



Office of the Chicago City  
Clerk



O2011-9627

Office of the City Clerk

City Council Document Tracking Sheet

<b>Meeting Date:</b>	11/16/2011
<b>Sponsor(s):</b>	Emanuel, Rahm (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Lease agreement with Avis Budget Car Rental LLC
<b>Committee(s) Assignment:</b>	Committee on Housing and Real Estate

HSG.



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

November 16, 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 an ordinance authorizing the execution of a lease agreement.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

## ORDINANCE

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

**SECTION 1:** The Commissioner of the Department of General Services is authorized to execute on behalf of the City of Chicago, as Landlord, a Lease with Avis Budget Car Rental, LLC, as Tenant, for use of approximately 19,250 square feet of vacant land located at 5045-59 South Cicero Avenue by Avis Budget Car Rental, LLC as a parking lot; such Lease to be approved as to form and legality by the Corporation Counsel in substantially the following form:

5045 South Cicero Avenue  
Avis Budget Car Rental, LLC  
Lease No. 20124

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

**LEASE**

**THIS LEASE** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2011, by and between, **THE CITY OF CHICAGO**, an Illinois municipal corporation and home rule unit of government (herein referred to as "**Landlord**") and **AVIS BUDGET CAR RENTAL, LLC**, a Delaware limited liability company (hereinafter referred to as "**Tenant**").

**RECITALS**

**WHEREAS**, Landlord is the owner of the premises more commonly known as 5045-59 South Cicero Avenue, Chicago, Cook County, Illinois; and

**WHEREAS**, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord, approximately 19,250 square feet of vacant land located at 5045-59 South Cicero Avenue as legally described on Exhibit A attached hereto to be used as a parking lot;

**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 19,250 square feet of vacant land located on that certain parcel of real estate more commonly known as 5045-59 South Cicero Avenue, Chicago Illinois (PIN # 19-10-119-021 & 19-10-119-053 - the "Premises").

**SECTION 2. TERM**

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

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

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

(a) Five-Thousand Five Hundred and 00/100 Dollars (**\$5,500.00**) per month for the period beginning on the Commencement Date and ending on December 31, 2012; with said amount being pro-rated in a per diem basis for the first month in the event the Commencement Date is not the first day of the month.

(b) Five-Thousand Seven-Hundred Fifty and 00/100 Dollars (**\$5,750.00**) per month for the period beginning on January 1, 2013 and ending on December 31, 2013.

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(c) Six-Thousand and 00/100 Dollars (**\$6,000.00**) per month for the period beginning on January 1, 2014 and ending on December 31, 2014.

(d) Six-Thousand Two-Hundred Fifty and 00/100 Dollars (**\$6,250.00**) per month for the period beginning on January 1, 2015 and ending on December 31, 2015.

(e) Six-Thousand Five Hundred and 00/100 Dollars (**\$6,500.00**) per month for the period beginning on January 1, 2016 and ending on December 31, 2016.

(f) Six-Thousand Seven-Hundred Fifty and 00/100 Dollars (**\$6,750.00**) per month for the period beginning on January 1, 2017 and ending on December 31, 2017.

(g) Seven-Thousand and 00/100 Dollars (**\$7,000.00**) per month for the period beginning on January 1, 2018 and ending on December 31, 2018.

Rent shall be paid to Landlord at the Department of Revenue, Warrants for Collection, City Hall, 121 North LaSalle Street, Room 107A, Chicago, Illinois 60602, or at such place as Landlord may from time to time, hereby designate in writing to Tenant.

3.2 Utilities. Tenant shall pay when due all charges for gas, electricity, light, heat, water, power and telephone or other communication service, and all other utility services used in or supplied to the Premises.

