



# City of Chicago



O2018-2444

Office of the City Clerk

## Document Tracking Sheet

**Meeting Date:** 3/28/2018

**Sponsor(s):** Emanuel (Mayor)

**Type:** Ordinance

**Title:** Lease agreement with 8700 Building LLC, Landlord, at 8650 S Commercial Ave for use as office space and parking lot

**Committee(s) Assignment:** Committee on Housing and Real Estate



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

March 28, 2018

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

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith ordinances authorizing the execution of lease and license agreements.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor

## ORDINANCE

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

SECTION 1: On behalf of the City of Chicago as Tenant, the Commissioner of the Department of Fleet and Facility Management is authorized to execute a Lease with 8700 Building, LLC, as Landlord, for use of approximately 6,300 square feet of building space and a 13,375 square foot parking lot, located at 8650 South Commercial Avenue, by the Department of Family and Support Services; such Lease to be approved by the Commissioner of the Department of Family and Support Services, and approved as to form and legality by the Corporation Counsel in substantially the following form:

LEASE

THIS LEASE is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018 (the "**Effective Date**") by and between **8700 BUILDING, LLC**, an Illinois limited liability company (hereinafter referred to as "**Landlord**") and the **CITY OF CHICAGO**, an Illinois Municipal Corporation (hereinafter referred to as "**Tenant**").

**RECITALS**

WHEREAS, Landlord is the owner of a building more commonly known as 8650 South Commercial Avenue, Chicago, Cook County, Illinois (the "Building"); and

WHEREAS, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord approximately 6,300 square feet of space in the Building located at 8650 South Commercial Avenue (all of the former showroom space and the bathroom and kitchen space in showroom's garage space) together with the entire parking lot of 13,375 square feet located immediately south at 8652 South Commercial Avenue to be used by Tenant as the Department of Family and Support Services' South Chicago Community Center or for any other use as determined by Tenant;

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

**SECTION 1. GRANT**

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

Approximately 6,300 square feet of space on that certain parcel of real estate more commonly known as 8650 South Commercial Avenue (all of the former showroom space and the bathroom and kitchen space in showroom's garage space) and the entire parking lot of 13,375 square feet located immediately south at 8652 South Commercial Avenue Chicago, Illinois as delineated on Exhibit "A" attached hereto (the "Premises").

**SECTION 2. TERM**

The term of this Lease ("Term") shall commence on the Effective Date, and shall end on December 31, 2023 unless sooner terminated as set forth in this Lease.

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

3.1 Rent. Tenant shall pay rent for the Premises in the amount of:

(a) Five-Thousand Fifty and 00/100 Dollars (**\$5,050.00**) per month for the period beginning on the Effective Date and ending December 31, 2020.

(b) Five Thousand Two Hundred and 00/100 Dollars (\$5,200.00) per month for the period beginning on the January 1, 2021 and ending on December 31, 2023.

Rent shall be paid by Tenant and sent to Landlord at 7300 South Narragansett Avenue, Bedford Park, Illinois 60638, or at such place as Landlord may from time to time, hereby designate in writing to Tenant.

3.2 Taxes and Other Levies. Landlord shall pay when due all real estate taxes, duties, assessments, sewer and water charges and other levies assessed against the Premises, except for those charges which this Lease specifies that Tenant shall pay.

3.3 Utilities. Tenant shall pay when due all charges for gas, electricity, light, heat, and telephone or other communication service, and all other utility services used in or supplied to the Premises, except for those charges which this Lease specifies that Landlord shall pay. Tenant shall only pay for utilities supplied to the Premises and Tenant shall not be responsible for payment of any utility charges assessed on other portions of Landlord's property.

**SECTION 4. CONDITION AND ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS, SURRENDER**

4.1 Condition of Premises Upon Delivery of Possession. Landlord covenants that the Premises shall, at the time of delivery of possession to Tenant:

- (a) Comply in all respects with all laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments, ("Law") which may be applicable to the Premises or to the use or manner of use of the Premises;
- (b) Contain no environmentally hazardous materials.

