful and prosperous future; and

*Be It Further Resolved*, That a suitable copy of this resolution be presented to Maria Heredia and Eddy Beltram.

Alderman Schuler moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Revailed*.

On motion of Alderman Schuler, the foregoing proposed resolution was *Adopted*.

---

*Referred --* ISSUANCE OF PERMITS TO CONDUCT CARNIVALS  
AT SPECIFIED LOCATIONS.

Also, two proposed orders for issuance of permits to conduct carnivals at specified locations, which were *Referred to the Committee on Beautification and Recreation*, as follows:

St. Andrew Church, 3546 North Paulina Avenue -- to conduct a carnival on North Paulina Street from West Addison Street to the first alley north thereof for the period August 21 to August 25, 1985;

Queen of Angels Church, 2323 West Sunnyside Avenue -- to conduct a carnival on West Sunnyside Avenue from North Western Avenue to the first alley between North Artesian Avenue and North Western Avenue.

---

*Referred --* ISSUANCE OF PERMITS TO CONDUCT YARD SALE AND  
SIDEWALK SALE AT SPECIFIED LOCATIONS.

Also, two proposed orders for issuance of permits to conduct various events, which were *Referred to the Committee on Beautification and Recreation*, as follows:

Chicago Nichirem Buddhist Temple, 4216 North Paulina Street -- to conduct a yard sale in the north-south alley between 4216 North Paulina Street and the Courtney School property line for the period June 8 to June 9, 1985;

Lincoln Square Chamber of Commerce, 4756 North Lincoln Avenue -- to hold a sidewalk sale on North Lincoln Avenue from West Leland Avenue to West Ainslie Street and on North Western Avenue from West Leland Avenue to West Ainslie Street for the period July 25 to July 28, 1985.

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*Referred* -- NEW READING ROOM AT SULZER REGIONAL LIBRARY TO BE KNOWN AS "THE LOUIS A. LERNER MEMORIAL READING ROOM".

Also, a proposed resolution requesting the Chicago Public Library to name the new reading room at the Sulzer Regional Library "The Louis A. Lerner Memorial Reading Room", which was *Referred to the Committee on Cultural Development and Historical Landmark Reservation*.

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Presented by

**ALDERMAN SCHULTER (47th Ward) and OTHERS:**

*Referred* -- AMENDMENT OF MUNICIPAL CODE CHAPTER  
26 CONCERNING COMMUNITY PARTICIPATION IN  
SELECTION OF PUBLICLY FUNDED WORKS  
OF ART.

A proposed ordinance presented by Aldermen Schulter, O'Connor, Orbach and Stone to amend Chapter 26, of the Chicago Municipal Code by creating a Public Review Committee which would give greater community participation in the selection of publicly funded works of art in targeted communities; which was *Referred to the Committee on Cultural Development and Historical Landmark Preservation*.

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Presented by

**ALDERMAN VOLINI (48th Ward):**

*Referred* -- ISSUANCE OF PERMIT FOR PLANTERS ON  
SPECIFIED PUBLIC WAY.

A proposed order authorizing the City Comptroller to issue a permit to Uptown National Bank, 4753 N. Broadway, for installation of planters in the public way on North Broadway, from West Lawrence Avenue to a point 100 feet south thereof, which was *Referred to the Committee on Beautification and Recreation*.

---

*Referred* -- ISSUANCE OF PERMIT TO CONDUCT SIDEWALK  
SALE AT SPECIFIED LOCATION.

Also, a proposed order authorizing the Commissioner of Public Works to issue a permit to Bryn Mawr Broadway Ridge Merchants Association to conduct a sidewalk sale on both sides of Bryn Mawr Avenue between Broadway and Winthrop Avenue, which was *Referred to the Committee on Beautification and Recreation*.

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*Referred --* ISSUANCE OF PERMITS FOR CERTAIN  
IMPROVEMENTS ON PUBLIC WAY AT  
4753 NORTH BROADWAY.

Also, a proposed ordinance authorizing the Commissioner of Economic Development to issue necessary permits to Gorman Landscaping Company for completion of improvements at 4753 North Broadway, which was *Referred to the Committee on Economic Development*.

---

Presented by

**ALDERMAN ORR (49th Ward):**

*Referred --* ISSUANCE OF PERMIT FOR INSTALLATION OF  
SIGN/SIGNBOARD AT SPECIFIED LOCATION.

A proposed order for issuance of a sign permit to Flashtríc, Incorporated to install a sign/signboard at 6231 North Broadway for McDonalds Restaurant, which was *Referred to the Committee on Zoning*.

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Presented by

**ALDERMAN STONE (50th Ward):**

*Referred --* INSTALLATION OF PERMANENT GUARDRAIL AT  
SPECIFIED LOCATION.

A proposed order authorizing and directing the Commissioner of Public Works to consider the installation of a permanent guardrail at the vacated alley on the northeast side of Chicago & North Western Railroad tracks at North Ravenswood and West Peterson Avenues, which was *Referred to the Committee on Streets and Alleys*.

---

*Referred --* ISSUANCE OF PERMIT FOR INSTALLATION OF  
SIGN/SIGNBOARD AT SPECIFIED LOCATION.

Also, a proposed order for the issuance of a permit to Triangle Sign Company, Incorporated to install a sign/signboard at 2020 West Peterson Avenue for New Era Optical Company, which was *Referred to the Committee on Zoning*.

---

*Referred --* "VETERANS DAY PARADE" HONORING VIETNAM  
VETERANS TO BE HELD NOVEMBER 11, 1985.

Also, a proposed resolution which would authorize a "Veterans Day Parade" on Monday, November 11, 1985, with a special tribute to America's Vietnam Veterans, which was *Referred to the Committee on Special Events and World's Fair*.

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CONGRATULATIONS EXTENDED BERNARD HORWICH JEWISH  
COMMUNITY CENTER ON ITS 25TH ANNIVERSARY.

