

Office of Chicago City Clerk



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City Council Document Tracking Sheet

Meeting Date:

Sponsor(s):

Type:

Title:

3/**9/2011**

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Mayor Daley

Ordinance

Lease agreement with Illinois Sports Facilities Authority for property at 333 W 35th St Committee on Housing and Real Estate

Committee(s) Assignment:



HSG

OFFICE OF THE MAYOR

CITY OF CHICAGO

RICHAHD M. DALEY MAYOR

March 9, 2011

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

Ladies and Gentlemen:

At the request of the Commissioner of General Services, I transmit herewith ordinances authorizing the execution of lease agreements.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

ha or

ORDINANCE

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

<u>SECTION 1:</u> On behalf of the City of Chicago as Tenant, the Commissioner of the Department of General Services is authorized to execute a Lease with Illinois Sports Facilities Authority as Landlord for use of Parking Lots C and G located at 333 West 35th Street, for use by the Department of Police; such Lease to be approved by the Superintendent of Police and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

INTERIM STADIUM RENTAL AGREEMENT

THIS RENTAL AGREEMENT (this "<u>Agreement</u>") is entered into this ______ day of _____, 2011, by and between the Illinois Sports Facilities Authority ("ISFA" or the "Authority "), and the City of Chicago, an Illinois Municipal Corporation (hereinafter referred to as "Occupant").

RECITALS

A. WHEREAS, ISFA is the owner of the real estate and facilities located at 333 West 35th Street, Chicago, Illinois, commonly known as the U.S. Cellular Field, and parking facilities and certain access ways adjacent thereto (collectively, the "<u>Park</u>").

B. WHEREAS, Occupant requests permission to use Parking Lots C and G at the Park (the "<u>Parking Lots</u>") for use in connection with particular programs of the Chicago Department of Police ("<u>Police</u>"), as more fully described herein, and ISFA desires to grant such permission.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties hereby agree as follows:

SECTION 1. USE OF THE PARK

1.1 <u>Premises to be Used and Authorized Uses</u>. Subject to the terms, conditions and restrictions set forth in this Agreement, ISFA hereby grants permission to the Occupant to use the Parking Lots for the following limited purposes: Parking Lot C may be used by the Police for driving training programs and may be used for overflow parking for invitees of the Occupant for Police ceremonies and programs; and Parking Lot G may only be used by the Occupant for overflow parking for invitees of the Police for driving training programs and programs; and Parking Lot G may only be used by the Occupant for overflow parking for invitees of the Police for Police ceremonies and programs (collectively, the "Occupant Uses").

1.2 Duration of Occupant Uses. This Agreement shall be effective as of date of execution ("Commencement Date") and shall terminate on the 31^{st} day of March, 2012, unless sooner terminated as set forth in this Agreement. Notwithstanding the foregoing, the Occupant is not permitted to use the Parking Lots on the dates as set forth in Exhibit <u>A</u>. In addition, the Occupant shall not use the Parking Lots on those dates when Chicago White Sox playoff games have been scheduled, games have been re-scheduled, or concerts are to occur, or when the Parking Lots shall be used for any other event as determined at the sole discretion of the ISFA. Occupant agrees that its use of the Parking Lots will be limited to the Occupant Uses and may only be used during the hours of 7:00 a.m. and 4:30 p.m. Monday through Friday.

1.3 <u>Rescheduled Date</u>. Not Applicable.

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1.4 <u>Disruption of Use</u>. If ISFA reasonably determines, for any reason, that the Parking Lots, or any part thereof, are unfit for the use contemplated herein or it is otherwise not possible to make the Parking Lots available to the Occupant, ISFA may, at its discretion, cancel this Agreement with ten (10) days prior written notice, and this Agreement thereafter shall be terminated at no cost or expense to ISFA.

1.5 <u>As Is.</u> ISFA makes no representations of any kind relating to the condition of the Parking Lots or of the improvements, fixtures or equipment thereon or the areas and facilities adjacent thereto, and Occupant accepts same on an "as is" basis. Except as otherwise provided by law, ISFA shall have no liability for any latent or patent defects therein.

SECTION 2. UNDERTAKINGS OF OCCUPANT

2.1 <u>Occupant Responsible for Occupant Uses.</u> Occupant shall perform or obtain, at Occupant's expense, all goods and services necessary to conduct the Occupant Uses.

2.2 <u>Liability for Damage</u>. Occupant shall not permit or cause any damage to or waste of the Park by any party or person in relation to the Occupant Uses. Occupant shall be responsible to ISFA for all actions and inactions of, or damage caused by, Occupant and any invitees or participants using the Parking Lots pursuant to this Agreement.

2.3 <u>Clean-Up, Repairs</u>. Immediately following the Occupant Uses, Occupant shall perform, or cause to be performed, at Occupant's sole cost and expense, any and all cleanup, repair, and maintenance needed to restore the Parking Lots to at least as good a condition as they were in prior to use by the Occupant.

2.4 <u>Prohibited Conduct</u>. Occupant shall not at any time permit, and Occupant shall take all reasonable steps to prohibit the sale or use of any controlled or illegal substances, or the engaging in any indecent or immoral conduct on the Parking Lots on the day(s) of the Occupant Uses.

