



**ORDINANCE**

WHEREAS, Pursuant to Section 2-102-030(v) of the Municipal Code of Chicago (the "Municipal Code"), the City's Department of Transportation ("CDOT") is authorized to administer the "Make Way for People - People Spots and People Streets" program and other programs to develop outdoor public enjoyment areas, and to allow the operation of such placemaking programs by licensees pursuant to an agreement; and

WHEREAS, Pursuant to Section 2-32-055 of the Municipal Code, the Chief Financial Officer (the "CFO") is authorized to identify assets available to the City and to develop and implement various municipal marketing initiatives; and

WHEREAS, The City wishes to expand the Make Way For People Program to launch a program for the activation of City plazas (the "People Plazas Program") by a licensee; and

WHEREAS, As part of the People Plazas Program, the City wants a licensee to manage the City plazas (the "People Plazas") subject to the People Plazas Program, beginning on a staggered basis, in the following ways: (i) planning and executing activation services such as concerts, markets, music, retails sales of goods and food, (ii) performing general maintenance and some landscaping services, and (iii) upon prior written approval, performing upgrades or modifications to the plazas; and

WHEREAS, The City wishes to allow the licensee to raise funding through grant applications and revenues through advertising, marketing and sponsorship on the People Plazas as well as charging fees to sublicensees that may want to operate certain retail operations or provide certain amenities on the People Plazas; and

WHEREAS, The City has selected, pursuant to an RFP process, Latent Design Corporation ("Licensee") to provide such placemaking, activation, and maintenance services to these public plazas; and

WHEREAS, CDOT and Department of Finance have negotiated an agreement with Licensee, and the Commissioner of CDOT and the CFO wish to execute such Agreement, in substantially the form attached hereto as Exhibit A (the "Agreement"); and

WHEREAS, Licensee agrees to activate, operate, improve, maintain, and use the People Plazas pursuant to the terms of the Agreement; now, therefore,

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

SECTION 1. Incorporation of Recitals. The recitals to this Ordinance are incorporated herein.

SECTION 2. Authorization of Agreement. The Commissioner of CDOT and the CFO are authorized to negotiate and enter into the Agreement with the selected Licensee, on substantially the terms as set forth on Exhibit A, with such changes and additional terms as are approved by the Commissioner and the CFO

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SECTION 3. Appropriation of Funds. To the extent that the City obtains grants, the purpose of which is to providing funding related to the People Plazas Program, the Commissioner of CDOT is authorized to dispense such grant funds to the Vendor under this Agreement upon such funding being properly appropriated therefor.

SECTION 4. Inconsistent Provisions. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this Ordinance, the provisions of this Ordinance shall control. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

SECTION 5. Sections 2-102-030, 4-8-040, 10-8-335 and 10-28-064 of the Municipal Code of Chicago are amended by deleting the language struck through and by inserting the language underscored, as follows:

2-102-030 Commissioner - Powers and duties.

The commissioner of transportation shall have the following powers and duties:

*(Omitted text is not affected by this ordinance)*

(v) In addition to exercising authority over the public way as specified in Title 9 of the Code, to administer the "Make Way for People - People Spots and People Streets" program and other programs to develop outdoor public enjoyment areas. Such outdoor public enjoyment areas may be used to conduct outdoor special events pursuant to Section 10-8-335 of this Code. Temporary vendor structures may be placed, constructed, maintained, and used on such outdoor public enjoyment areas in accordance with agreements that the commissioner is authorized to execute pursuant to this subsection. The commissioner is authorized to negotiate and execute agreements to accomplish these programs' purposes, and to perform any and all acts, including the expenditure of funds subject to appropriation therefor, as shall be necessary or advisable in connection with the implementation of such agreements, including any renewals thereto. The commissioner is further authorized to regulate, by permit or other appropriate means, any entity's occupancy, maintenance or other use of or function bearing on the affected portion of the public way, or any structure placed thereon, pursuant to an agreement authorized by this paragraph. In addition, the commissioner is authorized to negotiate and execute agreements regarding temporary vendor structures on outdoor public enjoyment areas, including, but not limited to, agreements regarding the placement, construction, maintenance, use and removal of such temporary vendor structures.

4-8-040 Special event food licenses.

(a) Definitions. For purposes of this section, the following definitions shall apply.

*(Omitted text is not affected by this ordinance)*

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"Multiple special events" means one or more special events that occur within a 10-day, 30-day or one-year period, depending on which period is applicable. The term "multiple special events" also means one or more special events that occur at an outdoor public enjoyment area developed pursuant to Section 2-102-030.

*(Omitted text is not affected by this ordinance)*

**10-8-335 Outdoor special events.**

(a) As used in this section unless the context requires otherwise:

(1) "Special event" means a planned temporary aggregation of attractions, including public entertainment, food and beverage service facilities, sales of souvenirs or other merchandise, or similar attractions, that is (i) conducted on the public way, including outdoor public enjoyment areas developed pursuant to Section 2-102-030; or (ii) conducted primarily outdoors on property open to the public other than the public way and which:

A) Includes activities that require the issuance of a city temporary food establishment license or a special event liquor license; or

B) Requires special city services, including but not limited to any of the following: street closures; provisions of barricades, garbage cans, stages or special no parking signs; special electrical services; or special police protection.

"Special event" does not include a parade or athletic event for which a permit is required under Sections 10-8-330 or 10-8-332, a neighborhood block party at which no food, beverages or merchandise is sold, or a citywide festival conducted pursuant to an intergovernmental agreement authorized by ordinance.

*(Omitted text is not affected by this ordinance)*

(j) No permit issued under this section may authorize the operation of a special event for a period longer than ten days; provided however, a permit issued under this section may authorize the operation of a special event for up to 180 days on an outdoor public enjoyment area developed pursuant to Section 2-102-030.

*(Omitted text is not affected by this ordinance)* 10-28-064 Advertising signs.

Except as specifically permitted by this Code or by a duly enacted ordinance or when authorized by contract entered into by the chief procurement officer in cooperation with the commissioner of transportation pursuant to Section 10-28-045, or by contract entered into by the chief financial officer and approved by the city council pursuant to Section 10-28-046, no person shall place, install or knowingly maintain on the surface of the public way any sign or a

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structure or device to which such a sign is affixed. Any such sign, structure or device that is placed, installed or maintained on the public way in violation of this section is hereby declared a public nuisance and may be removed at any time by the commissioner of business affairs and consumer protection at the expense of the person responsible for the violation.

Any person who violates this section shall be subject to a fine of not less than \$200.00 and not more than \$500.00 for each offense. Each day that such violation occurs shall be considered a separate offense.

SECTION 6. This ordinance shall take effect upon passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

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**AGREEMENT**

**BETWEEN**

**THE CITY OF CHICAGO DEPARTMENTS OF TRANSPORTATION AND FINANCE**

**AND**

**LATENT DESIGN CORPORATION, An Illinois corporation**

**ACTIVATION AND MAINTENANCE OF PEOPLE PLAZAS**

**RAHM EMANUEL MAYOR**

AGREEMENT

This Agreement is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, ("Effective Date") by and between Latent Design Corporation, an Illinois corporation ("Licensee"), and the City of Chicago, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, acting through its Departments of Transportation and Finance ("City"), at Chicago, Illinois. The City and Licensee agree as follows:

RECITALS

WHEREAS, the City owns, for the benefit of the public, the public ways within the City of Chicago, including but not limited to the public plazas listed herein; and

WHEREAS, the City has the authority, pursuant to an ordinance adopted on June 27, 2012 by the City Council of the City of Chicago, to allow for the operation of placemaking programs to develop outdoor public enjoyment areas (the "Make Way For People Program") in order to improve the functionality of such public areas, promote local business economic development, and encourage pedestrian activity; and

WHEREAS, as part of such placemaking, the City desires the activation and maintenance of the City's plazas listed on Exhibit 1 ("People Plazas") on a schedule as defined herein at no cost to the City beyond the certain, limited funding specified herein; and

WHEREAS, Licensee may also provide improvements to certain of the People Plazas, but only with the approval of the City; and

WHEREAS, Licensee agrees to activate, operate, improve, maintain, and use the People Plazas pursuant to the terms of this Agreement; and

WHEREAS, City has agreed to grant a license to the Licensee to use the People Plazas upon the terms and conditions set forth herein, and for no other use or purpose; and

WHEREAS, prior to commencing any of the Services, Licensee shall obtain, and cause its subcontractors and sublicensees to obtain, all required permits from the City, and shall provide the City with such insurance and indemnification as reasonably required by the City pursuant to the terms of this Agreement; and

WHEREAS, Licensee represents and warrants that it is highly qualified and competent to perform such services and has expertise and knowledge in such matters represents that it is ready, willing and able to perform as of the effective date of this Agreement to the full satisfaction of the City.

NOW, THEREFORE, in consideration of the foregoing premises and the respective representations, warranties, agreements, covenants and conditions, mutual benefits and detriments herein contained, and other good and valuable consideration, the parties agree' as follows:

## TERMS AND CONDITIONS ARTICLE 1.

### DEFINITIONS 1.1 Definitions

The following words and phrases have the following meanings for purposes of this Agreement:

"Activated Plaza" means a People Plaza that has been activated pursuant to the scheduling of annual activations as provided by the terms of this Agreement at a minimum.

"Activation" or "Activation Services" means providing activities, amenities, programming and placemaking on the People Plazas, either on the Activated Plaza grounds or in a TVS placed thereon, including but not limited to Cultural Programming; artist exhibits, concerts, physical exercises, games, retail and food sales and a variety of seasonally-appropriate activities that are tailored to the local community.

"Additional City Funding" means any city, state, federal or grant funds, other than City Funding, the City chooses to make available to the Licensee for the Services.

"Agreement" means this agreement, including all exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

"Annual Profit" means any and all Revenues raised by Licensee during, and accountable to, an Operating Period in excess of Licensee's operating costs for all Activated Plazas in the same Operating Period minus any amount set aside for the following year.

"Budget" means, for each Operating Period, the schedule of projected Revenue, Grant Funding, expenses of Licensee, by category and amount.

"CDOT" means the City of Chicago Department of Transportation.

"CFO" means the City Chief Financial Officer.

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"City Funding" means \$50,000.00 provided by the City on a reimbursement basis to Licensee to be used for the People Plaza program solely on the terms described in this Agreement.

"City Street Level Digital Funding" means funds that may be provided by the City to Licensee on terms specified by the City resulting from the placement of digital signage, if any, on People Plazas.

"Commissioner" means the Commissioner of CDOT.

"Community Engagement Plan" means a written report prepared by Licensee, in a format agreed upon by City and Licensee and addressing the items listed in the attached as Exhibit 3, for each Peoples Plaza (or, if applicable, grouping of related People Plazas) regarding plans to seek input from local community for the content of Activation Services.

"Community Partners" means, for each People Plaza (or, if applicable, group of People Plazas) neighbors and local community groups, retail or other business establishments, including local community groups acting as stewards to the relevant People Plaza(s).

"Cultural Programming" means Activation Services that are provided by artists for the intellectual and artistic expression and exploration of culture, including but not limited to music, dance, and the visual and experiential arts.

"DCASE" means the City's Department of Cultural Affairs and Special Events.

"Department" means the City Department of Finance.

"Grant Funding" means grants from third parties, including but not limited to individuals, foundations and corporate entities, given or granted for the purposes of supporting the Services or services with, in the sole opinion of the City, the same goals as those of the People Plaza program.

"Improvement" means a structural addition to, or partial restoration of, a People Plaza that is intended to be permanent and qualifies as Public Work, including but not limited to hard-scaping, electrical and utility upgrades, permanent landscaping and trees, fountain repair, and ADA accessibility structures.

"Installation" means an Activation, including a TVS, that occurs on a People Plaza on either a continuous or continually recurring basis during a season (e.g., live music every Friday night).

"Long-Term Sublicensee" means a sublicensee chosen by Licensee for a term of greater than three (3) months.

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"Maintenance Plan" means plan outlining maintenance services provided by Licensee to be submitted annually and approved by the City Project Manager.

"Maintenance Services" means the Monthly Maintenance Services and the Supplemental Maintenance Services as outlined in Exhibit 7 and in Section 2.7 of this Agreement.

"Marketing Event" means an event the primary purpose of which is the promotion of a person, product, or service and provides no other, tangible public benefit. A Marketing Event cannot be considered an Installation or a Programming Event.

"Messaging" means content that provides a public benefit by informing the public about events and activities in the Plazas, the Make Way for People program, or other City benefits and Initiatives.

"Monthly Maintenance Services" means the basic minimum level of maintenance required for the upkeep of an activated People Plaza as outlined in Exhibit 7.

"NET" means the excess of Revenues over Expenses in a given Operating Period.

"Operating Costs" means all costs incurred by Licensee in providing Activation Services, Maintenance, Repair, or other Services related to this Agreement, subject to the approval of the City Project Manager.

"People Plaza(s)" means the plazas, malls, or triangles listed on Exhibit 1, or any locations added by the City to this list, and organized into five Planning Districts. The City reserves the right to remove plazas from the list prior to the Licensee activating a plaza or at any time with the mutual consent of the Licensee.

"Planning District" means a grouping of People Plazas by geographical location, as indicated on Exhibit 1.

"Programmed Event" means an Activation that is either a one-time event or an event that occurs less frequently than on a weekly basis during a season. If there is already an approved installation on a plaza, other events occurring once a week or more frequently can count for a Programmed Event. An event lasting more than one day will count as one Programmed Event. Multiple activities on the same day will count as one Programmed Event.



"Public Work" means any fixed work construction or improvement on the People Plaza performed by Licensee or its Subcontractors.

"Repairs" means any incidental structural work performed on a plaza intended to restore the plaza to its original intended form.

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"Revenue" means funds raised by Licensee through sponsorship, marketing, advertising, donations, gifts, and sublicensing.

"Services" means, collectively, the services, duties and responsibilities (including, timely delivery of all required documents and reports) described in this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

"Short-Term Sublicensee" means a sublicensee chosen by Licensee for a term of three (3) months or less.

"Signage" means a static (i.e., non-digital) sign with two or three sides provided that the total square footage of space for advertising and Messaging must not exceed 100 Sq. Ft. in total.

"Special Event" has the meaning specified in Section 10-8-335 of the Municipal Code of Chicago.

"Subcontractor" means any person or entity with whom Licensee contracts to provide any part of the Services, excluding Sublicensees.

"Sublicensee" means any person or entity with which Licensee contracts for the right of such person or entity to occupy space in a People Plaza for the purpose of selling goods or services, including food, and/ or displaying or performing art, or other Activation Services to the public.

"Supplemental Maintenance Services" means the additional Maintenance Services above and beyond the Monthly Maintenance Services required to support year-round activation and upkeep of a People Plaza as outlined in Exhibit 7.

"Temporary Vendor Structure" or "TVS" means a temporary structure to be placed on a People Plaza for the purpose of Activation Services, including, potentially, the sale of merchandise or food and beverages. A TVS must be substantially in the form described on Exhibit 5.

"Upgrade" means an enhancement to a People Plaza that is (i) not intended to be permanent and (ii) can be installed or removed in a short timeframe including but not limited to a permanent exhibit/art installation, placement of site furniture, temporary landscaping and bike parking amenities.

"Wrap Advertising" means advertising or promotional material that adheres to and becomes coextensive with the surface of a structure (other than a sign or Signage) on a People Plaza.

1.2 Interpretation

a) The term "include" (in all its forms) means "include, without limitation" unless the context clearly states otherwise.

b) All references in this Agreement to Articles, Sections or Exhibits, unless otherwise expressed or indicated are to the Articles, Sections or Exhibits of this Agreement.

c) Words importing persons include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

d) Any headings preceding the text of the Articles and Sections of this Agreement, and any table of contents or marginal notes appended to it, are solely for convenience or reference and do not constitute a part of this Agreement, nor do they affect the meaning, construction or effect of this Agreement.

e) Words importing the singular include the plural and vice versa. Words of the masculine gender include the correlative words of the feminine and neuter genders.

f) All references to a number of days, weeks or months mean calendar days, weeks or months, unless indicated otherwise.

### 1.3 Incorporation of Exhibits

The following attached Exhibits are made a part of this Agreement:

- Exhibit 1 People Plazas by Planning District
- Exhibit 2 Year One People Plazas
- Exhibit 3 Requirements of Community Engagement Plan
- Exhibit 4 Requirements of Activation Plan
- Exhibit 5 Temporary Vendor Structures
- Exhibit 6 Performance Evaluation and Criteria
- Exhibit 7 Maintenance Scope & Standards
- Exhibit 8 Public Works Provisions
- Exhibit 9 Special Conditions Regarding MBE/WBE Commitment
- Exhibit 10 Insurance Requirements and Evidence of Insurance ■
- Exhibit 11 Advertising Standards
- Exhibit 12 Annual Profit
- Exhibit 13 Economic Disclosure Statement and Affidavit
- Exhibit 14 Financial Reporting Requirements

## ARTICLE 2. DUTIES AND RESPONSIBILITIES OF LICENSEE

### 2.1 General Description of Services

The purpose of this Agreement is for Licensee to activate and maintain (on the schedule specified herein), and improve the People Plazas. Subject to the terms and conditions of this Agreement, Licensee must (i) activate People Plazas for use by the public, (ii) provide maintenance for such Plazas, and (iii) with approval of the City, make Improvements and Repairs, all in accordance with the schedule and on the terms specified herein. To perform such tasks, Licensee must raise funds in accordance to the terms and conditions set forth in this Agreement.

## 2 Grant of License

City hereby grants to Licensee for the duration of the Term (as may be extended) a revocable, non-transferable, and non-exclusive right to use the People Plazas, solely for the purposes of permitting the Licensee, its agents, Subcontractors and Sublicensees to engage in and perform the Services, and for no other use or purpose. City reserves the right to access the People Plazas for any purpose at any time during the Term.

## 3 Project Management

(a) Project Managers. Each party shall designate a Project Manager, who initially shall be Katherine Damstadt (the "Licensee Project Manager") and Janet Attarian (the "City Project Manager"), her designee or any individual appointed by the Commissioner (collectively, the "Project Managers"). The Licensee Project Manager will be considered Key Personnel of Licensee. The City Project Manager shall serve as the primary point of contact for Licensee with respect to this Agreement. The Licensee Project Manager shall have overall responsibility for day-to-day management and administration of the Services provided under this Agreement and shall serve as the primary contact for the City with respect to this Agreement. The performance by Licensee of the Services is subject at all times to inspection and review by the City Project Manager or a designee. Where specifically stated in this Agreement, Licensee shall obtain from the City Project Manager or a designee prior written approval of specified activities, however, it shall be the responsibility of Licensee to manage the details of the execution and performance of the Services under this Agreement. The Licensee Project Manager shall, at the request of City with at least three (3) business days notice, attend any meeting of the management personnel of the City related to this Agreement or the Services.

### (h) Meetings and Progress Reports

(1) Meetings. The Licensee will meet twice a month with the City Project Manager or a designee to discuss matters relating to the Services, including the Budget. In addition, at the City's request with at least three (3) business days' notice, the Licensee must attend other meetings with the City or other interested parties designated by the City Project Manager.

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(2) Progress Reports. The Licensee will prepare written progress reports on a monthly basis ("Reporting Period") or as otherwise required by the City Project Manager. Such reports will be in addition to the Financial Reporting described in Article 4 and Exhibit 14. All reports will be submitted by the Licensee to the City within ten (10) days of the close of the Reporting Period, which will be the last day of each month. Included within each written report will be the following:

### (i) Summary of the Services provided within the Reporting

Period.

- ii) Services planned for the next Reporting Period.
- iii) Problems encountered, solutions proposed and assistance required.
- iv) Updates, including but not limited to status reports, changes, and progress to date on Community Engagement Plans, Activation Plans, and Maintenance Plans.

#### 2.4 Community Engagement Requirements.

a) Generally. For each Activated Plaza (or, if applicable and approved by the City, group of Activated Plazas), Licensee must prepare a Community Engagement Plan in conjunction with Community Partners. Community Engagement Plans will be reviewed at least quarterly and status reports will be prepared as part of the monthly progress reports. Requirements for a Community Engagement Plan are set forth on Exhibit 3. Community Engagement Plans for the first year of activation are due no later than 15 days after the Effective Date. Subsequent Community Engagement Plans will be due at the beginning of the fourth (4th) quarter of the year preceding new People Plaza activations.

b) Identification of Community Partners. Each Community Engagement Plan must, as a first phase, include the following: (i) identity of potential Community Partners, (ii) identity of relevant Ward & Alderman, and (iii) identity of relevant Community Areas.

c) Content. Each Community Engagement Plan must, as a second phase: (i) explain how Licensee will contact and engage the Community Partners, and (ii) include a letter of support from the relevant alderman.

d) Engagement. Each Community Engagement Plan must, as a third phase, explain how the Community Partners will be included in the Activation Services.

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e) Assessment. Each Community Engagement Plan must, as a fourth phase, include a process for assessing and documenting the outcomes of the community engagement efforts and a process for receiving and evaluating feedback from the community on the Services. The Second Quarter report will include the outcomes and feedback from the community for the previous year.

f) Approval. The Community Engagement Plan must be approved by the City Project Manager, all Community Partners identified in the Community Engagement Plan for a given People Plaza(s) must be engaged, and general support for the proposed Activation Services, including any required support letters, must be obtained, prior to the start of any Activation Services in that Plaza. The City Project Manager must approve or reject the Community Engagement Plan in writing within ten (10) business days of submission. If the City Project Manager fails to approve or reject the Community Engagement in writing within ten (10) business days of receipt, approval of the Community Engagement Plan shall be deemed received.

g) Performance Review. Performance evaluation and criteria will be tied to how successfully the Licensee prepares, implements and reports on the Community Engagement Plan and engages the Community.

5 Annual Phase-In of Services. Licensee must phase-in the Services on the People Plazas on an annual basis in increments of at least ten per year. The first year will begin at the time of the Effective Date of this Agreement; subsequent years shall begin April 1 (the "Operating Period"). For Year One of the Term, Licensee must perform the

Services on the ten People Plazas listed on Exhibit 2. Licensee must perform the Services on such plazas as soon as practicable after the Effective Date but no later than 30 days after such date. Licensee may choose the additional People Plazas on which to perform the Services in subsequent years subject to the following requirement: Licensee must select, at Licensee's sole discretion, at least one People Plaza in each of the five (5) Planning Districts as part of the at least 10 new People Plaza locations to be activated that year. Licensee must make each annual selection in the Quarterly Report submitted three months prior to the beginning of a new annual period.

## 6 Activation Services

(a) Licensee Obligations Generally. Licensee must perform the Activation Services year-round, using practices that are considered best practices among placemaking experts, such as Project for Public spaces, <<http://www.pps.org>> or at <<http://placemakingchicago.com>> or other innovative best practices. Licensee must treat each Activated Plaza as a local community asset; Activation Services must therefore have, strong community engagement plans and local partnerships in order to support and expand on existing community efforts. Licensee must seek opportunities to develop long-term strategic partnerships that will help increase activity on the Activated Plazas, as specified in the Community Engagement Plan.

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b) Annual Activation Plan. An activation plan must be created with goals that reflect some of the input received from the Community Partners ("Activation Plan"). The Activation Plan must identify potential activities existing on the relevant Activated Plazas that have been scheduled for activation in that period. Criteria for the Activation Plan are set forth in Exhibit 4.

c) Character of Activations. The Activation Plan must explain how activations will primarily support local economic development, help create walkable and healthy communities, and cultivate culture.

d) Reflection of Community Input. Activations must be done in conjunction with Community Partners whenever possible and must not displace existing beneficial activities. The Activation Plan must address recommendations by the Community Partners and must explain how the needs of each community will be met. The Activation Plan must identify at least one Community Partner that has been engaged for Activation on the relevant Activated Plaza.

e) Temporary Vendor Structures. Licensee may design and place TVVs on certain Activated Plazas subject to the approval of the City Project Manager. Licensee may sublicense space in the TVVs to a variety of vendors for the sale of goods and services, including but not limited to food and drink. Licensee must follow all City rules and regulations regarding permits and licensing for the TVVs and any Sublicensees.

f) Farmers' Markets. Licensee may have farmers' markets from time to time as part of the Activation Services on the Activated Plazas, at the Licensee's sole discretion. Licensee must work with DCASE in setting up any farmers or community markets and follow all rules and regulations promulgated by DCASE regarding such markets. The Licensee must accommodate any existing farmers' markets and coordinate with, and accommodate, any community group or the Department of Cultural Affairs and Special Events if they wish to start a farmers' market in the Activated Plaza in the future as long as it does not prevent the Licensee from providing the Services required by this agreement.

g) Special Events. Licensee may have Special Events from time to time as part of the Activation Services on the People Plazas, at the Licensee's sole discretion. Licensee must work with DCASE in setting up any Special Events and follow all rules and regulations promulgated by DCASE regarding such events.

h) Creative Entertainment. Licensee may grant sublicenses to various performers, artists, activity leaders and musicians to perform their respective acts, talents or services, at the Licensee's sole discretion. All such sublicense agreements must contain all same provisions required by City rules and regulations pertaining to the direct permitting and licensing by the City.