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

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

4.1 Tenant's Affirmations with Respect to Real Estate and/or Leasehold Taxes. Tenant assumes full responsibility for any and all real estate or leasehold taxes assessed or levied on the subject Premises during the Term and/or as a result of Tenant's occupancy of the subject Premises. Tenant acknowledges that but for Tenant's occupancy of the subject Premises said property would be exempt from taxation. Tenant further acknowledges that real estate taxes are one (1) year in arrears in Cook County and that as a result Tenant will be responsible for satisfaction of all real estate or leasehold taxes assessed or levied on the subject Premises at least one year after Tenant vacates the premises.

4.2 Tenant's Payment of Real Estate and/or Leasehold Taxes. During the Lease term and/or as a result of Tenant's occupancy of the subject Premises, Tenant covenants that Tenant shall pay when due any real estate or leasehold taxes assessed or levied on the subject Premises in full including any penalties if applicable. Tenant shall contact the Cook County Treasurer or other appropriate taxing body to ascertain the tax amounts and/or penalties assessed on the

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subject Premises. No later than fifteen (15) days before the due date of said taxes, inclusive of all penalties, if any, Tenant shall tender payment in full to the Cook County Treasurer or other appropriate taxing body any and all real estate or leasehold tax amounts and/or penalties due and owing on the subject Premises. Tenant shall provide Landlord with proof of payment in full within ten (10) days of such payment. Tenant shall indemnify and hold the City of Chicago harmless from any and all real estate taxes, including all leasehold taxes, penalties, fines, due and owing on the Premises.

4.3 Tenant's Obligations to Record and Notify. Within ten (10) days of Lease execution, Tenant shall record or shall cause to be recorded an executed copy of this Lease agreement with the Cook County Recorder of Deeds. Within ten (10) days of Lease execution, Tenant shall notify the Cook County Treasurer that all tax bills for the subject Premises should be sent to the Tenant.

4.4 Tenant's Obligations upon Lease Termination. Within thirty (30) days of termination of this Lease agreement, Tenant shall notify the Cook County Treasurer, the Cook County Clerk, the Cook County Assessor, or any other body having jurisdiction over taxation issues that Tenant has ceased occupancy of the subject Premises and that the subject Premises should be exempt from taxes. Within fifteen (15) days of such notification, Tenant shall tender to Landlord (City of Chicago, Department of General Services, Office of Real Estate Management, 30 North LaSalle Street, Suite 300, Chicago, Illinois 60602) proof of such notification the Cook County Treasurer, the Cook County Clerk, the Cook County Assessor, or any other body having jurisdiction over taxation issues.

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

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

5.1 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 enjoy the Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by Landlord.

5.2 Tenant's Duty to Maintain Premises and Right of Access. Unless otherwise provided in this lease, Tenant shall, at Tenant'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") and all applicable provisions of the Landscape Ordinance of the City of Chicago. If Tenant shall refuse or neglect to make needed repairs within thirty (30) days after written notice

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thereof sent by Landlord, unless such repair cannot be remedied by thirty (30) days, and Tenant shall have commenced and is diligently pursuing all necessary action to remedy such repair, Landlord is authorized to make such repairs and Tenant will promptly and within thirty (30) business days of demand reimburse Landlord for the reasonable cost thereof or Landlord can immediately terminate this Lease by providing the Tenant with written notice. 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.

5.3 Use of the Premises. Tenant shall not use the Premises in a manner that would violate any Law. Tenant further covenants not to do or suffer any waste or damage, comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments which may be applicable to the Premises or to the use or manner of use of the Premises, disfigurement or injury to any building or improvement on the Premises, or to fixtures and equipment thereof. Any activities on the Premises must be limited to the parking of automobiles in support of Tenant's vehicle rental operations. The promotion and operation of these parking activities does not include direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office. Tenant shall not use said Premises for political or religious activities. Tenant agrees that in utilizing said Premises that it shall not discriminate against any member of the public because of race, creed, color, national origin, religious affiliation, political persuasion, or sexual orientation.