2.5 <u>Parking</u>. Occupant shall at its sole cost and expense, be responsible for making all necessary arrangements for participant parking with the Authority's parking concessionaire for the Parking Lots. Occupant shall not charge its invitees for participant parking.

2.6 <u>Security</u>. Occupant shall provide its own security at its expense if deemed necessary by the Occupant.

SECTION 3. UNDERTAKING OF ISFA

3.1 <u>Obligations of ISFA</u>. Subject to the provisions of Section 4. ISFA shall be obligated as follows: On the day(s) of the Occupant Uses, ISFA shall make available to

Occupant the Director of Special Events or his or her designee to assist as reasonably necessary in facilitating the Occupant Uses.

3.2 <u>Parking Income</u>. Not Applicable.

3.3 <u>Reservation of Rights by ISFA.</u> ISFA reserves for itself the right to continue to use and occupy portions of the Parking Lots not covered by this Agreement. ISFA reserves the right to terminate this Agreement or the rights of the Occupant under this Agreement with five (5) days prior written notice. Occupant may terminate this Agreement with thirty (30) days prior written notice

SECTION 4. RENTAL PAYMENTS, COSTS AND EXPENSES

4.1 <u>Rental Payments</u>. In consideration of the rights granted to Occupant herein, and the public nature and purpose, Occupant shall pay, or cause to be paid, to ISFA the amount of $\underline{\$ 0.00}$.

4.2 <u>Responsibility for Costs</u>. Occupant shall also bear the expense of all costs direct or indirect, necessary or incidental to conducting the Occupant Uses and the performance of all of Occupant's obligations hereunder. Occupant agrees that it has discussed with the ISFA the terms of this Section 4.2 in sufficient detail prior to the execution of this Agreement.

4.3 <u>Non - Payment</u>. If Occupant shall fail to pay, or otherwise satisfy any obligations which Occupant is obligated to pay or satisfy herein, ISFA may at its option and in addition to any remedies available pursuant to the terms hereof or at law or in equity, pay or satisfy, any such obligation. All sums paid by ISFA in this regard do not in any way relieve Occupant of its obligations described herein and shall be immediately reimbursed by Occupant.

SECTION 5. INSURANCE

5.1 <u>Insurance</u>. Subject to Section 5.3, Occupant shall provide the letter of self insurance set forth in Exhibit B and comply with the provisions therein.

5.2 <u>Indemnification</u>. Occupant shall indemnify and hold harmless the parties as set forth in <u>Exhibit C</u> and comply with the provisions set forth therein.

5.3 <u>Self-Insurance</u>. ISFA agree and acknowledge Occupant shall self-insure for the insurance requirements specified in <u>Exhibit C</u>.

SECTION 6. REPRESENTATIONS AND WARRANTIES

6.1 <u>ISFA</u>. ISFA represents and warrants that it has full right, power and authority to enter into this Agreement and to perform its obligations hereunder, and this

Agreement is valid and binding upon and enforceable against ISFA in accordance with its terms.

6.2 <u>Occupant.</u> Occupant hereby represents and warrants that it has full right, power and authority to enter into this Agreement and to perform its obligations hereunder, and this Agreement is valid and binding upon and enforceable against Occupant in accordance with its terms.

SECTION 7. MISCELLANEOUS PROVISIONS

7.1 <u>Entire Agreement</u>. The Agreement, together with the dates of prohibited use attached hereto as <u>Exhibit A</u>, the Letter of Self - Insurance, attached hereto as <u>Exhibit B</u>, and the Insurance and Indemnification Letter Agreement, attached hereto as <u>Exhibit C</u> constitute the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any and all prior agreements with respect hereof. This Agreement may not be changed or modified except by a written instmment signed by all of the parties hereto.

7.2 <u>Binding Effect</u>. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto.

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

7.4 <u>Relationship of the Parties</u>. The parties to this Agreement are and at all times shall be considered as independent contractors and in no way agents of or employees, partners or joint venturers with each other. Except as provided herein, neither party may bind another party to any obligation.

7.5 <u>Governing Law</u>. This Agreement shall be governed by and be construed in accordance with the laws of the State of Illinois.

7.6 <u>Section Headings</u>. Section headings have been included merely for convenience of reference and are not to be considered part of, or to be used in interpreting, this Agreement.

7.7 <u>Occupant Use of Images</u>. Occupant is entitled to maintain all participant and spectator images of any of the Occupant Uses but shall not be permitted to utilize any images involving Major League Baseball or U.S. Cellular Field.

7.8 <u>Snow Removal</u>. Occupant shall provide and pay for snow removal at the Parking Lots when necessary as determined by the Occupant.

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7.9 <u>Other Uses</u>. Occupant may use the Parking Lots for purposes other than the Occupant Uses only with advance written approval of ISFA, which shall not be umeasonably withheld.

7.10 <u>Amendments</u>. From time to time, the parties hereto may amend this Lease Agreement in writing executed by both Occupant and ISFA.

