



Office of Chicago City Clerk



O2011-1401

Office of the City Clerk

Tracking Sheet

Meeting Date:	3/9/2011
Sponsor(s):	Mayor Daley
Type:	Ordinance
Title:	Transfer of TIF funds to Chicago PD for Taylor Lauridsen Park District
Committee(s) Assignment:	Committee on Finance



OFFICE OF THE MAYOR
CITY OF CHICAGO

RICHARD M. DALEY
MAYOR

March 9, 2011

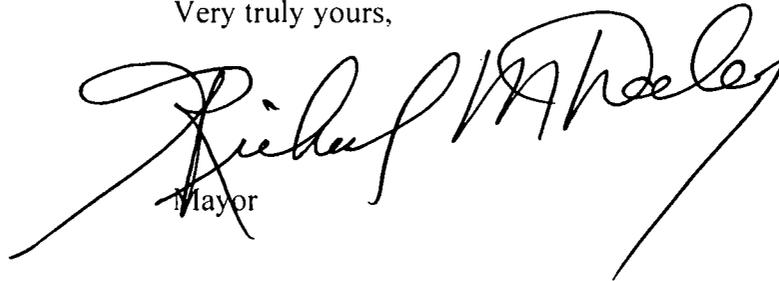
TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances transferring TIF funds to the Chicago Park District for park purposes.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,



Mayor

ORDINANCE

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

WHEREAS, the Chicago Park District (the "Park District") is a body politic and corporate and a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois; and

WHEREAS, the Park District operates Taylor Lauridsen Park, an approximately 4.68-acre park located generally at 701 West Root Street, consisting of a parcel of land owned by the Park District, located east of the east line of South Union Avenue (as legally described in Exhibit A, the "Park District Property"); and a parcel of land owned by the City located west of the east line of South Union Avenue (as legally described in Exhibit A, the "Leased Property" and together with the Park District Property, the "Property"), leased to the Park District pursuant to that certain Ground Lease dated May 1, 2008; and

WHEREAS, the City, the Park District and the Public Building Commission of Chicago, an Illinois municipal corporation, have previously entered into an Intergovernmental Agreement (the "Park Expansion Agreement"), as authorized by ordinances adopted by the City Council of the City of Chicago (the "City Council") on April 9, 2008 and September 9, 2009, and published in the Journal of Proceedings for the respective dates at pages 24109 to 24221 and 69659 to 69666 for the development and construction of an expansion of Taylor Lauridsen Park; and

WHEREAS, subsequent to the execution of the Park Expansion Agreement, the Park District desires to make ball field and lighting improvements and erect playground fencing on the Property (the "Project"); and

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

WHEREAS, to induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on May 2, 2002 (as published in the Journal of Proceedings of the City Council (the "Journal") for such date at pages 85676 to 85904): "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the 47th/Halsted Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the 47th/Halsted Redevelopment Project Area as a Tax Increment Financing District"; and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the 47th/Halsted Redevelopment Project Area" (the aforesaid Ordinances, as the same may have heretofore been or hereinafter may be amended, are collectively referred to herein as the "47th/Halsted TIF Ordinances", the Redevelopment Plan approved by the 47th/Halsted TIF Ordinances, as amended, is referred to herein as the "47th/Halsted Redevelopment Plan" and the redevelopment project area created by the TIF Ordinances is referred to herein as the "47th/Halsted Redevelopment Area"); and

WHEREAS, all of the Property lies wholly within the boundaries of the 47th/Halsted Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(2), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment (Increment collected from the 47th/Halsted Redevelopment Area shall be known as the "47th/Halsted Increment"); and

WHEREAS, the 47th/Halsted Redevelopment Plan contemplates that tax increment financing assistance would be provided for public improvements and facilities (including, but not limited to public open space), such as the Project, within the boundaries of the 47th/Halsted Redevelopment Area; and

WHEREAS, the City agrees to use a portion of 47th/Halsted Increment in an amount not to exceed \$150,000 (the "Project Funds") to pay or reimburse the Park District for the costs of the Project (the "Project Costs"); and