(i) Minimum Seasonal Activations. Licensee must meet the following minimum Activation Services for each Activated Plaza, unless exempted in writing by the City Project Manager:

1) Winter (January 1 to March 31) - Licensee must provide, on each Activated Plaza, either: (i) one (1) Installation and one (1) Programmed Event; OR (ii) three (3) Programmed Events.

2) Spring (April 1 to June 30) - Licensee must provide, on each Activated Plaza, either: (i) one (1) Installation and one (1) Programmed Event; OR (ii) one (1) Upgrade and two (2) Programmed Events on each Activated Plaza.

3) Summer (July 1-September 30) - Licensee must provide, on each Activated Plaza, either: (i) one (1) Installation and two (2) Programmed Events; OR (ii) one (1) Upgrade and three (3) Programmed Events on each Activated Plaza.

4) Fall (October to December) - Licensee must provide, on each Activated Plaza, either: (i) one (1) Installation and one (1) Programmed Event; OR (ii) one (1) Upgrade and two (2) Programmed Events on each Activated Plaza.

Any activities existing on the People Plazas on the Effective Date may not be counted toward meeting minimum seasonal Activation Services. A Temporary Vendor Structure shall constitute an Installation and neither a Programmed Event nor an Upgrade.

(j) City Approval. All Activation Services must be approved by the City in writing within ten (10) business days of submission, which approval shall not be unreasonably withheld. If the City fails to approve requested Activation Services within ten (10) business days of submission, such requested Activation Services are deemed approved.

(k) Prohibition on Fees. Licensee may not charge the public for admission to any of the People Plazas. All Plazas must remain free and open to the public regardless of the Activation Services being performed; provided, however, that if a Special Event other than a TVS takes place on an Activated Plaza, Licensee may follow the rules pertaining to Special Events.

(i) Monitoring and Evaluation. Licensee must monitor attendance on the People Plazas and conduct ongoing surveys and evaluations of the Activation Services on each activated People Plaza. Licensee must conduct surveys measuring the following: (1) satisfaction of participants in any Activations; (2) satisfaction of Community Partners;

and (3) satisfaction of local residents. Licensee will also monitor and record attendance at Programmed Events at each People Plaza. Licensee will evaluate all survey data in a report to the City within 30 days of the end of any quarterly period. The form of the surveys and reports listed above must be approved by the City, which approval will not be unreasonably withheld.

## 2.7 Maintenance Services

a) Generally. The Licensee must provide maintenance services for the Activated Plazas as specified in Exhibit

7. At a minimum, Licensee should maintain the Activated Plazas in a good, clean and safe condition. Licensee must take reasonable safety precautions as specified by the City Project Manager and in accordance with any relevant City ordinances, permits or standards so that the structures and materials placed on the Activated Plazas are secure and do not create a safety hazard. No Improvements or Public Works to the Activated Plazas shall be performed without the City's prior written consent.

b) Maintenance Services. Licensee must provide Maintenance Services to Activated Plazas as specified in Exhibit 7.

c) Early Termination of City Contract. If City early terminates any third-party contract for Monthly Maintenance Services for any Activated Plaza on which Licensee is not yet providing Maintenance Services, Licensee must assume Maintenance Services on such Activated Plaza within 90 days written notice from the City. Licensee may utilize an existing contract to perform the assumed Maintenance Services. Specific schedules and standards for Maintenance Services are specified more fully in Exhibit 7.

d) Future Selection. Licensee will provide Supplemental Maintenance Services through Cleanslate for a term of one year beginning on the Effective Date. For the future subcontracting of any maintenance services, Licensee must follow a competitive selection process by obtaining at least three (3) written bids. Licensee must select the winning Subcontractor using standard selection criteria that was made available to the bidders at the time of solicitation to determine the bid that represents the best value. The Commissioner may promulgate in writing additional and reasonable selection processes, criteria and requirements, subject to the consent and approval of Licensee. Commitments to meet minority and women's business enterprises in their provision of services shall be as specified in Section 2.13.

## 2.8 Public Works

(a) Generally. From time to time, Licensee may perform a Service, all or part of which constitutes, in the City's sole determination, a Public Work. Upgrades

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(other than TVSSs), Repairs, Improvements and some types of Maintenance Services are examples of potential Public Works.

b) Selection. For the subcontracting of any Public Work, Licensee must follow a competitive selection process that includes obtaining at least three (3) proposals. Licensee must select the winning Subcontractor with the lowest bid. Such selection shall be subject to City approval. The Commissioner may promulgate in writing additional and reasonable selection processes, criteria and requirements, subject to the consent and approval of Licensee.

c) Terms. Licensee and Subcontractors must follow all State and Municipal law with respect to "public works" in effecting Public Works, including but not limited to, (i) payment of prevailing wages, (ii) obtaining performance bonds, and (iii) including the provisions in Exhibit 8 in any contract with a third party for Public Works. Economic Disclosure Statements will be required in all instances of Subcontractors performing Public Works. Commitments to meet minority and women's business enterprises in their provision of services shall be as specified in Section 2.12.

9 Subcontractors. Licensee will not use any Subcontractors without the prior written consent of City, which consent shall not be unreasonably withheld. Written consent or rejection by the City of a requested Subcontractor must be

sent to Licensee within ten (10) business days (the "City Determination"). In such case that the City refuses to consent to Licensee's use of a requested Subcontractor, City shall provide to Licensee any and all written reasons for the rejection within ten (10) business days of the City Determination. Licensee will not be relieved of its obligations under this Agreement by use of any such Subcontractors and will be responsible for any breach hereof caused by a Subcontractor. Any consent to use a Subcontractor given by City shall only be deemed to be consent for the Subcontractor to perform the specific Services identified in Licensee's request for consent. If City determines that the performance or conduct of any Subcontractor is unsatisfactory, the City has the absolute right upon written notification to immediately rescind approval and to require the performance of this Agreement by Licensee personally or through any other City-approved Subcontractor. Licensee, upon entering into a subcontractor agreement with a Subcontractor, must furnish a copy of its agreement. Licensee must ensure that such subcontracts contain provisions that require the Services be performed in strict accordance with the requirements of this Agreement, and provide that the Subcontractors are subject to all the terms of this Agreement.

10 Improvements and Upgrades. Subject to written approval by the City Project Manager or a designee. Licensee may perform Improvements and Upgrades to the People Plazas. All Improvements will be owned by the City, including intellectual property appurtenant thereto. All Upgrades (including but not limited to TVSSs) will be owned by the City unless Licensee can conclusively show that such Upgrades were purchased or secured using funds other than Revenues, Additional City Funding, Grant Funding or donations directed toward the Services.

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## 2.11 Standard of Performance

Licensee must perform all Services required of it under this Agreement with that degree of skill, care and diligence normally shown by a Licensee performing services of a scope and purpose and magnitude comparable with the nature of the Services to be provided under this Agreement.

Licensee must be appropriately licensed to perform the Services, if required by law, and must ensure that all Services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed as may be required by law. Licensee must provide copies of any such licenses. Licensee remains responsible for the professional and technical accuracy of all Services furnished, whether by Licensee or its Sublicensees or others on its behalf.

If Licensee fails to comply with the foregoing standards, Licensee must, at the City's option, perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure, unless the reason is failure to have and maintain required licensure. See subsection 8.1(b)(2) regarding failure to comply with licensure requirements.

## 12 Personnel

a) Adequate Staffing. Licensee must, upon receiving a fully executed copy of this Agreement, assign and maintain during the term of this Agreement and any extension thereof an adequate staff of competent personnel that, in Licensee's sole discretion, is fully equipped, licensed as appropriate, available as needed and qualified to perform the Services.

b) Salaries and Wages. Licensee and Sublicensees must pay all salaries and wages due all employees performing Services under this Agreement unconditionally and at least once a month without deduction or rebate on any account, except only for those payroll deductions that are mandatory by law or are permitted under applicable law and regulations. The parties acknowledge that this Section 2.11(b) is solely for the benefit of the City and that it does not grant any third party beneficiary



rights.

13 Minority and Women's Business Enterprises Commitment

In the performance of this Agreement, Licensee must abide by the minority and women's business enterprise commitment requirements of the Municipal Code of Chicago ("Municipal Code"), §2-92-420 et seq. (1990), except to the extent waived by the City and the Special Conditions Regarding MBE/WBE Commitment set forth in Exhibit 9. For purposes of such MBE/WBE testing and the Special Conditions Regarding Minority Business Enterprise Commitment and Women's Business Enterprise Commitment, "Total Contract Price" means any funds spent by Licensee on the Maintenance or Improvement of the plazas, as the case may be. In the performance of these services, Licensee must utilize minority and women's business

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enterprises in percentages equal to or exceeding 25% for MBEs and 5% for WBEs with respect to the Total Contract Price of the foregoing activity in question.

14 Insurance

Licensee must provide and maintain at Licensee's own expense, during the term of this Agreement and any time period following expiration if Licensee is required to return and perform any of the Services or Additional Services under this Agreement, the insurance coverages and requirements specified in Exhibit 10 of this Agreement, insuring all operations related to this Agreement.

15 Indemnification

a) Licensee agrees to protect, defend, indemnify, and hold the City, and their respective officers, officials, representatives, and employees (hereafter the "Indemnified Parties"), free and harmless from and against any-and all claims, damages, demands, injury or death, in consequence of the granting of this Agreement or arising out of or being in any way connected with the Licensee's performance of the Services (including that of Sublicensees and Subcontractors) under this Agreement except as otherwise provided in 740 ILCS 35/0.01 et seq. The indemnification provided herein will be effective to the maximum extent permitted by applicable law. This indemnity extends to all legal costs including without limitation: attorney fees, costs, liens, judgments, settlements, penalties, professional fees, or other expenses incurred by the City, including but not limited to, fines and penalties imposed by public bodies and the reasonable settlement of such claims. This indemnification is not limited by any amount of insurance required under this Agreement. Further, the indemnity contained in this section will survive the expiration or termination of this Agreement.

b) To the extent permissible by law, Licensee waives any limits to the amount of its obligations to indemnify, defend or contribute to any sums due under any losses, including any claim by an employee of Licensee that may be subject to the Workers Compensation Act, 820 ILCS 305/1 et seq. or any other law or judicial decision (such as, *Kotecki v. Cyclops Welding Corporation*, 146 Ill. 2d 155 (1991)). The City, however, does not waive any limitations it may have on its liability under the Illinois Pension Code.

c) The Licensee shall be solely responsible for the defense of any and all claims, demands, or suits against the Indemnified Parties, including without limitation, claims by an employee, subcontractors, agents, or servants of Licensee even though the claimant may allege that the Indemnified Parties were in charge of the Work or allege negligence on the part of the Indemnified Parties. The City will have the right, at its sole option, to participate in the defense of any such suit, without relieving the Licensee of its obligations hereunder.

d) "Injury" or "damage" as these words are used in this section will be construed to include, but shall not be limited to, injury or damage consequent upon the failure of or use or misuse by Licensee, its Sublicensees, Subcontractors, agents, servants, or employees, of any scaffolding, ladders, supports, structures, rigging, blocking or any and all other kinds of items of equipment, whether or not the same be owned, furnished, or loaned by the Indemnified Parties.

(c) The Licensee will promptly provide, or cause to be provided, to the Commissioner and City Corporation Counsel copies of such notices that Licensee may receive of any claims, actions, or suits as may be given or filed in connection with the Licensee's performance or the performance of any Sublicensee or Subcontractor and for which the Indemnified Parties are entitled to indemnification hereunder and to give the Indemnified Parties authority, information, and assistance for the defense of any claim or action.

(f) The indemnities in this section survive expiration or termination of this Agreement for matters occurring or arising during the term of this Agreement or as the result of or during Licensee's performance of Services beyond the term. Licensee acknowledges that the requirements set forth in this section to defend, indemnify, and hold harmless the City are apart from and not limited by the Licensee's duties under this Agreement, including the insurance requirements in Exhibit 10 of this Agreement.

#### 2.16 Records and Audits

(a) Records. Licensee must maintain such records of the Services as are customary and appropriate for a period of two (2) years after the termination or expiration of this Agreement; however, under no circumstance shall Licensee deliberately destroy or otherwise dispose of any documents prior to the time permitted by law, including, but not limited to, the Illinois Local Records Act in 50 ILCS 205/1, et seq. In addition to the records to be stored by Licensee, all records that are possessed by Licensee in its service to the City are public records of the City pursuant to the Illinois Freedom of Information Act ("FOIA"), unless the records are exempt under FOIA. FOIA requires that the City produce records in a very short period of time. If the City receives a FOIA request, the City shall provide Licensee a copy of the FOIA request within five (5) business days of the City's receipt. If the Licensee receives a request from the City to produce records, the Licensee shall do so within ten (10) business days of the notice unless the Licensee

initiates legal proceedings regarding the validity and/or propriety of the FOIA request, (b) Audits

(1) Within five (5) business days after written request from the City, Licensee and any of Licensee's Sublicensees must furnish the City with all information that may be requested pertaining to the performance and

cost of the Services. Licensee must maintain records showing actual time devoted and costs incurred. Licensee must keep books, documents, papers, records and accounts in connection with the Services open to audit, inspection, copying, abstracting and transcription and must make these records available to the City and any other interested governmental agency, at reasonable times during the performance of its Services.

2) Licensee must maintain its books, records, documents and other evidence and adopt accounting procedures and practices sufficient to reflect properly all costs of whatever nature claimed to have been incurred and anticipated to be incurred for or in connection with the performance of this Agreement. The System of Accounting must be in accordance with generally accepted accounting principles and practices, consistently applied throughout.

3) No provision in this Agreement granting the City a right of access to records and documents is intended to impair, limit or affect any right of access to such records and documents that the City would have had in the absence of such provisions.

4) The City may, in its sole discretion, audit the records of Licensee or its Sublicensees, or both, at any time during the term of this Agreement or within two (2) years after the Agreement ends, in connection with the goods, work, or Services provided under this Agreement. Each Operation Period or partial Operating Period is considered an "audited period." The rights in this section are independent of the requirement in Section 4.9 that Licensee must provide an annual financial report that is prepared and audited by a third-party accounting firm.

## 2.17 Confidentiality

(a) All reports, data, findings or information in any form prepared, assembled or encountered by or provided by Licensee under this Agreement are property of the City and are confidential, except as specifically authorized in this Agreement or as may be required by law. Licensee may retain copies of this Agreement and all documents related thereto for its records and its use in performing its obligations under this Agreement.

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Licensee must not allow any records to be made available to any other individual or organization without the prior written consent of the City, which consent shall not be unreasonably withheld. Further, all documents and other information provided to Licensee by the City are confidential and must not be made available to any other individual or organization without the prior written consent of the City, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, the City acknowledges and agrees that the Licensee may make this Agreement and all documents related thereto available to (i) approved Subcontractors (and their legal counsel), (ii) approved Sublicensees (and their legal counsel), (iii) legal counsel to the Licensee, and (iv) accountants for the Licensee to the extent reasonably required for the performance of Licensee's, Subcontractors' and Sublicensees' obligations under this Agreement, or to enable such legal counsel and accountants to provide professional services to the Licensee, Subcontractors and Sublicensees. Licensee must implement such measures as may be necessary to ensure that its staff, legal counsel, accountants, its Subcontractors and its Sublicensees are bound by the confidentiality provisions in this Agreement.

b) Licensee must not issue any publicity news releases or grant press interviews, and except as may be required by law during or after the performance of this Agreement, disseminate any information regarding its Services or the project to which the Services pertain (collectively, the "Publicity of Services") without the prior written consent of the City Project Manager, which shall not be unreasonably withheld. Furthermore, City determinations related to this §2.17 (b) must be made within ten (10) business days of Licensee's request; otherwise, prior written consent shall be deemed received.

If the City determines that it wishes to issue any Publicity of Services, City shall, if practicable, provide Licensee ten (10) business days' notice to enable the Licensee to coordinate any similar Publicity of Services.

c) If Licensee is presented with a request for documents by any administrative agency or with a subpoena duces tecum regarding any records, data or documents which may be in Licensee's possession by reason of this Agreement, Licensee must immediately give notice to the Commissioner and the Corporation Counsel for the City with the understanding that the City will have the opportunity to contest such process by any means available to it before the records, data or documents are submitted to a court or other third party. Licensee, however, is not obligated to withhold the delivery beyond the time ordered by a court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended.

#### 2.18 Assignments and Subcontracts.

(a) Licensee must not assign, delegate or otherwise transfer all or any part of its rights or obligations under this Agreement: (i) unless otherwise provided for elsewhere in this Agreement; or (ii) without the express written consent of the Commissioner and

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CFO. The absence of such a provision or written consent voids the attempted assignment, delegation or transfer and is of no effect as to the Services or this Agreement.

(b) All Sublicensees are subject to the prior approval of the City Project Manager, which approval shall not be unreasonably withheld. Approval for the use of any Sublicensee in performance of the Services is conditioned upon performance by the Sublicensee in accordance with the terms and conditions of this Agreement. Any approval for the use of Sublicensees in the performance of the Services under this Agreement under no circumstances operates to relieve Licensee of any of its obligations or liabilities under this Agreement.

(c) Licensee, upon entering into any agreement with a Sublicensee, must furnish upon request of the City Project Manager a copy of its agreement. Licensee must ensure that all subcontracts contain provisions that require the Services be performed in strict accordance with the requirements of this Agreement, provide that the Sublicensees are subject to all the terms of this Agreement and are subject to the approval of the City Project Manager. If the agreements do not prejudice any of the City's rights under this Agreement, such agreements may contain different provisions than are provided in this Agreement with respect to extensions of schedule, time of completion, payments, guarantees and matters not affecting the quality of the Services.

## **2.19 Ownership of Documents.**

a) City Materials. The City shall own all right, title, and interest in and to any documents, materials, data, information, or other works of authorship provided by the City to Licensee (collectively, the "City Material") and all progress and financial reports Licensee is required to provide to the City.

### **b) Activation Documents Prepared by Licensee.**

(1) Temporary Vendor Structures. The Licensee will own the plans, construction documents, schematics, specifications, drawings and designs for the TVSSs, and any drafts thereof (the "TVS Plans and Specifications"). City will be entitled to keep at least one copy of all such documents. To the extent that any copyrightable material arises in the TVS Plans and Specifications or in the TVS itself as an Architectural Work under the Copyright Act, Licensee shall own such copyrights as the author of such works (the "TVS Copyrights"). Throughout the duration of this Agreement, the Licensee hereby grants to the City, its successors and assigns a sublicensable (to City contractors for City work), non-exclusive, non-transferable (except to City contractors for City work), royalty-free, paid-up license to use, reproduce, and modify the TVS Plans and Specifications for City programs. The Licensee hereby grants to the City, its successors and assigns an sublicensable (to City contractors for City work), nonexclusive, non-transferable (except to City contractors for City work), royalty-free, paid-up license to use, reproduce, display (as an Architectural Work only) and modify the TVS Copyrights for any City program.

Subject to the requirements of any laws or ordinances concerning blueprints, construction plans and the like, the City agrees that it will keep the TVS Plans and Specifications confidential ("Confidential Information") (provided that Licensee clearly marks them as "Confidential Information") and that the such Confidential Information will not, without the prior written consent of the Licensee, be disclosed by the City in any manner whatsoever in whole or in part, and shall not be used by the City or by its contractors other than in connection with the Agreement, including any rights granted after termination or expiration.

Notwithstanding anything herein to the contrary, Licensee acknowledges that City is subject to the Illinois Freedom of Information Act (5 ILCS 140/1 et seq.) and all information in the City's possession may be regarded as a public record subject to disclosure. City shall, in good faith, attempt to give notice, where practicable, to the Licensee with the understanding that the Licensee may have the opportunity to contest such process by any means available to it before the records, data or documents are produced to a third party; provided, however, that any disclosure by City pursuant to the foregoing shall not be deemed a breach of the City's obligations hereunder. Licensee further acknowledges that the City will post the executed Agreement on its web site and such posting will not be deemed a breach of the City's obligations hereunder. However, nothing herein shall prevent the City from producing or disclosing the requested material in a timely fashion in response to a valid order, subpoena or requirement of a court, authorized agency of government, law (including, but not limited to, the Illinois Freedom of Information Act), regulation, or other legal process.

(2) Subject to §2.10, in the event an Upgrade is deemed exclusive property of the City, Licensee hereby grants to the City, its successors and assigns an irrevocable, sublicensable (to City contractors for City work), non-exclusive, non-transferable (except to City contractors for City work), perpetual, royalty-free, paid-up license to use, reproduce, and modify the TVS Plans and Specifications and the TVS Copyrights for City programs.

3) Extent of Protection. The Parties acknowledge and agree that the City may, in the future, enter into a contract for services similar to the Services (or provide such services on its own) and such services may include the use of temporary vendor structures (including those similar or identical in dimensions and materials to the Temporary Vendor Structures specified in Exhibit 5 on City property. Nothing herein shall be deemed to prohibit the City or its contractors from designing, building or using such temporary vendor structures except to the extent that such temporary vendor structures infringe discrete elements of the Temporary Vendor Structures that are subject to copyright protection (if any) under the United States Copyright Law, 17 U.S.C. 101 et seq. The Parties agree that Licensee's copyright protection does not include, among other things: standard configurations of spaces and individual standard features, such as windows, doors, and other staple building components, as well as functional elements whose design or placement is dictated by utilitarian concerns.

4) Other Activation Documents. To the extent permitted by law, subject to §2.10, all plans, specifications and designs produced by Licensee pursuant to this Agreement that relate to Activations (including documents relating to Improvements and Public Works) ("City Plans and Specifications") (excluding any intellectual property rights or embodiment thereof owned or

created by Licensee apart from this Agreement) are conclusively deemed "works made for hire" within the meaning and purview of Section 101 of the United States Copyright Act, 17 U.S.C. 101 et seq., and that the City will be the sole copyright owner of the City Plans and Specifications and of all aspects, elements and components of them in which copyright can subsist, and of all rights to apply for copyright registration or prosecute any claim of infringement. Licensee Plans and Specifications and City Plans and Specifications shall be referred to as "Plans and Specifications."

Subject to §2.10, to the extent that any of the City Plans and Specifications do not qualify as a "work made for hire," Licensee hereby irrevocably grants, conveys, assigns, transfers and delivers to the City, its successors and assigns, all right, title and interest in and to the copyrights, and other intangible, intellectual property embodied in or pertaining to the City Plans and Specifications prepared for the City under this Agreement, and all goodwill relating to them, free and clear of any liens, claims or other encumbrances, to the fullest extent permitted by law. Licensee will, and will cause all of its Subcontractors, employees, agents and other persons within its control to, execute all documents and perform all acts that the City may reasonably request in order to assist the City in perfecting its rights in and to the copyrights relating to the City Plans and Specifications, at the sole expense of the City. Licensee warrants to the City, its successors and assigns, that on the date of transfer Licensee is the lawful owner of good and marketable title in and to the copyrights for the City Plans and Specifications and has the legal rights to fully assign them. Licensee further warrants that it has not assigned and will not assign any copyrights and that it has not granted and will not grant any licenses, exclusive or nonexclusive, to any other party, and that it is not a party to any other agreements or subject to any other restrictions with respect to the City Plans and Specifications. Licensee warrants that the City Plans and Specifications are complete, entire and comprehensive, and that the City Plans and Specifications constitute a work of original authorship.

(c) Licensee Use of City Documents. The Licensee may retain copies of City Materials and City Plans and Specifications for its records and its use in performing its obligations under this Agreement. The City hereby grants to the Licensee, its successors and assigns, a perpetual, transferable (absent a Licensee Event of Default under this Agreement), royalty-free, paid-up license to use the City Plans and Specifications (other than any documents related to Improvements and Public Works) for Licensee business purposes.

## 2.20 Intellectual Property Rights.

(a) Ownership of Intellectual Property. Except as otherwise agreed to by the parties in writing, in the event that, in performing its obligations hereunder, Licensee

develops any inventions (whether or not patentable) or other technology for the City pursuant to this Agreement in which Intellectual Property Rights may inhere (excluding any documents or plans and specifications listed in Section 2.19 above) and provided that none of the foregoing inventions or other technology constitute or are related to an Improvement (as defined in §1.1), Public Work (as defined in §1.1), or other permanent structure or feature of a People Plaza that will remain in existence after termination or expiration of this Agreement (collectively, any "Licensee Intellectual Property"), such Licensee Intellectual Property shall be owned by Licensee.

"Intellectual Property Rights" mean all patents, trademarks, copyrights that are owned by a party hereunder.

