



# City of Chicago



O2013-8462

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	11/13/2013
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Lease agreement with 571 W. Polk, LLC governing access to property at 800 S DesPlaines St
<b>Committee(s) Assignment:</b>	Committee on Housing and Real Estate



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

November 13, 2013


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

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith an ordinance authorizing the execution of a lease agreement at 571 West Polk.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

  
Mayor

## ORDINANCE

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

**SECTION 1:** On behalf of the City of Chicago as Landlord, the Commissioner of the Department of Fleet and Facility Management is authorized to execute a Lease with 571 W. Polk, LLC, as Tenant, governing 571 W. Polk, LLC's access to property located at 800 South Des Plaines Street; such Lease to be approved as to form and legality by the Corporation Counsel in substantially the following form:

**LEASE**

**THIS LEASE** (the "Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2013 (the "Commencement Date") by and between, **THE CITY OF CHICAGO**, an Illinois municipal corporation and home rule unit of government (herein referred to as "City"), and **571 W. POLK, LLC**, an Illinois limited liability company (hereinafter referred to as "Tenant").

**RECITALS**

**WHEREAS**, City is the owner of the premises more commonly known as 800 South Des Plaines Street, Chicago, Cook County, Illinois; and

**WHEREAS**, the Tenant owns the property located at 571 West Polk Street and used as a kidney dialysis center; and

**WHEREAS**, City has agreed to lease to Tenant, and Tenant has agreed to lease, approximately 4,050 square feet of the lot located at 800 South Des Plaines Street for access to 25 parking spaces (spaces 6 through 13 and 64 through 80 – the "Premises") as delineated in the layout attached hereto and made a part hereof as **Exhibit A** to be used by Tenant Mondays through Fridays for parking for employees and visitors of the property owned by Tenant at 571 West Polk Street and not as general public parking;

**WHEREAS**, the Premises are not in municipal use on Saturdays or Sundays and the Premises are used exclusively as a portion of the Maxwell Street Market on Sundays.

**NOW THEREFORE**, in consideration of the covenants, terms and conditions set forth herein, the parties hereto agree and covenant as follows:

**SECTION 1. GRANT**

City hereby leases to Tenant the following described premises situated in the City of Chicago, County of Cook, State of Illinois, to wit:

Approximately 4,050 square feet of vacant land (25 parking spaces designated as spaces 6 through 13 and 64 through 80) located on that certain parcel of real estate more commonly known as 800 South Des Plaines Street, Chicago Illinois (part of PIN # 17-16-309-054).

**SECTION 2. TERM**

The term of this Agreement (the "Term") shall begin on the Commencement Date and shall end on December 31, 2018, unless sooner terminated as set forth in this Agreement.

**SECTION 3. RENT, TAXES, AND UTILITIES**

3.1 Rent. Tenant shall pay To City rent for access to the Premises in the amount of:

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- a) Three-Thousand Eight-Hundred Seventy-Five and 00/100 Dollars (**\$3,875.00**) per month beginning on November 1, 2013 and ending on December 31, 2014;
- b) Three-Thousand Nine-Hundred Seventy-Five and 00/100 Dollars (**\$3,975.00**) per month beginning on January 1, 2015 and ending on December 31, 2015;
- c) Four-Thousand Seventy-Five and 00/100 Dollars (**\$4,075.00**) per month beginning on January 1, 2016 and ending on December 31, 2016;
- d) Four-Thousand One-Hundred Seventy-Five and 00/100 Dollars (**\$4,175.00**) per month beginning on January 1, 2017 and ending on December 31, 2017;
- e) Four-Thousand Three-Hundred and 00/100 Dollars (**\$4,300.00**) per month beginning on January 1, 2018 and ending on December 31, 2018;

City and Tenant covenant that this rent payment reflects Tenant's use of property only on Mondays through Fridays. Rent shall be made payable to the "City of Chicago" and shall be paid to City at the Department of Finance, Warrants for Collection, City Hall, 121 North LaSalle Street, Room 107A, Chicago, Illinois 60602, or at such place as City may from time to time, hereby designate in writing to Tenant.

3.2 Utilities. Tenant shall pay when due all charges for any supplemental electricity, water, power and telephone or other communication service, and all other utility services used in or supplied for Tenant's exclusive use.

3.3 Accord and Satisfaction. No payment by Tenant, or receipt by City, of a lesser amount than any payment due hereunder shall be deemed to be other than on account of the amount due, and no endorsement of statement or any check or any letter accompanying any check or payment of rent shall be deemed an accord and satisfaction. City may accept such check or payment without prejudice as to City's right to recover the balance of such installment or payment to pursue any other remedies available to City.