WHEREAS, the Park District is a taxing district under the Act; and

WHEREAS, the City and the Park District desire to enter into an intergovernmental agreement in substantially the form attached as Exhibit B (the "Agreement") whereby the City shall pay for or reimburse the Park District for the Project Costs; and

WHEREAS, in accordance with the Act, certain of the Project Costs, among other eligible redevelopment project costs under the Act approved by the City pursuant to the Agreement, shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the 47th/Halsted Redevelopment Plan, consisting of the cost of the Park District's capital improvements for the Project that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-03 (u) of the Act; now, therefore,

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

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

SECTION 2. Subject to the approval of the Corporation Counsel as to form and legality, the Commissioner of the Department of Housing and Economic Development or his designee is authorized to execute the Agreement and such other documents as are necessary, between the City and the Park District in substantially the form attached as Exhibit B. The Agreement shall contain such other terms as are necessary or appropriate.

SECTION 3. The City hereby finds that the Project Costs, among other eligible redevelopment project costs under the Act approved by the City, consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing district's capital costs" as defined in Section 5/11-74.4-3(u) of the Act.

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

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

EXHIBIT A

Legal Description of the Property

Leased Property

THE EAST 25 FEET OF THE NORTH 103 FEET OF BLOCK 14 IN SUPERIOR COURT PARTITION OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 701 WEST ROOT STREET, CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-004-0000

THE WEST 115.46 FEET OF THE EAST 140.46 FEET (EXCEPT THE WEST 17 FEET OF SAID 115.46 FEET) OF THE NORTH 103 FEET IN BLOCK 14 IN SUPERIOR COURT PARTITION OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 707 WEST ROOT STREET, CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-020-0000

THE SOUTH 287.1 FEET OF THE EAST 124.75 FEET OF BLOCK 14, IN SUPERIOR COURT PARTITION OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 4160 SOUTH UNION STREET, CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-024-0000

THE EAST 124.75 FEET OF BLOCK 14 (EXCEPT THE NORTH 103 FEET THEREOF AND EXCEPT THE SOUTH 287.1 FEET THEREOF) IN SUPERIOR COURT PARTITION OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 4174 SOUTH UNION STREET, CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-022-0000

AND ALSO THAT PART OF SOUTH UNION AVENUE LYING SOUTH OF THE SOUTH RIGHT OF WAY LINE OF WEST ROOT AND NORTH OF THE NORTH RIGHT OF WAY LINE OF WEST 42ND STREET OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Park District Property

LOTS 1 THORUGH 35 TOGETHER WITH ALL ADJOINING AND VACATED ALLEYS IN

SUBDIVISION OF BLOCK 15 IN SUPERIOR COURT PARTITION OF THE WEST ½ OF THE
NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD
PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 647 WEST ROOT STREET, CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-119-001-0000
20-04-119-002-0000

[Subject to Survey and Title Commitment.]

EXHIBIT B

INTERGOVERNMENTAL AGREEMENT

[See attached.]

**AGREEMENT BETWEEN
THE CITY OF CHICAGO
AND THE CHICAGO PARK DISTRICT
TAYLOR LAURIDSEN PARK
(BALL FIELD/PLAYGROUND LIGHTING)**

This agreement (the "Agreement") is made this ____ day of _____, 2011 (the "Closing Date"), under authority granted by Article VII, Section 10 of the 1970 Constitution of the State of Illinois, by and between the City of Chicago (the "City"), an Illinois municipal corporation, by and through its Department of Housing and Economic Development ("HED"); and the Chicago Park District (the "Park District"), an Illinois municipal corporation. The Park District and the City are sometimes referred to herein as the "Parties."

RECITALS

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

B. The Park District is a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois, and as such, has the authority to exercise control over and supervise the operation of all parks within the corporate limits of the City.

C. The Park District operates Taylor Lauridsen Park, an approximately 4.68-acre park located generally at 701 West Root Street and legally described in Exhibit A (the "Property"). The Property consists generally of two parcels of land. The Park District owns the parcel located east of the east line of South Union Avenue (as legally described in Exhibit A, the "Park District Property"). The City owns the parcel west of the east line of South Union Avenue (as legally described in Exhibit A, the "Leased Property") and leases such parcel to the Park District pursuant to that certain Ground Lease dated May 1, 2008 (the "Ground Lease"). The Property lies wholly within the boundaries of the 47th/Halsted Redevelopment Project Area.