Licensee hereby grants to the City, its successors and assigns a non-exclusive, perpetual (with respect to copyrights and patents only), royalty-free, paid-up license to use, distribute, reproduce, perform, display and modify the Licensee Intellectual Property Rights for any City program. The foregoing grant to use Licensee trademarks shall end upon termination or expiration of the Agreement. The Licensee's sole and exclusive remedy for a purported breach by the City of the restrictions set forth in this paragraph is to seek injunctive relief (to the extent available pursuant to applicable Law).

b) Further Assurances. The Licensee will, and will cause all of its Subcontractors, Sublicensees,

employees, agents and other persons within its control to, execute all documents and perform all acts that the City may reasonably request in order to assist the City in perfecting its rights in any documents or Plans and Specifications listed in Section 2.19 above and the Licensee Intellectual Property.

c) Warranties. The documents, Plans, Specifications listed in Section 2.19 and the Intellectual Property Rights provided by Licensee under this Agreement, and City's use and ownership thereof, in accordance with the terms herein, or exercise of any intellectual property rights granted under this Agreement, will not infringe or otherwise violate any statutory or other rights of any third party in or to any intellectual property therein including, without limitation, copyrights, patents, trade secrets, trademarks or moral rights; and, no third party has asserted, is asserting or, to Licensee's knowledge, has threatened or has or will have any reasonable basis to assert a claim of any of the foregoing. For the avoidance of doubt, any third-party claim of infringement will be considered a "claim" under Section 2.15 ("Indemnification")

ARTICLE 3. DURATION OF AGREEMENT 3.1 Term of Performance

Subject to the City's termination rights, the initial term of this Agreement is three (3) years, as that period may be extended under Section 3.3 (the "Term").

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3.2 Timeliness of Performance

Licensee must perform the Services in a timely manner and in accordance with any required schedule under this Agreement. Further, acknowledges that TIME IS OF THE ESSENCE and that the failure to comply with the required timeframes may result in economic or other losses.

3.3 Agreement Extension Option

The Commissioner may at any time before this Agreement expires elect to extend this Agreement for up to two (2) years, under the same terms and conditions as this original Agreement, by notice in writing to Licensee.

ARTICLE 4. FINANCIAL MATTERS

1 City Funding. During the twelve months following the Effective Date, Licensee may seek reimbursement from City Funding of eligible expenses. The City Funding will be available solely for reimbursement of expenses incurred by Licensee directly related to Cultural Programming on the People Plazas during the twelve months following the Effective Date. All Cultural Programming must be approved by the City, which approval will not be unreasonably withheld. City Funding will not be used to reimburse Licensee for (i) any other type of expenses, or (ii) any expenses incurred after the end of the 12-month period referenced in this Section 4.1. The City will begin processing any invoices related to such Cultural Programming within 60 business days of receipt.

2 Additional City Funding. From time to time during the Term, the City, in its sole discretion, may make Additional City Funding available to Licensee on terms and conditions specified by the City.

3 City Street Level Digital Funding. During the Term, the City may decide, in its sole discretion, to place digital structures included in the City's Street Level Digital initiative on one or more People Plazas. A portion of the revenue raised from the placement of such digital signage may become Additional City Funds be provided to Licensee for use in the People Plazas program at the City's sole discretion.

4 Grant Funding. Licensee may raise funds through Grant Funding, which includes but is not limited to public and private grants from city, county, state and national agencies and not-for-profit agencies. The purpose of Grant



Funding must be to expand the Services hereunder and may not be used in any calculation of profit or revenue sharing. Licensee may, on its own, enter into agreements for Grant Funding provided that no obligations under any such agreements may subsist beyond the term of this Agreement, and Licensee will be solely liable for any conditions under such agreements, including third-party audit of compliance with terms and for any penalties, including reimbursement and failure to comply. All applications for Grant Funding and agreements for Grant Funding are subject to written approval by the City Project Manager or a designee, which approval shall not be unreasonably withheld. All Grant Funding must be spent according to the terms of such grant agreements.

5 Sponsorship Revenue. Pursuant to Section 2-32-055, the CFO hereby designates Licensee to do the following, if commercially reasonable: (a) develop a marketing plan for sponsorship of the People Plazas, (b) seek out commercial partners for such sponsorships, and (c) negotiate the terms of, and execute, sponsorship agreements with public and private entities. All sponsorship agreements will be subject to CFO approval. City will maintain termination rights to all sponsorship agreements. Licensee hereby grants to the City such termination rights and agrees to acknowledge in each sponsorship agreement such termination rights, either directly or indirectly.

6 Advertising Revenue.

a) Signage. At City's sole discretion and written approval and subject to any existing or future agreements the City has or may have with third parties, Licensee may place Signage on designated People Plazas, but Licensee will have no right to place other signs or structures on the People Plazas the primary purpose of which is advertising. The appearance, structure, and location of Signage are subject to written approval from the City Project Manager.

b) Signage Structure and Messaging. If Signage is allowed on a given People Plaza, such Signage may be a free standing structure. Signage may be bolted directly onto sidewalks or concrete foundations. Signage may contain advertising but must contain People Plaza Messaging on at least one side.

c) Wrap Advertising. At City's sole discretion and written approval, Licensee may also place Wrap Advertising on physical structures existing on the Activated Plazas on the Effective Date or allowed to be placed on the Activated Plazas pursuant to this Agreement (e.g., TVSSs). Licensee acknowledges that Wrap Advertising will generally only be approved by the City in conjunction with Activated Plaza sponsorships under Section 4.5 or with an agreement with a Sublicensee under Section 4.7.

d) Standards. All advertising and promotional materials used in Signage or Wrap Advertising are subject to the Advertising Policies and Standards in Exhibit 11.

e) Function. Signage and Wrap Advertising do not constitute any type of Activation and may not be used to meet Activation requirements or goals.

4.7 Sublicensees

(a) Sublicensee Revenue. Licensee may raise revenue by charging Sublicensees fees for the use of space on the Activated Plazas or in the TVSSs. Licensee must ensure that such sublicensees contain provisions that require the Services be performed in strict accordance with the requirements of this Agreement, provide that the

Sublicensees are subject to all the terms of this Agreement. Licensee must further require that Sublicensees obtain all necessary permits and/or licenses.

(b) Selection of Sublicensees. Licensee may select Short-Term Sublicensees by any method, provided that fairness, transparency and openness are used in the process as much as practicable. Licensee must select Long-Term Sublicensees using a competitive selection process after that includes obtaining at least three (3) proposals. Licensee must select the winning proposer using standard publically-advertised selection criteria to determine the bid that represents the best value. The Commissioner may promulgate in writing additional and reasonable selection processes, criteria and requirements, subject to the consent and approval of Licensee. The Commissioner will promulgate in writing required selection processes and requirements.

#### **8 Use of Revenue and Funding.**

Licensee hereby acknowledges and agrees that all funds received pursuant to Article 4 must be used to perform the Services, provided, however, that in the event of an Annual Profit, Licensee will distribute 10% of such Annual Profit to the City within thirty (30) calendar days, with the remaining 90% to remain with the Licensee.

#### **9 Revenue and Grant Funding Accounts.**

a) Establishment of Revenue Trust Account(s). Within ten (10) business days of the Effective Date, Licensee shall establish an account named "Activate Chicago / Chicago Peoples Plaza Program Trust Account" with American Chartered Bank, into which all amounts raised by the Licensee in accordance with this agreement shall be deposited ("Revenue Trust Account"). The contents of this account shall be held strictly in trust for the City of Chicago, solely for disbursement for purposes authorized and approved in accordance with this Agreement and which may be disbursed only to recipients in accordance with the Peoples Plaza program. The parties agree Licensee will have no ownership of the contents of the account, may not pledge the account and may not use the account or its contents as collateral in any manner.

b) Establishment of Grant Funding Account(s). As soon as practicable after the Effective Date, Licensee will establish in its own name an account with American Chartered Bank ("Grant Funding Account(s)"). NO other amounts shall be commingled in the account(s) with the Grant Funding.

c) All details of activity in the Revenue Trust Account and the Grant Funding Account(s) are subject to the reporting requirements of Section 4.10 and Exhibit 14.

d) Deposit of Revenue and Grant. Licensee must deposit all Revenue into the Revenue Trust Account. Licensee must deposit all Grant Funding received into the Grant Funding Account(s), as applicable.

(e) Accounts in the Event of Termination or Default. In the event that this Agreement expires or is terminated, whether or not as the result of a default, early termination or otherwise, all money in the Revenue Trust Account shall be disbursed to the City immediately or as otherwise directed by the City. To the extent any funds in the Grant Funding Account (s) are funds in which the City was involved in the grant procurement process, such funds shall be disbursed to the City

immediately or as otherwise directed by the City. To the extent any funds in the Grant Funding Account(s) are funds from a source in which Licensee was the sole applicant and recipient, Licensee must treat such funds according to Licensee's agreement with such source.

4.10 Financial Reporting. Licensee and City will agree on a format of all financial reporting as soon as practicable after the Effective Date. Licensee financial reporting must meet the requirements of Exhibit 14 and following:

a) Monthly Financial Reporting. Upon receipt of the Revenue Account monthly statement, Licensee must send a copy to the City along with a report on any Revenues received or spent during the month not reflected in such statement and a report on any Third Party Funding about which City does not have its own information.

b) Quarterly Financial Reporting. Within thirty (30) days after the end of each Quarterly Period, Licensee shall provide the City with an unaudited financial statement showing Licensee's gross revenues and expenses for the prior Quarterly Period. The Licensee agrees to provide such documentation requested by the City supporting such unaudited statements. Every quarter, Licensee must submit a report detailing:

- 1) All revenues, their sources, dates received, and dates deposited.
- 2) All expenses, where they were used and for what purpose and to whom they were paid. This will include the addresses and any relevant MBE/WBE information.
- 3) Categorize revenues and expenses by Plaza location and by scope, including but not limited to: maintenance, activation, TVSSs, advertising, and administrative expenses, including payment to staff.

(c) Annual Financial Reports. Within sixty (60) days after the end of the first Operating Period after the Effective Date, and for every year thereafter, Licensee shall provide the City with an audited statement using generally accepted accounting principles, showing Licensee's gross revenues and expenses for the prior Operating Period, and calculating the amount due to the City. The Licensee agrees to provide such documentation requested by the City supporting such audited statements.

4.11 Invoices

In accordance with all financial reporting, Licensee must submit all invoices (including invoices for internal and administrative expensgsj involved in disbursing funds from the Revenue

Account, and if applicable, any Third Party funding account or reimbursement documentation.

12 Funding

The source of funds for the City Funding under this agreement shall be from fund number 15 0100 084 2145 0140 0140. Funding for this Agreement is subject to the availability of funds.

13 Taxes and Fees

Licensee and/or Sublicensee must timely pay, as and when due, any and all taxes, assessments, fees, and charges levied, assessed or imposed by a governmental unit upon this Agreement, or any property related thereto, including but

not limited to all permit fees and charges of a similar nature for Licensee's conduct of any business or undertaking in the Plazas (collectively, "Impositions"). Nothing in this Agreement precludes Licensee from contesting the amount of an Imposition, including those taxes or charges enacted or promulgated by City, but unless otherwise allowed by the entity imposing the tax or charge, Licensee must pay the tax or charge pending the judicial or administrative decision on Licensee's contest. Failure of Licensee to pay any Imposition when due, except to the extent that Licensee is allowed to withhold payment while contesting the amount of the Imposition, will constitute an Event of Default.

## ARTICLE 5. DISPUTES

The parties, through their respective Project Managers, will first attempt to settle any dispute arising from this Agreement through consultation and good faith negotiation. If the Project Managers are unable to resolve the issue, the parties will declare a 30-day resolution period in which the issue will be escalated to the Commissioner, or her designee, and to the President of Licensee, or her designee. The parties agree to timely respond to reasonable requests for information required to establish facts related to the dispute that they are not prohibited by law or policy to produce. At the end of the 30-day period, Licensee shall give notice to the City of disputes or claims it believes cannot be resolved before filing any claim with a court of proper jurisdiction.

## ARTICLE 6. COMPLIANCE WITH ALL LAWS 6.1 Compliance with All

### Laws Generally

(a) Licensee must observe and 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, including those set forth in this Article 6, and Licensee must pay all taxes and obtain all licenses, certificates and other

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authorizations required by them. Licensee must also require all Sublicensees to do so. Further, Licensee must execute an Economic Disclosure Statement and Affidavit ("EDS") in the form attached to this Agreement as Exhibit 14. Notwithstanding acceptance by the City of the EDS, Licensee's failure in the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Licensee must promptly update its EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate. Licensee agrees that Licensee's failure to maintain current throughout the term and any extensions of the term, the disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, shall constitute an event of default.

(b) Notwithstanding anything in this Agreement to the contrary, references to statute or law are considered to be a reference to (1) the statute or law as it may be amended from time to time, (2) all regulations and rules pertaining to or promulgated pursuant to the statute or law, and (3) all future statutes, laws, regulations, rules and executive orders pertaining to the same or similar subject matter.

## 6.2 Nondiscrimination

### (a) Licensee

Licensee must comply with applicable federal, state, and local laws and related regulations prohibiting discrimination against individuals and groups.

#### (1) Federal Requirements

Licensee must not engage in unlawful employment practices, such as (1) failing or refusing to hire or discharging any individual, or otherwise discriminating against any individual with respect to compensation or the terms, conditions, or privileges of the individual's employment, because of the individual's race, color, religion, sex, age, handicap/disability or national origin; or (2) limiting, segregating or classifying Licensee's employees or applicants for employment in any way that would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect the individual's status as an employee, because of the individual's race, color, religion, sex, age, handicap/disability or national origin.

Licensee must comply with, and the procedures Licensee utilizes and the Services Licensee provides under this Agreement must comply with, the Civil Rights Act of 1964, 42 U.S.C. sec. 2000e et seq. (1981), as amended and the Civil Rights Act of 1991, P.L. 102-166. Attention is called to: Exec. Order No. 11246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000c note, as amended by Exec. Order No. 11375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. §6101-6106 (1981), Age Discrimination in Employment Act, 29 U.S.C. §621-34;

Rehabilitation Act of 1973, 29 U.S.C. §793-794 (1981); Americans with Disabilities Act, 42 U.S.C. §12101 et seq.; 41 C.F.R. Part 60 et seq. (1990); and all other applicable federal statutes, regulations and other laws.

## 2) State Requirements

Licensee must comply with, and the procedures Licensee utilizes and the Services Licensee provides under this Agreement must comply with, the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1990), as amended and any rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 44 Ill. Admin. Code §750 Appendix A. Furthermore, Licensee must comply with the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq. (1990), as amended, and all other applicable state statutes, regulations and other laws.

## 3) City Requirements

Licensee must comply with, and the procedures Licensee utilizes and the Services Licensee provides under this Agreement must comply with, the Chicago Human Rights Ordinance, ch. 2-160, Section 2-160-010 et seq. of the Municipal Code of Chicago (1990), as amended, and all other applicable City ordinances and rules.

### (b) Sublicensees

Licensee must incorporate all of this Section 6.2 by reference in all agreements entered into with any suppliers of materials, furnisher of services, Sublicensees and Subcontractors and labor organizations that furnish skilled, unskilled and craft union skilled labor, or that may provide any such materials, labor or services in connection with this Agreement. Further, Licensee must furnish and must cause each of its Sublicensee(s) to furnish such reports and information as requested by the federal, state, and local agencies charged with enforcing such laws and regulations, including the Chicago Commission on Human Relations.

## 6.3 Inspectors General

It is the duty of any bidder, proposer or Licensee, all Sublicensees, every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners and employees of any bidder, proposer, Licensee, Sublicensee or such applicant to cooperate with the Legislative Inspector General or the Inspector General in any investigation or hearing, if applicable, undertaken pursuant to Chapters 2-55 or 2-56, respectively, of the Municipal

Code. Licensee understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code. All subcontracts must inform Sublicensees of the provision and require understanding and compliance with it.

#### 4 Business Relationships with Elected Officials

Pursuant to MCC Sect. 2-156-030(b), it is illegal for any elected official, 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 official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months. In addition, no elected official may participate in any discussion in any City Council committee hearing or in any City Council meeting or vote on any matter involving the person with whom the elected official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months.

Violation of MCC § 2-156-030 by any elected official with respect to this Agreement will be grounds for termination of this Agreement. The term financial interest is defined as set forth in MCC Chapter 2-156.

#### 5 Environmental Warranties and Representations

In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Licensee warrants and represents that it, and to the best of its knowledge, its Sublicensees have not violated and are not in violation of the following sections of the Code (collectively, the Waste Sections):

- 7-28-390 Dumping on public way;
- 7-28-440 Dumping on real estate without permit;
- 11-4-1410 Disposal in waters prohibited;
- 11-4-1420 Ballast tank, bilge tank or other discharge;
- 11-4-1450 Gas manufacturing residue;
- 11-4-1500 Treatment and disposal of solid or liquid waste;
- 11-4-1530 Compliance with rules and regulations required;
- 11-4-1550 Operational requirements; and
- 11-4-1560 Screening requirements.

During the period while this Agreement is executory, Licensee's or any Sublicensee'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 discretion 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 Licensee's and its Sublicensees' 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 Licensee's eligibility for future contract awards.

#### 6.6 Prohibition on Certain Contributions

No Licensee or any person or entity who directly or indirectly has an ownership or beneficial interest in Licensee of more than 7.5% ("Owners"), spouses and domestic partners of such Owners, Sublicensees, any person or entity who directly or indirectly has an ownership or beneficial interest in any Sublicensee of more than 7.5% ("Sub-owners") and spouses and domestic partners of such Sub-owners (Licensee and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee during (i) the bid or other solicitation process for this Agreement or Other Contract, including while this Agreement or Other Contract is executory, (ii) the term of this Agreement or any Other Contract between City and Licensee, and/or (iii) any period in which an extension of this Agreement or Other Contract with the City is being sought or negotiated.

Licensee represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached the Licensee or the date the Licensee 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.

Licensee 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.

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.

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. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Licensee violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Contract resulting from this specification, the CPO may reject Licensee's bid.

For purposes of this provision:

"Other Contract" means any agreement entered into between the Licensee and the City that is (i) formed under the

authority of MCC Ch. 2-92; (ii) for the purchase, sale or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved and/or authorized by the City Council.

"Contribution" means a "political contribution" as defined in MCC Ch. 2-156, as amended.

"Political fundraising committee" means a "political fundraising committee" as defined in MCC Ch. 2-156, as amended.

#### 6.7 Firms Owned or Operated by Individuals with Disabilities

The City encourages consultants to use Sublicensees that are firms owned or operated by individuals with disabilities, as defined by Section 2-92-586 of the Municipal Code of the City of Chicago, where not otherwise prohibited by federal or state law.

#### 6.8 Ineligibility to do Business with City.

Failure by the Licensee or any Controlling Person (defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code shall render this Agreement voidable or subject to termination, at the option of the Chief Procurement Officer. Licensee agrees that Licensee's failure to maintain eligibility (or failure by Controlling Persons to maintain eligibility) to do business with the City in violation of Section 1-23-030 of the Municipal Code shall constitute an event of default.

#### 9 Deemed Inclusion

Provisions required by law, ordinances, rules, regulations, or executive orders to be inserted in this Agreement are deemed inserted in this Agreement whether or not they appear in this Agreement or, upon application by either party, this Agreement will be amended to make the insertion; however, in no event will the failure to insert the provisions before or after this Agreement is signed prevent its enforcement.

#### 10 Duty to Report Corrupt or Unlawful Activity

Pursuant to §2-156-018 of the Municipal Code, it is the duty of the Licensee to report to the Inspector General, directly and without undue delay, any and all information concerning conduct which it knows to involve corrupt activity. "Corrupt Activity" means any conduct set forth in Subparagraph (a)(1), (2) or (3) of §1-23-020 of the Municipal Code. Knowing failure to make such a report will be an event of default under this Agreement. Reports may be made to the Inspector General's toll free hotline, 866-1G-T1PL1NL (866-448-4754).

### ARTICLE 7. SPECIAL CONDITIONS

#### 7.1 Warranties and Representations

In connection with signing and carrying out this Agreement, Licensee:

a) warrants that Licensee or any sublicensee is appropriately licensed under Illinois law to perform the Services required under this Agreement and will perform no services or will not allow sublicensees to perform any services for which a professional license is required by law and for which Licensee or sublicensee is not appropriately licensed;

b) warrants it is financially solvent; it and each of its employees, agents and sublicensees of any tier are



competent to perform the Services required under this Agreement; and Licensee is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated in this Agreement;

c) warrants that it will not knowingly use the services of any ineligible licensee or Sublicensee for any purpose in the performance of its Services under this Agreement;

d) warrants that Licensee and its Sublicensees are not in default at the time this Agreement is signed, and have not been deemed by the Chief Procurement Officer to have, within five (5) years immediately preceding the date of this Agreement, been found to be in default on any contract awarded by the City;

e) represents that it has carefully examined and analyzed the provisions and requirements of this Agreement; it understands the nature of the Services required; from its own analysis it has satisfied itself as to the nature of all things needed for the performance of this Agreement; this Agreement is feasible of performance in accordance with all of its provisions and requirements, and Licensee warrants it can and will perform, or cause to be performed, the Services in strict accordance with the provisions and requirements of this Agreement;

f) represents that Licensee and, to the best of its knowledge, its Sublicensees are not in violation of the provisions of §2-92-320 of the Municipal Code, and in connection with it, and additionally in connection with the Illinois Criminal Code, 720 ILCS 5/33E as amended, and the Illinois Municipal Code, 65 ILCS 5/11-42.1-1;

g) acknowledges that any certification, affidavit or acknowledgment made under oath in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination under Sections 8.2 and 8.3 of this Agreement; and

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(h) warrants and represents that neither Licensee nor an Affiliate of Licensee(as defined below) appears on the Specially Designated Nationals List, the Denied Persons List, the unverified List, the Entity List, or the Debarred List as maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or by 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. "Affiliate of Licensee" means a person or entity that directly (or indirectly through one or more intermediaries) controls, is controlled by or is under common control with Licensee. A person or entity will be deemed to be controlled by another person or entity if it is controlled in any manner whatsoever that results in control in fact by that other person or entity (either acting individually or acting jointly or in concert with others) whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

## 7.2 Ethics

a) In addition to the foregoing warranties and representations, Licensee warrants:

1) no officer, agent or employee of the City is employed by Licensee or has a financial interest directly or indirectly in this Agreement or the compensation to be paid under this Agreement except as may be permitted in writing by the Board of Ethics established under Chapter 2-156 of the Municipal Code.

2) no payment, gratuity or offer of employment will be made in connection with this Agreement by or on behalf of any Sublicensees to Licensee or higher tier Sublicensees or anyone associated with them, as an inducement for the award of a subcontract or order.

b) Licensee must comply with Chapter 2-156 of the Municipal Code. Licensee acknowledges that any

Agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156, including any contract entered into with any person who has retained or employed a non-registered lobbyist in violation of Section 2-156-305 of the Municipal Code is voidable as to the City.

### 7.3 Joint and Several Liability

(a) If Licensee, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination of them), then under this Agreement, each and without limitation every obligation or undertaking in this Agreement to be fulfilled or performed by Licensee is the joint and several obligation or undertaking of each such individual or other legal entity.

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(b) Licensee warrants and the City acknowledges that, as of the Effective Date, Licensee is not comprised of more than one individual or other legal entity (or a combination of them).

### 4 Business Documents

At the request of the City, Licensee must provide copies of its latest articles of incorporation, by-laws and resolutions, or partnership or joint venture agreement, as applicable.

### 5 Conflicts of Interest

a) No member of the governing body of the City or other unit of government and no other officer, employee or agent of the City or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement pertains is permitted to have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee is allowed to be admitted to any share or part of this Agreement or to any financial benefit to arise from it.

b) Licensee represents that it, and to the best of its knowledge, its Sublicensees if any (Licensee and Sublicensees will be collectively referred to in this Section 7.5 as "Consulting Parties"), presently have no direct or indirect interest and will not acquire any direct or indirect interest in any project or contract that would conflict in any manner or degree with the performance of its Services under this Agreement.

c) Upon the request of the City, Consulting Parties must disclose to the City their past client lists and the names of any clients with whom they have an ongoing relationship. Consulting Parties are not permitted to perform any Services for the City on applications or other documents submitted to the City by any of Consulting Parties' past or present clients. If Consulting Parties become aware of a conflict, they must immediately stop work on the assignment causing the conflict and notify the City.

d) Without limiting the foregoing, if the Consulting Parties assist the City in determining the advisability or feasibility of a project or in recommending, researching, preparing, drafting or issuing a request for proposals or bid specifications for a project, the Consulting Parties must not participate, directly or indirectly, as a prime subcontractor, sublicensee or joint venturer in that project or in the preparation of a proposal or bid for that project during the term of this Agreement or afterwards. The Consulting Parties may, however, assist the City in reviewing the proposals or bids for the project if none of the Consulting Parties have a relationship with the persons or entities that submitted the proposals or bids for that project.

