

Office of the Chicago City Clerk



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City Council Document Tracking Sheet

Meeting Date:

Sponsor(s):

Type:

Title:

Committee(s) Assignment:

4/18/2012 Emanuel, Rahm (Mayor)

Ordinance

Lease agreement with Chicago Children's Choir

Committee on Housing and Real Estate



OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL MAYOR

April 18, 2012

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,

alEmanuel

Mayor

ORDINANCE

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

SECTION 1: On behalf of the City of Chicago as Landlord, the Commissioner of the Department of Fleet and Facility Management is authorized to execute a Lease with the Chicago Children's Choir, as Tenant, governing the use of approximately 2,100 square feet of office space located on the 5th floor of 78 East Washington Street; such Lease to be approved as to form and legality by the Corporation Counsel in substantially the following form:

78 East Washington Street Chicago Children's Choir Lease No. 20097

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

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and approval.

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LEASE

THIS LEASE is made and entered into this ______ day of ______ 2012, by and between, THE CITY OF CHICAGO, an Illinois Municipal Corporation and Home Rule Unit of Government (hereinafter referred to as "Landlord") and THE CHICAGO CHILDREN'S CHOIR, an Illinois Not-for-Profit Corporation, (hereinafter referred to as "Tenant").

<u>RECITALS</u>

WHEREAS, Landlord is the owner of the Building more commonly known as 78 East Washington Street, Chicago, Cook County, Illinois more commonly known as the Cultural Center (the "Building"); and

WHEREAS, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord Room 510 comprising approximately 2,100 square feet of office space located on the fifth floor of the Building as outlined on the floor plan (marked as "Office A, Office A-1" and "Practice Room B") attached hereto as <u>Exhibit A</u>, and shared use of other areas of the Building as specified in Section 5 of this Lease, located on the fifth floor of the Building;

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:

Room 510 comprising approximately 2,100 square feet of office space located on the fifth floor of the Building as outlined on the floor plan attached hereto as **Exhibit A** ("Premises"), and shared use of other areas of the Building as specified in Section 5 of this Lease, located on the fifth floor of the Chicago Cultural Center, 78 East Washington Street; (part of PIN# 17-10-310-002 - the "Premises").

SECTION 2. TERM

The term of this Lease ("Term") shall commence on January 1, 2013 ("Commencement Date"), and shall end on December 31, 2017, unless sooner terminated as set forth in this Lease.

SECTION 3. <u>RENT, OPERATING EXPENSES</u>

3.1 <u>Rent</u>. Tenant shall pay base rent for the Premises in the amount of:

One Dollar (\$1.00) for the entire Term with the receipt and sufficiency of said sum hereby acknowledged by both parties.

3.2 <u>Operating Costs</u>. Tenant shall also pay to Landlord Operating Costs as defined pursuant to Section 3.2.a below beginning on January 1, 2013 as reimbursement for Landlord's costs to operate the Building and not as rent.

a. <u>Calculation of Operating Costs</u>. Tenant shall pay to Landlord Operating Costs (as hereinafter defined) incurred by Landlord with regards to Tenant's "Proportionate Use" of the Building. This Proportionate Use shall be based on the square footage leased by Tenant divided by the Building's total

square footage. The Building's total square footage is 240,000 square feet and Tenant's leasehold shall be 2,100 square feet, which comprises .875 % of the Building's total square footage. "Operating Costs" shall be based on the Tenant's .875 % Proportionate Use. Operating Costs shall include (i) all utilities (including, but not limited to gas, electricity, and water) (ii) custodial services, (iii) security services applicable to the Building, and (iv) Tenant's allocable share of other costs incurred in operating and maintaining the Building (excluding any capital improvements that may be required). For 2013, Tenant's Operating Costs are estimated to be, and Tenant shall initially pay, \$1,504.25 per month (subject to subsequent accounting and adjustment which may serve to increase or decrease these estimated Operating Costs for 2013).