D. The City, the Park District and the Public Building Commission of Chicago, an Illinois municipal corporation, have previously entered into an Intergovernmental Agreement, as authorized by ordinances adopted by the City Council of the City on April 9, 2008 and September 9, 2009, and published in the Journal of Proceedings for the respective dates at pages 24109 to 24221 and 69659 to 69666 for the development and construction of an expansion of Taylor Lauridsen Park.

E. The Park District seeks payment or reimbursement of funds expended for additional rehabilitation of and improvements made to Taylor Lauridsen Park for ball field and lighting improvements and playground fencing (collectively the "Project").

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

G. In accordance with the provisions of the Act, pursuant to ordinances adopted on

May 2, 2002 and published in the Journal of Proceedings of the City Council (the "Journal") for said date at pages 85676 to 85904, the City Council of the City (the "City Council"): (i) approved and adopted a redevelopment plan and project for a portion of the City known as the "47th/Halsted Redevelopment Project Area" (the "Plan"); (ii) designated the 47th/Halsted Redevelopment Project Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the 47th/Halsted Redevelopment Project Area (collectively, the "47th/Halsted Ordinances").

H. Under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs. (Increment collected from the 47th/Halsted Redevelopment Project Area shall be known as the "47th/Halsted Increment").

I. HED wishes to make available to the Park District a portion of the 47th/Halsted Increment in an amount not to exceed a total of \$150,000 (the "TIF Assistance"), subject to Section 2.6 hereof, for the purpose of funding the Project (the "TIF-Funded Improvements") in the 47th/Halsted Redevelopment Project Area to the extent and in the manner provided in the Agreement.

J. The Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within the boundaries of the 47th/Halsted Redevelopment Project Area.

K. The Park District is a taxing district under the Act.

L. In accordance with the Act, the TIF-Funded Improvements shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act.

M. The City and the Park District wish to enter into this Agreement whereby the Park District shall undertake the Project and the City shall reimburse the Park District for the TIF-Funded Improvements made pursuant to the Project.

N. On _____, the City Council adopted an ordinance published in the Journal for said date at pages _____, (the "Authorizing Ordinance"), among other things, authorizing the execution of this Agreement.

O. On February 13, 2008 and September 15, 2010, the Park District's Board of Commissioners passed Resolutions expressing its desire to cooperate with the City in the completion of improvements to the Park, including the authorization and execution of this Agreement (collectively, the "Park District Ordinance").

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the above recitals which are made a contractual part of this Agreement, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

TERMS AND CONDITIONS

SECTION 1. THE PROJECT.

1.1. No later than ___ months from the Closing Date, or later as the Commissioner of the Department of Housing and Economic Development (the "Commissioner") may agree in writing, the Park District shall let one or more contracts for the Project in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

1.2. The plans and specifications for the Project (the "Plans and Specifications") shall at a minimum meet or shall have met the general requirements set forth in Exhibit B hereof and shall be provided to and approved by HED prior to the disbursement of the TIF Assistance. No material deviation from the Plans and Specifications may be made without the prior written approval of HED. The Park District shall comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

1.3. The Park District shall also provide the HED with copies of all governmental licenses and permits required to complete the Project and to use, occupy and operate the Property as a public park from all appropriate governmental authorities, including evidence that the Property is appropriately zoned to be used, occupied, and operated as a public park.

1.4. The Park District shall include a certification of compliance with the requirements of Sections 1.1, 1.2, and 1.3 hereof with each request for the TIF Assistance hereunder prior to the disbursement of the TIF Assistance. The City shall be entitled to rely on this certification without further inquiry. Upon the City's request, the Park District shall provide evidence satisfactory to the City of such compliance.

SECTION 2. FUNDING

2.1. The City shall, subject to the Park District's satisfaction of the conditions precedent for disbursement described in this Section 2 and such other conditions contained in this Agreement, disburse the TIF Assistance to the Park District.