(c) Further, Consulting Parties must not assign any person having any conflicting interest to perform any

Services under this Agreement or have access to any confidential information, as described in Section 2.15 of this Agreement. If the City, by

the Commissioner in his reasonable judgment, determines that any of Consulting Parties' services for others conflict with the Services that Consulting Parties are to render for the City under this Agreement, Consulting Parties must terminate such other services immediately upon request of the City.

#### 6 Non-Liability of Public Officials

Licensee and any assignee or Sublicensee must not charge any official, employee or agent of the City personally with any liability or expenses of defense or hold any official, employee or agent of the City personally liable to them under any term or provision of this Agreement or because of the City's execution, attempted execution or any breach of this Agreement.

#### 7 EDS / Certification Regarding Suspension and Debarment

Licensee certifies, as further evidenced in the EDS attached as Exhibit 14, by its acceptance of this Agreement that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency. Licensee further agrees by executing this Agreement that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts and subcontracts. If Licensee or any lower tier participant is unable to certify to this statement, it must attach an explanation to the Agreement.

### ARTICLE 8. EVENTS OF DEFAULT, REMEDIES, TERMINATION, SUSPENSION AND RIGHT TO OFFSET

#### 8.1 Events of Default Defined

The following constitute events of default:

- a) Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Licensee to the City.
- b) Licensee's material failure to perform any of its obligations under this Agreement including the following:
  - 1) Failure to perform the Services with sufficient personnel and equipment or with sufficient material to ensure the timely performance of the Services;
  - 2) Failure to have and maintain all professional licenses required by law to perform the Services;
  - 3) Failure to timely perform the Services;

4) Failure to perform the Services in a manner reasonably satisfactory to the CFO or the Commissioner or inability to perform the Services satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors;

5) Discontinuance of the Services for reasons within Licensee's reasonable control;

6) Failure to comply with Section 6.1 in the performance of the Agreement;

7) Failure promptly to update EDS(s) furnished in connection with this Agreement when the information or responses contained in it or them is no longer complete or accurate;

8) Failure to comply with any other material term of this Agreement, including the provisions concerning insurance and nondiscrimination; and

9) Any other acts specifically stated in this Agreement as constituting an act of default.

c) Any change in ownership or control of Licensee without the prior written approval of the Commissioner and CFO (when such prior approval is permissible by law), which approval the Commissioner and CFO will not unreasonably withhold.

d) Licensee's default under any other agreement it may presently have or may enter into with the City for the duration of this Agreement. Licensee acknowledges that in the event of a default under this Agreement the City may also declare a default under any such other agreements.

e) Licensee's violation of City ordinance(s) unrelated to performance under the Agreement such that, in the opinion of the Commissioner and CFO, it indicates a willful or reckless disregard for City laws and regulations.

## 8.2 Remedies

(a) The occurrence of any event of default permits the City, at the City's sole option, to declare Licensee in default. The Commissioner and CFO must give Licensee a reasonable opportunity, in light of the particular default (e.g. failure to file financial statements, perform maintenance, etc.), to cure the default, but such period to cure shall be no less than ten (10) business days (the "Cure Period"), which Cure Period may be extended by the CFO and Commissioner. Whether to declare Licensee in default is within the sole discretion of the Commissioner and CFO. During the Initial Operating Period, if Licensee commits a particular <Type of default more than four times, no further

Cure Period will be available, and the Commissioner and CFO may issue a Default Notice at their discretion. In all remaining Operating Periods (including any extension of the Term pursuant to Section 3.3), if Licensee commits a particular type of default more than twice, no further Cure Period will be available, and the Commissioner and CFO may issue a Default Notice at their discretion.

The Commissioner and CFO will give Licensee written notice of the default, in the form of a cure notice ("Cure Notice"), unless such default is of a repeated nature as stated above. If no cure is effected within the cure period, the City

will issue a default notice ("Default Notice"). If the Commissioner and CFO give a Default Notice, such notice will also indicate any present intent to terminate this Agreement, and the decision to terminate is final and effective upon giving the notice. When a Default Notice with intent to terminate is given as provided in this Section 8.2 and Article 10, Licensee must discontinue any Services as reasonably practicable but no longer than 10 business days after receipt of the Default Notice ("Termination Grace Period"), unless otherwise directed in the Default Notice, and deliver all Revenue, Third Party Funding and materials accumulated in the performance of this Agreement, whether completed or in the process, to the City.

b) Exercise of Remedies. After giving a Default Notice, the City may invoke any or all of the following remedies:

- 1) The right to terminate this Agreement in whole or in part as to any or all of the Services yet to be performed effective at a time specified by the City;
- 2) The right of specific performance, an injunction or any other appropriate equitable remedy;
- 3) The right to money damages;
- 4) The right to withhold all or any part of Licensee's compensation under this Agreement;
- 5) The right to deem Licensee non-responsible in future contracts to be awarded by the City for a period of 3 years from the date of termination;
- 6) The right to declare default on any other contract or agreement Licensee may have with the City.

c) City's Reservation of Rights. If the Commissioner and CFO consider it to be in the City's best interests, they may elect not to declare default or to terminate this Agreement for a period of 60 days after knowledge of such default. The parties acknowledge that this provision is solely for the benefit of the City and that if the City permits Licensee to continue to provide the Services despite one or more events of default, Licensee is in no way relieved of any of its responsibilities, duties or obligations under this Agreement, nor does the City<sup>^</sup> waive or relinquish any of its rights.

(d) Non-Exclusivity of Remedies. The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy is cumulative and is in addition to any other remedies, existing now or later, at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any event of default impairs any such right or power, nor is it a waiver of any event of default nor acquiescence in it, and every such right and power may be exercised from time to time and as often as the City considers expedient.

### 8.3 Early Termination

a) In addition to termination under Sections 8.1 and 8.2 of this Agreement, the City may terminate this Agreement at any time by a notice in writing from the City to Licensee. The City will give notice to Licensee in accordance with the provisions of Article 10. The effective date of termination will be the date the notice is received by Licensee or the date stated in the notice, whichever is later. If the City elects to terminate this Agreement, all Services to be provided under it must cease and all materials that may have been accumulated in performing this Agreement, whether completed or in the process, must be delivered to the City effective 10 business days after the date the notice is considered received as provided under Article 10 of this Agreement (if no date is given) or upon the effective date stated in the notice. The Revenue Trust Account and Grant Funding Account(s) must be treated in accordance with Section 4.9(e).

b) After the notice is received, Licensee must restrict its activities, and those of its Sublicensees and Subcontractors, to winding down any reports, analyses, or other activities previously begun. No costs incurred after the effective date of the termination

will be reimbursed, which shall not be less than 10 business days after receipt of Notice of Termination. Payment for any Services actually and satisfactorily performed before the effective date of the termination is on the same basis as set forth in this Agreement, but if any compensation is described or provided for on the basis of a period longer than 10 business days, then the compensation must be prorated accordingly. No amount of compensation, however, is permitted for anticipated profits on unperformed Services. The City and Licensee must attempt to agree on the amount of compensation to be paid to Licensee, but if not agreed on, the dispute must be settled in accordance with Article 5 of this Agreement. The payment so made to Licensee is in full settlement for all Services satisfactorily performed under this Agreement. Any funds left in the Operating Account will become property of the City.

c) Licensee must include in its contracts with Sublicensees and Subcontractors an early termination provision in form and substance equivalent to this early termination provision to prevent claims against the City arising from termination of subcontracts after the early termination. Licensee will not be entitled to make any early termination claims against the City resulting from any Sublicensee's or Subcontractor's claims against Licensee or the City.

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(d) If the City's election to terminate this Agreement for default under Sections 8.1 and 8.2 is determined in a court of competent jurisdiction to have been wrongful, then in that case the termination is to be considered to be an early termination under this Section 8.3.

#### 4 Suspension

The City may at any time request that Licensee suspend its Services, or any part of them, by giving 30 days prior written notice to Licensee or upon informal oral, or even no notice, in the event of emergency. No costs incurred after the effective date of such suspension are allowed. Licensee must promptly resume its performance of the Services under the same terms and conditions as stated in this Agreement upon written notice by the Commissioner and CFO and such equitable extension of time as may be mutually agreed upon by the Commissioner and CFO and Licensee when necessary for continuation or completion of Services. Any additional costs or expenses actually incurred by Licensee as a result of recommencing the Services must be treated in accordance with the compensation provisions under this Agreement.

No suspension of this Agreement is permitted in the aggregate to exceed a period of 45 days within any one year of this Agreement. If the total number of days of suspension exceeds 45 days, Licensee by written notice to the City may treat the suspension as an early termination of this Agreement under Section 8.3.

#### 5 Right to Offset

(a) In connection with Licensee's performance under this Agreement, the City may offset any incremental costs and other damages the City incurs in any or all of the following circumstances:

- (1) if the City terminates this Agreement for default or any other reason resulting from Licensee's performance or non-performance;
- (2) if the City exercises any of its remedies under Section 8.2 of this Agreement;
- (3) if the City has any credits due or has made any overpayments under this Agreement.

The City may offset these incremental costs and other damages by use of any payment due for Services completed before the City terminated this Agreement or before the City exercised any remedies. If the amount

offset is insufficient to cover those incremental costs and other damages, Licensee is liable for and must promptly remit to the City the balance upon written demand for it. This right to offset is in addition to and not a limitation of any other remedies available to the City.

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b) As provided under Section 2-92-380 of the Municipal Code, the City may set off from Licensee's compensation under this Agreement an amount equal to the amount of the fines and penalties for each outstanding parking violation complaint and the amount of any debt owed by Licensee to the City as those italicized terms are defined in the Municipal Code.

c) In connection with any liquidated or unliquidated claims against Licensee, and without breaching this Agreement, the City may set off a portion of the price or compensation due under this Agreement in an amount equal to the amount of any liquidated or unliquidated claims that the City has against Licensee unrelated to this Agreement. When the City's claims against Licensee are finally adjudicated in a court of competent jurisdiction or otherwise resolved, the City will reimburse Licensee to the extent of the amount the City has offset against this Agreement inconsistently with such determination or resolution.

## **ARTICLE 9. GENERAL CONDITIONS 9.1 Entire Agreement**

### **a) General**

This Agreement, and the exhibits attached to it and incorporated in it, constitute the entire agreement between the parties and no other terms, conditions, warranties, inducements, considerations, promises or interpretations are implied or impressed upon this Agreement that are not addressed in this Agreement.

### **b) No Collateral Agreements**

Licensee acknowledges that, except only for those representations, statements or promises contained in this Agreement and any exhibits attached to it and incorporated by reference in it, no representation, statement or promise, oral or in writing, of any kind whatsoever, by the City, its officials, agents or employees, has induced Licensee to enter into this Agreement or has been relied upon by Licensee, including any with reference to: (i) the meaning, correctness, suitability or completeness of any provisions or requirements of this Agreement; (ii) the nature of the Services to be performed; (iii) the nature, quantity, quality or volume of any materials, equipment, labor and other facilities needed for the performance of this Agreement; (iv) the general conditions which may in any way affect this Agreement or its performance; (v) the compensation provisions of this Agreement; or (vi) any other matters, whether similar to or different from those referred to in (i) through (vi) immediately above, affecting or having any connection with this Agreement, its negotiation, any discussions of its performance or those employed or connected or concerned with it.

### **(c) No Omissions**

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Licensee acknowledges that Licensee was given ample opportunity and time and was requested by the City to review thoroughly all documents forming this Agreement before signing this Agreement in order that it might request inclusion in this Agreement of any statement, representation, promise or provision that it desired or on that it wished to place reliance. Licensee did so review those documents, and either every such statement, representation, promise or provision has been included in this Agreement or else, if omitted, Licensee relinquishes the benefit of any such omitted statement, representation, promise or provision and is willing to perform this Agreement in its entirety without claiming reliance on it or making any other claim on account of its omission.

## 2 Force Majeure.

Neither party shall be liable for, or deemed to be in breach of this Agreement because of, any failure or delay in performing its obligations under this Agreement, or for any loss or damage resulting therefrom, if such failure or delay is due to causes beyond a party's reasonable control including acts of God, fire, explosions, floods, acts of terrorism, acts of vandalism, riots, fires, and similar causes beyond such party's control. In the event of such failure or delay, the date of delivery or performance shall be extended for a period not to exceed the time lost by reason of the failure or delay; provided, however, that the party affected by such delay must use reasonable commercial efforts to mitigate or eliminate the cause of such delay or its effects and, if events in the nature of the force majeure event were foreseeable, used commercially reasonable efforts prior to its occurrence to anticipate and avoid its occurrence or effect. City shall have no obligation to make any payments to Licensee during the period of failure or delay. Each party shall notify the other in writing promptly of any failure or delay in, and the effect on, its performance. Notwithstanding the foregoing, Licensee shall not be excused from its performance hereunder in the event of a strike, walkout, work stoppage or other labor dispute affecting its personnel, those of City or those of a third party.

## 3 Counterparts

This Agreement is comprised of several identical counterparts, each to be fully signed by the parties and each to be considered an original having identical legal effect.

## 4 Amendments

Except as provided in Section 3.3 of this Agreement, no changes, amendments, modifications or discharge of this Agreement, or any part of it are valid unless in writing and signed by the authorized agent of Licensee and by the Commissioner or their respective successors and assigns. The City incurs no liability for Additional Services without a written amendment to this Agreement under this Section 9.3.

Whenever under this Agreement Licensee is required to obtain the City's prior written approval, the effect of any approval that may be granted pursuant to Licensee's request is prospective only from the later of the date approval was requested or the date on which the action for which the approval was sought is to begin. In no event is approval permitted to apply retroactively to a date before the approval was requested.

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## 5 Governing Law and Jurisdiction

This Agreement is governed as to performance and interpretation in accordance with the laws of the State of Illinois.

Licensee irrevocably submits itself to the original jurisdiction of those courts located within the County of Cook, State of Illinois, with regard to any controversy arising out of, relating to, or in any way concerning the execution or performance of this Agreement. Service of process on Licensee may be made, at the option of the City, either by registered or certified mail addressed to the applicable office as provided for in this Agreement, by registered or certified mail addressed to the office actually maintained by Licensee, or by personal delivery on any officer, director, or



managing or general agent of Licensee. If any action is brought by Licensee against the City concerning this Agreement, the action must be brought only in those courts located within the County of Cook, State of Illinois.

**6 Severability**

If any provision of this Agreement is held or deemed to be or is in fact invalid, illegal, inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions of this Agreement or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, those circumstances do not have the effect of rendering the provision in question invalid, illegal, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions in this Agreement invalid, illegal, inoperative or unenforceable to any extent whatsoever. The invalidity, illegality, inoperativeness or unenforceability of any one or more phrases, sentences, clauses or sections in this Agreement does not affect the remaining portions of this Agreement or any part of it.

**7 Assigns**

All of the terms and conditions of this Agreement are binding upon and inure to the benefit of the parties and their respective legal representatives, successors and assigns.

**8 Cooperation**

Licensee must make reasonable efforts at all times to cooperate fully with the City and act in the City's best interests. If this Agreement is terminated for cause as set forth in Section 8.1 and 8.2, or if it is to expire on its own terms, Licensee must make every effort to ensure an orderly transition to another provider of the Services, if any, orderly demobilization of its own operations in connection with the Services, uninterrupted provision of Services during any transition period and must otherwise comply with the reasonable requests and requirements of the Department in connection with the termination or expiration.

**9.9 Waiver**

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Nothing in this Agreement authorizes the waiver of a requirement or condition contrary to law or ordinance or that would result in or promote the violation of any federal, state or local law or ordinance.

Whenever under this Agreement the City by a proper authority waives Licensee's performance in any respect or waives a requirement or condition to either the City's or Licensee's performance, the waiver so granted, whether express or implied, only applies to the particular instance and is not a waiver forever or for subsequent instances of the performance, requirement or condition. No such waiver is a modification of this Agreement regardless of the number of times the City may have waived the performance, requirement or condition. Such waivers must be provided to Licensee in writing.

**9.10 Independent Contractor**

a) This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, corporation or other formal business association or organization of any kind between Licensee and the City. The rights and the obligations of the parties are only those set forth in this Agreement. Licensee must perform under this Agreement as an independent contractor and not as a representative, employee, agent, or partner of the City.

b) This Agreement is between the City and an independent contractor and, if Licensee is an individual, nothing provided for under this Agreement constitutes or implies an employer-employee relationship such that:

1) The City will not be liable under or by reason of this Agreement for the payment of any compensation award or damages in connection with the Licensee performing the Services required under this Agreement.

2) Licensee is not entitled to membership in any City Pension Fund, Group Medical Insurance Program, Group Dental Program, Group Vision Care, Group Life Insurance Program, Deferred Income Program, vacation, sick leave, extended sick leave, or any other benefits ordinarily provided to individuals employed and paid through the regular payrolls of the City.

3) The City is not required to deduct or withhold any taxes, FICA or other deductions from any compensation provided to Licensee.

9.11 2011 City Hiring Plan Prohibitions.

*(a) The City is subject to the June 24, 2011 "City of Chicago Hiring Plan"*

*(the "2011 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 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.*

*a c*

b) Licensee is aware that City policy prohibits City employees from directing any individual to apply for a position with Licensee, either as an employee or as a sublicensee, and from directing Licensee to hire an individual as an employee or as a sublicensee. Accordingly, Licensee must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Licensee under this Agreement are employees or Sublicensees, not employees of the City of Chicago. This Agreement 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 Licensee.

c) Licensee will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, 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 Agreement, 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.

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

ARTICLE 10. NOTICES

Notices provided for in this Agreement, unless provided for otherwise in this Agreement, must be given in writing and may be delivered personally or by placing in the United States mail, first class and certified, return receipt requested, with postage prepaid and addressed as follows:

If to the City:

Department of Finance 7<sup>th</sup> Floor  
121 NLaSalle Street Chicago, Illinois 60602 Attention:  
CFO  
and

Department of Transportation Suite 1100,  
30 North LaSalle Street Chicago, Illinois 60602  
Attention: Commissioner

With Copies to: Department of Law Room 600, City Hall 121 North LaSalle  
Street Chicago, Illinois 60602 Attention: Corporation  
Counsel

If to Licensee: Latent Design Corporation  
900 N. Ashland Chicago, Illinois 60622 Attention:  
Katherine Damstadt

With Copies to: Pokomy & Marks, LLC  
6 West Hubbard Street, Suite 700  
Chicago, IL 60654  
Attention: Jonathan D. Rosen, Esq.

Changes in these addresses must be in writing and delivered in accordance with the provisions of this Article 10. Notices delivered by mail are considered received three days after mailing in accordance with this Article 10. Notices delivered personally are considered effective upon receipt. Refusal to accept delivery has the same effect as receipt.

**ARTICLE 11. AUTHORITY**

Execution of this Agreement by Licensee is authorized by a resolution of its Board of Directors, if a corporation, or similar governing document, and the signature(s) of each person signing on behalf of Licensee have been made with complete and full authority to commit Licensee to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained in it, including the representations, certifications and warranties collectively incorporated by reference in it.

*[Signature rages. Exhibits and Schedules follow.]*

SIGNATURE PAGE(S) SIGNED at Chicago, Illinois:

Recommended By:

Commissioner

Chief Financial Officer

LICENSEE<sup>1</sup>

By:

Its:

Attest:

State of County of

This instrument was acknowledged before me on (date) by (name/s of person/s) as (type of authority, e.g., officer, trustee, etc.) of (name of party on behalf of whom instrument was executed).

(Signature of Notary Public)

EXHIBIT 1

PEOPLE PLAZAS BY PLANNING DISTRICT

# EXHIBIT 1 - PEOPLE PLAZAS MAP

EXHIBIT 2 YEAR ONE PEOPLE PLAZAS

Exhibit 2 First Year People Plazas

The following are People Plazas that may receive Activation and Maintenance services in Year One.

#	PLAZA NAME	PLANNING DISTRICT	WARD
3	Nelson Algren Memorial	II	2

19	Jackson - Homan - Fifth	II	28
32	61 <sup>st</sup> - Dorchester	V	20
35	Firefighters Memorial	1	35
36	Englewood Plaza	IV	16
37	Clark - 18th	III	25
47	Woodard Triangle	1	35
48	Racine Plaza	1	46
51	Belle Plaine - Damen	1	47
52	Roseland Plaza	V	9

The following are alternate People Plazas that may receive Activation and Maintenance services in Year One.

<i>U</i>	<b>PLAZA NAME</b>	<b>PLANNING DISTRICT</b>	<b>WARD</b>
3	Nelson Algren Memorial	II	2
6	Wentworth Plaza	III	25
8	Mautene Court	II	1
19	Jackson - Homan - Fifth	II	28
32	61 <sup>st</sup> - Dorchester	V	20
36	Englewood Plaza	IV	16
37	Clark - 18th	III	25
42	Ogden Mall	1	43
47	Woodard Triangle	1	35
51	Belle Plaine - Damen	1	47

EXHIBIT 3

REQUIREMENTS FOR COMMUNITY ENGAGEMENT PLAN

Exhibit 3 Community Engagement Plan

The Community Engagement Plan must list all the plazas to be activated in a given operating year and provide information relevant to the program as a whole and for each individual plaza. The Plan should be organized around Spring, Summer, Fall and Winter quarters and relate the Activation Plan, Maintenance Plan and Performance Evaluation and Criteria.

Identification of Community Partners - phase I Submit Prior to Community Engagement

- Identify Plaza
- Identify Ward and Alderman
- Identify potential Community Partners
- Identify Community Area(s)
- Provide information on how Plaza is currently being used; are there existing or proposed activities by the community

Community Engagement Strategies - phase II Submit Prior to Community Engagement

- Provide a Plan for how Community partners will be contacted and engaged:
- o Prior to Licensee's submittal of the required Activation PI3n,
  - o During the implementation of Activation Services, and
  - o For the evaluation and monitoring of Services The Plan should clearly identify
  - o Who will be engaged

- o Type of engagement(s)
- o Over what period of time the engagement process will occur
- o No. of engagements
- o Proposed schedule
- o How will partnerships be developed
- o How community capacity will be increased through the engagement plan o A publically available and easily accessible means for public input and comment on the services provided.
- o Outline and an implementation strategy to receive feedback from the engaged community groups about their perceptions of the Services provided and suggestions for future services and improvements, o Specific metrics such as economic or transportation related statistics including but not limited to pedestrian counts, bicycle counts, sales tax data, number of participants in activation services, etc. o Any partners providing engagement, monitoring or evaluation services and the roles and responsibilities.

Proof of Engagement - phase III

Submit After Initial Community Engagement and in conjunction with proposed Activation Plan Provide the following with all CEPs

- o Meeting Minutes for all Community Partners meetings o Sign In sheets for all Community Partner meetings o Comprehensive list of all community partners contacted
  - o Presentations shown at Community Partner meetings
  - o Letters and or email correspondence demonstrating support for the Activation o If Special Event provide Aldermanic Support Letter
  - o Comments or feedback received from any surveys or methods used to solicit community impute.
- Existing or proposed community activities and if so what are they and how will Activation Services compliment them Existing or proposed private activities, such as private cafes, and if so what are they and how will ' Activation Services compliment them Provide feedback received from Community Engagement, including but not limited to:
- o What are the recommendations of the Community • o What are the specific needs of the Community o Level of commitment by Community Partners o Potential Roles of Community Partners
  - o Any significant issues or concerns raised by the community and how were they resolved Provide results of Site Assessment
  - o Opportunities o Constraints
  - o Enhancements Needed or requested Based on the Community engagement, provide brief recommendation of type of Activation Services appropriate and desired for each Plaza.

Assessment of Engagement - phase IV Submit at end of operating year

- A report:
  - o Summarizing the community engagement as outlined above
  - o Results of the evaluation and monitoring
  - o Any appropriate analysis of evaluation and monitoring results
  - o Methods used
  - o Lessons learned

Monthly summaries and Quarterly Reports  
On-going

Provide a status of community engagement plan, implementation, evaluation and monitoring for the required reporting period.

EXHIBIT 4 REQUIREMENTS OF ACTIVATION PLAN

Exhibit 4 Activation Plan

The Activation Plan must list all the plazas to be activated in a given operating year and provide information relevant to the program as a whole and for each individual plaza. The Plan should be organized around Spring, Summer, Fall and Winter quarters and relate the Community Engagement Plan, Maintenance Plan and Performance Evaluation and Criteria.