Also, a proposed resolution reading as follows:

WHEREAS, The Bernard Horwich Jewish Community Center was established in the Northtown-West Rogers Park area in 1960 and has served that community for twenty-five years; and

WHEREAS, The 25th Anniversary Celebration Week will commence Sunday, June 2nd and that week will be dedicated by the community as a tribute to the community service that has been furnished for a quarter century; and

WHEREAS, The Bernard Horwich Jewish Community Center has served the Northtown-West Rogers Park Community in almost every aspect of community life, commencing with a nursery school, summer camp for children of almost every age, a teenage center, including educational, cultural and physical fitness, a young marrieds and singles center serving the same functions, a recreational center for the fulfillment of leisure time creatively and educationally, on through a senior citizen center in its Mayer Kaplan Senior Adult Center; and

WHEREAS, Generations of residents of the community have realized fulfillment from political awareness to physical fitness to musical achievement; and

WHEREAS, The Bernard Horwich Jewish Community Center has been staffed by men and women of great personal dedication and ability who have dedicated a part of their life to the community and some of whom have gone on to fulfill positions of importance not only in the Chicagoland community but in communities throughout the world; and

WHEREAS, The officers and members of the Board, all volunteers and residents of the community who dedicated a part of their lives to continue the operations of a great community center; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago assembled this 29th day of May, 1985, do hereby congratulate The Bernard Horwich Jewish Community Center on its 25th anniversary and extend our best wishes to the many people, both of its professional staff and its volunteers, who made the first twenty-five years of its existence possible and further express our sincere hope that The Bernard Horwich Jewish Community Center shall continue to exist for many years into the future and it shall continue to be the foundation of the fine residential community, Northtown-West Rogers Park; and

*Be It Further Resolved*, That a suitable copy of this resolution be prepared and forwarded to the officers and Board of The Bernard Horwich Jewish Community Center.

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*.

---

BEST WISHES EXTENDED DOROTHY LEROY ON OCCASION  
OF HER RETIREMENT.

Also a proposed resolution reading as follows:

WHEREAS, Dorothy Leroy officially retired May 1st, 1985, as executive secretary of the North Town Community Council; and

WHEREAS, Dorothy Leroy has devoted more than eighteen years in that position to the North Town Community to the extent that the name Dorothy Leroy was synonymous to the name North Town Community Council; and

WHEREAS, Presidents of the Community Council have come and gone, but it was the quiet, industrious and dedicated services of Dorothy Leroy that supported each and every administration of the Community Council; and

WHEREAS, On the evening of June 26th, at its annual delegates meeting the North Town Community Council will dedicate that night as a tribute to Dorothy Leroy; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago assembled here this 29th day of May, 1985, do hereby congratulate Dorothy Leroy for her devoted service as executive secretary to the North Town Community Council and wish her well in retirement with the full knowledge that she will continue to dedicate much of her time and effort to the community that she has demonstrated over the years she loves so well; and

*Be It Further Resolved*, That a suitable copy of this resolution be prepared and presented to Dorothy Leroy.



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*.

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**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 PERMITS:**

**BY ALDERMAN ROTI** (1st Ward):

Check of the Art in Public Places, Inc. -- for installing panels in existing structure on the premises known as 10 W. Jackson Boulevard.

**BY ALDERMAN NATARUS** (42nd Ward):

Northwestern Memorial Hospital, Superior and Fairbanks Court -- for remodeling 7th, 9th and 10th floors on the premises known as 303 E. Superior Street.

**LICENSE FEE EXEMPTIONS:**

**BY ALDERMAN TILLMAN** (3rd Ward):

St. Paul Church of God in Christ Day Care Center, 4528 S. Wabash Avenue.

**BY ALDERMAN STREETER** (17th Ward):

Zion Hill Child Development Center, 1460 W. 78th Street.

**BY ALDERMAN W. DAVIS** (27th Ward):

Chase House, Inc./Dearborn Park Pre-School, 211 S. Ashland Boulevard.

**BY ALDERMAN NATARUS** (42nd Ward):

Midwest Center/Planned Parenthood Association of Chicago, 100 E. Ohio Street.

**CANCELLATION OF WARRANTS FOR COLLECTION:**

**BY ALDERMAN GABINSKI** (32nd Ward):

St. Hedwig Church, 2226 N. Hoyne Avenue -- elevator inspection.

*BY ALDERMAN NATARUS (42nd Ward):*

Dialysis Center, Ltd., 53 E. Superior Street -- parking sign and surcharge inspections.

Scholl College of Podiatric Medicine, 1001 N. Dearborn Street -- mechanical ventilation inspection.

*BY ALDERMAN OBERMAN (43rd Ward):*

Little Sisters of the Poor, 2325 N. Lakewood Avenue -- elevator inspections.

*BY ALDERMAN SCHULTER (47th Ward):*

Society of Danube, Inc., 4217-4221 N. Lincoln Avenue -- public place of assembly inspections.

## WATER RATE EXEMPTIONS:

*BY ALDERMAN BLOOM (5th Ward):*

The University of Chicago, 5801 S. Ellis Avenue.

*BY ALDERMAN BEAVERS (7th Ward):*

Christian Methodist Baptist Church, 2800 E. 79th Street.

*BY ALDERMAN SHEAHAN (19th Ward):*

Washington and Jane Smith Home, 11317 S. Western Avenue.

## REFUND OF FEES:

*BY ALDERMAN ROTI (1st Ward):*

Check of the Art in Public Places, Inc., 10 W. Jackson Boulevard -- Refund of Building Permit No. 651140 for the amount of \$398.00.

*BY ALDERMAN BLOOM (5th Ward):*

LaRabida Children's Hospital, E. 65th Street at Lake Michigan -- Refund of Electrical Permit Fee No. 669000 for the amount of \$30.00.

*BY ALDERMAN ORBACH (46th Ward):*

Louis A. Weiss Memorial Hospital, 4646 N. Marine Drive -- Refund of Parking Tax for the amount of \$130,892.00.

## WAIVER OF FEES:

BY ALDERMAN NATARUS (42nd Ward):

Rehabilitation Institute of Chicago, 345 E. Superior Street.

Henrotin Hospital, 1010 N. Clark Street.

