



Office of the City Clerk

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Chicago, IL 60602
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Legislation Details (With Text)

File #: SO2019-2775

Type: Ordinance **Status:** Passed

File created: 4/10/2019 **In control:** City Council

Final action: 6/12/2019

Title: Sublease agreement with Chicago Housing Authority for use of space at 955 E 131st St by Chicago Public Library for Altgeld Branch Library

Sponsors: Emanuel, Rahm

Indexes: Intergovernmental

Attachments: 1. O2019-2775.pdf, 2. SO2019-2775.pdf

Date	Ver.	Action By	Action	Result
6/12/2019	1	City Council	Passed as Substitute	Pass
6/6/2019	1	Committee on Housing and Real Estate	Recommended to Pass	
4/10/2019	1	City Council	Referred	

SUBSTITUTE ORDINANCE

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

SECTION 1: On behalf of the City of Chicago as Tenant, the Commissioner of the Department of Fleet and Facility Management is authorized to execute a Sub-Lease with the Chicago Housing Authority, as Landlord, for use of building space located at 955 East 131st Street by the Chicago Public Library as the Altgeld Branch Library; such Sub-Lease to be approved by the Commissioner of the Chicago Public Library, the President of the Chicago Public Library Board of Directors, and approved as to form and legality by the Corporation Counsel in substantially the following form:

**955 East 131 st Street
Chicago Public Library - Altgeld Branch**

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

SUB-LEASE

THIS LEASE is made and entered into this [day of], 2019 (the "Commencement Date"), by and between CHICAGO HOUSING AUTHORITY, an Illinois municipal corporation, with a principal place of business located at 60 E. Van Buren Street, 10th Floor, Chicago, Illinois 60661 (hereinafter referred to as "Landlord") and the CITY OF CHICAGO, an Illinois municipal corporation and home rule unit of government (hereinafter referred to as "City" or "Tenant").

RECITALS

WHEREAS, Landlord is the owner of the fee estate legally described on Exhibit A attached hereto, incorporated by this reference, and generally located at 955 E. 131st Street, Chicago, Cook County, Illinois (the "Property");

WHEREAS, Landlord has leased the Property to AFRC LLC, an Illinois limited liability company ("AFRC"), for a term of 99 years pursuant to that certain Ground Lease by and between Landlord and AFRC (the "Ground Lease");

WHEREAS, AFRC will develop improvements at the Property and has agreed to lease the improvements to the Landlord for a term of 30 years pursuant to that certain Net Lease dated [], 2019 (the "Master Lease");

WHEREAS, AFRC has obtained a loan from each of (i) BACDE NMTC Fund 21, LLC, a Delaware limited liability company ("BACDE 21 Sub CDE"), BACDE NMTC Fund 22, LLC, a Delaware limited liability company ("BACDE 22 Sub CDE"), TCB Sub-CDE XXI LLC, a Massachusetts limited liability company ("TCB Sub CDE"), Cinnaire CDE 35, LLC, a Michigan limited liability company ("Cinnnaire Sub-CDE" and together with BACDE 21 Sub-CDE, BACDE 22 Sub-CDE, and Cinnaire Sub-CDE, "Lenders") and as reflected in that certain Loan Agreement dated as of Commencement Date by and among AFRC and Lenders (the "Loan Agreement"); and

WHEREAS, Landlord has agreed to sub-lease to Tenant, and Tenant has agreed to lease from Landlord, (a) approximately 10,000 square feet of commercial space in the Building to be developed at the Property, which space is to be used by the Chicago Public Library as its Altgeld Gardens Branch Library, and (b) a portion of the on-site parking area within the Building's parking lot which will be for the exclusive use of Tenant's employees, contractors, guests, and invitees.

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

SECTION 1. GRANT

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

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Approximately 10,000 square feet of commercial space identified in the floor plan attached hereto as Exhibit B (the "Commercial Space") and incorporated herein, in the building (the "Building") to be developed on that certain parcel of real estate more commonly known as 955 E. 131st Street, Chicago, Cook County, Illinois, and the on-site parking spaces for use by the Tenant as identified in Exhibit B (the "Parking Spaces" and collectively with the Commercial Space, the "Premises"). The Parking Spaces are for the exclusive use of Tenant's employees, contractors, guests, and invitees. Landlord shall have no responsibility to monitor, regulate or enforce the exclusive use of the Parking Spaces.

In addition, Landlord hereby grants to Tenant a right of entry during the Term (as defined below) to the following: (a) a dumpster enclosure on the exterior of the Building for the Tenant's exclusive use; (b) certain Building stairwells, elevators, maintenance rooms, and information technology rooms as identified in Exhibit B for the purpose of Tenant and its contractors installing, maintaining, or removing

equipment related to Tenant's use of the Premises; and (c) the roof for mechanicals that service the Premises (collectively, (a) through (c) are hereinafter referred to as the "ROE Area").

SECTION 2. TERM

2.1 Term. The term of this Lease ("Term") shall commence on the Occupancy Commencement Date (as defined in Section 13.5 below) and shall end on the date that is twenty-three (23) years thereafter (the "Expiration Date"), unless sooner terminated as set forth in this Lease. If the Occupancy Commencement Date is not the first day of a calendar month, the Expiration Date will be the last day of the calendar month that is twenty-three (23) years after the Occupancy Commencement Date.