Landlord's duty under this Section of the Lease shall survive Tenant's acceptance of the Premises.

4.2 Covenant of Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon paying the rent and upon observing and keeping the covenants, agreements and conditions of this Lease on its part to be kept, observed and performed, shall lawfully and quietly hold, occupy and enjoy the Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by Landlord or by any person, persons, or interests claiming under Landlord.

4.3 Landlord's Duty to Maintain Premises and Right of Access. Unless otherwise provided in this Lease, Landlord shall, at Landlord's expense, keep the Premises in a condition of thorough repair and good order, and in compliance with all applicable provisions of the Municipal Code of Chicago, including but not limited to those provisions in Title 13 ("Building and Construction"), Title 14 ("Electrical Equipment and Installation"), Title 15 ("Fire Prevention"), Title 10 and Title 17 ("Landscape Ordinance). If Landlord shall refuse or neglect to make needed repairs within fifteen (15) days after written notice thereof sent by Tenant, unless

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such repair cannot be remedied by fifteen (15) days, and Landlord shall have commenced and is diligently pursuing all necessary action to remedy such repair, Tenant is authorized to make such repairs and if Landlord fails to reimburse Tenant within thirty (30) days after Landlord's receipt of Tenant's invoice, Tenant may deduct the cost of such repairs from the Monthly rent until fully reimbursed. Landlord shall have the right of access to the Premises for the purpose of inspecting and making repairs to the Premises, provided that except in the case of emergencies, Landlord shall first give notice to Tenant of its desire to enter the Premises and will schedule its entry so as to minimize any interference with Tenant's use of Premises to prospective or actual purchasers, mortgagees, tenants, workmen, or contractors or as otherwise necessary in the operation or protection of the Premises.

4.4 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, disfigurement or injury to any building or improvement on the Premises, or to fixtures and equipment thereof.

4.5 Alterations and Additions. Tenant shall have the right to make such alterations, additions and improvements on the Premises as it shall deem necessary, provided that any such alterations, additions and improvements shall be in full compliance with the applicable Law and provided that Tenant has obtained the prior written consent of Landlord. Landlord shall not unreasonably withhold consent.

**SECTION 5. ASSIGNMENT, SUBLEASE, AND LIENS**

5.1 Assignment and Sublease. Tenant shall not assign this Lease in whole or in part, or sublet the Premises or any part thereof without the written consent of Landlord in each instance. Landlord shall not unreasonably withhold consent. Provided, however, that Tenant shall have the right to sublease or assign the Premises or any part of the Premises to another governmental agency without Landlord's consent.

5.2 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 Landlord's title or interest in the Premises. All liens and encumbrances created by Tenant shall attach to Tenant's interest only.

**SECTION 6. INSURANCE AND INDEMNIFICATION**

6.1 Insurance. The Landlord shall procure and maintain at all times, at Landlord's own expense, during the term of this Lease, the types of insurance specified below, with insurance companies authorized to do business in the State of Illinois.

The kinds and amounts of insurance required are as follows:

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(a) Workers Compensation and Occupational Disease Insurance. Workers Compensation and Occupational Disease Insurance, when required by applicable laws of the State of Illinois, or any other applicable jurisdiction, covering all of the Landlord's employees and Employer's Liability coverage with limits of not less than \$500,000 each accident or illness.

(b) Commercial Liability Insurance. (Primary and Umbrella). Commercial Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence, combined single limit, for bodily injury, personal injury, and property damage liability. Coverage extensions shall include the following: All premises and operations, products/completed operations, broad for property, separation of insureds, and contractual liability (with no limitation endorsement). The City of Chicago, its employees, elected officials, agents, and representatives are to be named as additional insureds on a primary, non contributory basis for any liability arising directly or indirectly from the Lease.