b. <u>Reimbursement Procedure</u>. Each calendar year and as soon as Landlord can secure data for the prior year's operating costs, Landlord shall estimate the annual Estimated Operating Costs for such year. Tenant shall pay to Landlord, one-twelfth (1/12) of such amount in equal monthly installments, on the first day of each month during such year. The monthly estimate of Operating Costs for the first Lease year is set forth in <u>Exhibit B</u>. Once full data becomes available, Landlord shall provide the Actual Operating Costs for the previous calendar year and a statement as to whether Tenant has underpaid or overpaid said Operating Costs. In the event Tenant's payments during the previous calendar year are less than the Actual Operating Costs due from Tenant, such underpayment shall be included in Tenant's subsequent monthly installment(s) of Operating Costs for the remainder of the year, or, if said underpayment shall have been made in the last year of the Term, Tenant shall refund said underpayment to Landlord within thirty (30) days. If Tenant's installments during the previous calendar year are more than the Actual Operating Costs due from Tenant, Landlord shall credit said amount against Tenant's subsequent monthly installment(s) of Operating Costs for the remainder of the year, or, if said underpayment shall have been made in the last year of the Term, Tenant shall refund said underpayment to Landlord within thirty (30) days. If Tenant's installments during the previous calendar year are more than the Actual Operating Costs due from Tenant, Landlord shall credit said amount against Tenant's subsequent monthly installment(s) of Operating Costs for the remainder of the year, or, if said overpayment shall have been made in the last year of the Term, Landlord shall refund said overpayment to Tenant within thirty (30) days.

Operating Expenses shall be paid to Landlord at the Department of Finance, Warrants for Collection, City Hall, 121 North LaSalle, Room 107, or at such place as Landlord may from time to time, hereby designate in writing to Tenant.

3.3 <u>Utilities</u>. Landlord shall pay for gas, electricity, light, heat, and water supplied to the Building. Tenant shall pay when due all charges for telephone or other communication service provided to the Premises.

3.4 <u>Taxes</u>. Tenant shall pay when due any real estate or leasehold taxes assessed or levied on Tenant's portion of the subject Premises without reimbursement or other setoff from Landlord. Tenant acknowledges that real estate taxes or leasehold 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. Tenant's tax responsibilities under this section shall survive the expiration, cancellation, or termination of this Lease agreement.

3.5 <u>Accord and Satisfaction</u>. No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of the rent or operating costs 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. ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS, SURRENDER, ASSIGNMENT, LIENS

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4.1 <u>Covenant of Quiet Enjoyment</u>. Landlord covenants and agrees that Tenant, upon paying the Operating Costs 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 or persons claiming under Landlord.

4.2 Tenant's Duty to Maintain Premises and Right of Access. Tenant accepts the property in as-is condition. 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"). If Tenant shall refuse or neglect to make needed repairs or replacements within thirty (30) days after written notice 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. 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. Tenant covenants that Landlord has no maintenance obligations with respect to the Premises or with respect to the Building structure. However, because the Premises are located within the Building, and because Landlord utilizes the majority of the Building, this provision does not limit Landlord's ability to provide maintenance and repairs to the Building and/or the Premises at Landlord's cost.

4.3 <u>Alterations and Additions</u>. Tenant shall have the right to make alterations, additions and improvements on the Premises, 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 the Commissioner of the Department of Fleet and Facility Management.

4.4 <u>Assignment and Sublease</u>. 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 Fleet and Facility Management.

4.5 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 or the Building. 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 shall immediately pay any judgment rendered against Tenant, with all proper costs and charges, and shall have the lien released and any judgment satisfied. If Tenant fails to pay and remove any lien or contest such lien in accordance herewith, 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 5. <u>USE OF THE PREMISES</u>

5.1 <u>General Provisions</u>. 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 use for administrative offices, rehearsal functions, and incidental storage for the Chicago Children's Choir. The promotion and operation of the Children's Choir 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 agrees that in utilizing said Premises that it shall not discriminate against any member of the public because of race, religious affiliation, color, national origin, political persuasion, disability, or sexual orientation. Tenant further covenants that the Premises shall not be used for any religious purposes.