^J 2.2 Renewal Options. Subject to the terms of the Master Lease, at Landlord's sole option, Landlord may, upon six (6) months advance written notice to Tenant, extend Tenant's lease and occupancy of the Premises for two (2) additional terms of twenty-three (23) years each (each, a "Renewal Term"); provided, if the Renewal Term extends beyond the term of the Master Lease and the Master Lease is not subsequently extended, then this Lease shall terminate upon the termination of the Master Lease. All terms and conditions of the renewal Lease (s) shall remain the same as set forth herein and no further review and approval by the U.S. Department of Housing and Urban Development shall be required in connection with the exercise of such options.

SECTION 3. NET LEASE, RENT, TAXES AND UTILITIES.

3.1 Net Lease. This is intended to be a triple net lease and the rent to be paid herein specified shall be net to Landlord in each year or portion thereof during the Term, and Tenant shall be responsible to pay all costs and expenses and perform all obligations of every kind relating to the Premises which may arise or become due during the Term. Tenant shall indemnify Landlord against all charges, costs, expenses and obligations, except as in this Lease otherwise expressly provided.

2 Rent. Tenant shall pay base rent for the Premises in the amount of One Dollar (\$1.00) for the entire Term, the receipt and sufficiency of said sum being herewith acknowledged by both parties. Additional payments due by Tenant pursuant to this Lease shall be remitted to Landlord in a reasonable manner as designated by Landlord in writing.

3 Taxes and Other Levies. Tenant shall pay when due all real estate taxes, special assessments, and other levies assessed against the Premises. If the Premises is not separately assessed as a tax parcel apart from the remainder of the Building, Tenant will pay Landlord for the share of real estate taxes attributable to the Premises in such a manner as is laid out in Exhibit D, attached hereto.

4 Utilities. Tenant shall pay to Landlord when due all charges for gas, electricity, light, heat, water and sewer charges. Tenant shall be responsible for and pay directly to its service provider all charges for cable, telephone or other communication service, and shall pay for all other services used in or supplied to the Premises in such a manner as is laid out in Exhibit D, attached hereto.

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

1 Condition of Premises Upon Delivery of Possession. Landlord covenants that the Premises shall, at the time of delivery of possession to Tenant, comply in all respects with all laws, ordinances, orders,

rules, regulations, and requirements of all federal, state and municipal governmental entities (collectively, the "Laws") which are applicable to the Premises or to the use or manner of use of the Premises; and

Landlord's duty under this Section 4.1 of the Lease shall survive Tenant's acceptance of the Premises.

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

3 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 good and safe condition, in good order, and in compliance with all applicable provisions of the Municipal Code of the City of Chicago, including but not limited to those provisions in Title 13 ("Building and Construction"), Title 14 ("Electrical Equipment and Installation"), and Title 15 ("Fire Prevention"). If Tenant shall refuse or neglect to make needed repairs to the Premises within thirty (30) days after mailing of written notice thereof sent by Landlord, Landlord is then authorized to make such repairs and to add the cost thereof to rents and other charges accruing under this Lease; provided that, in the event that such repair cannot be remedied within thirty (30) days, and Tenant has commenced and is diligently pursuing all necessary action to remedy

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such repair, Landlord shall not have the authorization to make such repairs. 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 Landlord's desire to enter the Premises and will schedule its entry so as to minimize to the extent practicable any interference with Tenant's use of Premises. Landlord has a duty to repair any defect in the Premises existing on the Occupancy Commencement Date or caused by its action or the action of its employees, agents, or permitted entrants. Tenant has a duty to repair any defect in the ROE Area caused by its action or the action of its employees, agents, or permitted entrants.

4 Use of the Premises. Tenant shall use the Premises as the Altgeld Gardens Branch of the Chicago Public Library. Tenant shall not use the Premises in a manner that would violate any Laws. Tenant further covenants (a) not to do or suffer any waste or damage to the Premises or the Building, (b) to assume all operational and maintenance costs, including such costs which are not foreseeable at the time of this Lease, incurred solely as the result of the use and operation of the Premises as the Altgeld Gardens Branch of the Chicago Public Library, (c) to obtain the prior written consent of Landlord and, as applicable, AFRC and its lenders for any future use of the Premises which is unrelated to its operation as the Altgeld Gardens Branch of the Chicago Public Library, in the reasonable determination of Landlord, and (d) to take reasonable steps to prevent its guests, users, and patrons from disturbing Landlord's use of that portion of the Property outside of the Premises as a community resource center and daycare.

Tenant acknowledges that, pursuant to guidelines of the United States Department of Housing and Urban Development, Landlord may not bear any direct costs, direct or indirect, associated with the operations of the Premises, and further covenants to take affirmative steps, as necessary, to ensure that Landlord is not held responsible for any such costs in any event.

Without limiting the generality of the foregoing, in no event shall the Tenant use or permit the Premises to be

used for (a) any trade or business consisting of the operation of any private or commercial golf course, country club, massage parlor, hot tub facility, suntan facility, racetrack or other facility used for gambling, or any other store the principal purpose of which is the sale of alcoholic beverages for consumption off premises; or (b) rental to others of Residential Rental Property (each of the foregoing, a "New Markets Tax Credit Tenant Prohibited Use"). As used herein, "Residential Rental Property" means any building or structure where eighty percent (80%) or more of the gross rental income from such building or structure for the taxable year is rental income from "dwelling units." For such purpose, a "dwelling unit" means a house or apartment used to provide living accommodations in an building or structure, but does not include a unit in a hotel, motel, or other establishment more than one half (1/2) of the units in which are used on a transient basis. Tenant further agrees that any sublease between Tenant and any sub-tenant (as may or may not be permitted in this agreement) shall include a provision such as this Section 4.4 expressly prohibiting all New Markets Tax Credit Tenant Prohibited Uses.