2.2. The City shall establish a special account within the 47th/Halsted Redevelopment Project Area Special Tax Allocation Fund; such special account is or shall be known as the "Taylor Lauridsen Park Account." Disbursement of TIF Assistance funds will be subject to the availability of 47th/Halsted Increment in the Taylor Lauridsen Park Account, subject to all restrictions on and obligations of the City contained in all 47th/Halsted Ordinances, or relating to the 47th/Halsted Increment and all agreements and other documents entered into by the City pursuant thereto.

2.3. Within ___ days after the Closing Date or such longer period of time as may be agreed to by the Commissioner, but in no event later than ___ days after the execution of this Agreement (the "Satisfaction Period"), the Park District must satisfy to the reasonable satisfaction of the Commissioner, the following conditions precedent for City's disbursement of the TIF Assistance to the Park District:

2.3.1. the Park District is not in default of any term or condition of the Ground Lease;

2.3.2. the Park District has provided or has caused to be provided to the HED copies of all easements and encumbrances of record, if any; and

2.3.3. the Park District has satisfied the conditions stated in this Section 2.3 within the Satisfaction Period. If the Park District is unable to satisfy said conditions, either Party may terminate this Agreement by providing written notice to the other Party.

2.4. The Park District may request that a certificate(s) of expenditure in the form of Exhibit D hereto ("Certificates of Expenditure") be processed and executed periodically, but in no event more frequently than quarterly. The City shall not execute Certificates of Expenditure in the aggregate in excess of the actual costs of the Project that are TIF-Funded Improvements. Prior to each execution of a Certificate of Expenditure by the City, the Park District shall submit documentation regarding the applicable expenditures to the City. Delivery by the Park District to the City of any request for execution by the City of a Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that:

2.4.1. the total amount of the request for the Certificate of Expenditure represents the actual amount payable to (or paid to) the general contractor, subcontractors, and other parties who have performed work on or otherwise provided goods or services in connection with the Project, and/or their payees;

2.4.2. all amounts shown as previous payments on the current request for a Certificate of Expenditure have been paid to the parties entitled to such payment;

2.4.3. the Park District has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Plans and Specifications; and

2.4.4. the Park District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

2.5. The City shall have the right, in its discretion, to require the Park District to submit further documentation as the City may require in order to verify that the matters certified to in Section 2.4 are true and correct, and any execution of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction

that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Park District.

2.6. The current estimate of the cost of the Project is \$150,000. The Park District has delivered to the Commissioner a budget for the Project attached as Exhibit C. The Park District certifies that it has identified sources of funds, including the TIF Assistance, sufficient to complete the Project. The Park District agrees that the City will reimburse the Park District with the TIF Assistance for the costs of the Project and that all costs of completing the Project over the TIF Assistance shall be the sole responsibility of the Park District. If the Park District at any point does not have sufficient funds to complete the Project, the Park District shall so notify the City in writing, and the Park District may narrow the scope of the Project (the "Revised Project") as agreed with the City in order to complete the Revised Project with the available funds.

2.7. Exhibit C contains a preliminary list of capital improvements and other costs, if any, recognized by the City as being eligible redevelopment project costs under the Act with respect to the Project, to be paid for out of the TIF Assistance. To the extent the TIF-Funded Improvements are included as taxing district capital costs under the Act, the Park District acknowledges that the TIF-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these TIF-Funded Improvements are necessary and directly result from the Project. Prior to the expenditure of TIF Assistance funds on the Project, the Commissioner, based upon the Project budget, may make such modifications to Exhibit C as he or she wishes in his or her discretion to account for all of the TIF Assistance funds to be expended under this Agreement; provided, however, that all TIF-Funded Improvements shall (i) qualify as redevelopment project costs under the Act, (ii) qualify as eligible costs under the Plan; and (iii) be improvements that the Commissioner has agreed to pay for out of TIF Assistance funds, subject to the terms of this Agreement.