Tenant shall use the Premises for administrative offices, rehearsal functions, and incidental storage, in the spirit of cooperation with the Chicago Cultural Center, to support its mission of improving young people's lives through musical excellence, and for such other lawful uses and purposes reasonably related thereto; provided, however, that said uses do not unreasonably interfere with the use of the building by Landlord or other tenants and users, specifically the Department of Cultural Affairs and Special Events. During the term of the Lease at the Chicago Cultural Center, Tenant shall continue its not-for-profit and tuition-free programs that reach out to youth and audiences in neighborhoods and schools throughout Chicago.

5.2 <u>Scheduled Use of the Premises</u>. Landlord grants to Tenant the non-exclusive use of the two adjacent meeting rooms on the southwest corner of the fifth Floor (marked "Meeting Room C" and "Meeting Room D" on **Exhibit A**), and the meeting room on the southeast corner of the fifth Floor (marked "Meeting Room E: on **Exhibit A**) for choir rehearsals according to the following pre - set schedule (this schedule indicates <u>exact</u> times for access and use of the meeting rooms):

<u>Meeting Room 508 (Five) and Meeting Room 518 (Five Garland)</u>: Tuesdays & Wednesday from 4:00 p.m. to 6:45 p.m. Saturdays from 8:30a.m. to 4:00 p.m.

<u>Meeting Room 500 (Millennium Park Room)</u>: Tuesdays & Wednesday from 4:00 p.m. to 6:45 p.m. Saturdays from 8:30a.m. to 2:00 p.m.

5.3 <u>West Corridor</u>. Tenant shall have the non - exclusive use of the west corridor of the fifth Floor (marked "Corridor F") on **Exhibit A**) as a quiet lounge area for the choir during rehearsal hours. Tenant acknowledges that this corridor remains a legal emergency exit, as well as an access route to public toilets, mechanical rooms, and Department of Cultural Affairs and Special Events work areas, and will in no way cause any obstruction to be placed in the path of circulation.

5.4 <u>Rehearsal Piano</u>. Tenant shall have the right to keep a rehearsal piano in each of the said meeting rooms which piano will be locked when not in use. Landlord shall from time to time require the removal of the pianos from the meeting rooms for other scheduled events, and shall provide Tenant with prior notice. Landlord further submits that it will not assume any liability for damage, maintenance or wear on such pianos. Tuning and repair of said pianos shall be the sole responsibility of the Tenant, with at least fourteen (14) days advance notice and schedule coordination with Landlord, if not carried out during normal rehearsal times.

5.5 <u>Chair Setup</u>. If Landlord has set up a room for another use prior to a rehearsal, Tenant shall restore the room to the same condition after Tenant's rehearsal.

5.6 <u>Landlord Exclusive Use</u>. Every twelve (12) months, Landlord shall have the exclusive right to use all three (3) fifth Floor meeting rooms for up to six (6) different occasions, thereby pre-empting

regularly scheduled rehearsal times. Each such occasion shall be limited to seven (7) days and Tenant shall be notified by Landlord forty-five (45) days in advance.

5.7 <u>Fifth Floor Meeting Room</u>. Subject to availability and schedule as determined by Landlord, Tenant shall have the non-exclusive use of the meeting room on the southwest side of the fifth Floor for board and committee meetings, not exceeding six (6) meetings every twelve (12) months.

5.8 <u>Rights Reserved to Landlord</u>. Subject to the rights of Tenant hereunder, Landlord shall have the right to grant to any party the exclusive right to conduct any business in the Building. Provided, however, that no such exclusive right shall limit or impair in any way Tenant's right to use the Premises for any purpose set forth in or contemplated by this Lease.

SECTION 6. INSURANCE AND INDEMNIFICATION

6.1 <u>Insurance</u>. 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) <u>Workers Compensation and Employers Liability Insurance</u>. 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 <u>\$100,000</u> each accident or illness.

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

d) <u>All Risk Property Insurance</u>. 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) <u>All Risk Builders Risk Insurance</u>. 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.

6.2 Other Terms of Insurance. The Tenant will furnish the City of Chicago, Department of Fleet and Facility Management, Office of Real Estate Management, 30 North LaSalle Street, Suite 300, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this 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.