5 Alterations and Additions. Tenant shall have the right to make such non-structural alterations, additions, and improvements on the Premises at Tenant's cost and expense as it shall deem necessary; provided, however, that any such non-structural alterations, additions, and improvements shall be in full compliance with the applicable Laws and provided that Tenant has

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obtained the prior written consent of Landlord for all such non-structural alterations, additions, and improvements with an aggregate completion cost in excess of \$10,000 (each an "Alteration"). Landlord shall not unreasonably withhold consent with respect to such Alterations. In the event that Landlord permits Tenant to make an Alteration, then Tenant shall, before permitting commencement of the Alteration, furnish to Landlord, for Landlord's review and approval all necessary plans and specifications in reasonable detail, names and addresses of proposed contractors, copies of contracts, and shall furnish necessary permits and indemnification from Tenant's contractors in form and amount reasonably satisfactory to Landlord, against any and all claims, costs, damages, liabilities and expenses which may arise in connection with the Alteration, and certificates of insurance from all contractors performing labor or providing materials, insuring Landlord against any and all liabilities which may arise out of or be connected in any way with the Alteration. Tenant shall permit Landlord to monitor the construction operations in connection with the Alteration and to restrict, as may reasonably be required, the passage of manpower and materials and the conducting of construction activity in order to avoid unreasonable disruption to Landlord or to other tenants or residents of the Building or damage to the Building or the Premises. Promptly following completion of the Alteration, Tenant shall furnish to Landlord contractors' affidavits, full and final waivers of lien and receipted bills covering all labor and materials expended and used in connection with the Alteration. Any alteration performed by Tenant or Tenant's contractor shall comply with all Landlord's insurance requirements and with all applicable laws, ordinances and regulations. Landlord's approval of plans and specifications or supervision of construction operations, if any, shall not imply Landlord's acknowledgment, opinion, or belief that the Alteration complies with any such applicable Laws, ordinances and regulations nor relieve Tenant from any responsibility hereinabove imposed.

SECTION 5. ASSIGNMENT, SUBLEASE, AND LIENS.

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 consent of Landlord in each instance. Landlord shall not unreasonably withhold its consent to said assignments or sublets.

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; provided however, that if any lien or encumbrance caused or permitted by Tenant shall attach to or be placed upon Landlord's title or interest in the Premises, Tenant shall promptly pay such lien, with all proper costs and charges, and shall have the lien released and any judgment satisfied.

SECTION 6. INSURANCE AND INDEMNIFICATION.

6.1 Landlord's Insurance. Landlord shall procure and maintain at all times, at Landlord's own expense, during the Term, the insurance coverages and requirements specified below, insuring the Premises.

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The kind and amounts of insurance required are as follows:

a) Commercial General Liability (Primary and Umbrella). Commercial General Liability Insurance or equivalent, with limits of not less than \$2,000,000 per occurrence, for bodily injury, personal injury, and property damage liability. Coverage shall include the following: All premises and operations, products/completed operations, defense, separation of insureds, and contractual liability (not to include Endorsement CG 21 39 or equivalent).

Tenant shall be named as an additional insured under the policy. Such additional insured coverage shall be provided on CG 20 10 or on a similar additional insured form acceptable to Landlord. The additional insured coverage shall not have any limiting endorsements or language under the policy such as, but not limited to, Landlord's sole negligence or the Additional Insured's vicarious liability. Landlord's liability insurance shall be primary without right of contribution by any other insurance or self-insurance maintained by or available to Tenant.

b) All Risk Property. All Risk Property Insurance coverage shall be maintained by the Landlord for 90% replacement value to protect against loss of, damage to, or destruction of the Premises.

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

6.2 Tenant's Insurance. Tenant shall procure (or otherwise secure) and maintain at all times during the Term, at Tenant's own expense, the insurance coverages and requirements specified below, insuring the Premises and all operations related to this Lease.

The kind and amounts of insurance required are as follows:

a) Worker's Compensation and Employer's Liability. Worker's Compensation as prescribed by applicable law, covering all employees who are to provide a service at the Premises, and Employer's Liability Insurance with limits of not less than \$500,000 per accident, illness, or disease.

b) Commercial General Liability (Primary and Umbrella). Commercial General Liability Insurance or equivalent, with limits of not less than \$2,000,000 per occurrence, for bodily injury, personal injury, and property damage liability.

c) Automobile Liability Insurance (Primary and Umbrella). When any motor vehicles (owned, non-owned, and hired) are used in connection with the Premises, Tenant shall provide and maintain Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage.

d) All Risk Property. All Risk Property Insurance coverage shall be maintained by Tenant for 90% replacement value to protect against loss of, damage to, or destruction of the Premises.

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

(e) Tenant has elected to self-insure to meet the above requirements. Tenant shall notify Landlord in writing if Tenant procures insurance policies to meet any of the insurance requirements in this Section 6.2 and shall cause Landlord to be named on all such policies as an additional insured on a primary, non-contributory basis.

6.3 Other Terms of Insurance. Each party shall submit evidence of insurance prior to execution of Lease. If applicable, Tenant will furnish to Landlord a statement confirming that Tenant is self-insured. The receipt of any certificate or statement does not constitute agreement by any party that the insurance requirements in this Lease have been fully met or that the insurance policies or programs indicated on the certificate or statement are in compliance with all requirements in the Lease. The failure of a party to obtain certificates or other insurance evidence from the other party shall not be deemed to be a waiver by such party. Non-conforming insurance shall not relieve a party of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Lease and each party retains the right to exercise all rights and remedies until proper evidence of insurance is provided.

Each party shall provide for 60 days prior written notice to be given to the other party in the event coverage is substantially changed, cancelled, or non-renewed.