2.8. The Park District hereby acknowledges and agrees that the City's obligations hereunder with respect to the TIF Assistance are subject in every respect to the availability of funds as described in and limited by this Section 2. If no funds or insufficient funds are appropriated and budgeted in any fiscal period of the City for disbursements of the TIF Assistance, then the City will notify the Park District in writing of that occurrence, and the City may terminate this Agreement on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for disbursement under this Agreement are exhausted.

2.9. If the aggregate cost of the Project is less than the amount of the TIF Assistance contemplated by this Agreement, the Park District shall have no claim to the difference between the amount of the TIF Assistance contemplated by this Agreement and the amount of the TIF Assistance actually paid by the City to the Park District and expended by the Park District on the Project.

SECTION 3. TERM.

3.1. The term of this Agreement shall commence on the Closing Date and shall expire on the date on which the 47th/Halsted Redevelopment Project Area is no longer in effect, or on the date of termination of this Agreement according to its terms, whichever occurs first.

SECTION 4. ENVIRONMENTAL MATTERS.

4.1. The Park District agrees to carefully inspect the Property prior to commencement of any activity related to the Project to ensure that such activity shall not damage surrounding property, structures, utility lines or any subsurface lines or cables. The Park District shall be solely responsible for the safety and protection of the public. The City reserves the right to inspect the work being done on the Property. The Park District agrees to keep the Property free from all liens and encumbrances arising out of any work performed, materials supplied or obligations incurred by or for the Park District.

SECTION 5. INSURANCE.

5.1. The Park District shall provide and maintain at the Park District's own expense, or cause to be provided during the term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to this Agreement.

- 5.1.1. Workers Compensation and Employers Liability. Workers Compensation as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.
- 5.1.2. Commercial General Liability (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.
- 5.1.3. Automobile Liability (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Park District shall provide or cause to be provided, Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage.
- 5.1.4. Professional Liability. When any architects, engineers or professional consultants perform work in connection with this Agreement, the Park District shall cause to be provided, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000.
- 5.1.5. Self Insurance. To the extent permitted by applicable Law, the Park District may self insure for the insurance requirements specified above, it being expressly understood and agreed that, if the Park District does self insure for any such insurance requirements, the Park District must bear all risk of loss for any loss which would otherwise be covered by

insurance policies, and the self insurance program must comply with at least such insurance requirements as stipulated above.

5.2. The Park District will furnish the City at the address stated in Section 8.13, original Certificates of Insurance evidencing the required coverage to be in force on the Closing Date, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Park District shall submit evidence of insurance on the City's Insurance Certificate Form or equivalent prior to the Closing Date. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence shall not be deemed to be a waiver by the City.

5.3. The Park District shall advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance shall not relieve the Park District of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of this Agreement, and the City retains the right to stop work until proper evidence of insurance is provided, or this Agreement may be terminated.

5.4. The required insurance shall provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

5.5. Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Park District and its contractors.

5.6. The Park District agrees that insurers shall waive their rights of subrogation against the City, its employees, elected officials, agents, or representatives.

5.7. The Park District expressly understands and agrees that any coverage and limits furnished by the Park District shall in no way limit the Park District's liabilities and responsibilities specified by this Agreement or by law.

5.8. The Park District expressly understands and agrees that any insurance or self insurance programs maintained by the City shall not contribute with insurance provided by the Park District under this Agreement.

5.9. The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

5.10. The Park District shall require all subcontractors to provide the insurance required herein or the Park District may provide the coverages for subcontractors. All subcontractors shall be subject to the same insurance requirements of the Park District unless otherwise specified herein. In all contracts relating to the Project, the Park District agrees to require the contractor to name the City as an additional insured on insurance coverages and to require the contractor to indemnify the City from all claims, damages, demands, losses, suits, actions, judgments and expenses including but not limited to attorney's fees arising out of or resulting from work on the Project by the contractor or contractor's suppliers, employees, or

agents.

5.11. The City's Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 6. INDEMNITY / NO PERSONAL LIABILITY.

6.1. The Park District agrees to indemnify and hold the City, its officers and employees, harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses, including, without limitation, reasonable attorney's fees and court costs suffered or incurred by the City arising from or in connection with (i) the Park District's failure to comply with any of the terms, covenants and conditions contained in this Agreement; or (ii) the Park District's or any contractor's failure to pay general contractors, subcontractors or materialmen in connection with the Project. The defense and indemnification obligations in this Section 6.1 shall survive any termination or expiration of this Agreement.