Unico National Organization, 188 W. Randolph Street.

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**APPROVAL OF JOURNAL OF  
PROCEEDINGS.**

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JOURNAL (April 25, 1985).

Alderman Brady moved to Correct the printed Official Journal of the Proceedings of the regular meeting held on Thursday, April 25, 1985, as follows:

Page 15829 - by deleting the word "North" appearing on the fourteenth line from the top of the page and inserting the word "South" in lieu thereof.

The motion *Prevailed*.

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JOURNAL (May 15, 1985).

The City Clerk submitted the printed Official Journal of the Proceedings of the regular meeting held on May 15, 1985, at 10:00 A.M., signed by him as such City Clerk.

Alderman Burke moved to Approve said printed Official Journal and to dispense with the reading thereof. The question being put, the motion *Prevailed*.

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**UNFINISHED BUSINESS.**

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**1985 ANNUAL APPROPRIATION ORDINANCE AMENDED TO  
CREATE PROGRAMS TO COMBAT STREET GANG  
VIOLENCE AND PROVIDE NEW  
OPPORTUNITIES FOR  
CHICAGO YOUTH.**

On motion of Alderman Santiago, the City Council took up for consideration the report of the Special Committee on Youth Development and Employment, deferred and published in the Journal of the Proceedings of May 15, 1985, pages 16406- 16413, recommending that the City Council pass a proposed resolution which would amend the 1985 Annual Appropriation Ordinance to create a program to combat street gang violence and provide new opportunities for Chicago Youth.

Alderman Pucinski presented an amendment to the said proposed resolution which reads as follows:

"I hereby move to amend a resolution presented by the Special Committee on Youth Development and Employment concerning approval of certain specific appropriations proposed to combat street gang violence in the City of Chicago by striking that language bracketed and adding that language in italics as shown below":

\* \* \* \* \*

(b) \$251,000 in Corporate Fund revenues be used to create a pool of funds to be used for grants to community-based delegate agencies to support youth development and crime prevention programs in areas of the City of Chicago which might not otherwise be eligible for grants under the guidelines of the Community Development Block Grant program [and that the City Council approve the agencies to receive these grants] with the concurrence of the City Council;

\* \* \* \* \*

(e) \$1.8 million in Year XI Community Development Block Grant program funds be awarded to community-based social services agencies for youth development programs and that the City Council approve the agencies to receive these grants [; and] pursuant to the Year XI Community Development Block Grant Appropriation Ordinance;

(f) The Administration seek \$339,450 from the Illinois Department of Children and Family Services to support grants to community-based delegate agencies, which would be met with a matching grant by the City of Chicago of \$407,000 in surplus Community Services Block Grants funds. [and that the City Council approve the agencies to receive these grants.]

Alderman Pucinski moved to adopt the foregoing proposed amendment.

During debate, Alderman Volini presented an amendment to the proposed amendment which reads as follows:

I hereby move to amend parts (b) and (e) of the Pucinski amendment by striking that language underscored as shown below:

\* \* \* \* \*

(b) \$251,000 in Corporate Fund revenues be used to create a pool of funds to be used for grants to community-based delegate agencies to support youth development and crime prevention programs in areas of the City of Chicago which might not otherwise be eligible for grants under the guidelines of the Community Development Block Grant program [and that the City Council approve the agencies to receive these grants] with the concurrence of the City Council;

\* \* \* \* \*

(e) \$1.8 million in Year XI Community Development Block Grant program funds be awarded to community-based social services agencies for youth development programs and that the City Council approve the agencies to receive these grants [; and] pursuant to the Year XI Community Development Block Grant Appropriation Ordinance;

Alderman Pucinski moved to *Lay on the Table* Alderman Volini's proposed amendment. The motion *Prevailed* by yeas and nays as follows:

*Yeas* -- Aldermen Roti, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Kellam, Sheahan, Stemberk, Krystyniak, Marzullo, Nardulli, Hagopian, Santiago, Gabinski, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Hansen, McLaughlin, Orbach, Schulter, Stone -- 28.

*Nays* -- Aldermen Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Langford, Streeter, Kelley, Sherman, W. Davis, Smith, D. Davis, Mell, Frost, Natarus, Oberman, Volini, Orr -- 21.

After further debate, Alderman Evans moved to lay on the table Alderman Pucinski's proposed amendment. The motion lost by yeas and nays as follows:

*Yeas* -- Aldermen Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Langford, Streeter, Kelley, Sherman, Henry, W. Davis, Smith, D. Davis, Mell, Frost, Natarus, Oberman, Volini, Orr -- 22.

*Nays* -- Aldermen Roti, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Kellam, Sheahan, Stemberk, Krystyniak, Marzullo, Nardulli, Hagopian, Santiago, Gabinski, Kotlarz, Banks, Damato, Laurino, O'Connor, Pucinski, Hansen, McLaughlin, Orbach, Schulter, Stone -- 27.

Thereupon, Alderman Pucinski's proposed amendment was *Adopted* by yeas and nays as follows:

*Yeas* -- Aldermen Roti, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Kellam, Sheahan, Stemberk, Krystyniak, Marzullo, Nardulli, Hagopian, Santiago, Gabinski, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Hansen, McLaughlin, Orbach, Schulter, Stone -- 28.

*Nays* -- Aldermen Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Langford, Streeter, Kelley, Sherman, W. Davis, Smith, D. Davis, Mell, Frost, Natarus, Oberman, Volini, Orr -- 21.

Alderman Santiago then moved to *Adopt* the said proposed resolution *as amended*. The motion *Prevailed* by yeas and nays as follows:

*Yeas* -- Aldermen Roti, Bloom, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Kellam, Sheahan, Stemberk, Krystyniak, Nardulli, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Stone -- 33.

Nays -- Aldermen Rush, Tillman, Evans, Sawyer, Humes, Streeter, Kelley, W. Davis, Smith, D. Davis, Frost, Volini -- 12.