5.4 Alterations and Additions. Tenant may not make any alterations, additions and improvements to the Premises unless said modifications are reasonably related to Tenant's use of the subject Premises for automobile parking and only after obtaining the prior written approval from the Commissioner of the Department of General Services. In the event said alterations, additions and improvements are approved, said alterations, additions and improvements shall be effectuated in full compliance with all applicable laws.

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

6.1 Assignment and Sublease. Tenant shall not assign this Lease in whole or in part, or sublet the Premises or any part thereof without the prior written approval from the Commissioner of the Department of General Services.

6.2 Tenant's Covenant Against Liens. Tenant shall not cause or permit any lien or encumbrance, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon Landlord's title or interest in the Premises. All liens and encumbrances created by Tenant shall attach to Tenant's interest only. In case of any such lien attaching, Tenant shall immediately pay and remove such lien or furnish security or indemnify Landlord in a manner satisfactory to Landlord in its sole discretion to protect Landlord against any defense or expense arising from such lien. Except during any period in which Tenant appeals any judgment or obtains a rehearing of any such lien, or in the event judgment is stayed, Tenant shall immediately pay any judgment rendered against Tenant, with all proper costs and charges, and shall have the

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lien released and any judgment satisfied. If Tenant fails to pay and remove any lien or contest such lien in accordance herewith, Landlord, at its election, may pay and satisfy same, and all sums so paid by Landlord, with interest from the date of payment at the rate set at 12% per annum.

**SECTION 7. INSURANCE AND INDEMNIFICATION**

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

The kinds and amounts of insurance required are as follows:

a) Workers Compensation and Employers Liability Insurance. Workers Compensation and Employers Liability Insurance and Occupational Disease Insurance, as prescribed by applicable law, covering all 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 \$1,000,000 per occurrence, for bodily injury, personal injury, and property damage liability. Coverage extensions shall include the following: All premises and operations, products/completed operations, defense, separation of insureds, and contractual liability (with no limitation endorsement). 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 motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Tenant shall provide Comprehensive Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence, for bodily injury and property damage.

d) All Risk Property Insurance. All risk property insurance coverage shall be maintained by the Tenant for full replacement value to protect against loss, damage to or destruction of property. The policy shall list the City of Chicago as loss payee.

The Tenant 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 Tenant.

e) All Risk Builders Risk Insurance. When Tenant undertakes any construction, including improvements, betterments, and/or repairs, the Tenant shall provide All Risk Builders Risk Insurance, at replacement cost, for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverage shall include but not limited to the following: right to partial occupancy, earth movement, flood including surface water backup and sewer backup and seepage. The City of Chicago shall be named as loss payee.

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7.2 Other Terms of Insurance. The Tenant will furnish the City of Chicago, Department of General Services, 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 Tenant 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 Tenant shall not be deemed to be a waiver by the City. The Tenant shall advise all insurers of the Lease provisions regarding insurance. Non-conforming insurance shall not relieve Tenant 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 60 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 Tenant.

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

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

The Tenant 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 Tenant 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.

7.3 Tenant's Indemnification. Tenant shall indemnify and hold Landlord harmless against all liabilities, judgment costs, damages, and expenses which may accrue against, be charged to, or be recovered from Landlord by reason of Tenant's negligent performance of or failure to perform any of its obligations under this Lease.

## SECTION 8. DAMAGE OR DESTRUCTION

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8.1 Damage or Destruction. If the Premises are damaged or destroyed by any casualty to such extent that Tenant cannot continue, occupy or conduct its normal business therein, or if the Premises do not meet all Municipal Building and Fire Code provisions and are therefore rendered untenable, either Landlord or Tenant shall have the option to declare this Lease terminated as of the date of such damage or destruction by providing each other Landlord written notice to such effect. If either Landlord or Tenant exercises this 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.

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

9.1 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 or her position to influence any City governmental decision or action with respect to this Lease.