6.2. No elected or appointed official or member or employee or agent of the City or the Park District shall be individually or personally liable in connection with this Agreement.

SECTION 7. DEFAULT.

7.1. If the Park District, without the City's written consent, fails to complete the Project within ___ months after the date of execution of this Agreement, then the City may terminate this Agreement by providing written notice to the Park District.

7.2. In the event the Park District fails to perform, keep or observe any of its covenants, conditions, promises, agreements or obligations under this Agreement not identified in Section 7.1 and such default is not cured as described in Section 7.3 hereof, the City may terminate this Agreement.

7.3. Prior to termination, the City shall give its notice of intent to terminate 30 days prior to termination at the address specified in Section 8.13 hereof, and shall state the nature of the default. In the event Park District does not cure such default within the 30-day notice period, such termination shall become effective at the end of such period; provided, however, with respect to those defaults which are not capable of being cured within such 30-day period, the Park District shall not be deemed to have committed such default and no termination shall occur if the Park District has commenced to cure the alleged default within such 30-day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

7.4. The City may, in any court of competent jurisdiction, by any proceeding at law or in equity, secure the specific performance of the agreements contained herein, or may be awarded damages for failure of performance, or both.

SECTION 8. GENERAL PROVISIONS.

8.1. Authority. Execution of this Agreement by the City is authorized by the Authorizing Ordinance. Execution of this Agreement by the Park District is authorized by the

Park District Ordinance. The Parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their obligations hereunder.

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

8.3. Compliance with Laws. The Parties agree to comply with all federal, state and local laws, status, ordinances, rules, regulations, codes and executive orders relating to this Agreement.

8.4. Consents. Whenever the consent or approval of one or both Parties to this Agreement is required hereunder, such consent or approval will not be unreasonably withheld.

8.5. Construction of Words. As used in this Agreement, the singular of any word shall include the plural, and vice versa. Masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.

8.6. Counterparts. This Agreement may be executed in several counterparts and by a different Party in separate counterparts, with the same effect as if all Parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

8.7. Further Assurance. The Parties shall perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the transactions contemplated in this Agreement.

8.8. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to the principles of conflicts of law thereof. If there is a lawsuit under this Agreement, each Party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois.

8.9. Integration. This Agreement constitutes the entire agreement between the Parties, merges all discussions between them and supersedes and replaces any and every other prior or contemporaneous agreement, negotiation, understanding, commitments and writing with respect to such subject matter hereof.

8.10. Parties' Interest/No Third Party Beneficiaries. This Agreement shall be binding upon the Parties, and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Parties, and their respective successors and permitted assigns (as provided herein). This Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a Party and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Agreement, nor any act of the Parties, shall be deemed or construed by any of the Parties hereto or by third parties, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving any of the Parties.

8.11. Modification or Amendment. This Agreement may not be altered, modified or amended except by a written instrument signed by both Parties.

8.12. No Implied Waivers. No waiver by either Party of any breach of any provision of this Agreement will be a waiver of any continuing or succeeding breach of the breached provision, a waiver of the breached provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to, or demand on, either Party in any case will, of itself, entitle that Party to any further notice or demand in similar or other circumstances.

8.13. Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram, facsimile (fax); (c) overnight courier or (d) registered or certified first class mail, return receipt requested.

To the City: City of Chicago
Department of HED and Land Use Planning
Attention: Commissioner
City Hall, Room 1101
121 N. LaSalle Street
Chicago, Illinois 60602
(312) 744-4190
(312) 744-2271 (Fax)

With copies to: City of Chicago
Department of Law
Attention: Finance and Economic Development Division
City Hall, Room 600
121 N. LaSalle Street
Chicago, Illinois 60602
(312) 744-0200
(312) 744-8538 (Fax)

To the Park District: Chicago Park District
Attention: General Superintendent
541 North Fairbanks
Chicago, Illinois 60611
(312) 742-4200
(312) 742-5726 (Fax)

With copies to: Chicago Park District
General Counsel
541 North Fairbanks
Chicago, Illinois 60611
(312) 742-4602
(312) 742-5328 (Fax)

Such addresses may be changed by notice to the other Party given in the same manner provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) above shall be deemed received upon such personal service or dispatch. Any notice, demand or request sent pursuant to clause (c) above shall be deemed received on the day immediately

following deposit with the overnight courier and any notices, demands or requests sent pursuant to clause (d) above shall be deemed received two business days following deposit in the mail.