(c) Automobile Liability Insurance. (Primary and Umbrella). When any of the Landlord's motor vehicles (owned, non-owned and hired) are used in connection with work to be performed on the Premises, the Landlord shall provide Comprehensive Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence, combined single limit, for bodily injury and property damage.

(d) All Risk Property Insurance. All risk property insurance coverage shall be maintained by the Landlord for full replacement value to protect against loss, damage to or destruction of property.

The Landlord shall be responsible for all loss or damage to personal property (including but not limited to materials, equipment, tools and supplies), owned or rented, by the Landlord.

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

The insurance shall provide for 30 days prior written notice to be given to the 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 Landlord.

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

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

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

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.

6.3 Mutual Indemnification. Landlord and Tenant agree to indemnify and hold each other harmless against all liabilities, judgment costs, damages, and expenses which may accrue against, be charged to, or be recovered from the other party by reason of any negligent performance of or failure to perform any of their obligations under this Lease.

## **SECTION 7. DAMAGE OR DESTRUCTION**

If the Premises shall be damaged or destroyed by fire or other casualty, regardless of cause or origin, to such extent that Tenant cannot continue, occupy or conduct its normal business therein, or if, in Tenant's reasonable opinion, the Premises are rendered untenable as a result thereof, Tenant shall have the option to declare this Lease terminated as of the date of such damage or destruction by giving Landlord written notice to such effect unless Landlord elects to repair/replace the Premises within one hundred twenty (120) days after the occurrence of the event causing the damage. If Tenant exercises such termination option, the rent shall be apportioned as of the date of such damage or destruction and Landlord shall forthwith repay to Tenant all prepaid rent. If Landlord elects to repair/replace the Premises within one hundred twenty (120) days after the occurrence of the event causing the damage, the rent shall abate until such time as the repairs are completed and Tenant resumes operations on the Premises. If Landlord is unable to repair/replace the Premises within one hundred twenty (120) days after the occurrence of the event causing the damage, this Lease shall then terminate at Tenant's option.

## **SECTION 8. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS**

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8.1 Conflict of Interest. No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial interest (as 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 his/her position to influence any City governmental decision or action with respect to this Lease.

8.2 Duty of Comply with Governmental Ethics Ordinance. Landlord and 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 the City of Chicago.

**SECTION 9. HOLDING OVER**

Any holding over by Tenant shall be construed to be a tenancy from month to month only beginning January 1, 2024 and the monthly rent shall be Five Thousand Three Hundred Fifty and no/100 Dollars (\$5,350.00). During such holding over all terms and conditions of this Lease shall remain in full force and effect.

**SECTION 10. MISCELLANEOUS**

10.1 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 Landlord to Tenant 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 Tenant as follows:

Department of Fleet & Facility Management  
Office of Real Estate Management  
30 North LaSalle Street, Suite 300  
Chicago, Illinois 60602

or at such other place as Tenant may from time to time designate by written notice to Landlord and to Tenant at the Premises. All notices, demands, and requests by Tenant to Landlord 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 Landlord as follows:

8700 Building, LLC  
7300 South Narragansett Avenue  
Bedford Park, Illinois 60638

or at such other place as Landlord may from time to time designate by written notice to Tenant. Any notice, demand or request which shall be served upon Landlord by Tenant, or upon Tenant

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by Landlord, 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.

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

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

10.4 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Lease. This Lease 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.

10.5 Captions and Section Numbers. The captions and section numbers appearing in this Lease 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 Lease nor in any way affect this Lease.

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

10.7 Time is of the Essence. Time is of the essence of this Lease and of each and every provision hereof.

10.8 No Principal/Agent or Partnership Relationship. Nothing contained in this Lease 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.

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

10.10 Termination of Lease. Tenant shall have the right to terminate this Lease without prepayment premium or penalty by providing Landlord with one hundred eighty (180) days prior written notice. Landlord shall have the right to terminate this Lease by providing Tenant with three hundred sixty (360) days prior written notice. Provided, however, that Landlord may not issue a notice of termination which requires the actual termination of this Lease to begin during the winter months of December, January, February or March. This termination provision is also subject to the Federal Funds clause incorporated within section 10.13 of this Lease.