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

6.4 <u>Non-Liability of Landlord</u>. Tenant agrees that, to the extent permitted by law, neither Landlord nor its agents and employees shall be liable for, and Tenant waives all claims for, damage to person or property sustained by Tenant or any person claiming through Tenant resulting from any accident or occurrence in or upon the Premises or the Building, including, but not limited to, claims for injury or damage resulting from: (i) any equipment or appurtenances becoming out of repair, (ii) Landlord's failure to keep the Premises or the Building in good repair; (iii) injury done or occasioned by

wind, water, or other natural element; (iv) any defect in or failure of plumbing, heating or air conditioning equipment, electric wiring or installation thereof, gas, water, and steam pipes, stairs, porches, railings or walks; (v) broken glass; (vi) the backing up of any sewer pipe or down spout; (vii) the bursting, leaking or running of any tank, tub, washstand, water closet, waste pipe, drain or other pipe or tank in, upon or about the Premises; (viii) the escape of steam or hot water; (ix) water, snow or ice being upon or coming through the roof, skylight, trap door, stairs, walks or any other place upon or near the Premises or Building; (x) the falling of any fixture, plaster or stucco; and (xi) any act, omission or negligence of cotenants, or of other persons or occupants of the Premises or Building or of owners of adjacent or contiguous property, or of Landlord or Landlord's agents and employees.

SECTION 7. DAMAGE OR DESTRUCTION

7.1 <u>Damage or Destruction</u>. If the Premises or Building are damaged or destroyed or a casualty to such extent that Tenant cannot continue, occupy or conduct its normal business therein, or if, in Tenant's opinion, the Premises are rendered untenantable, either Landlord or Tenant shall have the option to declare this Lease terminated as of the date of such damage or destruction by giving the other party written notice to such effect. If 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 Operating Costs.

SECTION 8. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS

8.1 <u>Conflict of Interest</u>. 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 her or his position to influence any City governmental decision or action with respect to this Lease.

8.2 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 9. HOLDING OVER

9.1 <u>Holding Over</u>. Any holding over by Tenant shall be construed to be a tenancy from month to month only beginning on January 1, 2018 and the rent and operating costs will be the same as outlined in Section 3.1 and Section 3.2 (e) of this Lease. During any holding over all other provisions of this Lease shall remain in full force and effect.

SECTION 10. MISCELLANEOUS

10.1 <u>Notice</u>. 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 Fleet and Facility Management Office of Real Estate Management 30 North LaSalle Street, Suite 300 Chicago, Illinois 60602

With a copy to:

City of Chicago Department of Cultural Affairs and Special Events 78 East Washington Street, Room 300 Chicago, Illinois 60602 Attn: Commissioner

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:

The Chicago Children's Choir 78 East Washington Street, 5th Floor Chicago, Illinois 60602 Attn: President

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.

10.2 <u>Partial Invalidity</u>. 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 <u>Governing Law</u>. This Lease shall be construed and be enforceable in accordance with the laws of the State of Illinois.

10.4 <u>Entire Agreement</u>. 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 <u>Captions and Section Numbers</u>. 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 <u>Binding Effect of Lease</u>. 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 <u>Time is of the Essence</u>. 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

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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 <u>Authorization to Execute Lease</u>. 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.

10.10 <u>Termination of Lease</u>. Landlord and Tenant shall have the right to terminate this Lease by providing each other with ninety (90) days prior written notice at any time after execution of this Lease.

10.11 <u>Force Majeure</u>. 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 <u>Prior Lease</u>. Landlord and Tenant acknowledge and agree that the Tenant has leased and occupied the Premise under a Lease agreement dated February 26, 2008 (the "2008 Agreement"). The 2008 Agreement shall remain in full force and effect until December 31, 2012. Landlord and Tenant each acknowledge and agree that the other party has performed all obligations under the 2008 Agreement and that neither party has any claims against the other with respect to the 2008 Agreement.

10.13 <u>No Brokers</u>. 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. Landlord warrants to Tenant that no broker or 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.