**SECTION 4. TENANT'S TAX OBLIGATIONS**

4.1 Tenant's Affirmations with Respect to Real Estate and/or Leasehold Taxes. Tenant assumes full responsibility for any and all real estate or leasehold taxes, penalties, or interest assessed or levied on the Premises during the Term as a result of Tenant's occupancy of the Premises pursuant to this Agreement. Tenant acknowledges that but for Tenant's occupancy of the subject Premises said property would be exempt from taxation. Tenant further acknowledges that real estate taxes are one (1) year in arrears in Cook County and that as a result Tenant may be responsible for satisfaction of leasehold taxes (including any applicable interest and penalties) assessed or levied on the subject Premises for least one (1) year after Tenant vacates the premises. Notwithstanding the foregoing, nothing contained herein shall preclude Tenant from contesting any charge or tax levied against the Premises. The failure of Tenant to pay such taxes, interest, and penalties during the pendency of the contest shall not constitute a

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default under this Agreement. Tenant's tax responsibilities under this section shall survive the expiration, cancellation, or termination of this Agreement, but payment may be a requirement for contesting such taxes. The parties acknowledge that Tenant is only utilizing a portion of the underlying PIN. In the event that there is a tax assessment on the entire PIN attributable to the Tenant's use of the Premises, the parties shall prorate any tax assessments based on the Tenant's use of the Premises (4,050 sq. ft) and on the fact that the Tenant will only use the Premises 71.4% of the time (5 out of 7 days).

4.2 Tenant's Payment of Real Estate and/or Leasehold Taxes. During the Term and/or as a result of Tenant's occupancy of the Premises pursuant to this Agreement or any other subsequent agreement between City and Tenant, Tenant covenants that Tenant shall pay when due any real estate or leasehold taxes (including any applicable interest and penalties) assessed or levied on the subject Premises in full including any penalties if applicable without reimbursement or other setoff from City. Tenant shall contact the Cook County Treasurer or other appropriate taxing body to ascertain the tax amounts and/or penalties assessed on the subject Premises. Subject to 4.1 above, no later than fifteen (15) days before the due date of said taxes Tenant shall tender payment in full to the Cook County Treasurer or other appropriate taxing body any and all real estate or leasehold tax amounts and/or penalties due and owing on the subject Premises. Tenant shall provide City with proof of payment in full within ten (10) days of such payment. Tenant shall indemnify and hold the City of Chicago harmless from any and all such real estate taxes, including all leasehold taxes, penalties, fines, due and owing on the Premises.

4.3 Miscellaneous. Tenant covenants that the responsibilities included in the Section 4 are independent of any and all other rights, duties, or obligations incorporated in this Agreement. Tenant assumes full responsibility for any failure to adhere to each of the requirements of this Section, including any penalties that may be assessed. Tenant's responsibilities under this Section shall survive the expiration, cancellation, or termination of this Agreement.

4.4 Tenant's Leasehold. City and Tenant covenant that Tenant shall only occupy 4,050 square feet of PIN#17-16-309-054. As a result, Tenant's tax obligations under this Agreement shall only pertain to the square footage used by Tenant hereunder. City and Tenant agree that Tenant's tax responsibilities under this Agreement shall only pertain to a share of those taxes equal to Tenant's leasehold divided by the total square footage of the subject PIN#.

**SECTION 5. CONDITION AND ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS**

5.1 Covenant of Quiet Enjoyment. City covenants and agrees that Tenant, upon paying the rent and upon observing and keeping the covenants, agreements and conditions of this Agreement on its part to be kept, observed and performed, shall lawfully enjoy the Premises (subject to the provisions of this Agreement) during the Term without hindrance or molestation by City.

5.2 Tenant's Duty to Maintain Premises and Right of Access. City shall take reasonable efforts (but is not required) to maintain the Premises in a condition of good repair and

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good order. Tenant shall advise City regarding any issues with maintenance of the Premises. City shall have the right of reasonable access to the Premises upon reasonable prior written notice to Tenant for the purpose of inspecting and making repairs or improvements to the Premises. City shall always have access to the Premises in the event of any emergencies.