The following is said resolution as adopted:

WHEREAS, The 1985 Annual Appropriation Ordinance for the City of Chicago appropriated \$1 million to be used to create a program to combat street gang violence and to provide new opportunities for Chicago Youth; and

WHEREAS, This program was to be drafted by the Administration and submitted to a Special Committee on Youth Development and Employment for its review and approval; and

WHEREAS, The Administration proposed a program that includes not only \$1 million in Corporate Fund revenues but \$2.9 million in federal and state funds for a total of \$3.9 million; and

WHEREAS, The Special Committee on Youth Development and Employment reviewed materials submitted by the Administration, received testimony from dozens of witnesses, and received recommendations to improve and to enhance the program submitted by the Administration; and

WHEREAS, The Special Committee on Youth Development and Employment determined that it was imperative that approval be given to a program for youth development as soon as possible to begin projects to stem the rising tide of youth gang violence; and

WHEREAS, The Special Committee recommends to the City Council that the Administration's youth development and employment program, as outlined below, be approved and implemented as soon as possible; now, therefore,

*Be It Resolved by the City Council of the City of Chicago:*

SECTION 1 (a). \$748,995 in Corporate Fund revenues be used to create the Chicago Intervention Network, to be administered by the Department of Human Services pursuant to the attached budget summary, personnel detail, and non- personnel detail; and

(b) \$251,000 in Corporate Fund revenues be used to create a pool of funds to be used for grants to community-based delegate agencies to support youth development and crime prevention programs in areas of the City of Chicago which might not otherwise be eligible for grants under the guidelines of the Community Development Block Grant program with the concurrence of the City Council;

(c) \$220,000 in Year XI Community Development Block Grant program funds be awarded to the Chicago City Colleges to operate a dropout prevention program for Chicago High School students;

(d) \$135,000 in Year XI Community Development Block Grant program funds for the Year XI be awarded to the Cook County State's Attorney's Office to expand the victim/witness assistance program in juvenile courts;

(e) \$1.8 million in Year XI Community Development Block Grant program funds be awarded to community-based social service agencies for youth development programs and that the City Council approve the agencies to receive these grants pursuant to the Year XI Community Development Block Grant Appropriation Ordinance;

(f) The Administration seek \$339,450 from the Illinois Department of Children and Family Services to support grants to community-based delegate agencies, which would be met with a matching grant by the City of Chicago of \$407,000 in surplus Community Services Block Grant funds.

SECTION 2. This resolution shall be in full force and effect from its due passage and publication.

[Budget Summary, Personnel Detail and Non-Personnel Detail  
printed on pages 17433 through 17437 of this Journal.]

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AUTHORITY GRANTED FOR EXECUTION OF FORTY  
REHABILITATION LOAN AGREEMENTS WITH  
VARIOUS BUILDERS.

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 May 15, 1985, pages 16128 - 16133, recommending that the City Council pass a proposed ordinance authorizing the execution of forty rehabilitation loan agreements with various builders.

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

*Yeas* -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Frost, Damato, Cullerton, Laurino, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Stone -- 41.

*Nays* -- None.

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

The following is said ordinance as passed:

(Continued on page 17438)

5/30/85

## UNFINISHED BUSINESS

17433

## BUDGET SUMMARY

| NAME OF PROJECT<br>CHICAGO INTERVENTION NETWORK     |                   | Fund #                                     | Activity #            |                 |
|-----------------------------------------------------|-------------------|--------------------------------------------|-----------------------|-----------------|
| NAME OF LEAD AGENCY<br>DEPARTMENT OF HUMAN SERVICES |                   | CONTRACT PERIOD<br>From 6/1/85 To 12/31/85 |                       |                 |
| COST CATEGORIES                                     | ACCOUNT<br>NUMBER | A<br>REQUESTED SHARE<br>OF COST            | B<br>IN-KIND<br>SHARE | C<br>TOTAL COST |
| PERSONNEL SERVICES                                  | 005               | \$ 587,702                                 | \$ 140,484            | \$ 723,155      |
| FRINGE BENEFITS                                     | 070               |                                            | 254,865               | 254,355         |
| CONTRACTUAL SERVICES                                | 141               | 94,620                                     | 64,510                | 159,130         |
| CONSULTANT SERVICES<br>(For ILEC Program Only)      | 149               |                                            |                       |                 |
| TRAVEL                                              | 270               | 6,300                                      |                       | 6,300           |
| COMMODITIES                                         | 950               | 13,230                                     |                       | 13,230          |
| EQUIPMENT (Initial Cost over<br>50.00)              | 420               | 47,143                                     |                       | 47,143          |
| OTHER COSTS                                         | 804               |                                            |                       |                 |
| FOOD COSTS (For Headstart,<br>Day Care - Only)      | 909               |                                            |                       |                 |
| PAYMENT FOR FOOD                                    | (911)             |                                            |                       |                 |
| OTHER REVENUE FOR FOOD                              | (912)             |                                            |                       |                 |
| MISCELLANEOUS REVENUE                               | (8008)            |                                            |                       |                 |
| TOTAL                                               |                   | \$ 748,995                                 | \$ 459,859            | \$ 1,208,854    |

- (1) The In-kind Share of Cost refers to that portion of the total cost which the Department of Human Services will absorb through other funding sources. In the case of personnel, the in-kind contribution refers to current staff who will contribute a portion of their time working on this program.