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

Each party hereby grants to the other party a waiver of any right of subrogation which any insurer of said party may acquire against the other party by virtue of the payment of any loss under the insurance. Each party agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not a party has received a waiver of subrogation endorsement from the insurer(s). Without limiting any release or waiver of liability or recovery contained in any other section of this Lease but rather in confirmation and furtherance thereof, Landlord and Tenant waive all claims for recovery from the other party for any loss or damage to any of its property insured under valid and collectible insurance policies or programs to the extent of any recovery collectible under such insurance policies or programs.

The parties expressly understand and agree that any coverages and limits furnished by a party shall in no way limit such party's liabilities and responsibilities specified in this Lease or by law.

The parties expressly understand and agree that their coverages shall be primary and shall not require contribution from any insurance or self-insurance programs maintained by the other party.

The required insurance to be maintained is not limited by any limitations expressed in the indemnification language in this Lease or any limitation placed on the indemnity in this Lease given as a matter of law.

6.4 Mutual Indemnification. Each party shall indemnify and hold the other party harmless against all liabilities, judgment costs, damages, and expenses which may accrue against, be charged to, or be recovered from such other party by reason of any negligent performance of or failure to perform of or by the indemnifying party of any of its obligations under this Lease. Notwithstanding the foregoing, any liability imposed on the Landlord pursuant to this paragraph shall be limited to funds it has available from sources other than the U.S. Department of Housing and Urban Development or any other department or agency of the federal government.

SECTION 7. DAMAGE OR DESTRUCTION.

7.1 Damage or Destruction. If the Premises is damaged or destroyed by fire or other casualty or event to such extent that Tenant cannot continue to occupy or conduct its normal business therein, or if the Premises do not meet all the City's Building Code and Fire Code provisions and are therefore rendered untenable, and such damage cannot be repaired within 180 days. Tenant and Landlord shall each have the option to terminate this Lease as of the date of such damage or destruction by giving the other party written notice to such effect.

SECTION 8. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS.

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 of Chicago), 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/his position to influence any City governmental decision or action with respect to this Lease.

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 in the sole discretion of the City.

SECTION 9. HOLDING OVER AND PUT OPTION

9.1 Holding Over. Upon the termination of this Lease, whether by forfeiture, lapse of time or otherwise, or upon the termination of Tenant's right to possession of the Premises, Tenant will at once surrender and deliver up the Premises, together with all improvements thereon, to Landlord in good condition and repair, reasonable wear and tear and loss by fire or

other casualty excepted, provided that conditions existing because of Tenant's failure to perform maintenance repairs or replacement as required herein shall not be deemed "reasonable wear and tear." Any holding over by Tenant shall be construed to be a tenancy from month to month only beginning on the date immediately following the Expiration Date and shall be in accordance with the terms of the Lease except that base rent shall equal \$1.00 per year.

9.2 Put Option. If, at any time, the Ground Lease and Master Lease are terminated or AFRC conveys its interest in the Property and improvements to the Landlord, resulting in the Landlord being the fee simple owner of both the Property and the improvements constructed by AFRC thereon, the Landlord shall have the option for a period of twenty-four (24) months thereafter (the "Put Option Period") to either (a) convey the Landlord's fee simple interest in the Premises to Tenant, or (b) enter into a long-term ground lease for the Premises with Tenant (the "Put Option"). The purchase price for the conveyance of the Premises under the Put (the "Put Price") shall be the sum of \$1,000 plus (i) the amount of all transfer or excise taxes imposed upon the Landlord in connection with the transfer of the Premises, (ii) 50% of the cost incurred by Landlord in connection with the preparation and filing of the legal documentation required for the creation of the Condominium (as defined below), and (iii) all other costs and expenses attributable with the exercise of the Put Option, provided, however, that Landlord and Tenant shall each pay its own legal fees associated with the exercise of the Put Option and the conveyance of the Premises.

In order to convey the Premises separate and apart from the remainder of the Property, prior the conveyance of the Premises, the Landlord may impose a condominium structure on the Property to subdivide the Property and improvements into multiple condominium units or leasehold condominium units (the "Condominium"). In the event of the foregoing, Landlord shall seek prior approval from the U.S. Department of Housing and Urban Development ("HUD") in advance of conveying title or entering into a new ground lease.

If, at any time during the Put Option Period, the Landlord elects to convey the Premises to Tenant pursuant to the provisions of this Section 9.2, it shall give the Tenant written notice of such election (an "Election Notice"). Delivery of an Election Notice shall constitute the exercise of the Put Option and shall bind Tenant to purchase the Premises for an amount equal to the Put Price with the application of customary prorations of expenses, rent and real estate taxes.

As a condition to payment of the Put Price and consummation of the conveyance, the Landlord and the Tenant shall execute and deliver such documents, assignments, instruments and other items, in such form and content as is customary for a conveyance of commercial property in the City of Chicago and as shall reasonably be required by the Landlord and the Purchaser, respectively, and shall take such other actions as shall reasonably be necessary, to transfer the Premises to the Tenant as provided herein. The conveyance of the Premises shall be "as-is" and without representation or warranty.

Upon the later to occur of (i) ninety (90) days following receipt of the Election Notice or (ii) fifteen (15) days following the creation of the Condominium, the Tenant shall pay to the Landlord the Put Price (with the application of customary prorations of expenses, rent and real

estate taxes), in immediately available funds and the Landlord shall convey the Premises to Tenant or the Landlord and Tenant shall enter into a ground lease for the Premises, as applicable.

Notwithstanding anything else to the foregoing, the Landlord and Tenant acknowledge that the provisions of this Section 9.2 shall not be effective, and the Put Option may not be used, unless and until the entire principal amount of the Loans (as defined in the Loan Agreement) and all interest and other amounts due and owing under the Loan have been paid in full to Lender by AFRC.