5.3 Use of the Premises. Tenant shall not use the Premises in a manner that would violate any Law. Tenant further covenants not to do or suffer any waste or damage, comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments which may be applicable to the Premises or to the use or manner of use of the Premises. Any activities on the Premises must be limited to parking of automobiles for use by staff and visitors of the kidney dialysis center located at 571 West Polk Street and not as parking for the general public (the "Use"). The Premises shall never be used as a parking lot by the general public. The Tenant shall not charge any fees for access to the Premises and shall not receive any other payment for such access to the Premises. The Use does not include direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office. Tenant shall not use said Premises for political or religious activities.

5.4 Reassignment of Use Location. From time to time, City may reapportion the location of Tenant's parking spaces within the 800 South Des Plaines Street lot. Such reapportionment shall be at City's sole discretion and authorized through this Section 5.4 or pursuant to Section 12.1 or Section 12.2 hereunder.

5.5 Alterations and Additions. Tenant may not make any alterations, additions, or improvements to the Premises.

## **SECTION 6. ASSIGNMENT, SUBLEASE, AND LIENS**

6.1 Assignment and Sublease. Tenant shall not assign this Agreement in whole or in part, or sublet the Premises or any part thereof. Subject to written approval from the Commissioner of the City's Department of Fleet and Facility Management, Tenant may assign this agreement to any successors in interest.

6.2 Tenant's Covenant Against Liens. Tenant shall not cause or permit any lien or encumbrance, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon City's title or interest in the Premises. All liens and encumbrances created by Tenant shall attach to Tenant's interest only. In case of any such lien attaching, Tenant shall immediately pay and remove such lien or furnish security or indemnify City in a manner satisfactory to City in its sole discretion to protect City against any defense or expense arising from such lien. Except during any period in which Tenant appeals any judgment or obtains a rehearing of any such lien, or in the event judgment is stayed, Tenant shall immediately pay any judgment rendered against Tenant, with all proper costs and charges, and shall have the lien released and any judgment satisfied. If Tenant fails to pay and remove any lien or contest such lien in accordance herewith, City, at its election, may pay and satisfy same, and all sums so paid by City, with interest from the date of payment at the rate set at 12% per annum.

**SECTION 7. INSURANCE AND INDEMNIFICATION**

7.1 Insurance. The Tenant shall procure and maintain at all times at the Tenant's own expense, during the Term of this Agreement, the insurance coverage and requirements specified below, insuring all operations related to this Agreement with insurance companies authorized to do business in the state of Illinois.

The kinds and amounts of insurance required are as follows:

a) Workers Compensation and Employers Liability Insurance. Workers Compensation and Employers Liability Insurance and Occupational Disease Insurance, as prescribed by applicable law, covering all of the Tenant's employees and Employer's Liability coverage with limits of not less than \$100,000 each accident or illness.

b) Commercial Liability Insurance. (Primary and Umbrella). Commercial Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence, for bodily injury, personal injury, and property damage liability. Coverage extensions shall include the following: All premises and operations, products/completed operations, defense, separation of insureds, and contractual liability (with no limitation endorsement). City of Chicago, its employees, elected officials, agents, and representatives, and City's property manager for the Building are to be named as additional insureds on a primary, non-contributory basis for any liability arising directly or indirectly from this Agreement.

c) Automobile Liability Insurance. (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Tenant shall provide Comprehensive Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence, for bodily injury and property damage.

d) All Risk Liability. The Tenant and its contractors and subcontractors shall be responsible for all loss or damage to personal property (including without limitation vehicles, materials, equipment, tools and supplies), owned, rented or used by the Tenant or its contractors and subcontractors. The Tenant shall be responsible for all loss or damage to City-owned property, improvements or facilities at replacement cost.

7.2 Other Terms of Insurance. The Tenant will furnish City of Chicago, Department of Fleet and Facility Management, Office of Real Estate Management, 30 North LaSalle Street, Suite 300, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of this Agreement. The Tenant shall submit evidence on insurance prior to Agreement award. The receipt of any certificates does not constitute agreement by City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of City to obtain certificates or other insurance evidence from the Tenant shall not be deemed to be a waiver by City. The Tenant shall advise all insurers of this Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the Tenant of its obligation to provide Insurance as



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specified herein. Nonfulfillment of the insurance conditions may constitute a violation of this Agreement, and City retains the right to terminate this Agreement until proper evidence of insurance is provided.

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

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by the Tenant.

The Tenant agrees that its insurers shall waive their rights of subrogation against City of Chicago its employees, elected officials, agents or representatives.

The Tenant expressly understands and agrees that any coverages and limits furnished by the Tenant shall in no way limit the Tenant's liabilities and responsibilities specified within this Agreement documents or by law.

The Tenant expressly understands and agrees that any insurance or self-insurance programs maintained by City of Chicago shall apply in excess of and not contribute with insurance provided by the Tenant under this Agreement.