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10.11 Force Majeure. When a period of time is provided in this Lease 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.

10.12 Condemnation. If the whole or any substantial part of the Premises are taken or condemned by any competent authority for any public use or purpose, or if any adjacent property or street shall be so condemned or improved in such a manner as to require the use of any part of the Premises, the term of this Lease shall, at the option of Landlord or the condemning authority, be terminated upon, and not before, the date when possession of the part so taken shall be required for such use or purpose, and Landlord shall be entitled to receive the entire award without apportionment with Tenant. Rent shall be apportioned as of the date of Tenant's vacating as the result of said termination.

10.13 Federal Funds. It is mutually agreed and understood by and between the parties hereto that the rental payments due under this Lease are payable from funds made available from the Federal Government. In the event that such funding from the Federal Government is suspended, and Tenant thereby defaults in the payment of any sums required to be paid under this Lease, the sole remedy of the Landlord shall be for the possession of the demised Premises after receiving written notice from Tenant. Tenant shall nonetheless be responsible for its pro-rated share of the rent up to and inclusive of the last day of Tenant's occupancy of the Premises.

10.14 No Broker. Tenant warrants to Landlord that no broker or finder (a) introduced Tenant to the Premises, (b) assisted Tenant in the negotiation of this Lease, or (c) dealt with Tenant on Tenant's behalf in connection with the Premises or this Lease. Under no circumstances shall Tenant make any payments due hereunder to any broker(s).

10.15 Amendments. From time to time, the parties hereto may amend this Lease with respect to any provisions reasonably related to Tenant's use of the Premises and/or Landlord's administration of said Lease. Provided, however, that such amendment(s) shall not serve to extend the Lease 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 Landlord 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 Lease and all other provisions of this Lease shall otherwise remain in full force and effect.

10.16 Prior Lease. Landlord and Tenant acknowledge and agree that the Tenant has leased and occupied the Premise under a Lease agreement dated March 2, 2011. Since the expiration of such prior lease on December 31, 2017, Tenant has continued to occupy the Premises under the terms of such prior lease and paid rent in the amount of \$5,050.00 per month. Landlord and Tenant each acknowledge and agree that the other party has performed all obligations under such prior Lease and that neither party has any claims against the other with respect to such prior Lease.

**SECTION 11. OMITTED**

**SECTION 12. ADDITIONAL RESPONSIBILITIES OF LANDLORD**

12.1 Omitted.

12.2 Water Service. Landlord shall provide and pay for water service to the Premises.

12.3 Plumbing. Landlord shall maintain plumbing in good operable condition, excluding damage caused by acts of vandalism or negligence attributable to Tenant, Tenant's agents or Tenant's clients.

12.4 Fire Extinguishers. Landlord shall provide and maintain fire extinguishers as required per code on the Premises at all times. Provided, however, that Landlord shall not be responsible for replacement or maintenance of fire extinguishers vandalized or stolen from the Premises.

12.5 Maintenance. Landlord shall provide engineering service for maintenance of the exterior and interior of the Premises, including all structural, mechanical and electrical components. Engineering service as used herein shall not be construed to mean cleaning, washing, replacing of light bulbs, or sweeping of any kind, or moving of furniture, etc., but shall refer strictly to service for the maintenance of the physical plant. Tenant agrees that Landlord shall not assume any responsibility for repairs and improvements which result from Tenant's day to day misuse of the Premises.

12.6 Air-Conditioning. Landlord shall provide air-conditioning to the Premises whenever air-conditioning shall be necessary and/or required for the comfortable occupancy of the Premises. Landlord shall maintain the plant and equipment in good operable condition, excluding damage caused by acts of vandalism from Tenant or any of its agents or clients. Landlord understands that proper air conditioning is critical to operations as the Premises shall be used as a cooling center.