**The Activation Plan must be submitted in conjunction with Proof of Engagement report as outlined in the Community Engagement Plan requirements outlined in Exhibit 3. Updates to the Activation Plan must be provided in the monthly and quarterly reports and quarterly reports must clearly indicate the total number of Installations, Upgrades and Programmed Events for the quarter.**

### Individual Plaza Activation Plan Requirements

Provide People Plaza Location

List Community Partner(s) (neighbor, Community Group, Local Merchant, etc.) that will be actively involved in the Activation and their roles

Describe the Activation

- o Type of Activation - Installation, Programmed Event, Upgrade
- o Describe how Activation will be implemented
  - Team implementing the event (Licensee, sublicensee, community partners, performer, vendor, etc.)
  - Sublicensee short or long - TVS
- o Describe how the Activation will be maintained and by whom. Address any security requirements.
- o Proposed or existing
- o Active or Passive
- o Frequency
- o Date and time
- o Budget
- o Sponsorships
- o Implementation schedule Does Activation require repairs or improvements
- o Description of repair or improvement
- o Describe work to be performed and by whom
- o Reason for repair or improvement
- o Cost and source of funds What are the goals of the Activation and how do they reflect the input received from Community

Engagement

Provide any relevant design plans, photographs, renderings, specifications or cut-sheets for approval

Demonstrate how the results and feedback from the community meetings have influenced the design of the project

How are community recommendations addressed How are the needs of the Community

addressed Placemaking best practices used

How does this Activation meet the terms of the agreement o Season(s) to be implemented

- o Frequency of Installation
- o Type of Upgrade and duration
- o Number of Programmed Events

### Program Wide Reporting Requirements

Types and methods of promotion being provided for the activation(s) Explain how activation plan supports local economic development, give plaza specific examples Explain how plan helps create walkable and healthy communities, give plaza specific examples Explain how plan cultivates culture, give plaza specific examples

### Monitoring and Evaluation

In coordination with Community Engagement Plan and Performance Evaluation and Criteria develop and implement surveys or other methods to measure attendance at, and satisfaction with Activations. A report:

- o Summarizing the activation services as outlined above

- o Results of the evaluation and monitoring
- o Any appropriate analysis of evaluation and monitoring results
- o Methods used
- o Lessons learned

## EXHIBIT 5 TEMPORARY VENDOR STRUCTURES

### Exhibit 5

#### Temporary Vendor Structure Scope

Requirements for the construction, installation, and removal of Temporary Vendor Structures

Design of and Placement of any Temporary Vendor Structure is subject to approval of the City Project Manager.

#### Characteristics

Any vendor structures placed in the public right-of-way must be designed to be temporary and portable (Temporary Vendor Structures or TVS) and must not exceed four hundred (400) SF, fifteen (15) feet in building height and one (1) story. TVSs must be constructed of light-frame construction, provide ADA accessibility and proper ingress and egress and will be subject to the Department of Buildings review and approval. In addition, TVS building systems should be self-contained and not require sewer or plumbing service connections to the City's systems. Electrical service connections may be allowed when metered to an account held by the Licensee. The TVS must be temporarily affixed to the plaza in a manner approved by the City and/or heavy enough to prevent it from being displaced. Plans and specifications for each Temporary Vendor Structure, signed by a Illinois licensed architect or structural engineer, shall be kept on file with the City.

#### Removal

At City's discretion, the Licensee shall remove the Temporary Vendor Structures owned by the City at the end of the contract services; structures owned by Licensee must be removed as soon as practicable. Any damage to the People Plaza due to the installation and operation of any temporary vendor structure shall be repaired by the licensee within two weeks of the removal of the structure unless otherwise agreed to by the City.

#### Permits

Licensee must secure a Special Event Permit from the Department of Cultural Affairs and Special Events for the installation of a Temporary Vendor Structure. Licensee or their respective contractor must secure a Permit from CDOT to Do Work in the Public Way for the construction/installation of a Temporary Vendor Structure.

#### Maintenance

Temporary Vendor Structures shall be kept in a state of good repair and inspected by an Illinois licensed structural engineer or licensed architect at least once a year. The City will be provided with a copy of this inspection and the licensee must address any identified deficiencies within two weeks of the inspection unless otherwise agreed upon by the City. The structure should be able to be well secured when not in use to ensure against vandalism and theft. The outside of the structure should be kept free of graffiti and attractive. The inside should be lit; have proper ventilation and appropriate temperature control; kept free of debris, hazards, and insects; accessible ingress and egress paths should be maintained; trash must be removed daily; and a fire extinguisher should be operational and present at

all times. The Temporary Vendor Structure cannot be used for storage, other than the nightly storage of outdoor elements such as chairs, etc. The area around the Temporary Vendor Structure must be kept clear of trash and debris. A secure garbage can, accessible to the public, must be provided either within the TVS or within 15' of the facility and regularly emptied to maintain a clear and attractive environment. Licensee will also be required to follow any maintenance rules outlines in the DCASE Special Events rules, regulations, guidelines or standards that apply.

## EXHIBIT 6



PERFORMANCE EVALUATION AND CRITERIA

EXHIBIT 7

MAINTENANCE SCOPE AND STANDARDS

**MAINTENANCE** **SERVICES** **ON**  
**ACTIVATED PLAZAS**

A. Definitions

"Full Maintenance Period" means the period beginning after the end of the Initial Maintenance Period.

"Initial Maintenance Period" means the 24-month period after the Effective Date.

"Monthly Maintenance" shall have the meaning ascribed to it in Section B.1).

"Minimum Maintenance" shall have the meaning ascribed to it in Section B.1) (i) or (ii).

"Regular Visit" means a Minimum Maintenance Visit to a given Activated Plaza during a given month for the performance of the maintenance activities described in Section C below.

"Snow Removal" means the clearing of all snow and ice from Activated Plazas, as well as use of ice remediation substances(e.g. salt), subject to the approval of the City Project Manager.

"Supplemental Maintenance" means any of the following: (i) an additional Regular Visit (i.e., one not specified in Section B.1(i) or (ii) below), or (ii) other specific maintenance activities as directed by the City Project Manager, including but not limited to, power washing, mulching, Snow Removal, lock-up or removal of physical structures, addition of temporary garbage collection equipment or trash removal.

B. Requirements

1) Maintenance Generally. Subject to the approved Maintenance Plan, the City requires that Activated Plazas, at a minimum, receive the following maintenance services: (i) from October 1 through April 30, one (1) Regular Visit per month; (ii) from May 1 through September 30, weekly Regular Visits ("Minimum Maintenance"). As directed by the City Project Manager, Supplemental Maintenance may also be required (together with Minimum Maintenance, "Monthly Maintenance").

2) Initial Maintenance Period. During the Initial Maintenance Period, both the City and Licensee will perform Monthly Maintenance services on Activated Plazas. Where necessary, the Parties will coordinate the scheduling of their respective obligations.

(a) City Requirements. During the Initial Maintenance Period, the City must perform the following on Activated Plazas: (i) in March, April, and October: one (1) Regular Visit each month; (ii) from May through September, two (2) weekly Regular Visits each month.

(b) Licensee Requirements. During the Initial Maintenance Period, the Licensee must, at a minimum, perform the following maintenance services on Activated Plazas: (i) from November through February, one (1) Regular Visit per month; (ii) from May through September, two (2) weekly Regular Visits per month. Licensee may also be required to perform Supplemental Maintenance on any Activated Plaza. Such Supplemental Maintenance must be performed as needed in order to prepare and maintain each Activated Plaza before and during any Activation, including a Programmed Event, Upgrade,

and each instance of an Installation. After consultation with Licensee, the City reserves the right to reasonably modify the appropriate level of Monthly Maintenance and frequency of Visits required for proper maintenance of the Activated Plazas. The Licensee must submit a yearly Maintenance Plan, including method(s) of reporting and monitoring, for approval by the City which will be reviewed quarterly to review performance of and the possible change in required maintenance.

3) Full Maintenance Period. During the Full Maintenance Period, License must perform Monthly Maintenance on all Activated Plazas without any support from City or its contractors.

### **C. Monthly Maintenance Schedule**

- **January Monthly Maintenance**

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Check for and remove any debris caught in trees and shrubs. Check all hardscape components for vehicle damage/graffiti and report accordingly. Perform Snow Removal as required hereunder. Check and maintain all winter coverings, including evergreen boughs, as required. Maintain all lighting in operating order, including all seasonal lighting. Repair hardscape element as directed by the Commissioner. Prune any damaged tree branches as needed.

- **February Monthly Maintenance**

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Subcontractor is required to haul away all litter. Facility dumpster, waste containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner. Check for and remove any debris caught in trees and shrubs. Check all hardscape components for vehicle damage/graffiti and report accordingly. Perform Snow Removal as required hereunder. Check and maintain all winter coverings, including evergreen boughs, as required. Repair hardscape elements as directed by the Commissioner. Prune any damage tree branches as needed.

- **March Monthly Maintenance**

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Subcontractor is required to haul away all litter. Facility dumpster, waste

containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner. Perform Snow Removal as required hereunder. Check for and remove any debris caught in trees and shrubs. Check all hardscape components for vehicle damage/graffiti and report accordingly. Any required landscape maintenance work will be performed at the same time. Remove all winter coverings, as required by the Commissioner. Check perennial plantings and reset those plants that have been heaved from the ground due to frost. Inspect all trees and shrubs (including roses) to determine pruning needs and complete this work prior to the bud break. Schedule pruning with the Commissioner. Sow annual seeds as directed by the Commissioner. Syringe all landscaped areas and take soil samples for testing as directed by the Commissioner. Submit soil test results and fertilization programs for all landscape and turf areas for review and approval by the Commissioner. Straighten and guy any trees that have shifted over the Winter. All guying methods must first be approved by the Commissioner. Mulch planting areas as directed by the Commissioner. Repair hardscaping areas as directed by the Commissioner.

- **April Monthly Maintenance**

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Check for and remove any debris caught in trees and shrubs. Subcontractor is required to haul away all litter. Facility dumpster, waste containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner. Perform Snow Removal as required hereunder. Check all hardscape components for vehicle damage/graffiti and report accordingly. Any required

landscape maintenance work will be performed at the same time. The Subcontractor must monitor each People Plaza and report maintenance needs. Fertilize all landscape and turf areas based on soil test information and recommendations as approved by the Commissioner. Amend soils as recommended by soil testing lab and approved by the Commissioner. Perform spring bed clean-up in all locations prior to any required divisions of perennials. Trim back all perennials not previously cut back. Complete this service prior to month's end. Monitor soil moisture condition. Water semi-irrigated and non-irrigated landscapes as required. Begin installing spring plant material as directed by the Commissioner. Mulch planting areas as directed by the Commissioner. Begin monitoring for pest and disease problems. Report any problems to the Commissioner, identifying the problem as well as the method and timing of the Infested Pest Management (IPM) control proposed. Begin mowing lawn as required. Monitor all planting beds for weedy conditions and take appropriate measures to maintain all plantings in a weed-free condition.

- May Monthly Maintenance

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along the carriage walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Check for and remove any debris caught in trees and shrubs. Subcontractor is required to haul away all litter. Facility dumpster, waste containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner. Perform Snow Removal as required hereunder. All landscape maintenance work will be performed at the same time. Check all hardscape components for vehicle damage/graffiti and report accordingly. The Subcontractor must monitor each People Plaza and report maintenance needs. Complete transplanting and division of summer and fall blooming perennials as directed

by the Commissioner. Continue monitoring soil moisture conditions. Continue planting of spring plant material as directed by the Commissioner. Mulch all newly-installed planting within twenty-four (24) hours of installations. Complete the installation of all annuals by May 31<sup>st</sup> of the current year. Adjust irrigation controllers as required. Water semi-irrigated and non-irrigated landscapes as required. Remove twenty-five percent (25%) of the green foliage from spring blooming bulbs as directed by the Commissioner. Remove spent flowers and dried foliage from spring blooming bulbs. Transplant Spring blooming bulb as directed by the Commissioner. Continue monitoring for pest and disease problems. Report any problems to the Commissioner, identifying the problem as well as the method and timing of the Infested Pest Management (IPM) control proposed. Begin mowing lawn as determined by the Commissioner. Monitor all planting beds for weedy conditions and take appropriate measures to maintain all plantings in a weed-free condition. Continue mowing lawn area once (1) per week or as directed by the Commissioner. Mow and edge all turf areas. The Commissioner may direct the Subcontractor to discontinue mowing during periods of limited growth. Weed all planting beds, turf areas, sidewalks, parking lots, fence lines, tree pits and all other areas within the boundaries of the respective People Plaza in accordance with the requirements specified in the Detailed Description of Maintenance Activities. Monitor all planting beds for weedy conditions and take appropriate measures to maintain all plantings in a weed-free condition.

- June Monthly Maintenance

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along the carriage walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Check for and remove any debris caught in trees and shrubs. Subcontractor is required to haul away all litter. Facility dumpster, waste containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner. Perform Snow Removal as required hereunder. All landscape maintenance work will be performed at the same time. Check all hardscape components for vehicle damage/graffiti and report accordingly. The Subcontractor must monitor each People Plaza and report maintenance needs. Water semi-irrigated and non-irrigated landscapes as required. Complete installation of spring plant material as directed by the Commissioner. Monitor newly-installed plantings for watering requirements. Mulch planting areas as directed by the Commissioner and water within two (2) hours of installation. Continue removing spent flowers and dried foliage from spring blooming bulbs. Begin any required dead-heading, dead-leaving, pruning, and pinching of perennials and annuals. Cut back selection of perennials at the direction of the Commissioner to extend blooming periods. Monitor all lawn areas and planting beds for weedy conditions and take appropriate measures to maintain all plantings in a weed-free condition. Monitor all landscape areas for pest and disease problems. Report any

problems to the Commissioner, identifying the problem as well as the method and timing of the Infested Pest Management (IPM) control proposed. Continue mowing lawn area once (1) per week or as directed by the Commissioner. The Commissioner may direct the Subcontractor to discontinue mowing during periods of limited growth. Mulch areas as directed by the Commissioner. Prune all shrubs and hedges (Follow blooming period if appropriate)

- **July Monthly Maintenance**

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along the carriage walks & curbs. This will include the sweeping of all

walkways, curbs and plazas as required. Check for and remove any debris caught in trees and shrubs. Subcontractor is required to haul away all litter. Facility dumpster, waste containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner. Perform Snow Removal as required hereunder. All landscape maintenance work will be performed at the same time. Check all hardscape components for vehicle damage/graffiti and report accordingly. The Subcontractor must monitor each People Plaza and report maintenance needs. Water semi-irrigated and non-irrigated landscapes as required. Continue to monitor plants installed this season for watering needs. Begin any required dead-heading, dead-leafing, pruning, and pinching of perennials and annuals. Cut back selection of perennials at the direction of the Commissioner to extend blooming periods. Monitor all lawn areas and planting beds for weedy conditions and take appropriate measures to maintain all plantings in a weed free condition. Monitor mulch depths and adjust per direction of the Commissioner, especially around roses. Report any problems to the Commissioner, identifying the problem as well as the method and timing of the Infested Pest Management (IPM) control proposed. Continue mowing lawn area once (1) per week or as directed by the Commissioner. The Commissioner may direct the Subcontractor to discontinue mowing during periods of limited growth. Mulch areas as directed by the Commissioner.

- **August Monthly Maintenance**

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along the carriage walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Check for and remove any debris caught in trees and shrubs. Subcontractor is required to haul away all litter. Facility dumpster, waste containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner. Perform Snow Removal as required hereunder. All landscape maintenance work will be performed at the same time. Check all hardscape components for vehicle damage/graffiti and report accordingly. The Subcontractor must monitor each People Plaza and report maintenance needs. Water semi-irrigated and non-irrigated landscapes as required. Continue to monitor plants installed this season for watering needs. Begin any required dead-heading, dead-leafing, pruning, and pinching of perennials and annuals. Cut back selection of perennials at the direction of the Commissioner to extend blooming periods. Monitor all lawn areas and planting beds for weedy conditions and take appropriate measures to maintain all plantings in a weed-free condition. Monitor mulch depths and adjust per direction of the Commissioner, especially around roses. Order Spring blooming bulb for fall installation per the direction of the Commissioner. Report any problems to the Commissioner, identifying the problem as well as the method and timing of the Infested Pest Management (IPM) control proposed. Continue mowing lawn area once (1) per week or as directed by the Commissioner. The Commissioner may direct the Subcontractor to discontinue mowing during periods of limited growth. Mulch areas as directed by the Commissioner.

- **September Monthly Maintenance**

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along the carriage walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Check for and remove any debris caught in trees and shrubs. Subcontractor is required to haul away all litter. Facility dumpster, waste containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner.

Perform Snow Removal as required hereunder. All landscape maintenance work will be performed at the same time.

Check all hardscape components for vehicle damage/graffiti and report accordingly. The Subcontractor must monitor each People Plaza and report maintenance needs. Water semi-irrigated and non-irrigated landscapes as required. Continue to monitor plants installed this season for watering requirements. Continue any required double-heading, double-leafing, pruning, and pinching of perennials and annuals. Monitor all planting beds for weedy conditions and take appropriate measures to maintain all plantings in a weed-free condition. Continue to monitor mulch depths and adjust per direction of the Commissioner. Survey all planting areas specified and note any dead, damaged or missing plants and begin installing new plant material per direction from the Commissioner. Mulch all other planting areas as directed by the Commissioner. Fertilize all lawn areas soil test recommendations and approval by the Commissioner. Divide Spring and Summer perennials per direction of the Commissioner. Prune shrubs and hedges for the last time this month per the direction of the Commissioner. Report any problems to the Commissioner, identifying the problem as well as the method and timing of the Infested Pest Management (IPM) control proposed. Continue mowing lawn area once (1) per week or as directed by the Commissioner. The Commissioner may direct the Subcontractor to discontinue mowing during periods of limited growth.

- October Monthly Maintenance

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along the carriage walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Check for and remove any debris caught in trees and shrubs. Subcontractor is required to haul away all litter. Facility dumpster, waste containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner. Perform Snow Removal as required hereunder.. All landscape maintenance work will be performed at the same time. Check all hardscape components for vehicle damage/graffiti and report accordingly. The Subcontractor must monitor each People Plaza and report maintenance needs. Water semi-irrigated and non-irrigated landscapes as required. Begin Fall clean-up of planting beds. Perennials will not be cut back until plants go dormant. Annuals may be removed at this time. Monitor all planting beds for weedy conditions and take appropriate measures to maintain all plantings in a weed-free condition. Continue to monitor mulch depths and adjust per direction of the Commissioner. Complete installation of new plant material by the middle of this month. Begin installing Spring blooming bulbs. Report any problems to the Commissioner, identifying the problem as well as the method and timing of the Infested Pest Management (IPM) control proposed. Apply gypsum to all landscape areas as directed by the Commissioner. Continue mowing lawn areas as determined by the Commissioner. The Commissioner may direct the Subcontractor to discontinue mowing during periods of limited growth. Mulch areas as directed by the Commissioner.

- November Monthly Maintenance

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along the carriage walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Check for and remove any debris caught in trees and shrubs. Subcontractor is required to haul away all litter. Facility dumpster, waste containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner. All landscape maintenance work will be performed at the same time. Check all hardscape

components for vehicle damage/graffiti and report accordingly. The Subcontractor must monitor each People Plaza and report maintenance needs. Report any problems to the Commissioner, identifying the problem as well as the method and timing of the Infested Pest Management (IPM) control proposed. Finish gypsum application by the middle of the month. Complete all planting of the spring blooming bulb by the middle of this month. Begin performing any necessary tree-pruning maintenance once the trees are dormant. Only damaged and diseased branching will be "pruned at this time. Any pruning will require prior approval from the Commissioner. Complete the fall bed clean-up this month. Perennial foliage will not be cut back until the plants go dormant. Perform Snow Removal as required hereunder. Mulch areas as directed by the Commissioner. Check and maintain all winter coverings as required.

- December Monthly Maintenance

Check each Activated People Plaza and remove any litter found within the pre-determined landscape areas and along the carriage walks & curbs. This will include the sweeping of all walkways, curbs and plazas as required. Check for and remove any debris caught

in trees and shrubs. Subcontractor is required to haul away all litter. Facility dumpster, waste containers or garbage carts are not to be used for this purpose, unless authorized by the Commissioner. Check all hardscape components for vehicle damage/graffiti and report accordingly. Discontinue trash collection at the Commissioner's direction during times of excessive snow fall. Perform Snow Removal as required hereunder. Check and maintain all winter coverings, including evergreen boughs, as required. Repair hardscape element as directed by the Commissioner.

D. Detailed Description of Maintenance Activities

- Mechanical Weed Control (Weeding)

Control weeds mechanically at all landscaped and hardscaped areas by pulling entire plant and root. Disturbed areas will be raked and mulch adjusted. Remove weeds as often as needed from the People Plaza, including all landscaped and hardscaped areas, R.P.Z. cages, around irrigation boxes, fire hydrants, light poles, traffic controllers, along curb lines (Curb line width will be defined as inside of the curb where the curb meets the road surface), carriage walks, traffic dividers, and drain holes. Remove weeds in concrete seams, cracks, or in and around all hardscape elements. No roto-tillers will be used in any landscaped bed. All weeds will be removed and legally disposed of offsite.

- Chemical Weed Control

Chemical weed control will not be used without written approval of the City Project Manager. Planting beds and turf areas may require the use of pre-emergent and post-emergent herbicide. Broadleaf and turf weed control method must be of the Granular-selective type. The use of Round-Up and Round-up type products followed by weed whipping around non-landscape elements may be allowed. All weeds will be removed and legally disposed of offsite.

- Litter Removal

Remove litter and other debris, including cigarette butts, plastic bags, and paper from all predetermined areas including but not limited to plaza, walks, curb lines, plants, shrubs, and trees. Collect and remove all trash. All drain inlets and weep holes will be kept clean and draining freely. All weep holes will be inspected once (1) a month beginning with the Effective Date. Any problems are to be reported to the Commissioner immediately. All concrete surfaces will be kept free of litter, debris, and glass. No debris will be left overnight, on weekends, or during holidays. Any damage to the hardscape, including auto accidents and graffiti will be reported to the Commissioner immediately. Any required clean-up associated with damage to the hardscape, including the clean-up of debris from auto accidents, will be considered incidental to the contract. The Subcontractor will inform the Commissioner of any rodent activity observed. The Subcontractor will instruct his/her staff not to disturb any bait placed within landscape area for rodent control. Furthermore, any dead rodent will be removed by the Subcontractor. Objects too large to remove by hand will be removed by the Subcontractor using equipment approved by the Commissioner. All equipment, labor and material necessary to remove large objects will be considered incidental to this item.

All collected litter and trash will be carted away from the site in a safe, clean and efficient manner by the Subcontractor. Any recyclable material will recycle through Subcontractor's waste hauler or any other method approved by the Commissioner.

During periods of excessive snowfall the Commissioner reserves the right to discontinue litter removal services in one (1) or more locations and to continue with this service when snow clears.

Any lane closures required to perform this work will be done in accordance with Section 701 of the Standard Specifications for Road and Bridge Construction by Illinois Department of Transportation. Traffic and Pedestrian Control and Protection will not be paid for separately but will be considered incidental to this Contract. Arrow boards and safety

cones will be used whenever a crew is working in or around a People Plaza regardless of the type work being performed. Failure to utilize these requirements MAY result in liquidated damages in the amount of \$500.00 per occurrence.

- **Transplanting**

Transplanting/dividing of perennials and bulbs will be considered incidental to this contract. The transplanting of shrubs in order to space for new plant material will be considered incidental. The Subcontractor may be required to relocate plant material from one location to another within a reasonable distance.

- **Period of Establishment**

All new plantings must undergo a 30-day period of establishment. Supplemental watering will be performed at least once every seven (7) days for four (4) weeks following installation or as required. Water will be applied at a rate of two (2) gallons per sq. ft. Should excess moisture prevail, the City Project Manager may delete any or all of the additional watering cycles. In severe weather, the City Project Manager may require additional watering.

At the end of the period establishment, the Subcontractor will replace any unacceptable plants. Mulch plantings within twenty-four (24) hours and water within two (2) hours of installation.

- **Flower and Foliage Care**

The objective is to have all plants performing in peak conditions, and to have a pleasing and orderly appearance.

- **Bulbs**

Remove 1/3 of Spring flowering bulb foliage after blooms have finished or as directed by the Commissioner. Transplant bulbs in the Spring at the direction of the Commissioner.

- **Annuals**

Deadhead, deadleaf, stake and pinch back plants as needed, or as directed by the Commissioner. Fertilize annuals once a month with a liquid fertilizer mixture, as recommend by the manufacture or as directed by the Commissioner. Apply a Bio-stimulant approved by the Commissioner twice (2) per season as recommended by the manufacturer. Do not seed heads to form unless directed or for winter interest or for reseeding. Mulch all annuals once they reach sufficient size with pine bark fines, or at the direction of the Commissioner..

- **Perennials**

Routinely groom plants, deadhead spent flowers and remove browned leaves. Pinch back and stake plants as needed or directed by the Commissioner. Do not seed heads to form unless directed or for winter interest. Divide perennials and transplant at the direction of Commissioner. Apply a bio-stimulant approved by the Commissioner twice (2) per season as recommended by the manufacturer.