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

The City of Chicago, Department of Finance, Office of Risk Management, maintains the right to modify, delete, alter or change these requirements.

7.3 Indemnification. The Tenant shall indemnify, defend, and hold City harmless against all liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, costs, damages, and expenses (including reasonable attorney's fees, expenses, and court costs) (collectively the "Claims"), whether such claim is related to or arises from personal injury or property damage which may be expended by or accrue against, be charged to, or be recovered from City or the Tenant by reason of the Tenant's performance of or failure to perform any of the Tenant's obligations under this Agreement or the Tenant's negligent acts or failure to act, or resulting from the acts or failure to act of the Tenant's contractors, subcontractors, respective officers, directors, agents, employees, invitees, or third parties.

## **SECTION 8. DAMAGE OR DESTRUCTION**

8.1 Damage or Destruction. If the Premises are damaged or destroyed by a casualty to such extent that Tenant cannot continue to occupy or conduct its normal business therein, or if the Premises do not meet all applicable codes and are therefore rendered untenable, either City or Tenant shall have the option to declare this Agreement terminated as of the date of such damage or destruction by providing each other City written notice to such effect. If either City or Tenant exercises this option, the rent shall be apportioned as of the date of such damage or destruction and City shall forthwith repay to Tenant all prepaid rent.

**SECTION 9. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS**

9.1 Conflict of Interest. No official or employee of City of Chicago, nor any member of any board, commission or agency of City of Chicago, shall have any financial interest (as defined in Chapter 2-156 of the Municipal Code), either direct or indirect, in the Premises; nor shall any such official, employee, or member participate in making or in any way attempt to use her or his position to influence any City governmental decision or action with respect to this Agreement.

9.2 Duty to Comply with Governmental Ethics Ordinance. City and the Tenant shall comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics," including but not limited to section 2-156-120, which states that no payment, gratuity, or offer of employment shall be made in connection with any City of Chicago contract as an inducement for the award of that contract or order. Any contract negotiated, entered into, or performed in violation of any of the provisions of Chapter 2-156 shall be voidable as to City of Chicago.

**SECTION 10. HOLDING OVER**

10.1 Holding Over. Any holding over by Tenant shall be construed to be a tenancy from month to month only beginning on January 1, 2019 and the rent shall be at one-hundred three percent (103%) of the same rate as set forth in Section 3.1 (e) of this Agreement. Provided, however, that during such holding over all other provisions of this Agreement shall remain in full force and effect.

**SECTION 11. MISCELLANEOUS**

11.1 Notice. All notices, demands and requests which may be or are required to be given, demanded or requested by either party to the other shall be in writing. All notices, demands and requests by Tenant to City shall be delivered by national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid addressed to City as follows:

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

or at such other place as City may from time to time designate by written notice to Tenant. All notices, demands, and requests by City to Tenant shall be delivered by a national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to Tenant as follows:

Vahooman Mirkhaef  
"571 W. Polk, LLC"  
557 West Polk Street, Suite 201

Chicago, Illinois 60607

or at such other place as Tenant may from time to time designate by written notice to City. Any notice, demand or request which shall be served upon Tenant by City, or upon City by Tenant, in the manner aforesaid, shall be deemed to be sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed.

11.2 Partial Invalidity. If any covenant, condition, provision, term or agreement of this Agreement shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Agreement shall not be affected thereby, but each covenant, condition, provision, term or agreement of this Agreement shall be valid and in force to the fullest extent permitted by law.

11.3 Governing Law. This Agreement shall be construed and be enforceable in accordance with the laws of the State of Illinois.

11.4 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Agreement. This Agreement contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by the parties hereto.

11.5 Captions and Section Numbers. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Agreement nor in any way affect this Agreement.

11.6 Binding Effect of Agreement. The covenants, agreements, and obligations contained in this Agreement shall extend to, bind, and inure to the benefit of the parties hereto and their legal representatives, heirs, successors, and assigns.

11.7 Time is of the Essence. Time is of the essence of this Agreement and of each and every provision hereof.

11.8 No Principal/Agent or Partnership Relationship. Nothing contained in this Agreement shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

11.9 Authorization to Execute Agreement. The parties executing this Agreement hereby represent and warrant that they are duly authorized and acting representatives of City and Tenant respectively and that by their execution of this Agreement, it became the binding obligation of City and Tenant respectively, subject to no contingencies or conditions except as specifically provided herein.