SECTION 10. MISCELLANEOUS.

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

City of Chicago
Department of Fleet and Facility Management Office of Real
Estate Management 30 North LaSalle - Suite 300 Chicago,
Illinois 60602
Attn: Deputy Commissioner, Bureau of Asset Management

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

Chicago Housing Authority 60 E. Van Buren
Street, 10th Floor Chicago, Illinois 60605 Attention:
Chief Executive Office

And to:
Chicago Housing Authority Office of the General
Counsel 60 E. Van Buren Street, 12th Floor
Chicago, Illinois 60605 Attention: Chief Legal
Office

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

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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.

3 Governing Law. This Lease shall be construed and be enforceable in accordance with the laws of the State of Illinois, without regard to its conflict of laws principles.

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 Landlord and the Commissioner of the Department of Fleet and Facility Management (the "Commissioner").

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.

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, and is subject to no contingencies or conditions except as specifically provided herein.

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

8 No Principal/Agent or Partnership Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

9 Authorization to Execute Lease. The parties executing this Lease hereby represent and warrant that they are the duly authorized and acting representatives of Landlord and Tenant respectively.

10 Termination of Lease. Tenant shall have the right to terminate this Lease for convenience without penalty by providing Landlord with not less than one hundred eighty (180) days prior written notice.

11 Force Majeure. When a period of time is provided in this Lease for either party to do or perform any act or thing (other than the payment of money), 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.'

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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 substantial 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 the Premises as the result of said termination.

13 No Brokers. The Department of Fleet and Facility Management does not use brokers, tenant representatives, or other finders. Landlord has not used brokers, landlord representatives, or other finders in connection with this Lease. Tenant warrants to Landlord that no broker, landlord or 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

no broker, landlord or 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. Under no circumstances shall Tenant make any payments due hereunder to any broker(s). Under no circumstances shall Landlord make any payments due hereunder to any broker(s).

14 Amendments. From time to time, the parties hereto may amend this Lease without City Council approval with respect to any provisions reasonably related to Tenant's use of the Premises and/or Landlord's administration of this Lease; provided, however, that such amendment(s) shall not serve to extend the Term hereof, increase the Rent or modify Tenant's obligation to pay all cost and expenses related to its operation of the Premises. All 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 the Commissioner. Such amendment(s) shall only take effect upon execution by both parties. Upon execution, such amendment(s) shall become a part of this Lease and all other provisions of this Lease shall otherwise remain in full force and effect.

15 Day. For purposes of this Lease, any day that is not a Saturday, Sunday, or legal holiday for national banks in Chicago, Illinois shall be a business day. Whenever, under the terms of this Lease, the time for performance of a covenant or condition falls upon a day other than a business day, such time for performance shall be extended to the next business day. All references in this Lease to a "day" or "days" shall mean calendar day or days, unless either of the terms "business day" or "business days" is used.

SECTION 11. ADDITIONAL RESPONSIBILITIES OF LANDLORD.

11.1 Site Improvements. Landlord covenants to take all reasonable measures to cause and ensure that the Buildout (as such term is hereinafter defined) is completed on or before [], 2020.

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2 Rodents. Landlord shall have the right to access the Premises, upon reasonable notice to Tenant and in such a manner as not to unduly impede Tenant's operation of the Premises, to prevent or combat (or cause to be prevented or combated) rodent infestations in the Building. Landlord shall coordinate its efforts therein with Tenant, and Tenant shall pay for rodent baiting, sealing of holes, and other anti-infestation services performed in the Premises. Landlord shall provide and pay for such services in the remainder of the Building.

3 Plumbing. Landlord shall maintain plumbing that wholly serves the Premises, but is not located within the Premises, in good operable condition, excluding damage caused by acts of vandalism or negligence attributable to Tenant, Tenant's agents, or Tenant's invitees. Tenant shall maintain the plumbing within the Premises at its sole cost and expense. Tenant shall provide cleaning and maintenance services for the restrooms servicing the premise during the standard operating time that the premise is used for Library programming only.

4 Maintenance. Landlord shall provide, at its own expense, any and all engineering service for maintenance of the exterior and the shell of those portions of the Building other than the portions of the Building that surround the Premises, including all roof, structural, mechanical, and electrical components. Landlord shall provide and install, at its own expense, landscaping about the Property where reasonably

appropriate, including those areas which immediately abut the Premises. Landlord shall additionally provide, at Tenant's expense, (a) landscaping services, including the maintenance of landscaping which immediately abuts the Premises and (b) prompt removal of snow and ice and appropriate salting of the sidewalk which immediately abuts the Premises. If such services in or about the Premises are performed along with services on or about the Property, but not in the Premises, Tenant shall pay the costs of such landscaping and winter-related services on the Premises in such a manner as is laid out in Exhibit D, attached hereto.

5 Air-Conditioning. Landlord shall provide air-conditioning plant and equipment to provide cooling to the Premises whenever necessary and/or required for the comfortable occupancy of the Premises. Landlord shall additionally maintain any air-conditioning plant and equipment which serves the Premises as well as other portions of the Building, provided that any expense related to the maintenance and operation thereof shall be borne by Landlord and Tenant in such a manner as is laid out in Exhibit D, attached hereto.

6 Heat. Landlord shall provide heating plant and equipment to provide heating to the Premises whenever necessary and/or required for the comfortable occupancy of the Premises. Landlord shall additionally maintain any heating plant and equipment which serves the Premises as well as other portions of the Building, provided that any expense related to the maintenance and operation thereof shall be borne by Landlord and Tenant in such a manner as is laid out in Exhibit D, attached hereto. Landlord understands that proper heating is critical to operations as; the Premises may be used as a heating center.