10.14 <u>Tenant Default</u>. Tenant must adhere to all provisions of this Lease. Failure of Tenant to adhere to all provisions of this Lease will result in default. In the event of such default, Landlord will notify Tenant in writing as to the circumstances giving rise to such default. Upon written receipt of such notice, Tenant must cure such default within thirty (30) days. If Tenant does not cure such default within thirty (30) days, Landlord may cancel this Lease with thirty (30) days written notice.

10.15 <u>Amendments</u>. 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 and/or Landlord's administration of said Lease Agreement, including, but not limited to leasehold expansion. 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 become a part of this Lease and all other provisions of this Lease shall otherwise remain in full force and effect.

10.16 <u>Compliance with Department of Cultural Affairs and Special Events</u>. Tenant shall at all times be in full compliance with any agreements entered into between Tenant and the City of Chicago Department of Cultural Affairs and Special Events.

10.17 <u>No Other Rights</u>. The execution of this Lease does not give Tenant any other right with respect to the Premises or Building. Any rights not expressly granted to Tenant through this Lease are reserved exclusively to Landlord. Unless otherwise specified in this Lease, execution of this Lease does

not obligate Landlord in any manner and the Landlord shall not undertake any additional duties or services.

SECTION 11. TENANT'S RESPONSIBILITIES

11.1 <u>Condition of Premises Upon Termination or Cancellation</u>. Upon the termination or cancellation of this Lease, Tenant shall surrender the Premises to the Landlord in the same comparable condition to the condition of the Premises at the beginning of Tenant's occupancy of the subject Premises, with normal wear and tear taken into consideration.

11.2 <u>Hazardous Materials</u>. Tenant shall keep out of Premises materials which cause a fire hazard or safety hazard and comply with reasonable requirements of Landlord's fire insurance carrier.

11.3 <u>Full Responsibility</u>. Tenant shall assume full legal and financial responsibility and liability for any and all use of the Premises by Tenant, Tenant's staff, Tenant's agents, Tenant's invitees, and any other person or persons entering the Premises.

11.4 <u>Permit Requirement</u>. For any activity which Tenant desires to conduct on the Premises in which a license or permit is required, said license or permit must be obtained by Tenant prior to using the Premises for such activity. Landlord 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.

11.5 <u>Maintenance of Premises</u>. Tenant shall keep the Premises, including, without limitation, the fixtures, displays, display windows and all other facilities, systems and equipment installed in the Premises by Tenant, clean, neat and safe and in good order, repair and condition (including, without limitation, all necessary replacements, painting and decoration).

11.6 <u>Tenant Acceptance</u>. Tenant agrees that Tenant has inspected the Premises and all related areas and grounds and that Tenant is satisfied with the physical condition thereof.

11.7 Door Locks. Before leaving the Premises unattended, Tenant shall close and securely lock all doors.

11.8 <u>Compliance with Applicable Laws</u>. Tenant shall comply with all applicable statutes, ordinances and orders, and all reasonable rules and regulations Landlord may adopt from time to time for the protection and welfare of the Premises and/or Building and its tenants, occupants and invites.

11.9 <u>Hours of Operation</u>. Tenant shall operate its activities on the Premises and the Building during the hours specified from time to time by Landlord. These days and hours may, but need not, be uniform for all tenants in the Building. Tenant shall conduct its business at all times in a business-like manner, so as to help establish and maintain a good reputation for the Premises and/or Building. Tenant must follow the official City of Chicago holiday schedule for days and hours of operations.

11.10 <u>Mechanical Devices</u>. Tenant shall keep all mechanical devices, Trade Fixtures, and non-Trade Fixtures in the Premises free of vibration and noise which may be transmitted beyond the Premises.

11.11 Duty to Clean. Tenant shall keep the Premises in a sanitary condition, free of insects, rodents, vermin and other pests. Landlord shall provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs or sweeping of any kind. Landlord's custodial services are subject to full reimbursement of Operating Costs pursuant to Section 3.2 hereinabove. Tenant may also opt out of custodial services provided by

Landlord. In such event, Tenant shall secure comparable (or better) custodial services and such charges shall not be included in the reimbursable Operating Costs of Section 3.2.