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11.10 Termination of Agreement. City or Tenant shall have the right to terminate this Agreement for any reason by delivering thirty (30) days prior written notice at any time after the Commencement Date.

11.11 Force Majeure. When a period of time is provided in this Agreement for either party to do or perform any act or thing, the party shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, wars, governmental regulation or control, and other causes beyond the reasonable control of the party, and in any such event the time period shall be extended for the amount of time the party is so delayed.

11.12 No Brokers. The Department of Fleet and Facility Management does not use brokers, tenant representatives, City representatives, or other finders. Tenant warrants to City that no broker, tenant representative, or other finder (a) introduced Tenant to City, (b) assisted Tenant in the negotiation of this Agreement, or (c) dealt with Tenant on Tenant's behalf in connection with the Premises or this Agreement. City warrants to Tenant that City does not use brokers, City representatives, or other finder. Tenant warrants to City that no broker, tenant representative, or other finder (a) introduced City to Tenant, (b) assisted City in the negotiation of this Agreement, or (c) dealt with City on City's behalf in connection with the Premises or this Agreement. No rental payments or other obligations due to City hereunder shall ever be provided to any brokers, tenant representatives, City representatives, or other finders or so-called real estate providers.

11.13 Clean-up Post-Market Days. City, or City's contractor, may clean the debris and litter from the Premises on days after the operation of City's Maxwell Street Market. Aside from litter or debris introduced to the Premises by Tenant's staff, contractors, or invitees, Tenant shall not be responsible for cleanup of the Premises on those days following Maxwell Street Market days.

11.14 City Use for Chicago Digital Network. Tenant acknowledges that City shall coordinate the placement of at least two (2) digital signs on, or adjacent to, the Premises. In the event of such placement, City may reasonably require Tenant to relocate to other spaces adjacent to the Premises.

11.15 Not Exclusive. This Agreement is not an exclusive arrangement and City may pursue other use opportunities for the Premises and property adjacent to the Premises.

11.16 Amendments. From time to time, the parties hereto may administratively amend this Agreement with respect to any provisions reasonably related to Tenant's use of the Premises and/or City's administration of said Agreement. Provided, however, that such Amendment(s) shall not serve to extend the Agreement term hereof nor serve to otherwise materially alter the essential provisions contained herein. Such Amendment(s) shall be in writing, shall establish the factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both City and Tenant. Such Amendment(s) shall only take effect upon execution by both parties. Upon execution, such Amendment(s) shall become a part of this Agreement and all other provisions of this Agreement shall otherwise remain in full force and effect.

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11.17 Prior Lease. Tenant acknowledges that prior to the date of this Lease, Tenant has occupied and been in possession of the Premises under the terms of that certain Lease between Tenant and City dated April 4, 2008, including the holdover provisions thereof. City and Tenant each acknowledge and agree that the other party has performed all obligations under such prior Lease and that neither party has any known claims against the other with respect to such prior Lease.

### SECTION 12. OPTION TO EXPAND OR CONTRACT

12.1 Option to Contract. At any time after the Commencement Date, and with thirty (30) days prior written notice, Tenant may choose to reduce Tenant's access to the Premises in increments of up to five (5) parking spaces, or 810 square feet. Such contraction shall not result in the reduction of the Premises to less than ten (10) parking spaces, or 1,620 square feet. If Tenant exercises such contraction, the revised location of Tenant's reduced parking spaces shall be at the sole discretion of City. In the event of exercise of such contraction, the location of such contraction shall not, however, prevent Tenant's egress or ingress to the Premises. Upon such contraction, Tenant's reduced rent shall be based on the per square foot rates then in effect pursuant to Section 3.1 of this Agreement. City and Tenant shall execute an Amendment to this Agreement pursuant to Section 11.16 memorializing such contraction.

12.2 Option to Expand. At any time after the Commencement Date, Tenant may request from City access to additional spaces adjacent to the Premises. City may accept or reject such expansion proposal at City's sole discretion. If such expansion is acceptable to City and Tenant then upon such expansion, Tenant's increased rent shall be based on the per square foot rates then in effect pursuant to Section 3.1 of this Agreement. City and Tenant shall execute an Amendment to this Agreement pursuant to Section 11.16 hereinabove memorializing such expansion.

### SECTION 13. TENANT RESPONSIBILITIES

13.1 Custodial Service. Tenant shall keep the Premises clean and free of debris on weekdays.

13.2 Snow Plowing. Tenant acknowledges that Landlord shall not be required to provide snow removal services to the Premises.