## PERSONNEL DETAIL

2

NAME OF PROGRAM CHICAGO INTERVENTION NETWORK PAGE# 1NAME OF LEAD AGENCY DEPARTMENT OF HUMAN SERVICESCONTRACT PERIOD From 5/1 19 85 To 12/31 19 85 FUND#            ACTIVITY#           

| (1)<br>NO.<br>OF<br>PERS. | (2)<br>POSITION OR TITLE                | (3)<br>AVERAGE<br>SALARY<br>PER MO. | (4)<br>%<br>OF<br>TIME | (5)<br>NO.<br>OF<br>MOS | (6)<br>REQUESTED<br>SHARE<br>OF COST | (7)<br>IN-KIND<br>SHARE | (8)<br>TOTAL<br>COST |
|---------------------------|-----------------------------------------|-------------------------------------|------------------------|-------------------------|--------------------------------------|-------------------------|----------------------|
|                           | -ADMINISTRATION & DEVELOPMENT-          |                                     |                        |                         |                                      |                         |                      |
| 1                         | DIRECTOR (Grade 19)                     | 2,983                               | 100                    | 7                       | 20,331                               |                         | 20,331               |
| 1                         | ASSISTANT DIRECTOR (Grade 17)           | 2,487                               | 100                    | 7                       |                                      | 17,409                  | 17,409               |
| 3                         | AREA MANAGER (Grade 15)                 | 2,084                               | 100                    | 7                       | 12,924                               |                         | 12,924               |
| 9                         | SUPERVISOR OF OUTREACH SERVICES (Gr 12) | 1,622                               | 50                     | 7                       |                                      | 52,993                  | 52,993               |
| 1                         | Senior Research Analyst (G 5)           | 2,148                               | 50                     | 7                       |                                      | 7,513                   | 7,513                |
| 1                         | Senior Planning Analyst (G 5)           | 2,148                               | 50                     | 7                       |                                      | 7,513                   | 7,513                |
| 1                         | Principal Methods Analyst (Gr 13)       | 1,855                               | 50                     | 7                       |                                      | 6,493                   | 6,493                |
| 1                         | Statistician (Grade 11)                 | 1,526                               | 50                     | 7                       |                                      | 5,341                   | 5,341                |
| 1                         | Secretary (Grade 8)                     | 1,022                               | 100                    | 7                       | 7,231                                |                         | 7,231                |
| 1                         | Senior Typist/Data Entry (Grade 5)      | 856                                 | 100                    | 7                       | 5,992                                |                         | 5,992                |
|                           | (continued page 2)                      |                                     |                        |                         |                                      |                         |                      |

TOTAL SALARIES

| (9)<br>CODE<br>NO. | (10)<br>FRINGE BENEFITS<br>(INDICATE BASIS FOR ESTIMATE) | (11)<br>REQUESTED<br>SHARE<br>OF COST | (12)<br>IN-KIND<br>SHARE | (13)<br>TOTAL<br>COST |
|--------------------|----------------------------------------------------------|---------------------------------------|--------------------------|-----------------------|
|                    | HOSPITALIZATION                                          |                                       |                          |                       |
|                    | WORKMEN'S COMPENSATION                                   |                                       |                          |                       |
|                    | UNEMPLOYMENT COMPENSATION                                |                                       |                          |                       |
|                    | OTHER (SPECIFY):                                         |                                       |                          |                       |
|                    |                                                          |                                       |                          |                       |
|                    |                                                          |                                       |                          |                       |

TOTAL FRINGE BENEFITS

5/30/85

## UNFINISHED BUSINESS

17435

## PERSONNEL DETAIL

.3

NAME OF PROGRAM CHICAGO INTERVENTION NETWORK PAGES 2NAME OF LEAD AGENCY DEPARTMENT OF HUMAN SERVICESCONTRACT PERIOD FROM 6/1 19 85 TO 12/31 19 85 FUND#            ACTIVITY#           

| (1)<br>NO.<br>OF<br>PERS. | (2)<br>POSITION OR TITLE                 | (3)<br>AVERAGE<br>SALARY<br>PER MO. | (4)<br>%<br>OF<br>TIME | (5)<br>NO.<br>OF<br>MOS | (6)<br>REQUESTED<br>SHARE<br>OF COST | (7)<br>IN-KIND<br>SHARE | (8)<br>TOTAL<br>COST |
|---------------------------|------------------------------------------|-------------------------------------|------------------------|-------------------------|--------------------------------------|-------------------------|----------------------|
|                           | -CENTRAL COMMUNICATION SYSTEM-           |                                     |                        |                         |                                      |                         |                      |
| 6                         | Dispatch Clerk (Grade 7)                 | 987                                 | 100                    | 7                       | 41,454                               |                         | 41,454               |
| 3                         | Supervisor of Communication Ctr. (Gr 12) | 1,526                               | 100                    | 7                       | 32,046                               |                         | 32,046               |
|                           | -FIELD SERVICES-                         |                                     |                        |                         |                                      |                         |                      |
| 9                         | Assistant District Mgr. (Gr 14)          | 2,681                               | 25                     | 7                       |                                      | 42,226                  | 42,226               |
| 11                        | Sr. Youth Intervention Worker (Gr 12)    | 1,525                               | 100                    | 7                       | 117,502                              |                         | 117,502              |
| 27                        | Youth Intervention Worker (Gr 11)        | 1,398                               | 100                    | 7                       | 261,576                              |                         | 261,576              |
| 9                         | Senior Typist/Data Entry (Gr 5)          | 855                                 | 100                    | 7                       | 53,928                               |                         | 53,928               |
|                           |                                          |                                     |                        |                         |                                      |                         |                      |
|                           | SUBTOTAL                                 |                                     |                        |                         | 582,534                              | 139,488                 | 722,022              |
|                           | Salary Adjustments (5% x 1 Month)        |                                     |                        |                         | 4,168                                | 996                     | 5,164                |
|                           |                                          |                                     |                        |                         |                                      |                         |                      |
| TOTAL SALARIES            |                                          |                                     |                        |                         | 587,702                              | 140,484                 | 728,186              |

| (9)<br>CODE<br>NO.    | (10)<br>FRINGE BENEFITS<br>(EXHIBIT BASIS FOR ESTIMATE) | (11)<br>REQUESTED<br>SHARE<br>OF COST | (12)<br>IN-KIND<br>SHARE | (13)<br>TOTAL<br>COST |
|-----------------------|---------------------------------------------------------|---------------------------------------|--------------------------|-----------------------|
|                       | HOSPITALIZATION                                         |                                       |                          |                       |
|                       | WORKMEN'S COMPENSATION                                  |                                       |                          |                       |
|                       | UNEMPLOYMENT COMPENSATION                               |                                       |                          |                       |
|                       | OTHER (SPECIFY): 35% of Salary                          | 0                                     | 254,865                  | 254,865               |
|                       |                                                         |                                       |                          |                       |
|                       |                                                         |                                       |                          |                       |
| TOTAL FRINGE BENEFITS |                                                         | 0                                     | 254,865                  | 254,865               |