9.2 Duty to 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 10. HOLDING OVER**

10.1 Holding Over. Any holding over by Tenant shall be construed to be a tenancy from month to month only beginning on January 1, 2019 and the rent shall be at the same rate as set forth in Section 3.1 (g) of this Lease. During any holding over, all other provisions of this Lease shall remain in full force and effect.

**SECTION 11. MISCELLANEOUS**

11.1 Notice. All notices, demands and requests which may be or are required to be given, demanded or requested by either party to the other shall be in writing. All notices, demands and requests by Tenant to Landlord 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 Landlord as follows:

City of Chicago  
Department of General Services  
Office of Real Estate Management  
30 North LaSalle Street, Suite 300  
Chicago, Illinois 60602

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

Avis Budget Car Rental, LLC  
Attn: Senior Vice President - Properties  
6 Sylvan Way  
Parsippany, New Jersey 07054

With a copy to:

Avis Budget Car Rental, LLC  
Attn: Regional Director – Properties  
P.O. Box 612707  
3937 South 26<sup>th</sup> Avenue  
DFW Airport, Texas 75261

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

11.2 Partial Invalidity. If any covenant, condition, provision, term or agreement of this 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.

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

11.4 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this 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.

11.5 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.

11.6 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.

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

11.8 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.

11.9 Authorization to Execute Lease. The parties executing this Lease hereby represent and warrant that they are 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.

11.10 Termination of Lease. Landlord and Tenant shall have the right to terminate this Lease for any reason without prepayment or penalty by providing each other with sixty (60) days prior written notice at any time after Lease execution.

11.11 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.

11.12 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.

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

11.14 Amendments. From time to time, the parties hereto may amend this Lease Agreement with respect to any provisions reasonably related to Tenant's use of the Premises

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and/or Landlord's administration of said Lease Agreement. 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 remain in full force and effect.

11.15 Prior Lease. Tenant acknowledges that prior to the date of this Lease, Tenant has occupied and been in possession of the Premises under the terms of that certain Lease between Tenant and Landlord dated May 3, 2007, including the holdover provisions thereof. 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 12. TENANT RESPONSIBILITIES**

12.1 Engineering Service. Tenant shall provide at Tenant's expense, any and all engineering service for maintenance of the Premises including, but not limited to, any light bulb replacement.

12.2 Custodial Service. Tenant shall provide and pay for custodial services which shall be construed as keeping the Premises clean and free of debris.

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

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

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

12.6 Hazardous Materials. Tenant shall keep out of the Premises materials which cause a fire hazard or safety hazard and 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 thereto.

12.7 Security. Tenant shall provide and pay for security where necessary. Tenant shall secure Tenant's vehicles placed on the Premises. Landlord shall have no security responsibilities.

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12.8 Permits. For any activity which Tenant desires to conduct on the Premises in which a license or permit is required, said license or permit must be obtained by Tenant. The City of Chicago, Department of General Services, must be notified of any such license or permit. Failure to obtain a required license or permit shall constitute a breach of the terms of this Lease.

12.9 Snow Removal. Tenant shall provide prompt removal of snow and ice from the Premises and the sidewalks which immediately abut the Premises.

12.10 Trade Fixtures Upon the termination of this Lease by lapse of time, Tenant may remove Tenant's personal property and equipment, provided that Tenant shall repair any injury or damage to the leased Premises which may result from such removal. If Tenant does not remove Tenant's furniture, machinery, trade fixtures and all other items of personal property of any kind from the leased Premises prior to the end of the term, Landlord may, at its option, remove the same and deliver them to any other place of business of Tenant or warehouse the same, and Tenant shall pay the cost of such removal, including the repair for such removal, delivery and warehousing, to Landlord on demand, or Landlord may treat such property as being conveyed to Landlord with this Lease as a bill of sale, without further payment or credit by Landlord to Tenant.