7 Repairs for Emergencies. In the event of an emergency where further delay would lead to material loss or significant damage to the Premises or the Building and provided such emergency is caused by the negligence, vandalism, or misuse of the Premises or equipment therein by Tenant's employees, invitees, agents, or contractors, Landlord may make

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such emergency repairs subject to full reimbursement to Landlord by Tenant of costs associated with such emergency repairs excluding any overhead and/or profit.

SECTION 12. ADDITIONAL RESPONSIBILITIES OF TENANT.

1 Custodial Services. Tenant shall provide, or cause to be provided, at its expense, custodial services in the Premises, which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs, or sweeping.

2 Tenant Signage. Tenant reserves the right to install appropriate signage on the front exterior of the Premises provided that such signage complies with any applicable Laws and has been approved in writing by Landlord in advance of installation.

3 Surrender of Premises at Termination. Upon the termination of this Lease and absent an exercise of the Put Option and consummation of the conveyance of the Premises in connection therewith, Tenant shall surrender the Premises to the Landlord in a comparable condition to the condition of the Premises on the Occupancy Commencement Date, with normal wear and tear taken into consideration.

4 Security. Tenant shall pay for any security services and/or security systems in the Premises, if necessary, as determined by Tenant in its sole discretion.

5 Illegal Activity. Tenant, or any of its agents or employees, shall not perform or permit any

practice that is injurious to the Premises or unreasonably disturbs other tenants, is illegal, or increases the rate of insurance on the Premises or the Building.

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

7 Smoke Detectors. Tenant shall maintain smoke detectors on the Premises in accordance with applicable Law.

8 Repairs for Tenant Negligence, Vandalism, or Misuse. Subject to approval as set forth herein, Tenant shall assume all responsibility for any repairs to the Premises necessitated by the negligence, vandalism, or misuse of the Premises or equipment therein by Tenant's employees, clients, invitees, agents, or contractors. At Tenant's option, Tenant may perform such repairs with service providers suitable to Tenant and at Tenant's sole cost. In the alternative, Tenant may direct Landlord in writing to perform said repairs subject to full reimbursement to Landlord of all costs associated with such repairs excluding any overhead and/or profit.

9 Community Rooms. The Building also contains approximately 10,000 square feet of space identified as community rooms as identified in Exhibit B (the "Community Rooms"). Landlord intends to make the Community Rooms and certain restrooms, designated in advance,

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available to the public for use and reservation according to policies implemented by Landlord, including priority use and reservation by Tenant during the Tenant's hours of operation of the Premises.

10 Plate Glass. Tenant, at its sole cost and expense, shall promptly replace any broken or damaged plate glass of the Premises during the Term which is not caused by the acts or negligence of Landlord.

11 Fire Extinguishers. Tenant shall provide and maintain two (2) fire extinguishers in the Premises at all times.

12 Spot Painting. Tenant shall professionally spot paint the Premises on an as-needed basis.

13 NMTC Reporting. Tenant acknowledges that Landlord has utilized New Markets Tax Credit financing to allow development of the Property, construction of the Premises and is accordingly obligated to report periodically on the community impacts arising from the development of the Property and its tenants. Tenant shall provide Landlord with such information as may be reasonably requested relating to the impact of Tenant's use and operation of the Premises including but not limited to total employees within the Tenant's space, full/part time breakdowns for such employees, salary/wage and benefit information, anonymized information on the place of residence (at Census tract or ZIP code level) of employees, descriptions of goods and services provided on-site, information regarding the clientele served on-site, and information regarding educational or social outcomes resulting from these services. Tenant will, with reasonable notice, make personnel available for calls and/or site visits with New Markets Tax Credit financing parties to discuss the Tenant's use and operation of the Premises and its impacts.

SECTION 13. BUILDOUT OF PREMISES.

1 Landlord's Buildout Obligation. Landlord shall cause the build out of the Premises, without the use of any federal funding from HUD, to accommodate Tenant's use as further detailed on the floor plan and list of Tenant improvements attached hereto as Exhibit C and incorporated herein (the "Buildout"). The Buildout will be in full compliance with all building and construction code requirements of the City of Chicago and other applicable Laws.

2 Cost of Buildout. Landlord shall cause or pay for the cost of the Buildout without contribution or repayment from Tenant and without the use of any federal funding received from HUD.

3 Tenant Buildout Representative. Tenant shall have the right to appoint a representative to oversee, inspect, and reasonably approve the Buildout work. Upon issuance of a "Certificate of Substantial Completion" (as defined below) by the firm or entity employed by Landlord or its designee for the purpose of designing and observing the construction of the Buildout for compliance with the plans and specifications for the Buildout (such firm or entity, the "Architect of Record"), Landlord shall deliver to the Commissioner a copy of such certificate

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and the Certificate of Occupancy issued by the City's Department of Buildings for the Premises. Tenant shall use best efforts to review the Certificate of Substantial Completion within ten (10) business days of receipt of the Certificate of Substantial Completion and provide a written acceptance thereof. If, however, Tenant contests the Certificate of Substantial Completion, Tenant and Landlord agree to work together with all diligence to remedy any outstanding issues to Tenant's satisfaction.

For purposes of this Section 13.3, "Certificate of Substantial Completion" means the certificate issued by the Architect of Record, to certify that the Buildout has been essentially completed except for punch list work, Tenant is able to occupy and use the Premises for the purpose intended, and Landlord has obtained a "Certificate of Occupancy" for the Premises from the City's Department of Buildings.