## NON-PERSONNEL DETAIL

4

NAME OF PROGRAM CHICAGO INTERVENTION NETWORKNAME OF LEAD AGENCY DEPARTMENT OF HUMAN SERVICESCONTRACT PERIOD: From 6/1 19 85 To 12/31 19 85 Fund#            Activity#           

| CODE<br>NUMBER | DESCRIPTION OF ITEM & BASIS FOR VALUATION                                                                                                                                                           | 3<br>REQUESTED<br>SHARE | 4<br>IN-KIND<br>SHARE | 5<br>AMOUNT<br>OR VALUE<br>OF ITEM |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------|------------------------------------|
| 141            | Space Costs:<br>Central Office \$10.50/sq.ft.<br>11 staff x 100 sq.ft. per staff = 511,550<br>Field Offices \$2.50/sq.ft.<br>5 offices x 800 sq.ft. = \$10,000<br>4 offices x 300 sq.ft. = \$ 3,000 | \$2,000                 | \$22,550              | \$24,550                           |
| 141            | Utilities<br>Field Offices \$0.20 x 5200 sq.ft. x 7 months                                                                                                                                          | 1,120                   | 6,160                 | 7,280                              |
| 141            | Telephone<br>\$625 per staff x 72 FTE                                                                                                                                                               | 31,500                  | 13,500                | 45,000                             |
| 141            | Conference Rooms<br>\$50 x 9 councils x 24 meetings                                                                                                                                                 |                         | 10,800                | 10,800                             |
| 141            | Printing and Materials<br>(Brochures, etc.)                                                                                                                                                         | 25,000                  |                       | 25,000                             |
| 141            | Staff Training and Development                                                                                                                                                                      | 15,000                  |                       | 15,000                             |
| 141            | Automobile (9)<br>Sas 10 x \$200/month x 7 months = \$14,000<br>Lease with maintenance = 10 cars x 7 month<br>x \$250 = \$17,500                                                                    | 20,000                  | 11,500                | 31,500                             |
|                | SUBTOTAL                                                                                                                                                                                            | \$94,620                | \$64,510              | \$159,130                          |
| 270            | Transportation<br>50 staff x 100 miles x 7 months x 15¢/mile                                                                                                                                        | \$6,300                 |                       | \$6,300                            |
|                | SUBTOTAL                                                                                                                                                                                            | \$6,300                 |                       | \$6,300                            |

5/30/85

## UNFINISHED BUSINESS

17437

## NON-PERSONNEL DETAIL (continued) 5

NAME OF PROGRAM CHICAGO INTERVENTION NETWORK

NAME OF LEAD AGENCY DEPARTMENT OF HUMAN SERVICES

CONTRACT PERIOD: From 19 To 19 Fund# Activity#

| 1<br>COOC<br>NUMBER | 2<br>DESCRIPTION OF ITEM & BASIS FOR VALUATION                                                                 | 3<br>REQUESTED<br>SHARE | 4<br>IN-KIND<br>SHARE | 5<br>AMOUNT<br>OR VALUE<br>OF ITEM |
|---------------------|----------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------|------------------------------------|
| 350                 | Office Supplies<br>\$75 x 72 FTE                                                                               | \$ 5,400                |                       | \$ 5,400                           |
| 350                 | Postage<br>\$65 x 72 FTE = 54,600<br>\$50 x 9 councils x 7 months = \$3,150                                    | 7,830                   |                       | - 7,830                            |
|                     | SUBTOTAL                                                                                                       | \$ 13,230               |                       | \$ 13,230                          |
| 420                 | Office Equipment<br>34 desks x \$290<br>34 chairs x \$127<br>34 file cabinets x \$110<br>2 typewriters x \$800 | \$ 19,518               |                       | \$ 19,518                          |
| 420                 | Communications<br>10 car radios x \$1800 = \$18,000<br>25 pagers x \$385 = \$9,625                             | 27,625                  |                       | 27,525                             |
|                     | SUBTOTAL                                                                                                       | \$ 47,143               |                       | \$ 47,143                          |

(Continued from page 17432)

WHEREAS, The City of Chicago (the "City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe and sanitary rental housing available to persons of low and moderate income; and

WHEREAS, The City has determined that the continuance of a shortage of rental housing affordable to persons of low and moderate income is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, The Government of the United States, pursuant to authority granted it in Section 17 of the United States Housing Act of 1937, as amended, has created the Rental Rehabilitation Program (the "Rental Rehabilitation Program") in Section 301 of the Housing and Urban Rural Recovery Act of 1983, which program among other things, provides for federal grants to local governments to help finance rehabilitation of privately owned residential structures devoted primarily to rental use and which units are eligible for rent subsidy programs so as to increase their accessibility to low and moderate income persons; and

WHEREAS, The United States Department of Housing and Urban Development has approved the allocation of \$10,679,900 of Rental Rehabilitation Program grant funds to the City; and

WHEREAS, The City of Chicago has programmed \$3,000,000 in Year X Community Development Block Grant funds for its Multi-Unit Rehabilitation Assistance Program (the "MULTI Program"), wherein low interest rehabilitation loans are made available to owners of rental properties containing five or more dwelling units in low and moderate income areas, said MULTI Program administered by the City's Department of Housing; and

WHEREAS, The Department of Housing has preliminary reviewed and approved the making of thirty-seven (37) low interest rehabilitation loans in an aggregate amount of \$11,287,650, said loans to be funded in part with Rental Rehabilitation Program funds and in part with MULTI Program funds where said funds, when loaned, will leverage an additional \$22,741,255 in private investment for the rehabilitation of 1,287 dwelling units, and wherein said loans are each in excess of \$75,000 and are more particularly described in "Exhibit A" attached hereto and made a part hereof; and

WHEREAS, The City Council of the City, by an ordinance duly adopted on February 20, 1985, authorized certain technical amendments to the "Substitute Ordinance (passed by the City Council on June 6, 1984) Authorizing Submission of the Final Statement of Objectives and Projected Use of Funds for Community Development Block Grant Entitlement to the U. S. Department of Housing and Urban Development for the Year X", wherein said technical amendments require, in part, that any loans in the amount of \$75,000 or more funded, in whole, or by 25% or more with Year X Community Development

Block Grant funds shall be subject to the Review and approval of City Council; now, therefore,

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

SECTION 1. The Commissioner of the Department of Housing is hereby authorized to issue final loan commitments to the proposed owners/borrowers itemized in Exhibit A for the loan amounts listed therein.