12.7 Heat. Landlord shall provide for heat to the Premises whenever heat shall be necessary and/or required for the comfortable occupancy of the Premises. Landlord shall maintain the plant and equipment in good operable condition, excluding damage caused by acts of vandalism from Tenant or any of its agents or clients. Landlord understands that proper heating is critical to operations as the Premises shall be used as a heating center.

12.8 Ballasts. Landlord shall be responsible for replacement of ballasts as needed during the term of the Lease.

12.9 Extermination Service. Landlord shall provide extermination service whenever necessary, but not more than two (2) occasions per year. Provided, however, that Landlord shall not be responsible for any such services where Tenant is negligent with respect to maintaining reasonable sanitary standards at the Premises.

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12.10 Spot Painting. On no more than two (2) occasions per year, and beginning January 1, 2019, Landlord shall professionally spot paint the Premises on an as-needed basis.

12.11 Window Washing. Landlord shall provide and pay for exterior window washing once per year.

12.12 Unauthorized Improvements. Any improvements to the Premises effectuated by Landlord on Tenant's behalf can only be performed upon written approval and concurrent Notice to Proceed from the Commissioner of the Department of Fleet and Facility Management. Approval from any other City department(s), other employee(s) of the Department of Fleet and Facility Management, or anyone acting, or claiming to act, on Tenant's behalf shall be deemed invalid and of no force or effect.

12.13 Repairs for Emergencies. In the event of an emergency where further delay would lead to material loss or significant damage to the Premises or the property occupied by other tenants of Landlord, and provided such emergency is caused by the negligence, vandalism, or misuse of the Premises or equipment therein by Tenant's employees, invitees, agents, or contractors, Landlord may make such emergency repairs subject to full reimbursement to Landlord by Tenant of all costs associated with such emergency repairs excluding any overhead and/or profit.

12.14 Economic Disclosure Statement Affidavit ("EDS") Updates. Throughout the Lease Term, Landlord will provide Tenant with any material updates to the information previously submitted in Landlord's Economic Disclosure Statement Affidavit ("EDS"). Tenant may also request such updates from time to time. Tenant reserves the right to withhold rental payment under this Lease in the event Landlord fails to provide such updates. Failure to provide such information on a timely basis shall constitute a default under this Lease.

**SECTION 13. ADDITIONAL RESPONSIBILITIES OF TENANT**

13.1 Plate Glass. Tenant shall replace any broken plate glass of said Premises during term of Lease which is not caused by acts or negligence of Landlord.

13.2 Custodial Services. Tenant shall provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs, or sweeping.

13.3 Surrender of Premises at Termination. Upon the termination of this Lease, Tenant shall surrender the Premises to the Landlord in a comparable condition to the condition of the Premises at the beginning of this Lease, with normal wear and tear taken into consideration.

13.4 Security Service. Tenant shall pay for on-site security services and/or monthly alarm service, if necessary as determined by Tenant.

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13.5 Repairs for Tenant Negligence, Vandalism, or Misuse. Subject to approval as set forth herein, Tenant shall assume all responsibility for any repairs to the Premises necessitated by the negligence, vandalism, or misuse of the Premises or equipment therein by Tenant's employees, invitees, agents, or contractors. Landlord shall notify Tenant in writing of such damage. Tenant shall perform such repairs with service providers suitable to Tenant and at Tenant's sole cost without further setoff or deduction. In the event Tenant fails to perform the necessary repairs within thirty (30) days of receiving notice, Landlord may perform said repairs subject to full reimbursement by Tenant of all costs associated with such repairs excluding any overhead and/or profit. Any repairs to the Premises effectuated by Landlord under this section shall only be performed by Landlord upon written approval and concurrent Notice to Proceed from the Commissioner of the Department of Fleet and Facility Management. The Commissioner of the Department of Fleet and Facility Management shall have fifteen (15) business days following receipt of written notice from Landlord in which to approve or deny any repairs proposed by the Landlord. Repair approval from any other City department(s) or other employee(s) of the Department of Fleet and Facility Management shall be deemed invalid and of no force or effect. Repairs made without providing the required notice or without said written approval and concurrent Notice to Proceed from the Commissioner of the Department of Fleet and Facility Management shall not be reimbursable to Landlord.