12.11 Scavenger Service. Tenant shall provide its own scavenger service if necessary.

12.12 No Alcohol. Tenant agrees that no alcoholic beverages of any kind or nature shall be sold, given away or consumed on the Premises.

12.13 No Litter. Tenant shall keep the Premises clean, presentable, free of litter and in good repair, Tenant shall provide exterminating services as needed. No boxes, litter, trash, papers, furniture, food waste, bicycles, flammable liquids, noxious or hazardous substances or materials or other offensive matters shall be left at the Premises.

12.14 No Religious Use. Tenant agrees that the Premises will not be used for any religious purposes.

12.15 No Other Rights. This Agreement does not give Tenant any other rights with respect to the Premises. Any rights not specifically granted to Tenant are reserved exclusively for Landlord.

12.16 No Additional Landlord Obligations. Execution of this agreement does not obligate Landlord in any manner and Landlord shall not undertake any additional duties or services including, but not limited to, snow removal.

12.17 Economic Disclosure Statement Affidavit ("EDS") Updates. Throughout the Term, Tenant shall provide Landlord with any material updates to the information previously submitted in Tenant's Economic Disclosure Statement Affidavit ("EDS"). Failure to provide Landlord with such updates shall constitute a breach of the terms of this Agreement.

**SECTION 13. TENANT DISCLOSURES AND REPRESENTATIONS**

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13.1 Business Relationships. Tenant acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) notwithstanding anything to the contrary contained in this 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. Tenant hereby represents and warrants that no violation of Section 2-156-030 (b) has occurred with respect to this Lease Agreement or the transactions contemplated hereby.

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

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

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

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

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

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

Notwithstanding anything to the contrary contained herein, Tenant agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, 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 Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

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

For purposes of this provision:

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

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

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

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

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- (A) they are each other's sole domestic partner, responsible for each other's common welfare; and
- (B) neither party is married; and
- (C) *the partners are not related by blood closer than would bar marriage in the State of Illinois; and*
- (D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (E) two of the following four conditions exist for the partners:
  - 1. The partners have been residing together for at least 12 months.
  - 2. The partners have common or joint ownership of a residence.
  - 3. The partners have at least two of the following arrangements:
    - a. joint ownership of a motor vehicle;
    - b. a joint credit account;
    - c. a joint checking account;
    - d. a lease for a residence identifying both domestic partners as tenants.
  - 4. Each partner identifies the other partner as a primary beneficiary in a will.

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

13.4 Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Tenant warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Agreement is executory, Tenant's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this 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 Tenant's, 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 the Tenant's eligibility for future contract awards.

13.5 Failure to Maintain Eligibility to do Business with City. Failure by Tenant or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of this Agreement and the

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transactions contemplated thereby. Tenant shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

13.6 Cooperation with Inspector General and Office of Compliance. In accordance with Chapter 2-26-110 et seq. of the Municipal Code, the Tenant acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Office of the Inspector General and the Executive Director of the Office of Compliance in connection with any activities undertaken by such office with respect to this Lease, including, without limitation, making available to the inspector General and the Office of Compliance the department's premises, equipment, personnel, books, records and papers. The Tenant agrees to abide by the provisions of Chapter 2-26-110 et seq.

**[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:**

BY: **THE CITY OF CHICAGO**, an Illinois municipal corporation and home rule unit of government

THE DEPARTMENT OF GENERAL SERVICES

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

APPROVED AS TO FORM AND LEGALITY:

BY: DEPARTMENT OF LAW

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

**TENANT:**

By: **AVIS BUDGET CAR RENTAL, LLC**, a Delaware limited liability company

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

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

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

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

**LOTS 17 THROUGH 21 IN BLOCK 16 OF FREDERICK H. BARTLETT'S CENTERFIELD SUBDIVISION OF THE WEST ½ OF THE NORTH WEST ¼ OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY ILLINOIS.**

PINs:                   19-10-119-021  
                              19-10-119-053

Common Addresses: 5045-59 South Cicero Avenue