11.12 <u>Trash Storage</u>. Tenant shall store all trash and garbage in adequate containers within the Premises which Tenant shall maintain in a neat clean condition so as not to be visible to members of the public, and so as not to create any health or fire hazard. Tenant shall not burn any trash or garbage at any time in or about the Building or Premises.

11.13 <u>Additional Security</u>. If Tenant requires or desires additional security, Tenant shall provide such additional security at Tenant's cost. Provided, however, that such additional security is approved in writing by the Commissioner of the Department of Cultural Affairs and Special Events.

11.14 <u>Adherence to Department of Cultural Affairs and Special Events Procedures</u>. Tenant shall follow all Department of Cultural Affairs Building Procedures and Regulations now or hereinafter in effect. In addition, Tenant is required to participate in the Cultural Center Residents' meetings and attend Building Operations meetings

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

SECTION 12. TENANT'S PROHIBITIONS

12.1 <u>Illegal Activity</u>. Tenant shall not perform or permit any practice that may damage the reputation of, or otherwise be injurious to the Premises or neighborhood, be illegal, or increase the rate of insurance on the Premises.

12.2 <u>No Alcoholic Beverages.</u> Unless otherwise allowed under the building rules established by Landlord's Department of Cultural Affairs and Special Events (or any successor department) and applicable to the Building, Tenant shall not serve, sell, give away, nor permit the consumption of alcoholic beverages of any kind or nature

12.3 <u>Waste or Damage</u>. Tenant shall not suffer any waste or damage, disfigurement or injury to the Premises or to any improvements thereon, or to fixtures and equipment thereof, or permit or suffer any overloading of the floors. This subsection shall not apply to ordinary wear and tear that occurs from the normal use and occupancy of the Premises.

12.4 <u>Signage</u>. Tenant shall not paint, display, inscribe or affix any sign, trademark, picture, advertisement, notice, lettering or direction on any part of the outside of the Premises or Building or locate any fixtures, equipment, inventory, signs, placards or any other kind of advertising material outside of the Premises, without the prior written consent of the Commissioner of the Department of Cultural Affairs.

12.5 <u>Admission Fees</u>. Tenant shall not charge any admission fees provided, however, that Tenant may charge guided tour fees and archive user fees.

12.6 <u>Access to Areas</u>. Tenant shall not allow anything or anyone to remain in, place or store anything in, or obstruct in any way, any passageway, exit or stairway. Tenant shall lend its full cooperation to keep such areas free from all obstruction and in a clean and sightly condition.

12.7 Vending Machines. Tenant shall not operate or permit to be placed on the Premises any

coin or token operated vending machine or similar device for the sale of any merchandise, food, beverages, candy, cigarettes or other commodities or services.

12.8 <u>Restrictions on Advertising</u>. Tenant shall not use any advertising medium such as flashing lights, search lights, loud speakers, phonographs, sound amplifiers or radio or television receiving equipment in a manner to be seen or heard outside of the Premises.

12.9 <u>Nuisance and Disturbance</u>. Tenant shall not permit anything to be done on or in the Premises which in any way may, in Landlord's sole judgment, create a nuisance in the common areas, disturb any other tenant of the Building or the occupants of neighboring property, or injure the reputation of the Building, or exhibition displays in the windows of the Premises which, in Landlord's sole judgment, are not consistent with the use of the Premises.

12.10 <u>Appliances</u>. Tenant shall only maintain or use cooking, microwave, refrigeration, or other small food appliances within the Premises for Tenant's staff use.

12.11 <u>Non-Discrimination</u>. Tenant shall not discriminate against any employee or applicant for employment upon the basis of race, age, color, religion, sex, sexual orientation, military discharge, ancestry, parental or marital status, disability, source of income or national origin. Nor shall any person be denied admittance or be prevented from participating in any of Tenant's activities upon the basis of any of the foregoing.