13.3 Satisfaction with Condition. Tenant agrees that Tenant has inspected the Premises and all related areas and grounds and that Tenant is satisfied with the physical condition thereof.

13.4 Illegal Activity. Tenant, or any of its agents or employees, shall not perform or permit any practice that is injurious to the Premises or unreasonably disturbs other users, is illegal, or increases the rate of insurance on the Premises.

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13.5 Hazardous Materials. Tenant shall keep out of the Premises materials which cause a fire hazard or safety hazard. Tenant shall not destroy, deface, damage, impair, nor remove any part of the Premises or facilities, equipment or appurtenances thereto.

13.6 Security. Tenant shall be responsible for providing security for Tenant's use of the Premises. City shall not have any responsibility for providing security to the Premises.

13.7 No Alcoholic Beverages or Drugs. Alcoholic beverages or illegal drugs of any kind or nature shall not be sold, given away, or consumed on the Premises by Tenant, Tenant's staff, agents, contractors, or invitees.

13.8 Permits. For any activity which Tenant desires to conduct on the Premises in which a license or permit is required, said license or permit must be obtained by Tenant prior to using the Premises for such activity. The City of Chicago, Department of Fleet and Facility Management, must be notified of any such license or permit. Failure to obtain a required license or permit shall constitute a material breach of the terms of this Agreement.

13.9 Full Liability. Tenant assumes full legal and financial responsibility and liability for any and all use of the Premises by Tenant, Tenant's staff, agents, contractors, or invitees.

13.10 Condition Upon Termination. Upon the termination of this Agreement, Tenant shall surrender the Premises to the City in a comparable or better condition to the condition of the Premises at the beginning of Tenant's access to the Premises, with normal wear and tear taken into consideration. Tenant shall remain liable for any damage to the Premises beyond ordinary wear and tear.

13.11 Trade Fixtures. Within five (5) days from the termination of this Agreement, Tenant shall remove Tenant's personal property and equipment placed on the Premises by Tenant. Tenant shall repair any injury or damage to the Premises which may result from such removal. If Tenant does not remove Tenant's property from the Premises within five (5) days from the termination of this Agreement, City may, at its option, remove the same and deliver them to any other place of business of Tenant or warehouse the same, and Tenant shall pay the cost of such removal, including the repair for such removal, delivery and warehousing, to City on demand, or City may treat such property as being conveyed to City with this Agreement serving as a bill of sale, without further payment or credit by City to Tenant.

13.12 Use of Premises. Tenant shall vacate the Premises by no later than 11:59 PM each Friday and shall resume use of the Premises by no earlier than 12:00 AM each Monday. Tenant understands that any vehicles on the Premises after 11:59 PM each Friday and before 12:00 AM each Monday shall be towed at owner's expense.

13.13 Full Liability. Tenant assumes full legal and financial responsibility and liability for any use of the Premises by the Tenant, Tenant's staff, agents, contractors, or invitees.

13.14 Repairs for Negligence, Vandalism, or Misuse. Tenant shall assume responsibility for any repairs to the Premises and/or other City property adjacent to the Premises

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necessitated by the negligence, vandalism, or misuse of the Premises or equipment therein by Tenant, Tenant's staff, agents, contractors, or invitees.

13.15 Non-Discrimination. Tenant agrees that Tenant shall not discriminate on the basis of race, color, sex, age, religion, disability, national origin, sexual orientation, marital status, parental status, military discharge status, immigration status, or source of income with respect to access to the Premises. The Tenant shall not use the Premises for any religious purposes.

13.16 Lot Rules. Tenant shall comply with all reasonable rules and regulations in place on the Commencement Date or thereafter promulgated in writing by City for use of the Premises.

13.17 City Use Paramount. Tenant affirms that the Premises are also actively used as the Maxwell Street Market. Tenant acknowledges that the most important use of the Premises is as part of the Maxwell Street Market. Tenant shall refrain from undertaking any activities that interfere with the Maxwell Street Market as determined solely by City. City reserves the right to terminate or suspend Tenant's access to the Premises at any time in the event any use interferes with the Maxwell Street Market.

13.18 No Other Rights. The execution of this Agreement does not give Tenant any other right with respect to the Premises. Any rights not expressly granted to Tenant through this Agreement are reserved exclusively to City. Unless otherwise specified in this Agreement, the execution of this Agreement does not obligate City to undertake any additional duties or to provide any services.