- **Shrubs and Trees**

Routinely remove fallen or discolored leaves from shrubs and pick up twigs, branches and debris. Inspect and trim trees and shrub per schedule incorporated within this specification unless otherwise directed by the Commissioner. Remove all dead, diseased, or crossed branches from trees and prune shrubs at the appropriate time so as not to interfere with blooming periods of the current season and subsequent seasons. Root water all trees and shrubs as required by weather conditions, inspect trees and shrubs at every Regular Visit.

Trees and shrubs requiring straightening and staking from grown characteristics, will be straightened as directed by the Commissioner. The method of staking and or guying will be approved prior to installation by the Commissioner. Installation will be as recommended by the manufacturer. The cost of straightening, staking and guying will be incidental this contract. Trees which require to be straightened as a result of major storm damage will require response by Subcontractor within twenty-four (24) hours of such occurrence.

- Soil Moisture Monitoring of Landscaped Areas

The Subcontractor is responsible for monitoring moisture in all work sites in order to adjust for irrigation and hand-watering. These beds include irrigated and non-irrigated landscape areas. The Subcontractor will be responsible for the adjustment of all irrigation controllers, as well as the scheduling of all other watering. Any supplemental watering required in irrigated areas due to poor coverage will be considered incidental to landscape maintenance.

Using a probe or moisture meter, monitor the plant root balls and surrounding soils of each work site to assure consistent adequate moisture content in each median planter. Pay special attention to insure annuals have adequate moisture.

The Subcontractor will immediately notify the Commissioner, of excessive moisture or drought conditions. Any supplemental watering required in irrigated locations will be incidental to Landscape Maintenance pay items. Supplemental watering of newly-installed plant material until established will be incidental to the cost of installation.

At the discretion of the Commissioner an approved wetting agent or Bio-stimulant will be applied to those locations exhibiting problems with surface tension. All associated cost will be incidental to this contract.

Supplemental watering of newly-installed plant material will be incidental to the cost of installing these materials. It is the responsibility of the Subcontractor to assure no plant material is lost due to a lack of water. Any loss of existing or newly-installed plant material determined by the Commissioner to be due the lack of water, will be the responsibility of the Subcontractor to replace at no additional cost to the CITY OF CHICAGO.

- Watering

This service consists of supplying all equipment and labor necessary to apply water on landscaped areas and planters that have non-automated irrigation systems typified by the presence of ground hydrants or quick couplers, or on sites as directed by the Commissioner. Watering activities will be directed as planting beds and trees. Open lawn areas will not be watered under this line item.

All watering will be based on monitoring soil moisture and plant needs. Any signs of stress exhibited by plant material will be given special consideration in determining water needs.

Water to insure that moisture penetrates through the root zone, including surrounding soil, and only as frequently as necessary to maintain health growth. Do not over water.

The Subcontractor will submit and adhere to a watering schedule. The Commissioner will review the watering needs with the Subcontractor to determine the frequency (days per week) the landscaped areas are to be watered

It is the Subcontractor's responsibility to support and/or obtain all equipment as necessary to access and apply water including quick coupler keys, hoses and sprinkler heads.

It is the Subcontractor's responsibility to monitor the soil moisture content at all semi-irrigated landscaped work sites. Monitoring of all soil moisture and act of watering semi-irrigated landscaped areas will be considered incidental to this contract.



- Watering Methods

The Subcontractor will water plants to promote healthy growth and ensure that the soil is saturated thoroughly to a minimum depth of twelve inches (12 ") unless monitoring indicates a need for a more or less water.

Water immediately if plants begin to wilt, or if the top one inch (1") to two inches (2") of the soil is dry. Avoid frequent light water applications.

Water will be applied in such a manner so as to not damage plant material. Water will trickle down slowly into soil and completely soak the root zone. An open end hose is unacceptable.

Water early in the day and apply water as close to soil as possible without washing out soil or mulch. Keep water off plant leaves as much as possible to minimize fungus problems. Thoroughly saturate all areas of planter soil within the bed, not just the individual plants.

Water beds at a rate of approximately one (1) gallon per square foot. Apply extra water to raised or berm ornamental trees and shrubs.

Any damage to plant material due incorrect watering will be corrected or replaced at the Subcontractor's expense, to satisfaction of the Commissioner.

All watering will be included in the Landscape Maintenance Report and will be submitted to the Commissioner on a daily basis. The report will be delivered or fax to CDOT personnel. If the Landscape Maintenance Reports are not received with twenty-four (24) hours, it will be assumed that no services were performed and no payment will be made.

- Syringing Plants/Flushing Beds (April 1- May 1)

The objective of syringing(washing) plants and flush beds is to reduced damage from winter salt.

Early Spring, when temperatures anticipated to remain above thirty-five degrees (35E) Fahrenheit for a minimum of twenty-four (24) hours and the threat of snowfall and road salting has diminished, wash all plant materials within planting beds with a gentle spray of water to remove all accumulated salt on stems, bark, and crowns.

Flush beds between April 1 and May 1, by applying sufficient water two (2) to three (3) times for a period of one (1) week to flush salts from mulch, beds, and soils. Plazas that possess an automated irrigation system may be syringed by running the irrigation system for sufficient duration to accomplish this task. Beds to be flushed will be determined by the Commissioner and will be paid under the watering line item.

Submit a schedule for this work to the Commissioner for approval no less than one (1) week prior to the commencement of work.

- Soil Amendments

Soil amendments applications will be based upon the needs shown in current soil test or as directed by the Commissioner. Soil test will be performed at the direction of the Commissioner.

The soil testing facility will be approved by the Commissioner as well as the tests to be run. Lab recommendation for fertilizer applications must accompany all test results. Fertilizers will be uniform in composition, free flowing and suitable for application with approved equipment and may contain the following percentages by weight.

EXAMPLE: 10% nitrogen, 10% phosphorous, and 10% potash, and may be sulphur-coated.

Rates of applications are to be determined by the current soil test and are approved by the Commissioner prior to application. All fertilizer is to be applied according to manufacturers' recommendation.

In general, fertilizer is to be applied as follows:

Trees and Shrubs: once in Spring between April 1 and April 15. All tree care, including injecting, and fertilizing or trees, will be provided by an ISA Certified Arborist.

Perennials, Roses, and Annuals: once a year, between April 1 and May 31 with a well-balanced slow release sulphur-coated fertilizer based upon soil test results and as approved by the Commissioner. All soil samples for testing will be taken following syringing. In addition to Spring fertilization, apply a liquid fertilizer mixture, to annuals and roses once every two (2) weeks if required as recommended by the manufacturer. Approval for any chemical application from the Commissioner must be obtained prior to performing the work.

Soil pH adjustments will be based on current soil test recommendations to achieve a slightly acidic soil:

- Sulphur: Sulphur will be granular sulphur, or as specified by the Commissioner, according to the soil test recommendations and to the types of plantings in the area requiring amendments.
- Limestone: Ground limestone (calcium carbonate) if required, will have the following analysis:

1. At least 50% will pass a No. 200 United States Standards mesh sieve
2. At least 90% will pass a No. 100 United States Standards mesh sieve
3. 100% will pass a No. 10 United States Standards mesh sieve

Total carbonates will not be less than 80% or 44.8% calcium oxide equivalent; for purposes of calculation, total carbonates will be considered calcium carbonates. The application of limestone as a soil amendment, will not be a typical occurrence. An annual application of gypsum each Fall to counteract the damaging effects of road salt will be typical. Also included in this item is the application of other soil amendments, such as mushroom compost, peat, or any other material. The Commissioner will direct location and application of these soil amendments when necessary. This work will be considered incidental to LANDSCAPE MAINTENANCE.

- Spring Clean-Up (April 1 - May 1)

In early April or as weather permits, remove all dead stems and leaves and other debris from perennials, vines, shrubs and ground covers. Trim dead tips of vines and ground covers. Cut back ornamental grasses six inches (6") in height. Cut down any perennials left up over the winter to a height of six inches (6") or less and remove any dead leaves around the crowns of the plants

Rake beds free of accumulated debris, dead leaves, and other materials, leaving mulch in place and being careful not to damage emerging bulb foliage and flowers. Rake back any mulch the covers plant crowns.

After bulb flowers have faded, band or fold bulb foliage, tucking it under surrounding plants. During May 15 to June 30, or as directed by the Commissioner, remove all bulb foliage, once it has completely died back, by cutting the foliage to the ground.

AH planters, capstones, walls, pavement, and surrounding median areas are to left clean and swept free of all debris

- **Fall Clean- Up (October 15 - November 15)**

All clean-up work will start October 15 depending on weather conditions and condition of plant material. All work must be completed by the end of November 15, depending upon the weather conditions and the condition of plant material. Annuals preventing the installation of bulbs will be removed prior to the end of the season as soon as the foliage has died back or at the discretion of the Commissioner.

### Annuals

#### Remove plants including roots. Smooth soil to fill in holes. Perennials

Cut back plants leaving three inches (3") to four inches (4") of foliage height. Do not cut into plant crowns. Do not cut back Asters until they have finished blooming. Adjust and add mulch as needed to maintain a two (2") inch deep layer around all perennials within the bed

DO NOT cut back any annual or perennial plant with winter interest potential or other plant material as directed by the Commissioner including:

Ornamental Grasses  
Sedum  
Rudbeckia flower heads Echinacea flower heads Achillea  
flower heads Polygonum reynoutria Roses Vines

- **Roses**

Cut any dead or broken branches down to base of plant. Remove all plant litter including any rose leaves, stems, flower petals, and any other plant debris in the bed. Do not cut off rose hips.

Remove all weeds from inside rose shrubs. Adjust and add mulch as needed to maintain three (3") inch deep layer of mulch around the roses.

Mound mulch slightly around base of plant. Do not bury stem or branches. Do not mulch over any plant debris or litter.

- **Trees and shrubs**

Remove all broken or dead tree branches. Remove all leaves, stem, weeds and plant debris. Adjust and add mulch as needed to maintain a three (3") inch deep layer of mulch around all trees and shrubs. People Plazas and the surrounding areas, including sidewalks, are to be left clean and swept free of all debris.

- **Gypsum Application**

Perform salt damage control to reduce the stress the of winter road salting operations on plant materials. Apply gypsum at a rate of forty (40lbs) pounds per one thousand (1000) square feet or as directed by the Commissioner.

Apply gypsum to the entire bed and rake into the top layer of mulch and soil, using a handheld cultivator. Be careful not disturb roots scratching too deeply. Wash and brush gypsum and dust off plants and concrete surfaces.

The Subcontractor is responsible for calculating the quantities required based upon the application rate listed above. The Subcontractor will submit a record of square rate of application footage and amounts applied in the Landscape Maintenance Report (included in this contract)

Subcontractor will submit a schedule and notify the Commissioner seventy-two (72) hours in advance of the gypsum application.

Gypsum: Pelletize gypsum, consisting of calcium sulfate, calcium, sulphur, and water soluble binder, with a maximum moisture content of one percent (1%), and ninety-five percent (95%) finished pellet sized passing between #4 and #14 mesh, gray in color, such as Ben Franklin Agricultural Gypsum, or approved equal as manufactured by Industrial Gypsum Division United States Gypsum Company (630) 904-3580, or Sof-n-Soil Calfate products, Distributors (630)231-3055.

Furnishing and placing of gypsum will be paid for separately under the appropriate line item.

- General Clean Up

The Subcontractor will work areas clean and in good conditions. Exposed concrete will be free of mulch, soil, litter, or other debris. No debris will be left in the street or the carriage walk or surrounding concrete areas overnight, on the weekend, or holiday period. The Subcontractor will legally dispose of all accumulated debris, dead leaves, twigs, and other materials offsite.

Any lane closures required to perform this work will be done in accordance with Section 701 of the Standard Specifications for Road and Bridge Construction by Illinois Department of

Transportation. Traffic and Pedestrian Control and Protection will not be paid for separately but will be considered incidental to this contract.

- Plant Health Care Inspection Subcontractor will inspect all plants and beds for pests and diseases Every Regular Visit. Subcontractor will identify and monitor pest and disease levels and determine action required to maintain the good appearance, health and top performance of plant material. Inspection findings and recommendations will be shall be submitted to the City Project Manager within the twenty-four (24) hour of inspection. The inspection is incidental to the contract. The recommendation for action by the Subcontractor will be reviewed by the Commissioner for approval/rejection.

## EXHIBIT 8 PUBLIC WORKS PROVISIONS

### EXHIBIT 8 Public Work Provisions

#### A. Public Work Indemnity

1) Contractor must protect, defend, indemnify, and hold Licensee and the City, their officers, officials, representatives, and employees (collectively the "Indemnitees"), harmless from and against any and all claims, damages, demands, injury or death, in consequence of, arising out of or being in any way connected with Contractor's performance with respect to any public work construction under this Agreement except for matters shown by final judgment to have been caused by or attributable to the negligence of Indemnitees. This indemnification obligation is effective to the maximum extent permitted by applicable law. This indemnity extends to all legal costs, including attorney fees, costs, Hens, judgments, settlements, penalties, professional fees, and other expenses incurred by Licensee and the City, including fines and penalties imposed by public bodies, and the reasonable settlement of such claims. This indemnification obligation is not limited by any amount of insurance required under this Agreement. Further, the indemnification obligation contained in this section will survive the expiration or termination of this Agreement.

2) Contractor will be solely responsible for the defense of any and all claims, demands, or suits against Indemnitees, including claims by Contractor's employees, subcontractors, agents, or servants even though the claimant may allege that the Indemnitees were in charge of the construction of the public work or alleged negligence on the part of Indemnitees. Licensee and the City the City will

have the right, at their sole option, to participate in the defense of any such suit, without relieving Contractor of its obligations under this section. j

3) "Injury" or "damage" as these words are used in this section will be construed to include injury or damage consequent upon the failure of or use or misuse by Contractor, its Subcontractors, agents, servants, or employees, of any scaffolding, hoist cranes, stays, ladders, supports, rigging, blocking or any and all other kinds of items of equipment, whether or not they are owned, furnished, or loaned by the Indemnitees.

4) Contractor must promptly provide, or cause to be provided, to Licensee and the City copies of all notices that Contractor may receive of any claims, actions, or suits that may be given or filed in connection with Contractor's performance or the performance of any Subcontractor and for which the Indemnitees are entitled to indemnification under this Agreement and to give the Indemnitees authority, information and assistance for the defense of any claim or action.

#### B. Prevailing Wage Rates

In accordance with 820 ILCS 130/1 et seq., in the performance of the work, Contractor is fully responsible for paying not less than the prevailing rate of wages as determined by the Illinois Department of Labor, which must be paid to all laborers, mechanics, and other workers performing public works under this Agreement. These wage rates are also the prevailing wage rates for the City of Chicago, as determined by the Department. If

the Illinois Department of Labor revises the prevailing rate of hourly wages to be paid for the work before completion of the Project, the revised rate applies to this Agreement from the effective date of the revision. If federal wage provisions apply, such provisions will supersede this provision.

#### C. Performance Bond

Contractor must deliver to Licensee and the City prior to execution of the Agreement a performance and payment bond in a sum for an amount that is equal to 25 percent of the total amount of the Agreement. Any performance bond that Contractor provides must comply with the provisions of 30 ILCS 550/1 et seq., as amended, and of Chapter 2, Section 2-92-030 of the Municipal Code, as amended. The surety or sureties issuing the bond must be acceptable to the Comptroller and must have a Best's Key Rating Guide of "B+," Class XI or greater and be listed in the most recently published "Listing of Approved Sureties" of the U.S. Department of the Treasury Circular 570, with underwriting limitations in excess of the Contract Price. In case of Contractor's neglect, failure, or refusal to provide satisfactory sureties when so directed within 10 days after such notification, under § 2-92-040 of the Municipal Code the Licensee and the City may declare this Agreement forfeit, but such forfeiture will not release Contractor or Contractor's surety or sureties from any liability that may have accrued before the date of the forfeiture. If at any time the surety or sureties, or any one of them, upon the bond become insolvent, or are, in the sole opinion of Licensee and the City, unsatisfactory, or unable to respond to damages in case of liability on such bond, Licensee and the City will notify Contractor and direct that Contractor furnish a bond issued by a satisfactory surety or sureties forthwith.

#### D. Multi-Project Labor Agreement (PLA)

The City has entered into the PLA with various trades regarding projects as described in the PLA, a copy of which, without appendices, is attached hereto as Attachment A. A copy of the PLA, with appendices, may also be found on the City's website at <<http://www.cityofchicago.org/PLA>>. Contractor acknowledges familiarity with the requirements of the PLA and its applicability to any Work under this Agreement, and shall comply in all respects with the PLA.

#### EXHIBIT 9 SPECIAL CONDITIONS REGARDING MBE/WBE COMMITMENT

CITY OF CHICAGO Department of Procurement Services Jamie L. Rhee, Chief Procurement Officer  
121 North LaSalle Street, Room 806 Chicago, Illinois 60602-1284

Fax: 312-744-3281

MBE & WBE Special Conditions for Commodities or Services Contracts

ARTICLE 1. SPECIAL CONDITIONS REGARDING MINORITY BUSINESS ENTERPRISE COMMITMENT AND WOMEN BUSINESS ENTERPRISE COMMITMENT FOR COMMODITIES OR SERVICES 1.1. Policy and Terms

It is the policy of the City of Chicago that Local Businesses certified as Minority Owned Business Enterprises (MBE) and Women Owned Business Enterprises (WBE) in accordance with Section 2-92-420 et seq. of the Municipal Code of Chicago and Regulations Governing Certification of Minority and Women-owned Businesses and all other Regulations promulgated under the aforementioned sections of the Municipal Code, as well as MBEs and WBEs certified by Cook County, Illinois, will have full and fair opportunities to participate fully in the performance of this contract. Therefore, the Contractor will not discriminate against any person or business on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status or source of income and will take affirmative action to ensure that women and minority businesses will have the maximum opportunity to compete for and perform subcontracts for supplies or services.

Pursuant to Section 2-92-430 of the Municipal Code of Chicago, the Chief Procurement Officer has established a goal of awarding not less than 25% of the annual dollar value of all non-construction contracts to certified MBEs and 5% of the annual dollar value of all non-construction contracts to certified WBEs.

Accordingly, the Contractor commits to make Good Faith Efforts to expend at least the following percentages of the total contract price (inclusive of any and all modifications and amendments), if awarded, for contract participation by MBEs and WBEs:

MBE Percentage	WBE Percentage
25%	5%

This commitment is met by the Contractor's status as a MBE or WBE, or by a joint venture with one or more MBEs or WBEs as prime contractor (to the extent of the MBE or WBE participation in such joint venture), or by subcontracting a portion of the work to one or more MBEs or WBEs, or by the purchase of materials used in the performance of the contract from one or more MBEs or WBEs, or by the indirect participation of MBEs or WBEs in other aspects of the Contractor's business (but no dollar of such indirect MBE or WBE participation will be credited more than once against a Contractor's MBE or WBE commitment with respect to all government Contracts of such Contractor), or by any combination of the foregoing.

Note: MBE/WBE participation goals are separate and those businesses certified with the City of Chicago as both MBE and WBE may only be listed on a bidder's compliance plan as either a MBE or a WBE, but not both to demonstrate compliance with the Contract Specific Goals.

As noted above, the Contractor may meet all or part of this commitment by contracting with MBEs or WBEs for the provision of goods or services not directly related to the performance of this Contract. However, in determining the manner of MBE/WBE participation, the Contractor will first consider involvement of MBEs/WBEs as joint venture partners, subcontractors, and suppliers of goods and services directly related to the performance of this Contract. In appropriate cases, the Chief Procurement Officer will require the

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Contractor to demonstrate the specific efforts undertaken by it to involve MBEs and WBEs directly in the performance of this Contract.

The Contractor also may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in private sector contracts.

Pursuant to 2-92-535, the prime contractor may apply be awarded an additional 0.333 percent credit, up to a maximum of a total of 5 percent additional credit, for every 1 percent of the value of a contract self-performed by MBEs or WBEs, or combination thereof, that have entered into a mentor agreement with the contractor. This up to 5% may be applied to the Contract Specific Goals, or it may be in addition to the Contract Specific Goals.

1.2. Definitions

"Area of Specialty" means the description of an MBE or WBE firm's business which has been determined by the Chief Procurement Officer to be most reflective of the MBE or WBE firm's claimed specialty or expertise. Each MBE/WBE letter of certification contains a description of the firm's Area of Specialty. This information is also contained in the Directory (defined below). Credit toward this Contract's MBE and WBE participation goals shall be limited to the participation of firms performing within their Area of Specialty.

*NOTICE: The City of Chicago does not make any representation concerning the ability of any MBE/WBE to perform work within their Area of Specialty. It is the responsibility of all contractors to determine the capability and capacity of MBEs/WBEs to satisfactorily perform the work proposed.*

"B.E.P.D." means an entity certified as a Business enterprise owned or operated by people with disabilities as defined in MCC Section 2-92-S86.

"Bid" means a bid, proposal, or submittal detailing a description of the services or work to be provided by the contractor in response to a bid solicitation, request for proposal, request for qualification of task order request (issued in accordance with the Master Consulting Agreement) that is issued by the City.

"Bidder" means any person or business entity that submits a bid, proposal, qualification or submittal that seeks to enter into a contract with the City, and includes all partners, affiliates and joint ventures of such person or entity.

"Broker" means a person or entity that fills orders by purchasing or receiving supplies from a third party supplier rather than out of its own existing inventory and provides no commercially useful function other than acting as a conduit between his or her supplier and his or her customer.

"Chief Procurement Officer" or "CPO" means the chief procurement officer of the City of Chicago or his or her designee.

"Commercially Useful Function" means responsibility for the execution of a distinct element of the work of the contract, which is carried out by actually performing, managing, and supervising the work involved, evidencing the responsibilities and risks of a business owner such as negotiating the terms of (sub)contracts, taking on a financial risk commensurate with the contract or its subcontract, responsibility for acquiring the appropriate lines of credit and/or loans, or fulfilling responsibilities as a joint venture partner as described in the joint venture agreement.

"Contract Specific Goals" means the subcontracting goals for MBE and WBE participation established for a particular contract.

"Contractor" means any person or business entity that has entered into a contract with the City as described herein, and includes all partners, affiliates, and joint ventures of such person or entity.

"Direct Participation" the value of payments made to MBE or WBE firms for work that is performed in their Area of Specialty directly related to the performance of the subject matter of the Contract will count as Direct Participation toward the Contract Specific Goals.

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"Directory" means the Directory of Certified "Minority Business Enterprises" and "Women Business Enterprises" maintained and published by the City of Chicago. The Directory identifies firms that have been certified as MBEs and WBEs, and includes both the date of their last certification and the area of specialty in which they have been certified. Contractors are responsible for verifying the current certification status of all proposed MBE, and WBE firms.

"Good Faith Efforts" means actions undertaken by a bidder or contractor to achieve a Contract Specific Goal that the CPO or his or her designee has determined, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program's requirements.

"Indirect Participation" refers to the value of payments made to MBE or WBE firms for work that is done in their Area of Specialty related to other aspects of the Contractor's business. (Note: no dollar of such indirect MBE or WBE participation shall be credited more than once against a contractor's MBE or WBE commitment with respect to all government contracts held by that contractor.)

"Joint venture" means an association of a MBE or WBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which each joint venture partner contributes property, capital, efforts, skills and knowledge, and in which the MBE or WBE is responsible for a distinct, clearly defined portion of the work of the contract and whose share in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest.

"Mentor-Protégé Agreement" means an agreement between a prime and MBE or WBE subcontractor pursuant to MCC 2-92-535, that is approved by the City of Chicago and complies with all requirements of MCC 2-92-535 and any rules and regulations promulgated by the Chief Procurement Officer.

"Minority Owned Business Enterprise" or "MBE" means a firm awarded certification as a minority owned and controlled business in accordance with City Ordinances and Regulations as well as a firm awarded certification as a minority owned and controlled business by Cook County, Illinois. However, it does not mean a firm that has been found ineligible or which has been decertified by the City or Cook County.

"Municipal Code of Chicago" or "MCC" means the Municipal Code of the City of Chicago.

"Supplier" or "Distributor" refers to a company that owns, operates, or maintains a store, warehouse or other establishment in which materials, supplies, articles or equipment are bought, kept in stock and regularly sold or leased to the public in the usual course of business. A regular distributor or supplier is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials or supplies required for performance of a contract are bought, kept in stock, and regularly sold to the public in the usual course of business. To be a regular distributor the firm must engage in, as its principal business and in its own name, the purchase and sale of the products in question. A regular distributor in such bulk items as steel, cement, gravel, stone, and petroleum products need not keep such products in stock if it owns or operates distribution equipment.