SECTION 2. The Commissioner is further authorized to enter into, negotiate and execute such agreements, documents, notes and mortgages as are required or necessary to implement the terms and program objectives of both their Rental Rehabilitation and the MULTI Programs.

SECTION 3. 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.*

| Owner/Borrower<br>Address/No. of DU's                                 | Private<br>Financing | Rental Rehab./<br>Multi Program |
|-----------------------------------------------------------------------|----------------------|---------------------------------|
| 1. James A. Baraniak and<br>James Wright<br>3245 W. Warren<br>24 DU's | \$210,000            | \$210,000                       |
| 2. Kenwood-Oakland Dvpt. Corp.<br>4500 S. Drexel<br>24 DU's           | 202,245              | 210,000                         |
| 3. Caesar Perez<br>1454-56 N. Fairfield<br>2739 W. LeMoyne<br>19 DU's | 115,000              | 149,000                         |
| 4. Kenwood-Oakland Dvpt. Corp.<br>4644-56 S. Ellis<br>18 DU's         | 238,140              | 157,500                         |
| 5. Kenwood-Oakland Dvpt. Corp.<br>811-33 E. 46th St.<br>74 DU's       | 692,670              | 647,500                         |
| 6. 18th St. Dvpt. Corp.<br>1900 S. Carpenter<br>9 DU's                | 215,000              | 78,750                          |

|     |                                                                         |           |           |
|-----|-------------------------------------------------------------------------|-----------|-----------|
| 7.  | Walter Hodgkinson<br>5001 N. Sawyer<br>13 DU's                          | 215,000   | 90,000    |
| 8.  | House-Perryman<br>7020-28 S. East End<br>7030-38 S. East End<br>88 DU's | 280,000   | 180,000   |
| 9.  | Phillips Partnership<br>7756-58 S. Phillips<br>14 DU's                  | 100,000   | 90,000    |
| 10. | Wanda Bailey<br>7027-29 S. East End<br>14 DU's                          | 165,000   | 115,000   |
| 11. | William Walker<br>5725-44 S. King Dr.<br>40 DU's                        | 347,000   | 200,000   |
| 12. | LSM Ventures<br>906-16 W. Agatite<br>24 DU's                            | \$480,000 | \$534,000 |
| 13. | East Lake Management<br>6725-31 S. Paxton<br>27 DU's                    | 536,000   | 772,000   |
| 14. | East Lake Management<br>5050-52 S. Drexel<br>6 DU's                     | 178,800   | 120,000   |
| 15. | Cecil Butler<br>5042-44 S. Drexel<br>6 DU's                             | 175,000   | 120,000   |
| 16. | City Lands Corp.<br>Harrison-Laramie<br>Scattered Sites<br>116 DU's     | 2,017,000 | 1,015,000 |
| 17. | King Drive Associates<br>4351-59 S. King Dr.<br>19 DU's                 | 356,000   | 166,250   |
| 18. | LSM Ventures<br>7253 S. Evans                                           | 149,000   | 157,000   |

|         |                                                                              |                        |
|---------|------------------------------------------------------------------------------|------------------------|
| 18 DU's |                                                                              |                        |
| 19.     | Equinox Ventures<br>4259 S. King Dr.<br>72 DU's                              | 1,256,000<br>542,500   |
| 20.     | Santiago Bolton<br>2245-49 N. Kedzie<br>17 DU's                              | 200,000<br>164,600     |
| 21.     | Louis Martin<br>5000-08 S. Prairie<br>24 DU's                                | 270,000<br>210,000     |
| 22.     | Edwynne Jones<br>4851-57 S. Evans<br>19 DU's                                 | 120,000<br>98,050      |
| 23.     | Klodnicki-Feeney<br>221-29 S. Central<br>51 DU's                             | 1,400,000<br>327,000   |
| 24.     | Sophia Zale<br>5258 W. North Ave.<br>15 DU's                                 | \$159,000<br>\$131,250 |
| 25.     | 7345 South Shore Associates<br>7345 South Shore<br>90 DU's                   | 1,462,869<br>500,000   |
| 26.     | Kenwood-Oakland Dvpt. Corp.<br>4338-40 S. Cottage Grove<br>18 DU's           | 167,275<br>157,500     |
| 27.     | People's Housing Inc.<br>7715 N. Hermitage<br>49 DU's                        | 518,797<br>520,000     |
| 28.     | California Partners<br>2750-57 W. Warren<br>2800-31 W. Washington<br>22 DU's | 270,000<br>390,000     |
| 29.     | Buena Park Ltd. Partnership<br>N. Kenmore Ave.<br>Scattered Sites<br>54 DU's | 1,400,000<br>600,000   |
| 30.     | N.H.S. Redevelopment Corp.                                                   | 481,803<br>270,000     |



|     |                                                                                                                                                                                                          |             |           |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------|
|     | 701 N. Central<br>26 DU's                                                                                                                                                                                |             |           |
| 31. | N.H.S. Redevelopment Corp.<br>5700 W. Race<br>43 DU's                                                                                                                                                    | 638,391     | 586,000   |
| 32. | McGill Terrace Apartments<br>821-27 E. 49th St.<br>48 DU's                                                                                                                                               | 1,406,600   | 210,000   |
| 33. | 4601-07 S. Calumet Assn.<br>4601-07 S. Calumet<br>19 DU's                                                                                                                                                | 247,000     | 157,500   |
| 34. | 3400 W. Augusta Blvd.<br>34 DU's                                                                                                                                                                         | 541,000     | 297,500   |
| 35. | Voice of the People in<br>Uptown, Inc.<br>900 W. Windsor<br>931 W. Eastwood<br>4510 N. Magnolia<br>33 DU's                                                                                               | \$1,621,310 | \$288,750 |
| 36. | Bickerdike Redevelopment Corp.<br>1941-43 N. Humboldt<br>1901 N. Richmond<br>1017-25 N. Rockwell<br>2658 W. Thomas<br>1217 N. Wolcott<br>1910-12 W. Crystal<br>728 N. Throop<br>730 N. Throop<br>65 DU's | 3,259,355   | 650,000   |
| 37. | Lakewood Terrace Assn.<br>6565-87 N. Lakewood<br>35 DU's                                                                                                                                                 | 650,000     | 175,000   |