4 Permits and Insurance. All permits, licenses, and necessary insurance required in connection with the Buildout are to be obtained by Landlord. In addition, Landlord shall provide a low voltage permit for installation of telephone and data wiring.

5 Buildout Completion. Final completion of the Buildout is a condition precedent to Tenant's occupancy of the Premises. Landlord and Tenant shall arrange for a final inspection of the Premises upon completion of the Buildout. Upon the final inspection, Tenant shall approve the satisfactory completion of the Buildout by Landlord, such approval not to be unreasonably withheld, and Landlord shall deliver possession of and the keys for the Premises to Tenant (the "Occupancy Commencement Date"). The approval of any plans or work by the City's Department of Fleet and Facility Management, Bureau of Asset Management, is for the purpose of this Lease only and does not constitute the approval required by the, City's Department of Buildings or any other City department; nor does the approval by the Department of Fleet and Facility Management pursuant to this Agreement constitute an approval of the quality, structural soundness, or the safety of any improvements located or to be located on the Premises.

6 Warranty. On or before the Occupancy Commencement Date, Landlord shall provide Tenant copies of all warranties, operations/maintenance manuals, and as-built drawings applicable to the Premises, and the keys for the Premises. For a period of one (1) year commencing no earlier than the Occupancy Commencement Date, or such longer period as may be required to enforce any applicable special warranty in

any of the various subcontracts for the work performed to construct the Premises, by the manufacturer or by law ("Contractor's Warranty"), Landlord shall correct, repair, or replace, or cause to be corrected, repaired, or replaced, any such deficient or defective work or materials and any damage caused by such work and materials. Any equipment or material that is repaired or replaced by or at the direction of Landlord will have the warranty period extended for such a period as is standard in the industry and consistent with the applicable warranty. Repairs or replacements that Landlord makes, or causes to be made, under this provision must also include a manufacturer's warranty, if standard with the manufacturer, in addition to the Contractor's Warranty. In the event that Tenant requires Landlord's assistance to enforce the provisions of a Contractor's Warranty, Landlord will cooperate with Tenant to enforce such Contractor's Warranty and cause the applicable

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contractor to correct any such deficient or defective work or materials and any damage caused by such work or materials.

Such Contractor's Warranty shall not be available to Tenant in the event that (i) Tenant fails to provide Landlord with written notice of deficient or defective work or materials and resulting damage within 45 days of initial discovery of the same, (ii) such damage or defect is caused by abuse by a party other than Landlord or Landlord's agents, (iii) alterations to the damaged or defective work or material were made by a party other than Landlord or Landlord's agent, (iv) such damage or defect is the result of improper or insufficient maintenance by a party other than Landlord or Landlord's agents, (v) such damage or defect is the result of improper operation by a party other than Landlord or Landlord's agents, or (vi) such damage or defect is the result of normal wear and tear and normal usage.

SECTION 14. LANDLORD DISCLOSURES AND AFFIRMATIONS.

1 Business Relationships. Landlord 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 Lease, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Lease shall be grounds for termination of this Lease and the transactions contemplated hereby. Landlord hereby represents and warrants that no violation by Landlord of Section 2-156-030 (b) has occurred with respect to this Lease or the transactions contemplated hereby.

2 Patriot Act Certification. Landlord represents and warrants that neither Landlord nor any Affiliate (as hereafter defined) thereof 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 Laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. As used in this Section, an "Affiliate" shall be deemed to be a person or entity related to Landlord that, directly or indirectly, through one or more

intermediaries, controls, is controlled by or is under common control with Landlord, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

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

Landlord represents and warrants that from the later of (a) May 16, 2011, or (b) the date the City approached Landlord, or the date Landlord approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

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

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

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

If Landlord intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the execution of this Lease, the City may elect to decline to execute this Lease.

For purposes of this provision:

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

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

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

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

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

14.4 Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Landlord warrants and represents that it, and to the best of its knowledge, its Contractors and its subcontractors regarding the subject matter of this Lease ("Subcontractors"), have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code of Chicago (the "Waste Sections"). During the period while this Lease is executory, Landlord's, any general Contractor's or any Subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Lease, constitutes a breach of and an event of default under this Lease, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Commissioner. Such breach and default entitles the City to all remedies under this Lease, at law or in equity. This section

does not limit Landlord's, its general Contractors' 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 Lease. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Lease and may further affect the Landlord's eligibility for future contract awards.

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

6 Cooperation with Office of Inspector General. It is the duty of Landlord and any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a Tenant contract or program, and all officers, directors, agents, partners, and employees of any such grantee, subgrantee, bidder, proposer, contractor, subcontractor or such applicant to cooperate with the City's Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code of Chicago. Landlord represents and warrants that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code of Chicago and that Landlord will inform its Contractors and Subcontractors of this provision and include a provision requiring their compliance with such Chapter 2-56 in any written agreement between Landlord and its Contractors and Subcontractors.

7 2014 Hiring Plan Prohibitions.

(i) The City is subject to the June 16, 2014 "City of Chicago Hiring Plan", as amended (the "2014 City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the 2014 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

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

iii) Landlord will not condition, base, or knowingly prejudice, or affect any term or aspect to the employment of any personnel provided under this Lease, or offer employment to any individual to provide services under this Lease, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions,

promises of such political support, activity, or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Lease, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office.

Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

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

SECTION 15. REMEDIES

If Tenant defaults in the payment of Rent or any other payment required to be made by Tenant hereunder, and such default continues for thirty (30) days following written notice from Landlord, or if Tenant defaults in the performance of any of Tenant's other obligations under this Lease and such default continues for ninety (90) days following written notice from Landlord, or notwithstanding the foregoing, if Tenant defaults in the performance of an obligation under this Lease that results in a hazardous condition and such default is not cured by Tenant immediately upon written notice from Landlord, then Landlord shall have all remedies available under Illinois law. All rights and remedies of Landlord under this Lease shall be cumulative and none shall exclude any other rights or remedies allowed by law.

SECTION 16. COUNTERPARTS.

This Lease may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

SECTION 17. ESTOPPEL CERTIFICATES.

Tenant shall at any time and from time to time upon not less than thirty (30) days' prior written notice from Landlord execute, acknowledge and deliver to Landlord, in form reasonably satisfactory to Landlord and/or Landlord's mortgagee, a written statement certifying that Tenant has accepted the Premises, that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified, and stating the modifications), that the Landlord is not in default hereunder (or stating such defaults, if any), and such other accurate certifications as may reasonably be required by Landlord, or Landlord's mortgagee.

SECTION 18. SUBORDINATION OR SUPERIORITY.

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Tenant accepts this Lease subject and subordinate to the terms of the Ground Lease and the Master Lease and to any mortgages or other liens now or subsequently arising upon the Premises or the Building and to all renewals and modifications thereof. If the mortgagee named in any mortgage of the Landlord shall agree, such mortgagee shall grant to Tenant the assurance that if it becomes the owner of the Premises by foreclosure or deed in lieu of foreclosure it will recognize the rights and interest of Tenant under the Lease and not disturb Tenant's use and occupancy of the Premises if and so long as Tenant is not in default under the Lease (which agreement may, at mortgagee's option, require attornment by Tenant), such non-disturbance agreement shall be accompanied by an attornment agreement from Tenant in favor of the mortgagee. Tenant agrees that it will,

within thirty (30) days after demand in writing from Landlord or Landlord's mortgagee, execute and deliver a non-disturbance agreement in a form reasonably acceptable to the Landlord.

[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:

CHICAGO HOUSING AUTHORITY,
an Illinois municipal corporation

Name:

Title:

TENANT:

CITY OF CHICAGO,
an Illinois Municipal Corporation and Home Rule Unit of Government

DEPARTMENT OF FLEET AND FACILITY MANAGEMENT

By:

Commissioner

APPROVED: THE CHICAGO PUBLIC LIBRARY

By:

Commissioner

APPROVED: THE CHICAGO PUBLIC LIBRARY BOARD OF DIRECTORS

By:

;
President

APPROVED AS TO FORM AND LEGALITY:

BY: DEPARTMENT OF LAW

By:

Chief Assistant Corporation Counsel Real Estate and
Land Use Division

Exhibit A , Legal Description

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Exhibit B Depiction of Premises [attached]

Exhibit C

Narrative and Plans for Buildout

Landlord shall cause, without the use of any federal funding from HUD, the buildout of the Premises in accordance with plans approved by the City's Department of Buildings for the issuance of the building permit for the Property, which plans are incorporated in the Lease by this reference. In addition, Landlord shall cause, without the use of any federal funding from HUD, the installation of wiring at locations identified by Tenant for the installation by Tenant of a Tenant-owned card access system and cameras.

Exhibit D

Schedule of Expenses

Operating Expense	Tenant Paid	Landlord Paid	Notes
Utilities (electric, gas)	25%	75%	1 Meter for the building for utilities. Tenant will pay their pro rata share based on square footage.
Water/Sewer	25%	75%	1 Meter for the building for water. Tenant will pay their pro rata share based on square footage.
Maintenance of Mechanical Systems	25%	75%	Landlord will enter into the maintenance contract for the mechanical systems for the building. The Tenant will pay their pro rata share based on square footage.
Building Maintenance of Common Systems (Roof, Foundation, etc.)	25%	75%	Landlord be responsible for maintenance of the community space & common systems, Tenant will pay a pro rata share of shared maintenance costs of building/parking lot.
Site Landscaping	25%	75%	Landlord will enter into the maintenance contract for landscaping and will bill Tenant for their pro rata share of the costs based on square footage.
Common Area Snow Removal	25%	75%	Landlord will contract for snow removal and bill Tenant their pro rata share.
Parking Lot Snow Removal	25%	75%	Percentages shown, or responsibility for respective parking lots.
Common Area Clean-Up	25%	75%	Landlord will contract for common area clean-up and bill Tenant their pro rata share.

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RE Taxes	Portion attributable to the library (25%)	Portion attributable to community space (75%)	Tenant will pay their pro rata share of taxes based on square footage if applicable.
Courtyard Maintenance/Repair	100%	0%	Landlord will maintain the courtyard.
Flag Pole(s)/ FF & E	Tenant	N/A.	Tenant will be responsible for their own FF & E

Building Maintenance of Subdivided space	Library Space		Tenant will be responsible for maintenance of the interior space of the library and keeping the shared bathrooms clean and filled with supplies during library hours.
Trash/Recycling	Library Space	Community Rooms	Landlord will contract for trash removal and bill Tenant their pro rata share.
Security	Library Space and hours of use of Community Room	Community Room during Landlord events	Landlord will provide security for the Community Rooms during Landlord events. Tenant will provide security in the library and Community Room during hours of its use at their expense.
IT	Library Space	Community Rooms	Tenant will be responsible for their own IT.
Janitorial	Library Space	Community Rooms	Landlord will be responsible for common areas and Tenant for their own spaces but for shared bathrooms during library hours will be kept clean and filled with supplies as needed by Tenant during library hours.
Elevator Maintenance	N/A	N/A	

**955 East 131st Street
Chicago Public Library - Altgeld Branch**

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