"Women Owned Business Enterprise" or "WBE" means a firm awarded certification as a women owned and controlled business in accordance with City Ordinances and Regulations as well as a firm awarded certification as a women owned business by Cook County, Illinois. However, it does not mean a firm that has been found ineligible or which has been decertified by the City or Cook County.

### 1.3. Joint Ventures

The formation of joint ventures to provide MBEs and WBEs with capacity and experience at the prime contracting level, and thereby meet Contract Specific Goals (in whole or in part) is encouraged. A joint venture may consist of any combination of MBEs, WBEs, and non-certified firms as long as one member is an MBE or WBE.

- a. The joint venture may be eligible for credit towards the Contract Specific Goals only if:

- i. The MBE or WBE joint venture partner's share in the capital contribution, control, management, risks and profits of the joint venture is equal to its ownership interest;

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- ii. The MBE or WBE joint venture partner is responsible for a distinct, clearly defined portion of the requirements of the contract for which it is at risk;
  - iii. Each joint venture partner executes the bid to the City; and
  - iv. The joint venture partners have entered into a written agreement specifying the terms and conditions of the relationship between the partners and their relationship and responsibilities to the contract, and all such terms and conditions are in accordance with the conditions set forth in Items i, ii, and iii above in this Paragraph a.
- b. The Chief Procurement Officer shall evaluate the proposed joint venture agreement, the Schedule B submitted on behalf of the proposed joint venture, and all related documents to determine whether these requirements have been satisfied. The Chief Procurement Officer shall also consider the record of the joint venture partners on other City of Chicago contracts. The decision of the Chief Procurement Officer regarding the eligibility of the joint venture for credit towards meeting the Contract Specific Goals, and the portion of those goals met by the joint venture, shall be final.

The joint venture may receive MBE or WBE credit for work performed by the MBE or WBE joint venture partner(s) equal to the value of work performed by the MBE or WBE with its own forces for a distinct, clearly defined portion of the work.

Additionally, if employees of the joint venture entity Itself (as opposed to employees of the MBE or WBE partner) perform the work, then the value of the work may be counted toward the Contract Specific Goals at a rate equal to the MBE or WBE firm's percentage of participation in the joint venture as described in Schedule B.

The Chief Procurement Officer may also count the dollar value of work subcontracted to other MBEs and WBEs. Work performed by the forces of a non-certified joint venture partner shall not be counted toward the Contract Specific Goals.

- c. Schedule B: MBE/WBE Affidavit of Joint Venture

Where the bidder's Compliance Plan includes the participation of any MBE or WBE as a joint venture partner, the bidder must submit with its bid a Schedule B and the proposed joint venture agreement. These documents must both clearly evidence that the MBE or WBE joint venture partner(s) will be responsible for a clearly defined portion of the work to be performed, and that the MBE's or WBE's responsibilities and risks are proportionate to its ownership percentage. The proposed joint venture agreement must include specific details related to:

- i. The parties' contributions of capital, personnel, and equipment and share of the costs of insurance and bonding;
- ii. Work items to be performed by the MBE's or WBE's own forces and/or work to be performed by employees of the newly formed joint venture entity;
- iii. Work items to be performed under the supervision of the MBE or WBE joint venture partner; and
- iv. The MBE's or WBE's commitment of management, supervisory, and operative personnel to the performance of the contract.

NOTE: Vague, general descriptions of the responsibilities of the MBE or WBE joint venture partner do not provide any basis for awarding credit. For example, descriptions such as "participate in the budgeting process," "assist with hiring," or "work with managers to improve customer service" do not identify distinct, clearly defined portions of the work. Roles assigned should require activities that are performed on a regular, recurring basis rather than as needed. The roles must also be pertinent to the nature of the business for which credit is being sought. For instance, if the scope of work required by the City entails the delivery of goods or services to various sites in the City, stating that the MBE or WBE joint venture partner will be

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responsible for the performance of all routine maintenance and all repairs required to the vehicles used to deliver such goods or services is pertinent to the nature of the business for which credit is being sought.

#### 1.4. Counting MBE/WBE Participation Toward the Contract Specific Goals



Refer to this section when preparing the MBE/WBE compliance plan and completing Schedule D-I for guidance on what value of the participation by MBEs and WBEs will be counted toward the stated Contract Specific Goals. The "Percent Amount of Participation" depends on whether and with whom a MBE or WBE subcontracts out any portion of its work and other factors.

Firms that are certified as both MBE and WBE may only be listed on a bidder's compliance plan as either a MBE or a WBE to demonstrate compliance with the Contract Specific Goals. For example, a firm that is certified as both a MBE and a WBE may only be listed on the bidder's compliance plan under one of the categories, but not both. Only Payments made to MBE and WBE firms that meet BOTH the Commercially Useful Function and Area of Specialty requirements above will be counted toward the Contract Specific Goals.

- a. Only expenditures to firms that perform a Commercially Useful Function as defined above may count toward the Contract Specific Goals.
  - i. The CPO will determine whether a firm is performing a commercially useful function by evaluating the amount of work subcontracted, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing and the credit claimed for its performance of the work, industry practices, and other relevant factors.
  - ii. A MBE or WBE does not perform a commercially useful function if its participation is only required to receive payments in order to obtain the appearance of MBE or WBE participation. The CPO may examine similar commercial transactions, particularly those in which MBEs or WBEs do not participate, to determine whether non MBE and non WBE firms perform the same function in the marketplace to make a determination.
  - iii. Indications that a subcontractor is not performing 3 commercially useful function include, but are not limited to, labor shifting and equipment sharing or leasing arrangements with the prime contractor or a first tier subcontractor.
- b. Only the value of the dollars paid to the MBE or WBE firm for work that it performs in its Area of Specialty in which it is certified counts toward the Contract Specific Goals.
- c. For maintenance, installation, repairs or inspection, or professional services, if the MBE or WBE performs the work itself: 100% of the value of work actually performed by the MBE's or WBE's own forces shall be counted toward the Contract Specific Goals, including the cost of supplies and materials purchased or equipment leased by the MBE or WBE from third parties or second tier subcontractors in order to perform its (sub)contract with its own forces (except supplies and equipment the MBE or WBE subcontractor purchases or leases from the prime contractor or its affiliate). 0% of the value of work at the project site that a MBE or WBE subcontracts to a non-certified firm counts toward the Contract Specific Goals.
- d. If the MBE or WBE is a manufacturer: 100% of expenditures to a MBE or WBE manufacturer for items needed for the Contract shall be counted toward the Contract Specific Goals. A manufacturer is a firm that operates or maintains a factory or establishment that produces on the premises the materials or supplies obtained by the bidder or contractor.
- e. If the MBE or WBE is a distributor or supplier: 60% of expenditures for materials and supplies purchased from a MBE or WBE that is certified as a regular dealer or supplier shall be counted toward the Contract Specific Goals.
- f. If the MBE or WBE is a broker:
  1. Zero percent (0%) of expenditures paid to brokers will be counted toward the Contract Specific Goals

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- ii. As defined above. Brokers provide no commercially useful function.
- g. If the MBE or WBE is a member of the joint venture contractor/bidder:
  - i. A joint venture may count the portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the MBE or WBE performs with its own forces toward the Contract Specific Goals; or
  - ii. If employees of this distinct joint venture entity perform the work then the value of the work may be counted toward the Contract Specific Goals at a rate equal to the MBE or WBE firm's percentage of participation in the joint venture as described in the Schedule B.
  - iii. A joint venture may also count the dollar value of work subcontracted to other MBEs and WBEs.
- h. If the MBE or WBE subcontracts out any of its work:
  - i. 100% of the value of the work subcontracted to other MBEs or WBEs performing work in its Area of Specialty may be counted toward the Contract Specific Goals.
  - ii. 0% of the value of work that a MBE or WBE subcontracts to a non-certified firm counts toward the Contract Specific Goals (except as allowed by (c) above).
  - iii. The fees or commissions charged for providing a bona fide service, such as professional, technical, consulting or

managerial services or for providing bonds or insurance and assistance in the procurement of essential personnel, facilities, equipment, materials or supplies required for performance of the Contract, provided that the fee or commission is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.

- iv. The fees charged for delivery of materials and supplies required on a job site (but not the cost of the materials and supplies themselves) when the hauler, trucker, or delivery service is not also the manufacturer of or a regular dealer in the materials and supplies, provided that the fee is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.
- v. The fees or commissions charged for providing any bonds or insurance, but not the cost of the premium itself, specifically required for the performance of the Contract, provided that the fee or commission is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.

#### 1.5. Regulations Governing Reductions to or Waiver of MBE/WBE Goals

The following Regulations set forth the standards to be used in determining whether or not a reduction or waiver of the MBE/WBE commitment goals of a particular contract is appropriate. If a bidder determines that it is unable to meet the MBE and/or WBE Contract-Specific Goals on a City of Chicago contract, a written request for the reduction or waiver of the commitment must be included in the bid or proposal.

The written request for reduction or waiver from the commitment must be in the form of a signed petition for grant of relief from the MBE/WBE percentages submitted on the bidder's letterhead, and must demonstrate that all required efforts as set forth in this document were taken to secure eligible Minority and Women Business Enterprises to meet the commitments. The Chief Procurement Officer or designee shall determine whether the request for the reduction or waiver will be granted.

A bidder will be considered responsive to the terms and conditions of these Regulations if, at the time of bid, it submits a waiver request and all supporting documentation that adequately addresses the conditions for waiver of MBE/WBE goals, including proof of notification to assist agencies except:

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- Bidders responding to Request for Proposals (RFPs) who have been identified as a short listed candidate and/or a prospective awardee will be given a designated time allowance, but no more than fourteen (14) calendar days to submit to the Department of Procurement Services complete documentation that adequately addresses the conditions for waiver described herein; and
- Bidders responding to Request for Information and or Qualifications (RFI/RFQs) deemed by the Chief Procurement Officer or authorized designee to be the most responsive and responsible shall submit documentation that adequately addresses the conditions for waiver described herein during negotiations.

Failure to submit documentation sufficient to support the waiver request will cause the bid/proposal to be found non-responsive by the Chief Procurement Officer, and the bid/proposal will be rejected. In such cases the remedies to be taken by the Chief Procurement Officer, in his or her discretion, may include, but are not limited to, forfeiture of bid deposit; negotiating with the next lowest bidder; or re-advertising the bid/proposal. All bidders must submit all required documents at the time of bid opening to expedite the contract award.

##### 1.5.1. Direct / Indirect Participation

Each of the following elements must be present in order to determine whether or not such a reduction or waiver is appropriate.

- a. The bidder has documented the unsuccessful solicitation for either subcontractors or joint venture partners of at least 50% (or at least five when there are more than eleven certified firms in the commodity area) of the appropriate certified MBE/WBE firms to perform any direct or indirect work identified or related to the advertised bid/proposal. Documentation must include but is not necessarily limited to:
  - 1. A detailed statement of efforts to identify and select portions of work identified in the bid solicitation for subcontracting to certified MBE/WBE firms;
  - 2. A listing of all MBE/WBE firms contacted that includes:
    - o Name, address, telephone number and email of MBE/WBE firms solicited;
    - o Date and time of contact;
    - o Method of contact (written, telephone, transmittal of facsimile documents, email, etc)
  - 3. Copies of letters or any other evidence of mailing that substantiates outreach to MBE/WBE vendors that includes:
    - o Project identification and location;
    - o Classification/commodity of work items for which quotations were sought;

- o Date, item and location for acceptance of subcontractor bid proposals;
- o Detailed statement which summarizes direct negotiations with appropriate MBE/WBE firms for specific portions of the work and indicates why negotiations were unsuccessful;
- o Affirmation that Good Faith Efforts have been demonstrated by:
  - choosing subcontracting opportunities likely to achieve MBE/WBE goals;
  - not imposing any limiting conditions which were not mandatory for all subcontractors;

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providing notice of subcontracting opportunities to M/WBE firms and assist agencies at least five (5) business days in advance of the initial bid due date.

OR

- b. Subcontractor participation will be deemed excessively costly when the MBE/WBE subcontractor proposal exceeds the average price quoted by more than twenty percent (20%). In order to establish that a subcontractor's quote is excessively costly, the bidder must provide the following information:
1. A detailed statement of the work identified for MBE/WBE participation for which the bidder asserts the MBE/WBE quote(s) were excessively costly (in excess of 20% higher).
    - o A listing of all potential subcontractors contacted for a quotation on that work item;
    - o Prices quoted for the subcontract in question by all such potential subcontractors for that work item.
  2. Other documentation which demonstrates to the satisfaction of the Chief Procurement Officer that the MBE/WBE proposals are excessively costly, even though not in excess of 20% higher than the average price quoted. This determination will be based on factors that include, but are not limited to the following:
    - o The City's estimate for the work under a specific subcontract;
    - o The bidder's own estimate for the work under the subcontract;
    - o An average of the bona fide prices quoted for the subcontract;
    - o Demonstrated increase in other contract costs as a result of subcontracting to the M/WBE or other firm.

2. Assist Agency Participation in waiver/reduction requests

Every waiver and/or reduction request must include evidence that the bidder has provided timely notice of the need for subcontractors to an appropriate association/assist agency representative of the MBE/WBE business community. This notice must be given at least five (5) business days in advance of the initial bid due date.

The notice requirement of this Section will be satisfied if a bidder contacts at least one of the associations on Attachment A to these Regulations when the prime contractor seeks a waiver or reduction in the utilization goals. Attachment B to these Regulations provides the letter format that a prime contractor may use. Proof of notification prior to bid submittal (e.g. certified mail receipt or facsimile transmittal receipt) will be required to be submitted with the bid for any bid/proposal to be deemed responsive. If deemed appropriate, the Contract Compliance Officer may contact the assist agency for verification of notification.

3. Impracticability

If the Chief Procurement Officer determines that a lesser MBE and/or WOE percentage standard is appropriate with respect to a particular contract subject to competitive bidding prior to the bid solicitations for such contract, bid specifications shall include a statement of such revised standard.

The requirements set forth in these Regulations (this subsection 1.5 "Regulations Governing Reductions to or Waiver of MBE/WBE Goals") shall not apply where the Chief Procurement Officer determines prior to the bid solicitations that MBE/WBE subcontractor participation is impracticable.

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This may occur whenever the Chief Procurement Officer determines that for reasons of time, need, industry practices or standards not previously known by the Chief Procurement Officer, or such other extreme circumstances as may be deemed appropriate, such a Waiver is in the best interests of the City. This determination may be made in connection with a particular contract, whether before the contract is let for bid, during the bid or award process, before or during negotiation of the contract, or during the performance of the contract.

For all notifications required to be made by bidders, in situations where the Chief Procurement Officer has determined that time is of the essence, documented telephone contact may be substituted for letter contact.

#### 1.6. Procedure to Determine Bid Compliance

A bid may be rejected as non-responsive if it fails to submit one or more of the following with its bid demonstrating its Good Faith Efforts to meet the Contract Specific Goals by reaching out to MBEs and WBEs to perform work on the contract:

- An MBE/WBE compliance plan demonstrating how the bidder plans to meet the Contract Specific Goals; and/or
- A request for reduction or waiver of the Contract Specific Goals in accordance with Section 2-92-450 of the MCC.

Only compliance plans utilizing MBE and WBE firms that meet BOTH the Commercially Useful Function and Area of Specialty requirements will be counted toward the Contract Specific Goals.

The following Schedules and described documents constitute the bidder's MBE/WBE proposal, and must be submitted in accordance with the guidelines stated:

- 1) **Schedule C-I: Letter of Intent from MBE/WBE to Perform as Subcontractor, Supplier and/or Consultant.**  
The bidder must submit the appropriate Schedule C-I with the bid for each MBE and WBE included on the Schedule D-I. Suppliers must submit the Schedule C-I for Suppliers, first tier subcontractors must submit a Schedule C-I for Subcontractors to the Prime Contractor and second or lower tier subcontractors must submit a Schedule C-I for second tier Subcontractors. The City encourages subcontractors to utilize the electronic fillable format Schedule C-I, which is available at the Department of Procurement Services website, <<http://cityofchicago.org/forms>>. Each Schedule C-I must be executed by each MBE and WBE and accurately detail the work to be performed by the MBE or WBE and the agreed upon rates/prices. Each Schedule C must also include a separate sheet as an attachment on which the MBE or WBE fully describes its proposed scope of work, including a description of the commercially useful function being performed by the MBE or WBE in its Area of Specialty. If a facsimile copy of the Schedule C-I has been submitted with the bid, an executed original Schedule C-I must be submitted by the bidder for each MBE and WBE included on the Schedule D-I within five business days after the date of the bid opening.  
  
Failure to submit a completed Schedule C-I in accordance with this section shall entitle the City to deem the bid/proposal non-responsive and therefore reject the bid/proposal.
- 2) **Letters of Certification.**  
A copy of each proposed MBE/WBE firm's current Letter of Certification from the City of Chicago or Cook County Illinois, must be submitted with the bid/proposal. All Letters of Certification issued by the City of Chicago and Cook County include a statement of the MBE/WBE firm's Area of Specialty. The MBE/WBE firm's scope of work, as detailed by their Schedule C-I, must conform to their stated Area of Specialty. Letters of Certification for firms that the City or Cook County has found ineligible or has decertified will not be accepted.
- 3) **Schedule B: Affidavit of Joint Venture, and Joint Venture Agreements (if applicable).**

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If the bidder's MBE/WBE proposal includes the participation of a MBE/WBE as joint venture on any tier (either as the bidder or as a subcontractor), the bidder must provide a copy of the joint venture agreement and a Schedule B along with all other requirements listed in Section 1.3. "Joint Ventures," above. In order to demonstrate the MBE/WBE partner's share in the ownership, control, management responsibilities, risks and profits of the joint venture, the proposed joint venture agreement must include specific details related to: (1) contributions of capital and equipment; (2) work responsibilities or other performance to be undertaken by the MBE/WBE; and (3) the commitment of management, supervisory and operative personnel employed by the MBE/WBE to be dedicated to the performance of the contract. The joint venture agreement must also clearly define each partner's authority to contractually obligate the joint venture and each partner's authority to expend joint venture funds (e.g., check signing authority).

- 4) **Schedule D-I: Required Schedules Regarding MBE/WBE Utilization**  
Bidders must submit, together with the bid, a completed Schedule D-I committing them to the utilization of each listed MBE/WBE firm. The City encourages bidders to utilize the electronic fillable format Schedule D-I, which is available at the Department of Procurement Services website, <<http://cityofchicago.org/forms>>. Except in cases where the bidder has submitted a request for a complete waiver of or variance from the MBE/WBE commitment in accordance with Section 1.5 "Regulations Governing Reductions to or Waiver of MBE/WBE Goals" herein, the bidder must commit to the expenditure of a specific dollar amount of participation by each MBE/WBE firm included on their Schedule D-I. The total dollar commitment to proposed MBEs must at least equal the MBE

goal, and the total dollar commitment to proposed WBEs must at least equal the WBE goal. Bidders are responsible for calculating the dollar equivalent of the MBE and WBE goals as percentages of their total base bids or in the case of Term Agreements, depends upon requirements agreements and blanket agreements, as percentages of the total estimated usage. All commitments made by the bidder's Schedule D-I must conform to those presented in the submitted Schedule C-I. If Schedule C-I is submitted after the opening, the bidder may submit a revised Schedule D-I (executed and notarized to conform with the Schedules C-I). Bidders shall not be permitted to add MBEs or WBEs after bid opening to meet the Contract Specific Goals, however, contractors are encouraged to add additional MBE/WBE vendors to their approved compliance plan during the performance of the contract when additional opportunities for participation are identified. Except in cases where substantial and documented justification is provided, bidders will not be allowed to reduce the dollar commitment made to any MBE or WBE in order to achieve conformity between the Schedules C-I and D-I.

All commitments for joint venture agreements must be delineated in the Schedule B.

5) Application for Approval of Mentor Protege Agreement

Any applications for City approval of a Mentor Protege agreement must be included with the bid. If the application is not approved, the bidder must show that it has made good faith efforts to meet the contract specific goals.

1.7. Reporting Requirements During the Term of the Contract

- a. The Contractor will, not later than thirty (30) calendar days from the award of a contract by the City, execute formal contracts or purchase orders with the MBEs and WBEs included in their approved MBE/WBE Utilization Plan. These written agreements will be made available to the Chief Procurement Officer upon request.
- b. The Contractor will be responsible for reporting payments to all subcontractors on a monthly basis in the form of an electronic report. Upon the first payment issued by the City of Chicago to the contractor for services performed, on the first day of each month and every month thereafter, email and or fax audit notifications will be sent out to the Contractor with instructions to report payments that have been made in the prior month to each subcontractor. The

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reporting of payments to all subcontractors must be entered into the Certification and Compliance Monitoring System (C2), or whatever reporting system is currently in place, on or before the fifteenth (15th) day of each month.

- c. Once the prime Contractor has reported payments made to each subcontractor, including zero dollar amount payments, the subcontractor will receive an email and or fax notification requesting them to log into the system and confirm payments received. All monthly confirmations must be reported on or before the 20th day of each month. Contractor and subcontractor reporting to the C2 system must be completed by the 25th of each month or payments may be withheld.
- d. All subcontract agreements between the contractor and MBE/WBE firms or any first tier non-certified firm and lower tier MBE/WBE firms must contain language requiring the MBE/WBE to respond to email and/or fax notifications from the City of Chicago requiring them to report payments received for the prime or the non-certified firm.

Access to the Certification and Compliance Monitoring System (C2), which is a web based reporting system, can be found at: <<https://chicago.mwdbe.com>>

- e. The Chief Procurement Officer or any party designated by the Chief Procurement Officer, shall have access to the contractor's books and records, including without limitation payroll records, tax returns and records and books of account, to determine the contractor's compliance with its commitment to MBE and WBE participation and the status of any MBE or WBE performing any portion of the contract. This provision shall be in addition to, and not a substitute for, any other provision allowing inspection of the contractor's records by any officer or official of the City for any purpose.
- f. The Contractor shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs, retaining these records for a period of at least five years after project closeout. Full access to these records shall be granted to City, federal or state authorities or other authorized persons.

1.8. Changes to Compliance Plan

1.8.1. Permissible Basis for Change Required

No changes to the Compliance Plan or contractual MBE and WBE commitments or substitution of MBE or WBE subcontractors may be made without the prior written approval of the Contract Compliance Officer. Unauthorized changes or substitutions, including performing the work designated for a subcontractor with the contractor's own forces, shall be a violation of these Special Conditions and a breach of the contract with the City, and may cause termination of the executed Contract for breach, and/or subject the bidder or contractor to contract remedies or other sanctions. The facts supporting the request for changes must not have been known nor reasonably could have been known by the parties prior to entering into the subcontract. Bid shopping is prohibited. The bidder or contractor must negotiate with the subcontractor to resolve the problem. If requested by either party, the Department of Procurement Services shall facilitate such a meeting. Where there has been a mistake or disagreement about the scope of work, the MBE or WBE can be substituted only where an agreement cannot be reached for a reasonable price for the correct scope of work.

Substitutions of a MBE or WBE subcontractor shall be permitted only on the following basis:

- a) Unavailability after receipt of reasonable notice to proceed;
- b) Failure of performance;
- c) Financial incapacity;
- d) Refusal by the subcontractor to honor the bid or proposal price or scope;
- e) Mistake of fact or law about the elements of the scope of work of a solicitation where a reasonable price cannot be agreed;

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- f) Failure of the subcontractor to meet insurance, licensing or bonding requirements;
- g) The subcontractor's withdrawal of its bid or proposal; or
- h) De-certification of the subcontractor as a MBE or WBE (graduation from the MBE/WBE program does not constitute de-certification).
- i) Termination of a Mentor Protege Agreement.

#### 1.8.2. Procedure for Requesting Approval

If it becomes necessary to substitute a MBE or WBE or otherwise change the Compliance Plan, the procedure will be as follows:

- a) The bidder or contractor must notify the Contract Compliance Officer and Chief Procurement Officer in writing of the request to substitute a MBE or WBE or otherwise change the Compliance Plan. The request must state specific reasons for the substitution or change. A letter from the MBE or WBE to be substituted or affected by the change stating that it cannot perform on the contract or that it agrees with the change in its scope of work must be submitted with the request.
- b) The City will approve or deny a request for substitution or other change within IS business days of receipt of the written request.
- c) Where the bidder or contractor has established the basis for the substitution to the satisfaction of the Chief Procurement Officer, it must make Good Faith Efforts to meet the Contract Specific Goal by substituting a MBE or WBE subcontractor. Documentation of a replacement MBE or WBE, or of Good Faith Efforts, must meet the requirements in section 5. If the MBE or WBE Contract Specific Goal cannot be reached and Good Faith Efforts have been made, as determined by the Chief Procurement Officer, the bidder or contractor may substitute with a non-MBE or non-WBE.
- d) If a bidder or contractor plans to hire a subcontractor for any scope of work that was not previously disclosed in the Compliance Plan, the bidder or contractor must obtain the approval of the Chief Procurement Officer to modify the Compliance Plan and must make Good Faith Efforts to ensure that MBEs or WBEs have a fair opportunity to bid on the new scope of work.
- e) A new subcontract must be executed and submitted to the Contract Compliance Officer within five business days of the bidder's or contractor's receipt of City approval for the substitution or other change.