8.14. Remedies Cumulative. The remedies of a Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such Party unless specifically so provided herein.

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

For the City: Nelson Chueng
City of Chicago
Department Housing and Economic Development
City Hall, Room 1101
121 N. LaSalle Street
Chicago, Illinois 60602
(312) 744-1074
(312) 744-6550 (Fax)

For the Park District: Gia Biagi
Director of Planning and Development
Chicago Park District
541 North Fairbanks
Chicago, Illinois 60611
(312) 742-4682
(312) 742-5347 (Fax)

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

8.16. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

8.17. Survival of Agreements. Except as otherwise contemplated by this Agreement, all covenants and agreements of the Parties contained in this Agreement will survive the consummation of the transactions contemplated hereby.

8.18. Titles and Headings. Titles and headings to paragraphs contained in this Agreement are for convenience only and are not intended to limit, vary, define or expand the content of this Agreement.

8.19. Time. Time is of the essence in the performance of this Agreement.

[Signatures appear on the following page.]

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

CITY OF CHICAGO,
a municipal corporation, by and through its
Department of Housing and Economic Development

By: _____
Andrew J. Mooney, Commissioner

CHICAGO PARK DISTRICT,
a body politic and corporate

By: _____
General Superintendent and CEO

ATTEST

By: _____
Secretary

Exhibit A

Legal Description of the Property

Leased Property

THE EAST 25 FEET OF THE NORTH 103 FEET OF BLOCK 14 IN SUPERIOR COURT PARTITION OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 701 WEST ROOT STREET, CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-004-0000

THE WEST 115.46 FEET OF THE EAST 140.46 FEET (EXCEPT THE WEST 17 FEET OF SAID 115.46 FEET) OF THE NORTH 103 FEET IN BLOCK 14 IN SUPERIOR COURT PARTITION OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 707 WEST ROOT STREET, CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-020-0000

THE SOUTH 287.1 FEET OF THE EAST 124.75 FEET OF BLOCK 14, IN SUPERIOR COURT PARTITION OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 4160 SOUTH UNION STREET, CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-024-0000

THE EAST 124.75 FEET OF BLOCK 14 (EXCEPT THE NORTH 103 FEET THEREOF AND EXCEPT THE SOUTH 287.1 FEET THEREOF) IN SUPERIOR COURT PARTITION OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 4174 SOUTH UNION STREET, CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-022-0000

AND ALSO THAT PART OF SOUTH UNION AVENUE LYING SOUTH OF THE SOUTH RIGHT OF WAY LINE OF WEST ROOT AND NORTH OF THE NORTH RIGHT OF

WAY LINE OF WEST 42ND STREET OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Park District Property

LOTS 1 THOROUGH 35 TOGETHER WITH ALL ADJOINING AND VACATED ALLEYS IN SUBDIVISION OF BLOCK 15 IN SUPERIOR COURT PARTITION OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 647 WEST ROOT STREET, CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-119-001-0000
20-04-119-002-0000

[Subject to Survey and Title Commitment.]

Exhibit B

Plans and Specifications

[To be attached at closing]

Exhibit C

**Project Budget/
TIF-Funded Improvements**

Taylor Lauridsen Park Playground Budget

Ball field Improvements	\$100,000
Ball field Lighting	\$40,000
Playground Fencing	\$10,000
TOTAL	\$150,000

Expected Completion: Fall 2011

Funding Sources: \$150,000 47th/Halsted TIF

Chicago Park District

By: _____
Name
Title: _____

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

My commission expires: _____

Agreed and accepted:

Name
Title: _____
City of Chicago
Department of Housing and Economic Development