SECTION 13. TENANT DISCLOSURES AND REPRESENTATIONS

13.1 <u>Business Relationships</u>. 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 <u>Patriot Act Certification</u>. 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 is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

Tenant represents and warrants that from the date the City approached the Tenant or the date Tenant approached the City, as applicable, regarding the formulation of this 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:

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

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

[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:

THE CITY OF CHICAGO,

an Illinois Municipal Corporation and Home Rule Unit of Government

THE DEPARTMENT OF FLEET AND FACILITY MANAGEMENT

Commissioner

THE DEPARTMENT OF CULTURAL AFFAIRS AND SPECIAL EVENTS

By: _____

Commissioner

APPROVED AS TO FORM AND LEGALITY:

BY: DEPARTMENT OF LAW

By:_

Deputy Corporation Counsel Real Estate Division

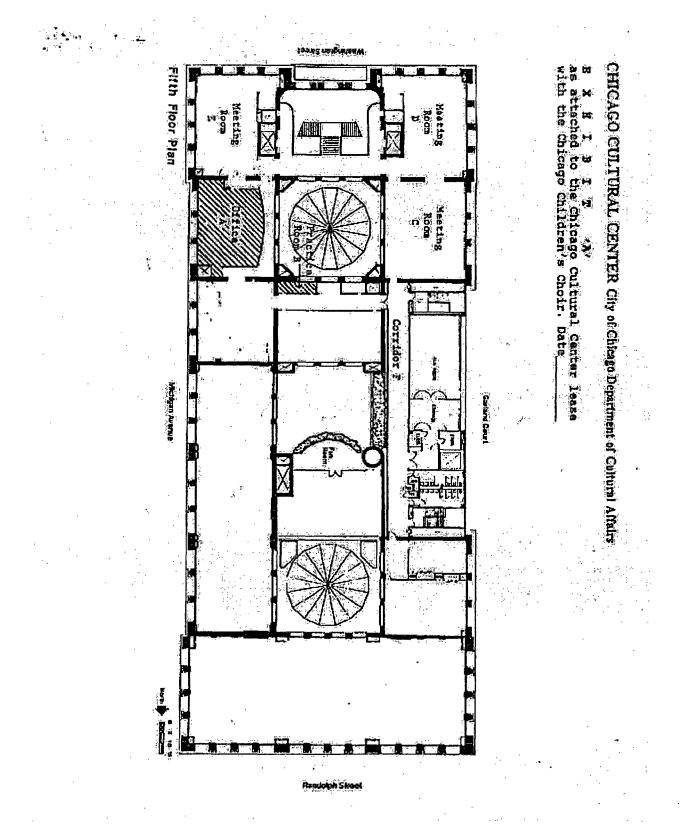
TENANT:

THE CHICAGO CHILDREN'S CHOIR, an Illinois Not-for-Profit Corporation

By:_____

Its:

EXHIBIT A



https://owa.cityofchicago.local/WebReadyViewBody.aspx?t=att&id=RgAAAABFlhOYdB... 4/11/2012

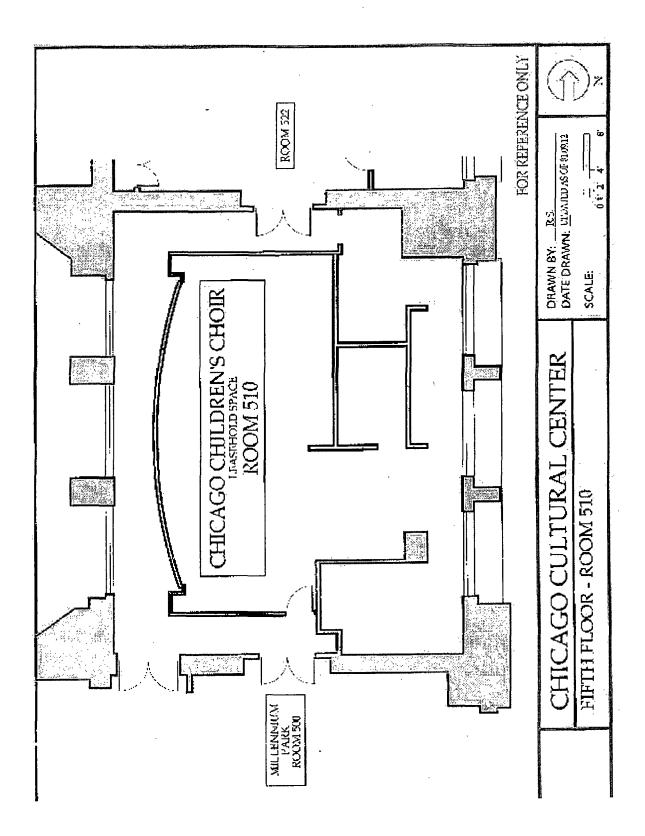


EXHIBIT B

ESTIMATED OPERATING COSTS FOR FIRST LEASE YEAR (2012 Data)