13.19 Default. Tenant must adhere to all provisions of this Agreement. Failure of Tenant to adhere to all provisions of this Agreement will result in default. In the event of such default, City will notify Tenant in writing as to the circumstances giving rise to such default. Upon written receipt of such notice, Tenant must cure such default within five (5) days. If Tenant does not cure such default within five (5) days, City may cancel this Agreement with ten (10) days written notice.

13.20 Economic Disclosure Statement and Affidavit ("EDS") Updates. Throughout the Term and during any holding over periods, Tenant shall provide City with any material updates to the information previously submitted in Tenant's Economic Disclosure Statement and Affidavit ("EDS"). City may also request such updates from time to time. Failure to provide such information on a timely basis shall constitute a default under this Agreement.

## **SECTION 14. TENANT DISCLOSURES AND REPRESENTATIONS**

14.1 Business Relationships. Tenant acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City

## LEASE NO. 20190

Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) notwithstanding anything to the contrary contained in this Lease, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Lease shall be grounds for termination of this Lease and the transactions contemplated hereby. Tenant hereby represents and warrants that no violation of Section 2-156-030 (b) has occurred with respect to this Lease or the transactions contemplated hereby.

14.2 Patriot Act Certification. Tenant represents and warrants that neither Tenant nor any Affiliate thereof (as defined in the next paragraph) is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment, the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to Tenant that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Tenant, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

14.3 Prohibition on Certain Contributions-Mayoral Executive Order No. 2011-4. Tenant agrees that Tenant, any person or entity who directly or indirectly has an ownership or beneficial interest in Tenant of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Tenant's contractors (i.e., any person or entity in direct contractual privity with Tenant regarding the subject matter of this Lease) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Tenant and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (i) after execution of this Lease by Tenant, (ii) while this Lease or any Other Contract is executory, (iii) during the term of this Lease or any Other Contract between Tenant and the City, or (iv) during any period while an extension of this Lease or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

Tenant represents and warrants that from the date the City approached the Tenant or the date Tenant approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.



## LEASE NO. 20190

Tenant agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Tenant agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Notwithstanding anything to the contrary contained herein, Tenant agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Lease, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Lease, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Tenant intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the execution of this Lease, the City may elect to decline to close the transaction contemplated by this Lease.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fundraising committee.

"Other Contract" means any other agreement with the City of Chicago to which Tenant is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are "Domestic Partners" if they satisfy the following criteria:

- (A) they are each other's sole domestic partner, responsible for each other's common welfare; and
- (B) neither party is married; and
- (C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and

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- (D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (E) two of the following four conditions exist for the partners:
  - 1. The partners have been residing together for at least 12 months.
  - 2. The partners have common or joint ownership of a residence.
  - 3. The partners have at least two of the following arrangements:
    - a. joint ownership of a motor vehicle;
    - b. a joint credit account;
    - c. a joint checking account;
    - d. a lease for a residence identifying both domestic partners as tenants.
  - 4. Each partner identifies the other partner as a primary beneficiary in a will.

"Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

14.4 Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Tenant warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Lease is executory, Tenant's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Lease, constitutes a breach of and an event of default under this Lease, for which the opportunity to cure, if curable, will be granted only at the sole discretion of the Commissioner of the Department of Fleet and Facility Management. Such breach and default entitles the City to all remedies under the Lease, at law or in equity. This section does not limit Tenant's, general contractor's and its subcontractor's duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Lease. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Lease, and may further affect the Tenant's eligibility for future contract awards.

14.5 Failure to Maintain Eligibility to do Business with City. Failure by Tenant or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of this Lease and the transactions contemplated thereby. Tenant shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

14.6 Cooperation with Inspector General and Legislative Inspector General. In accordance with Chapter 2-26-110 et seq. of the Municipal Code, the Tenant acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with

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the Office of the Inspector General and Office of the Legislative Inspector General in connection with any activities undertaken by such office with respect to this Lease, including, without limitation, making available to the Office of the Inspector General and the Office of the Legislative Inspector General the department's premises, equipment, personnel, books, records and papers. The Tenant agrees to abide by the provisions of Chapter 2-26-110 et seq.

### 14.7 Shakman Prohibitions.

(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Tenant is aware that City policy prohibits City employees from directing any directing any individual to apply for a position with Tenant, either as an employee or as a subcontractor, and from directing Tenant to hire an individual as an employee or as a subcontractor. Accordingly, Tenant must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Tenant under this Lease are employees or subcontractors of Tenant, not employees of the City of Chicago. This Lease is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Tenant.