Summary: 1,287 Dwelling Units  
\$22,741,255 in private investment  
11,287,650 Rental Rehabilitation/Multi Program funds

## MISCELLANEOUS BUSINESS.

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### CONGRATULATIONS EXTENDED TO QUINN CHAPEL AFRICAN METHODIST EPISCOPAL CHURCH ON OCCASION OF ITS 138TH ANNIVERSARY.

Honorable Walter S. Kozubowski, City Clerk, presented the following proposed resolution:

WHEREAS, 1985 marks the 138th anniversary of the founding of Quinn Chapel African Methodist Episcopal Church, "the oldest black church in Chicago"; and

WHEREAS, Quinn Chapel has been a vital, integral part of both the pastoral and temporal lives of the City of Chicago, from its heart of Chicago beginnings at State and Madison to its service as a station of the Underground Railroad, to its involvement in the founding of Bethel A. M. E. Church, to its efforts toward the establishment of Provident Hospital and Elam House; and

WHEREAS, The pulpit of Quinn Chapel A.M.E. Church has hosted such nationally renowned persons as Presidents McKinley and Taft, educators George Washington Carver and Booker T. Washington, poet and literary genius Paul Lawrence Dunbar, as well as the Reverend Martin Luther King, Sr. and Dr. Martin Luther King, Jr.; and

WHEREAS, Quinn Chapel numbers among its present ministers the distinguished public servant, former legislator and current Commissioner of the Chicago Board of Election Commissioners, the Reverend Corneal A. Davis; and

WHEREAS, The historic significance of the Quinn Chapel was recognized on the national level in 1979 through its inclusion in the National Register of Historic Places; and

WHEREAS, Under the direction of the Reverend Gregory G. M. Ingram, Minister, Quinn Chapel is currently engaged in an effort to restore its church sanctuary to its original grandeur; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this twenty-ninth day of May, 1985, do hereby extend our heartfelt commendations to Quinn Chapel African Methodist Episcopal Church during this, the 138th anniversary of its founding and offer our fervent best wishes for success in their church sanctuary restoration project; and

*Be It Further Resolved*, That a suitable copy of this resolution be prepared and presented to the Quinn Chapel African Methodist Episcopal Church.

Alderman Burke moved to *Suspend the Rules Temporarily* for the immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Burke, the foregoing resolution was *Adopted*.

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JUNE 5TH, 1985, PROCLAIMED "FESTIVAL OF INDIA" DAY  
IN CHICAGO.

Honorable Walter S. Kozubowski, City Clerk, presented the following proposed resolution:

WHEREAS, President Reagan and the late Prime Minister Indira Gandhi agreed to designate the years 1984 and 1985 as years of intensified cultural exchange between the United States and India; and

WHEREAS, National committees have been established in both the United States and India to coordinate a "Festival of India" to start in May, 1985 and continue through December, 1986; and

WHEREAS, The festival will offer Americans an opportunity to observe a total expression of India's culture and heritage through more than three dozen museum exhibitions as well as a series of performing arts events; and

WHEREAS, The "Festival of India" will have a special significance for Chicago's Indian community, constituting a way to help them reaffirm their cultural identity; and

WHEREAS, The City of Chicago will be host to its own portion of the festival through an exhibition at the Museum of Science and Industry entitled "India: A Festival of Science". Conducted June 5 through September 2, the exhibition will include a number of objects and artifacts never before seen in the west; now, therefore,

*Be It Resolved*, That we, the Mayor and members of the City Council of the City of Chicago, gathered here this twenty-ninth day of May, 1985, do hereby recognize June 5 as the beginning of "Festival of India" day in Chicago; and

*Be It Further Resolved*, That we extend our heartiest welcome to the "Festival of India" and urge all the peoples of Chicago to avail themselves of this unparalleled opportunity to become more conversant with the culture and heritage of the great nation of India; and

*Be It Further Resolved*, That a suitable copy of this resolution be prepared and presented to the Indo-American Forum, Incorporated.

Alderman Burke moved to *Suspend the Rules Temporarily* for the immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Burke, the foregoing resolution was *Adopted*.

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PRESENCE OF VISITORS NOTED.

Honorable Harold Washington, Mayor, called the Council's attention to the presence of the following visitors:

10 students from West Point Baptist Church (Boy Scouts), accompanied by Terry Harris;

40 students from Carver High School, accompanied by Mrs. Morrison;

45 students from Horace Mann School, accompanied by Sandra Cook;

Max de Calbiac, the French Counsel General;

Liam Canniffe, the Irish Counsel General.

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### **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 Wednesday, the twenty-ninth (29th) day of May, 1985, at 10:00 A.M. and the recessed session held on Thursday, the thirtieth (30th) day of May, 1985, at 9:00 A.M., be and the same is hereby fixed to be held on Wednesday, the fifth (5th) day of June, 1985, at 10:00 A.M., in the Council Chamber in 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, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

*Nays* -- None.

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

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### **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, June 5, 1985, at 10:00 A.M., in the Council Chamber in the City Hall.

A handwritten signature in cursive script, reading "Walter S. Kozubowski".

WALTER S. KOZUBOWSKI,

*City Clerk.*