13.6 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 Tenants; is illegal; or increases the rate of insurance on the Premises.

13.7 Hazardous Materials. Tenant shall keep out of Premises materials which cause a fire hazard or safety hazard and Tenant shall comply with reasonable requirements of Landlord's fire insurance carrier; not destroy, deface, damage, impair, nor remove any part of the Premises or facilities, equipment or appurtenances.

13.8 Snow Removal. Tenant shall be responsible for snow removal from sidewalks which immediately abut demised Premises and the parking lot.

13.9 Entrance Modifications. Any costs for modifications or improvements required to the entrances shall be borne by Tenant. This provision shall not apply to repairs to the entrances with said repairs governed by Section 12.5 hereinabove.

**SECTION 14. LANDLORD DISCLOSURES AND AFFIRMATIONS**

14.1 Business Relationships. Landlord acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that he 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 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

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anything to the contrary contained in this Agreement, 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 Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. Landlord 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. Landlord represents and warrants that neither Landlord 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 Landlord that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Landlord, 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. Landlord agrees that Landlord, any person or entity who directly or indirectly has an ownership or beneficial interest in Landlord of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Landlord's contractors (i.e., any person or entity in direct contractual privity with Landlord 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 (Landlord 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 (a) after execution of this Lease by Landlord, (b) while this Lease or any Other Contract (as hereinafter defined) is executory, (c) during the term of this Lease or any Other Contract, or (d) 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.

Landlord represents and warrants that from the later of (a) May 16, 2011, or (b) the date the City approached Landlord, or the date Landlord 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.

Landlord 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

**LEASE NO. 11041**

political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Landlord 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, Landlord agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Lease 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, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

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

For purposes of this provision:

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

(b) "Other Contract" means any other agreement with the City to which Landlord 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.

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

(d) Individuals are "domestic partners" if they satisfy the following criteria:

i. They are each other's sole domestic partner, responsible for each other's common welfare; and

ii. Neither party is married; and

iii. The partners are not related by blood closer than would bar marriage in the State of Illinois; and

iv. 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

v. 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) 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.

(e) "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, Landlord warrants and represents that they, and to the best of their knowledge, their 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 Agreement is executory, Landlord, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Agreement, constitutes a breach of and an event of default under this Agreement, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under the Agreement, at law or in equity. This section does not limit Landlord, general contractor's and its subcontractors' 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 Agreement. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Agreement, and may further affect Landlord eligibility for future contract awards.

14.5 Failure to Maintain Eligibility to do Business with City. Failure by Landlord 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, Landlord shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

14.6 Cooperation with Office of Inspector General. It is the duty of Landlord and any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a Tenant contract or program, and all officers, directors, agents, partners, and employees of any such grantee, subgrantee, bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. Landlord represents and warrants that it understands and

will abide by all provisions of Chapter 2-56 of the Municipal Code and that Landlord will inform its Contractors and Subcontractors of this provision and include a provision requiring their compliance with such Chapter 2-56 in any written agreement between Landlord and its Contractors and Subcontractors.

14.7 2014 Hiring Plan Prohibitions.

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(i) The City is subject to the June 16, 2014 “City of Chicago Hiring Plan”, as amended (the “2014 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 2014 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Landlord is aware that City policy prohibits City employees from directing any individual to apply for a position with Landlord, either as an employee or as a subcontractor, and from directing Landlord to hire any individual as an employee or as a subcontractor. Accordingly, Landlord must follow its own hiring and contracting procedures, without being influenced by City or City employees. Any and all personnel provided by Landlord under this Lease are employees or subcontractors of Landlord, not employees of the City. 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 Landlord.