https://owa.cityofchicago.local/WebReadyViewBody.aspx?t=att&id=RgAAAABFlhOYdB... 4/11/2012

78 East Washington Street Chicago Cultural Center

 Items
 Building Amounts (240,000 Sq. Ft.)

 Gas
 \$44,448.29

 Electricity
 \$311,235.05

 Other Operating Costs
 \$1,707,282.00

Total Annual Costs \$2,062,965.34

(\$2,062,965.34 Annual Costs) X (0.00875) = **\$18,050.95** (Annual Operating Costs)

Total Monthly Operating Costs = \$1,504.25

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

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

Chicag	o Children's Choir

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

- 1. [V] the Applicant
 - OR
- [] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest:
- 3. [] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party:	78 East Washington St (5th
	Chicago, 12 60602

C. Telephone: (112) 849-8300 Fax: (312) 849-8309 Email: mceko@ccchoir.org

Floor)

D. Name of contact person: Misho Ceko

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

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

Lease renewal (Lease # 20097)

G. Which City agency or department is requesting this EDS? Department of General Services

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

Specification # ______ and Contract # ______

Ver. 01-01-12

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing P	Party:
[] Person	[] Limited liability company
[] Publicly registered business corporation	[] Limited liability partnership
[] Privately held business corporation	[] Jøint venture
[] Sole proprietorship	Mot-for-profit corporation
[] General partnership	(Is the not-for-profit corporation also a 501(c)(3))?
[] Limited partnership	[]Yes []No
[] Trust	[] 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

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

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

IVN/A

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

Name Josephine Lee	Executive Director
Misho Ceko	Chief Operating Officer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name Non~	Business Address	Percentage Interest in the Disclosing Party	

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

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

[]Yes [**V**]No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(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, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

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

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

Name (indicate whether retained or anticipated to be retained)

Business Address

Relationship to Disclosing Party Fees (indicate whether (subcontractor, attorney, lobbyist, etc.)

paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.

Nonu

(Add sheets if necessary)

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

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

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

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

[]Yes [] No

B. FURTHER CERTIFICATIONS

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

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.
- 3. The certifications in subparts 3, 4 and 5 concern:
- the Disclosing Party;

٠,

• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");

• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;

• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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

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

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

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

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

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

None.

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

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

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

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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

- [] is
- M is not

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

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

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

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

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

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

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

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

[]Yes

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

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

Does the Matter involve a City Property Sale?

Mo No

[]Yes

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

Name	Business Address	Nature of Interest
	······································	· · · · · · · · · · · · · · · · · · ·
	· · · ·	

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

 \checkmark 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:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

None

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

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

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

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

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

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

[]Yes []No

If "Yes," answer the three questions below:

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

[]Yes []No

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

[]Yes []No

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

[]Yes []No

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

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

The Disclosing Party understands and agrees that:

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

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

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

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

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

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

The Disclosing Party represents and warrants that:

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

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

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

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

CERTIFICATION

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

Chicago Children's Chi-(Print or type name of Disclosing Party)

(Sign here)

Miloral Mish. Cets (Print or type name of person signing)

Chief Operating Officer (Print or type title of person signing)

Signed and sworn to before me on (date) $\frac{7 \frac{14}{5F}}{F} \frac{Feb}{2012}$, at <u>Cook</u> County, <u>Illivois</u> (state). Jetteon _____ Notary Public. ne Commission expires: 3-02-2013

M RENEE JACKSON MY COMMISSION EXPIRE MARCH 2 2013

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

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

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

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

[]Yes

F 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.