(iii) Tenant will not condition, base, or knowingly prejudice or affect any term or term or aspect to the employment of any personnel provided under this Lease, or offer employment to any individual to provide services under this Lease, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Lease, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iv) In the event of any communication to Tenant by a City employee or City official in violation of Section 14.7(ii) above, or advocating a violation of Section 14.7(iii) above, Tenant will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the relevant City Department utilizing services provided under this Lease. Tenant will also cooperate with any inquiries by IGO Hiring Oversight or the *Shakman* Monitor's Office related to the contract.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Commencement Date.

**CITY:**

**THE CITY OF CHICAGO,**

an Illinois municipal corporation and home rule unit of government

**DEPARTMENT OF FLEET AND FACILITY MANAGEMENT**

By: \_\_\_\_\_  
Commissioner

APPROVED AS TO FORM AND LEGALITY:

BY: DEPARTMENT OF LAW

By: \_\_\_\_\_  
Deputy Corporation Counsel  
Real Estate Division

**TENANT:**

**571 W. POLK, LLC,**

an Illinois limited liability company

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A**

**LAYOUT OF PREMISES**



800 South Des Plaines Street  
571 W. Polk, LLC  
Lease No. 20190

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

CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT  
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS Include d/b/a/ if applicable:

571 W. POLK, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1  the Applicant  
OR

2.  a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: \_\_\_\_\_  
OR

3.  a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: \_\_\_\_\_

B. Business address of the Disclosing Party:

557 W. POLK ST, STE 201  
CHICAGO IL 60607

C. Telephone: (312) 447-1200 Fax: (312) 447-0922 Email: shadow@egsl.com

D. Name of contact person: VAHOCMAN MIKHAEF

E. Federal Employer Identification No. (if you have one): \_\_\_\_\_

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

REQUEST TO LEASE CITY OWNED PROPERTY OF POLK & DES PLAINES  
(300 S. DES PLAINES)

G. Which City agency or department is requesting this EDS? DEPT OF FLEET & FACILITY  
MANAGEMENT

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # \_\_\_\_\_ and Contract # \_\_\_\_\_



**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF THE DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:
- |                                                                   |                                                               |
|-------------------------------------------------------------------|---------------------------------------------------------------|
| <input type="checkbox"/> Person                                   | <input checked="" type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership        |
| <input type="checkbox"/> Privately held business corporation      | <input type="checkbox"/> Joint venture                        |
| <input type="checkbox"/> Sole proprietorship                      | <input type="checkbox"/> Not-for-profit corporation           |
| <input type="checkbox"/> General partnership                      | (Is the not-for-profit corporation also a 501(c)(3))?         |
| <input type="checkbox"/> Limited partnership                      | <input type="checkbox"/> Yes <input type="checkbox"/> No      |
| <input type="checkbox"/> Trust                                    | <input type="checkbox"/> Other (please specify)               |

2 For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

ILLINOIS

3 For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes  No  N/A

**B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:**

1. List below the full names and titles of all executive officers and all directors of the entity.  
**NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.  
**NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
<u>VAHCOMAN MIRKHAET</u>	<u>PRESIDENT</u>

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture.

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
VALLGOMAN MIRKHAEF	557 W FOLK	100%

**SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS**

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

Yes       No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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**SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES**

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated ) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
----------------------------------------------------------------	------------------	----------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------

(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

**SECTION V -- CERTIFICATIONS**

**A. COURT-ORDERED CHILD SUPPORT COMPLIANCE**

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes       No       No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes       No

**B. FURTHER CERTIFICATIONS**

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1 of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery, bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

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9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none") As to any gift listed below, please also list the name of the City recipient.

N/A

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### C CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is  is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

**D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS**

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes

No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes

No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name

Business Address

Nature of Interest

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4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

**E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS**

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records

\_\_\_\_\_ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

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#### SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

**NOTE.** If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

##### A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary).

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(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.



3 The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4 The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities"

5 If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

#### B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes  No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes  No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes  No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes  No

If you checked "No" to question 1 or 2. above, please provide an explanation:

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**SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION,  
COMPLIANCE, PENALTIES, DISCLOSURE**

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1 The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U.S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

**CERTIFICATION**

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

DTI W. POLK, LLC  
(Print or type name of Disclosing Party)

By: \_\_\_\_\_  
(Sign here)

VAHGMAN MIRKHAEF  
(Print or type name of person signing)

PRESIDENT  
(Print or type title of person signing)

Signed and sworn to before me on (date) 10/15/2013,  
at COOK County, ILLINOIS (state).

[Signature] Notary Public.

Commission expires: 11/4/2014



CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT  
APPENDIX A

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS**

**This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.**

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

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