(iii) Landlord will not condition, base, or knowingly prejudice or affect any 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 Landlord by a City employee or City official in violation of paragraph (ii) above, or advocating a violation of paragraph (iii) above, Landlord will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City’s Office of the Inspector General (“OIG Hiring Oversight”), and also to the head of the relevant City department utilizing services provided under this Lease. Landlord will also cooperate with any inquiries by OIG Hiring Oversight.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

**LANDLORD:**

**8700 BUILDING, LLC**, an Illinois Limited Liability Company

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

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

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

**TENANT:**

**CITY OF CHICAGO**, an Illinois Municipal Corporation

BY: THE DEPARTMENT OF FLEET AND FACILITY  
MANAGEMENT

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

**Commissioner**

APPROVED: DEPARTMENT OF FAMILY AND SUPPORT SERVICES

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

**Commissioner**

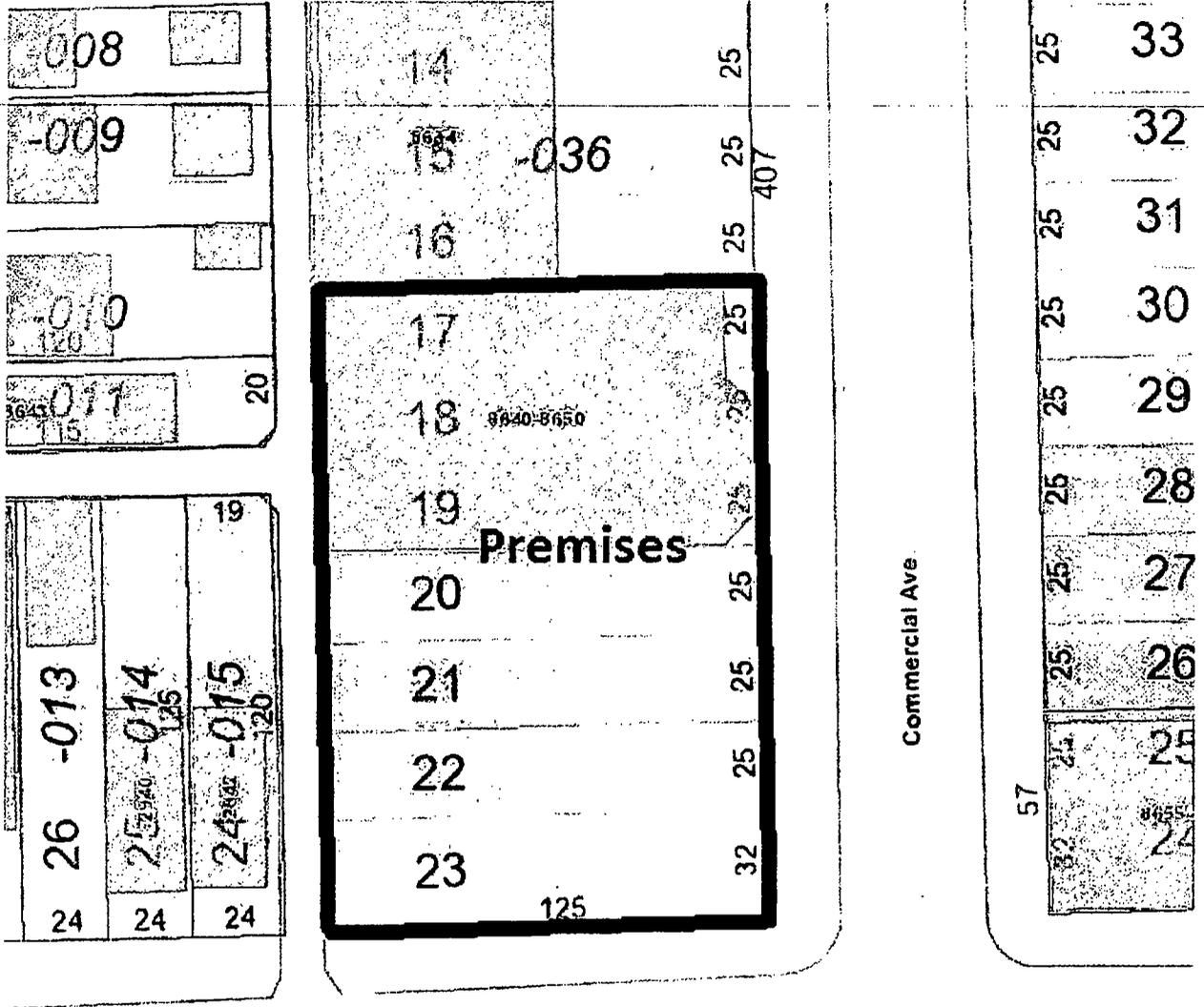
*APPROVED AS TO FORM AND LEGALITY:*

BY: THE DEPARTMENT OF LAW

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

**Chief Assistant Corporation Counsel  
Real Estate Division**

**EXHIBIT "A"**



87th St

8650 S. Commercial Ave.  
Lease No. 11041

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

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**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       Organized in Illinois

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

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

**NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	<u>Larry Svabek</u>	Title	<u>Managing Member</u>
<hr/>			
<hr/>			

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. 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."

1. Lawrence J. Svabek 7300 S. Narragansett Ave., Bedford Park, IL 60638  %

**NOTE:** Each legal entity listed below may be required to submit an EDS on its own behalf.

2. Leonard J. Svabek 7300 S. Narragansett Ave., Bedford Park, IL 60638  %

Name Business Address Percentage Interest in the Applicant

3. Richard J. Svabek 7300 S. Narragansett Ave., Bedford Park, IL 60638  %

4. John Svabek 7300 S. Narragansett Ave., Bedford Park, IL 60638  %

5. James Hallberg 6640 S. Cicero, Bedford Park, IL 60638  %

6. Daniel Horn 233 S. Wacker Drive, #8413, Chicago, IL 60606  %

**SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS**

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS?  Yes  No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS?  Yes  No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

Yes  No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

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

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), 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. 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 ( <u>indicate whether paid or estimated.</u> ) <b>NOTE:</b> "hourly rate" or "t.b.d." is not an acceptable response.
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(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 MCC 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. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. 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, during the 5 years before 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 subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before 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.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) 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 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 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 subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or