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IN WITNESS WHEREOF, the parties hereunder have executed this Agreement on the date first above written.

ILLINOIS SPORTS FACILITIES AUTHORITY:

By:	

Its:_____

OCCUPANT:

CITY OF CHICAGO, an Illinois Municipal Corporation

THE DEPARTMENT OF GENERAL SERVICES By:

By: ______Commissioner

APPROVED:

By: THE DEPARTMENT OF POLICE

By:_

Superintendent of Police

APPROVED AS TO FORM AND LEGALITY:

DEPARTMENT OF LAW By:

By:

Deputy Corporation Counsel **Real Estate Division**

EXHIBIT A Prohibited Dates

APRIL 2011

April 7^h through April 13th April 15^{ttt} April 29th

MAY 2011 May 2^{ntl} through May 4th May 16th through May 20th

JUNE 2011

June 3^{td} through June 10th June 20th through June 22nd June 24th

JULY 2011

July 4th through July 8th July 25th through July 27th July 29th

AUGUST 2011

August 1st through August 4th August 12th August 16th through August 19th August 29th through August 31st

SEPTEMBER 2011 September 8th through September 9th September 12th through September 14^{ttł} September 23^{tt} through September 28th

Lease No. 12063

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EXHIBIT B

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Letter of Self Insurance

[Attached]

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EXHIBIT C

Insurance and Indemnification Letter Agreement

, 2011

City of Chicago Department of General Services 30 North LaSalle Street 37th Floor Chicago, Illinois 60602 Attn: Commissioner Judith D. Martinez

Re: Use of U.S. Cellular Field

Dear Commissioner Martinez:

This letter is to confirm our understanding regarding indemnification responsibilities of the City of Chicago ("Occupant") regarding the use of U.S. Cellular Park Parking Lot C and G (the "Parking Lots") commencing on _______, 2011, pursuant to that certain Interim Stadium Rental Agreement, between the City of Chicago and the Illinois Sports Facilities Authority, dated as of ______, 2011 (the "Agreement"). You acknowledge that this letter is being entered into by you as an additional inducement to the Indemnified Parties to allow you to utilize the Parking Lots, and that each of the Indemnified Parties is a third party beneficiary of this letter.

The Occupant acknowledges that it has surveyed and examined the Parking Lots and have deemed them to be safe and without danger to any invitees or participants using the Parking Lots pursuant to the Agreement (the "Invitees").

The Occupant will defend, indemnify and hold harmless Illinois Sports Facilities Authority, the State of Illinois, Chicago White Sox, Ltd., Chicago White Sox Charities, Inc., Chisox Corporation, CWS Maintenance company, At Your Service, LLC, At Your Service management Corporation, Jerry Reinsdorf, individually, CWS Maintenance Company, Roclab Athletic Instruction LLC, Jerry M. Reinsdorf Revocable Tmst, Levy Premium Foodservice Limited Partnership and their respective directors, owners, partners, members, employees and agents; and any subsidiaries or affiliates, or subsidiaries of affiliates thereof, (hereafter referred to as the "Indemnified Parties") against liability for damages, costs, attomey fees and expenses caused by the Occupant or its invitees on account of injury to, or death of, any person, or loss or damage to any property of the "Indemnified Parties" caused by the Occupant or its Invitees during the term of the Agreement.

The Occupant shall defend all such claims and causes of action against the Indemnified Parties at its expense, but the Indemnified Parties shall have the right to participate in

litigation, in which event the Indemnified Parties shall be responsible for their legal expenses caused by participation in such litigation.

The Occupant also hereby releases, discharges, and covenants not to sue the Indemnified Parties from, and with respect to, any and all claims, demands, causes of action for losses other than allegations of willful and/or wanton misconduct or gross negligence or criminal behavior that hereinafter may accrue against them and that is caused by the Occupant's or its Invitees use of the Parking Lots as described herein.

The Occupant shall carry and obtain insurance as follows:

Comprehensive General Liability insurance, with limits of liability of not less than \$1,000,000, per occurrence and in the aggregate and fire, legal liability in the amount of \$100,000 per occurrence, combined for bodily injury including death and property damage. Such blanket contractual liability shall cover the hold harmless/indemnification provisions of the agreement.

Automobile Liability coverage for bodily injury and property damage with a combined single limit per accident of \$1,000,000.

Worker's compensation insurance in compliance with the Worker's Compensation Act of the State of Illinois.

Employer's Liability insurance on all employees, for injuries caused by accidents or disease, for limits of not less than \$1,000,000 for each employee for accidents and disease and a policy limit for disease.

Umbrella Liability coverage with limits of liability of not less than \$5,000,000, per occurrence and in the aggregate combined for bodily injury including death and property damage that specifically identifies each of the policies described above on the schedule of underlying coverage, and shall provide coverage at least as broad as each, and every one of the underlying policies.

ISFA acknowledges and agrees that Occupant is self-insured for the insurance requirements specified herein and in the Agreement.

Sincerely,

ILLINOIS SPORTS FACILITIES AUTHORITY

Perri L. Inner Chief Execufive Officer

ACCEPTED and AGREED to this

_____ Day of _____, 2011