  - d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).
6. Neither the Disclosing Party, nor any 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.
7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.
8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant 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 MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.
9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").
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10. [FOR APPLICANT ONLY] The Applicant 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 Certifications (2) and (9) 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 Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. 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.

12. 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 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

13. 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 \$25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (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

### 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 MCC Section 2-32-455(b).

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 MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. 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 MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, 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 FINANCIAL INTEREST IN CITY BUSINESS**

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, 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), skip Items D(2) and D(3) and 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 financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest
<hr/>		
<hr/>		
<hr/>		

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 (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.

   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, as amended, 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, as amended, 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," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

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. N/A

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

Reports not required

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 -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

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 Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance 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 this ordinance.
- 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 City transactions. 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 in, and appended to, this EDS may be made publicly available 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 MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

**CERTIFICATION**

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

B700 Building LLC

(Print or type exact legal name of Disclosing Party)

By: *[Signature]*  
(Sign here)

Lawrence Svabek

(Print or type name of person signing)

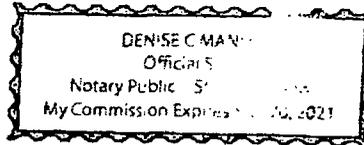
Member

(Print or type title of person signing)

Signed and sworn to before me on (date) January 25, 2018,

at Berford Park County, Illinois (state).

*[Signature]*  
Notary Public



Commission expires: March 20, 2021

**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%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.**

Under MCC 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% 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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**CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT  
APPENDIX B**

**BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION**

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% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes

No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes

No

The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

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