The City shall not be required to approve extra payment for escalated costs incurred by the contractor when a substitution of subcontractors becomes necessary to comply with MBE/WBE contract requirements.

#### 1.9. Non-Compliance and Damages

Without limitation, the following shall constitute a material breach of this contract and entitle the City to declare a default, terminate the contract, and exercise those remedies provided for in the contract, at law or in equity: (1) failure to demonstrate Good Faith Efforts; and (2) disqualification as a MBE or WBE of the contractor or any joint venture partner, subcontractor or supplier if its status as an MBE or WBE was a factor in the award of the contract and such status was misrepresented by the contractor.

Payments due to the contractor may be withheld until corrective action is taken.

Pursuant to MCC 2-92-44S or 2-92-740, as applicable, remedies or sanctions may include a penalty in the amount of the discrepancy between the amount of the commitment in the Compliance Plan, as such amount may be amended through change orders or otherwise over the term of the contract, and the amount paid to MBEs or WBEs, and disqualification from contracting or subcontracting on additional City contracts for up to three years. The consequences provided herein shall be in addition to any other criminal or civil liability to which such entities may be subject.

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The contractor shall have the right to protest the final determination of non-compliance and the imposition of any penalty by the Chief Procurement Officer pursuant to MCC 2-92-445 or 2-92-740, within 15 business days of the final determination.

1.10. Arbitration

- a) In the event a contractor has not complied with the contractual MBE/WBE percentages in its Schedule D, underutilization of MBEs/WBEs shall entitle the affected MBE/WBE to recover from the contractor damages suffered by such entity as a result of being underutilized; provided, however, that this provision shall not apply to the extent such underutilization occurs pursuant to a waiver or substitution approved by the City. The Ordinance and contracts subject thereto provide that any disputes between the contractor and such affected MBEs/WBEs regarding damages shall be resolved by binding arbitration before an independent arbitrator other than the City, with reasonable expenses, including attorney's fees, being recoverable by a prevailing MBE/WBE in accordance with these regulations. This provision is intended for the benefit of any MBE/WBE affected by underutilization and grants such entity specific third party beneficiary rights. Any rights conferred by this regulation are non-waivable and take precedence over any agreement to the contrary, including but not limited to those contained in a subcontract, suborder, or communicated orally between a contractor and a MBE/WBE.
- b) An MBE/WBE desiring to arbitrate shall contact the contractor in writing to initiate the arbitative process. Except as otherwise agreed to in writing by the affected parties subject to the limitation contained in the last sentence of the previous paragraph, within ten (10) calendar days of the contractor receiving notification of the intent to arbitrate from the MBE/WBE the above-described disputes shall be arbitrated in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA), a not-for-profit agency, with an office at 225 North Michigan Avenue, Suite 2527, Chicago, Illinois 60601-7601 [Phone: (312) 616-6560; Fax: (312) 819-0404]. All such arbitrations shall be initiated by the MBE/WBE filing a demand for arbitration with the AAA; shall be conducted by the AAA; and held in Chicago, Illinois.
- c) All arbitration fees are to be paid pro rata by the parties, however, that the arbitrator is authorized to award reasonable expenses, including attorney and arbitrator fees, as damages to a prevailing MBE/WBE.
- d) The MBE/WBE must send the City a copy of the Demand for Arbitration within ten (10) calendar days after it is filed with the AAA. The MBE/WBE also must send the City a copy of the decision of the arbitrator within ten (10) calendar days of receiving such decision. Judgment upon the award rendered by the arbitrator may be entered in any court of competent jurisdiction.

1.11. Equal Employment Opportunity

Compliance with MBE and WBE requirements will not diminish or supplant equal employment opportunity and civil rights provisions as required by law.

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1.12. Attachments and Schedules

The following attachments and schedules follow, they may also be downloaded from the Internet at: <http://www.cityofchicago.org/formns>  
<<http://www.cityofchicago.org/formns>>

- Attachment A: Assist Agencies
- Attachment B: Sample Format for Requesting Assist Agency Comments on Bidder's Request for Reduction or Waiver of MBE/WBE Goals
- Schedule B: Affidavit of Joint Venture (MBE/WBE)
- Schedule C-I: Letter of Intent From MBE/WBE To Perform As Subcontractor, Supplier and/or Consultant
- Schedule D-I: Compliance Plan Regarding MBE/WBE Utilization

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Attachment A -Assist Agency List

DEPARTMENT OF  
**PROCUREMENT SERVICES**

Assist Agencies are comprised of not-for-profit agencies and/or chamber of commerce agencies that represent the interest of small, minority and/or women owned businesses.

American Brotherhood of Contractors  
935 West 11<sup>th</sup> Street  
Homewood, Illinois 60430  
Phone: (773)491-5640  
Email: arba@c0n5lructiva-business.com <mailto:arba@c0n5lructiva-business.com>

Asian American Business Expo 207 East Ohio St. Suite 218 Chicago, IL 60611 Phone: 312-233-2810 Fax:312-268-6388  
Email: Janny@AsianAmrcic3nBusincssExpo.0rg <mailto:Janny@AsianAmrcic3nBusincssExpo.0rg>

Asian American Institute  
4753 N. Broadway St. Suite 904  
Chicago, IL 60640  
Phone:(773)271-0899  
Fax: (773)271-1982  
Email: kfernicola@aaichicago.org <mailto:kfernicola@aaichicago.org>



Web: [www.aaichicaoo.om](http://www.aaichicaoo.om)

Association of Asian Construction Enterprises 333 N. Ogden Avenue Chicago, IL 60607 Phone: (847) 525-9693 Email: [nalcmancorp@aol.com](mailto:nalcmancorp@aol.com)

Black Contractors United  
400 W. 76<sup>th</sup> Street, Suite 200  
Chicago, IL 60620  
Phone: (773) 483-4000  
Fax: (773) 483-4150  
Email: [bcnewera@att.net](mailto:bcnewera@att.net) <<mailto:bcnewera@att.net>>  
Web: [www.blackcontractorsuni1cd.com](http://www.blackcontractorsuni1cd.com) <<http://www.blackcontractorsuni1cd.com>>

Cosmopolitan Chamber of Commerce  
203 N. Wabash, Suite 518  
Chicago, IL 60601  
Phone: (312) 499-0611  
Fax: (312) 332-2688  
Email: [ccarcy@cosmococ.org](mailto:ccarcy@cosmococ.org) <<mailto:ccarcy@cosmococ.org>>  
Web: [www.cosmochamber.org](http://www.cosmochamber.org)

Eighteenth Street Development Corporation 1843 South Carpenter Chicago, Illinois 60608 Phone: (312) 733-2287 Fax: (773)-353-1683 [asolngfteiohleenlhfecel.org](mailto:asolngfteiohleenlhfecel.org)  
[www.eighteenlislreel.org](http://www.eighteenlislreel.org) <<http://www.eighteenlislreel.org>>  
Chatham Business Association Small Business  
Development, Inc.  
8441 S. Collage Grove Avenue  
Chicago, IL 60619  
Phone: (773) 994-5006  
Fax: (773) 994-9871  
Email: [melkelcba@sbcglobal.net](mailto:melkelcba@sbcglobal.net) <<mailto:melkelcba@sbcglobal.net>>  
Web: [www.cbaworks.org](http://www.cbaworks.org) <<http://www.cbaworks.org>>

Chicago Area Gay & Lesbian Chamber of Commerce 3656 N. Halsted Chicago, IL 60613 Phone: (773) 303-0167 Fax: (773) 303-0168 Email: [info@glchamber.org](mailto:info@glchamber.org) <<mailto:info@glchamber.org>> Web: [www.glchamber.org](http://www.glchamber.org) <<http://www.glchamber.org>>

Chicago Minority Supplier Development Council, Inc.  
105 W. Adams, Suite 2300  
Chicago, IL 60603-6233  
Phone: (312) 755-8880  
Fax: (312) 755-8890  
Email: [pbarreda@cllicagomsc.org](mailto:pbarreda@cllicagomsc.org) <<mailto:pbarreda@cllicagomsc.org>>  
Web: [www.chicagomsc.org](http://www.chicagomsc.org) <<http://www.chicagomsc.org>>

Chicago Urban League 4510 S. Michigan Ave. Chicago, IL 60653 Phone: (773) 285-5800 Fax: (773) 285-7772  
Email: [president@sthechicagoourbanleaou.org](mailto:president@sthechicagoourbanleaou.org) Web: [www.cul-chicago.org](http://www.cul-chicago.org) <<http://www.cul-chicago.org>>

Chicago Women in Trades (CWIT)  
4425 S. Weslem Blvd.  
Chicago, IL 60609-3032  
Phone: (773) 376-1450  
Fax: (312) 942-0802  
Email: [cw1inlo@cwit2.org](mailto:cw1inlo@cwit2.org) <<mailto:cw1inlo@cwit2.org>>  
Web: [www.chicagowomeninrades.org](http://www.chicagowomeninrades.org) <<http://www.chicagowomeninrades.org>>

Coalition for United Community Labor Force  
1253 W. 63<sup>rd</sup> Street  
Chicago, IL 60636  
Phone: (312) 243-5149  
Email: [johnrev.halchell@comcast.net](mailto:johnrev.halchell@comcast.net) <<mailto:johnrev.halchell@comcast.net>>

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City of Chicago Department of Procurement Services - Assist Agencies (cont'd)

Federation of Women Contractors  
5650 S. Archer Avenue  
Chicago, IL 60638  
Phone: (312) 360-1122  
Fax: (312) 360-0239  
Email: [fwcchicago@aol.com](mailto:fwcchicago@aol.com) <<mailto:fwcchicago@aol.com>>  
Web: [www.fwcchic3go.com](http://www.fwcchic3go.com) <<http://www.fwcchic3go.com>>

Hispanic American Construction Industry Association (HACIA)  
650 West Lake Street Chicago, IL 60661 Phone:(312)666-5910 Fax: (312) 666-5692 Email: [info@haciaworks.org](mailto:info@haciaworks.org)  
<<mailto:info@haciaworks.org>>Web: [www.haciaworks.org](http://haciaworks.org) <<http://haciaworks.org>>

Illinois Hispanic Chamber of Commerce  
855 W.Adams. Suite 100  
Chicago, IL 60607  
Phone:(312)425-9500  
Fax: (312) 425-9510  
Email: [oduque@ihccbuisincss.ncl](mailto:oduque@ihccbuisincss.ncl) <<mailto:oduque@ihccbuisincss.ncl>>  
Web: [www.ihccbuisincss.net](http://www.ihccbuisincss.net) <<http://www.ihccbuisincss.net>>

Latin American Chamber of Commerce 3512 West Fullerton Avenue Chicago, IL 60647 Phone:(773)252-5211 Fax: (773) 252-7065  
Email:[d.lorenupadron@labnamericanchamberofcommerce.com](mailto:d.lorenupadron@labnamericanchamberofcommerce.com) <<mailto:d.lorenupadron@labnamericanchamberofcommerce.com>>  
<<http://www.lalinamericanchamberofcommerce.com>>Web: [www.lalinamericanchamberofcommerce.com](http://www.lalinamericanchamberofcommerce.com)  
<<http://www.lalinamericanchamberofcommerce.com>>

National Organization of Minority Engineers  
33 West Monroe Suite 1540  
Chicago, Illinois 60603  
Phone: (312) 425-9560  
Fax: (312) 425-9564  
Email: [shandy@infrastructure-eng.com](mailto:shandy@infrastructure-eng.com) <<mailto:shandy@infrastructure-eng.com>>  
Web: [www.nomeonline.org](http://www.nomeonline.org) <<http://www.nomeonline.org>>

National Association of Women Business Owners  
Chicago Chapter  
230 E. Ohio, Suite 400  
Chicago, IL 60611  
Phone: (312) 224-2605  
Fax:(312) 6448557  
Email: [info@nawbochicago.org](mailto:info@nawbochicago.org)  
Web: [www.nawbochicago.org](http://www.nawbochicago.org)  
Rainbow/PUSH Coalition  
International Trade Bureau  
930 E. 50\* Street  
Chicago, IL 60615  
Phone: (773) 256-2781  
Fax: (773) 373-4104  
Email: [bcvans@rainbowpush.org](mailto:bcvans@rainbowpush.org) <<mailto:bcvans@rainbowpush.org>>  
Web: [www.rainbowpush.org](http://www.rainbowpush.org)

South Shore Chamber, Incorporated  
Black United Funds Bldg.  
1750 E. 71\* Street  
Chicago, IL 60649-2000  
Phone: (773) 955- 9508  
Email: [sshorechambcr@sboqlobal.net](mailto:sshorechambcr@sboqlobal.net) <<mailto:sshorechambcr@sboqlobal.net>>  
Web: [www.southshorechambcrinc.org](http://www.southshorechambcrinc.org) <<http://www.southshorechambcrinc.org>>

Suburban Minority Contractors Association  
1250 Grove Ave. Suite 200  
Bairington, IL 60010  
Phone:(847)852-5010  
Fax: (847) 382-1787  
Email: [aprilcobra@holmail.com](mailto:aprilcobra@holmail.com) <<mailto:aprilcobra@holmail.com>>  
Web: [www.suburbanblackconlmclors.org](http://www.suburbanblackconlmclors.org) <<http://www.suburbanblackconlmclors.org>>

Women Construction Owners & Executives  
(WCOE)  
Chicago Caucus  
308 Circle Avenue  
Forest Park, IL 60130  
Phone:(708)366-1250  
Fax: (708) 366-5418  
Email: [mkm@mkmservices.com](mailto:mkm@mkmservices.com) <<mailto:mkm@mkmservices.com>>  
Web: [www.wcoeusa.org](http://www.wcoeusa.org) <<http://www.wcoeusa.org>>

Women's Business Development Center  
8 South Michigan Ave., Suite 400  
Chicago, IL 60603  
Phone: (312) 853-3477  
Fax: (312) 853-0145  
Email: [fcurdy@wbdc.org](mailto:fcurdy@wbdc.org) <<mailto:fcurdy@wbdc.org>>  
Web: [www.wbdc.org](http://www.wbdc.org) <<http://www.wbdc.org>>

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Attachment B - Sample Format for Requesting Assist Agency Comments on Bidder's Request for Reduction or Waiver of MBE/WBE Goals

On Bidder/Proposer's Letterhead - SEND TO THE ASSIST AGENCIES - DO NOT SEND TO THE CITY

RETURN RECEIPT REQUESTED

(Date)

Specification No.: {Specification Number} Project Description:  
(PROJECT DESCRIPTION)

(Assist Agency Name and Address - SEND TO THE ASSIST AGENCIES - DO NOT SEND TO THE CITY)

Dear \_\_\_\_\_ :

(Bidder/Proposer) intends to submit a bid/proposal in response to the above referenced specification with the City of Chicago. Bids are due \_\_\_\_\_ advertised specification with the City of Chicago.

The following areas have been identified for subcontracting opportunities on both a direct and Indirect basis:

Our efforts to identify potential subcontractors have not been successful in order to meet the Disadvantaged/ Minority/Women Business Enterprise contract goal. Due to the Inability to identify an appropriate DBE/MBE/WBE firm certified by the City of Chicago to participate as a subcontractor or Joint venture partner, a request for the waiver of the contract goals will be submitted. If you are aware of such a firm, please contact

Name of Company Representative \_\_\_\_\_ at Address/Phone \_\_\_\_\_

within (10) ten business days of receipt of this letter.

Under the City of Chicago's MBE/WBE/DBE Ordinance, your agency is entitled to comment upon this waiver request to the City of Chicago. Written comments may be directed within ten (10) working days of your receipt of this letter to:

Monica Jimenez, Deputy Procurement Officer Department of  
Procurement Services City of Chicago  
121 North La Salle Street, Room 806 Chicago, Illinois 60602

If you wish to discuss this matter, please contact the undersigned at \_\_\_\_\_ .

Sincerely,

*M/WBE Special Conditions [or Commodities & Services 05.09 201<l*

Schedule B - Affidavit of Joint Venture

SCHEDULE B: Affidavit of Joint Venture (MBE/WBE)

This form need not be submitted if all joint venturers are MBEs and/or WBEs. In such a case, however, a written joint venture agreement among the MBE and WBE venturers must be submitted. In all proposed joint ventures, each MBE and/or WBE venturer must submit a copy of their current Letter of Certification.

All Information Requested by this Schedule must Be Answered in the Spaces Provided. Do Not Refer to Your Joint Venture Agreement Except to Expand on Answers Provided on this Form. If Additional Space Is Required. Additional Sheets May Be Attached.

- I. Name of joint venture: \_\_\_\_\_ Address of joint venture: \_\_\_\_\_  
Phone number of joint venture: \_\_\_\_\_
- II. Identify each non-MBE/WBE venturer(s):  
Name of Firm: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Contact person for matters concerning MBE/WBE compliance: \_\_\_\_\_
- III. Identify each MBE/WBE venturers):  
Name of Firm: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Contact person for matters concerning MBE/WBE compliance: \_\_\_\_\_
- IV. Describe the role(s) of the MBE and/or WBE venturer(s) in the joint venture: \_\_\_\_\_
- V. Attach a copy of the joint venture agreement. In order to demonstrate the MBE and/or WBE venturer's share in the ownership, control, management responsibilities, risks and profits of the joint venture, the proposed joint venture agreement must include specific details related to: (1) the contributions of capital and equipment; (2) work items to be performed by the MBE/WBE's own forces; (3) work items to be performed under the supervision of the MBE/WBE venturer; and (4) the commitment of management, supervisory and operative personnel employed by the MBE/WBE to be dedicated to the performance of the project.
- VI. Ownership of the Joint Venture.
  - A. What are the percentage(s) of MBE/WBE ownership of the joint venture?  
MBE/WBE ownership percentage(s) \_\_\_\_\_  
Non-MBE/WBE ownership percentage(s) \_\_\_\_\_
  - B. Specify MBE/WBE percentages for each of the following (provide narrative descriptions and other detail as applicable):
    - 1. Profit and loss sharing: \_\_\_\_\_
    - 2. Capital contributions: \_\_\_\_\_
      - (a) Dollar amounts of initial contribution. \_\_\_\_\_

(b) Dollar amounts of anticipated on-going contributions:

3. Contributions of equipment (Specify types, quality and quantities of equipment to be provided by each venturer):
  
  4. Other applicable ownership interests. Including ownership options or other agreements which restrict or limit ownership and/or control:
  
  5. Provide copies of all written agreements between venturers concerning this project.
  6. Identify each current City of Chicago contract (and each contract completed during the past hMj (2) years) by a joint venture of two or more firms participating in this joint venture:
- VII. Control of and Participation in the Joint Venture. Identify by name and firm those individuals who are, or will be, responsible for, and have the authority to engage in the following management functions and policy decisions. (Indicate any limitations to their authority such as dollar limits and co-signatory requirements.):
- A. Joint venture check signing:
  
  - B. Authority to enter contracts on behalf of the joint venture:
  
  - C. Signing, co-signing and/or collateralizing loans:
  
  - D. Acquisition of lines of credit:

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Schedule B: Affidavit of Joint Venture (MBE/WBE)

- E. Acquisition and indemnification of payment and performance bonds:
  
- F. Negotiating and signing labor agreements:

G. Management of contract performance. (Identify by name and firm only):

1. Supervision of field operations:

2. Major purchases:.

3. Estimating:.

4. Engineering:.

VIII. Financial Controls of joint venture:

A. Which firm and/or individual will be responsible for keeping the books of account?

B. Identify the managing partner, if any, and describe the means and measure of their compensation:

C. What authority does each venturer have to commit or obligate the other to insurance and bonding companies, financing institutions, suppliers, subcontractors, and/or other parties participating in the performance of this contract or the work of this project?

IX. State the approximate number of operative personnel (by trade) needed to perform the joint venture's work under this contract. Indicate whether they will be employees of the non-MBEAr/VBE firm, the MBE/WBE firm, or the joint venture.

*M/W13E Special Conditions for Commodities R Services OS 09.2014*

Schedule B: Affidavit of Joint Venture (MBE/WBE)

Trade	Non-MBETWBE Firm (Number)	MBE7WBE (Number)	Joint Venture (Number)
-------	---------------------------	------------------	------------------------

If any personnel proposed for this project will be employees of the joint venture:

A Are any proposed joint venture employees currently employed by either venturer?

Currently employed by non-WBEAA/BE (number)

Employed by MBEAAfBE

- B. Identify by name and firm the individual who will be responsible for hiring joint venture employees:
- C. Which venturer will be responsible for the preparation of joint venture payrolls:
- X. Please state any material facts of additional information pertinent to the control and structure of this joint venture.

Page 4 of 5

M/WBE Special Conditions for Commodities & Services 0S.09 2014

Schedule B: Affidavit of Joint Venture (MBE/WBE)

The undersigned affirms that the foregoing statements are correct and include all material information necessary to identify and explain the terms and operations of our joint venture and the intended participation of each venturer in the undertaking. Further, the undersigned covenant and agree to provide to the City current, complete and accurate information regarding actual joint venture work and the payment therefor, and any proposed changes in any provision of the joint venture agreement, and to permit the audit and examination of the books, records and files of the joint venture, or those of each venturer relevant to the joint venture by authorized representatives of the City or the Federal funding agency.

Any material misrepresentation will be grounds for terminating any contract which may be awarded and for initiating action under federal or state laws concerning false statements.

Note: If, after filing this Schedule B and before the completion of the joint venture's work on the project, there is any change in the information submitted, the joint venture must inform the City of Chicago, either directly or through the prime contractor if the joint venture is a subcontractor.

Name of MBE/WBE Partner Firm

Name of Non-MBE/WBE Partner Firm

Signature of Affiant

Signature of Affiant

Name and Title of Affiant

Name and Title of Affiant

Date

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the above-signed officers

(nimi of Bilanti)

personally appeared and, known to me be the persons described in the foregoing Affidavit, acknowledged that they executed the same in the capacity therein stated and for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Signature of Notary Public

My Commission Expires:

(SEAL) Pjge 5 of 5

M/WBE Special Conditions for Commodities & Services 05 09.2014

Schedule C-1: Letter of Intent From MBE/WBE To Perform As Subcontractor, Supplier and/or Consultant

SCHEDULE C-1

MBE/WBE Letter of Intent to Perform as a Subcontractor, Supplier, or Consultant

FOR

NON-CONSTRUCTION PROJECTS ONLY

Project Name: \_

From:

To:

\_and the City of Chicago.

(Name of Prime Contractor)

The MBE or WBE status of the undersigned is confirmed by the attached City of Chicago or Cook County, Illinois Certification Letter. 100% MBE or WBE participation is credited for the use of a MBE or WBE "manufacturer." 60% participation is credited for the use of a MBE or WBE "regular dealer."

The undersigned is prepared to perform the following services in connection with the above named project/contract. If more space is required to fully describe the MBE or WBE proposed scope of work and/or payment schedule, including a description of the commercially useful function being performed. Attach additional sheets as necessary:

The above described performance is offered for the following price and described terms of payment:

SUB-SUBCONTRACTING LEVELS

A zero (0) must be shown in each blank if the MBE or WBE will not be subcontracting any of the work listed or attached to this schedule.

% of the dollar value of the MBE or WBE subcontract that will be subcontracted to non MBE/WBE contractors.

% of the dollar value of the MBE or WBE subcontract that will be subcontracted to MBE or WBE contractors.

NOTICE: If any of the MBE or WBE scope of work will be subcontracted, list the name of the vendor and attach a brief explanation, description and pay item number of the work that will be subcontracted. MBE/WBE credit will not be given for work subcontracted to Non-MBE/WBE contractors, except for as allowed in the Special Conditions Regarding Minority Business Enterprise Commitment and Women Business Enterprise Commitment.

The undersigned will enter into a formal written agreement for the above work with you as a Prime Contractor, conditioned upon your execution of a contract with the City of Chicago, within three (3) business days of your receipt of a signed contract from the City of Chicago.

The undersigned has entered into a formal written mentor protege agreement as a subcontractor/protege with you as a Prime Contractor/mentor. ( ) Yes ( ) No

NOTICE: THIS SCHEDULE AND ATTACHMENTS REQUIRE ORIGINAL SIGNATURES.

(bignalu/e ol HrcsKJcni/Uwncilt'bU a Mhoaed Ageni ol MbUWob)



M/WBE Special Conditions for Commodities & Services OS 09 2014

Schedule D-I: Affidavit of Implementation of MBE/WBE Goals and Participation Plan

SCHEDULE D-1  
Compliance Plan Regarding MBEA/V3E Utilization Affidavit of Prime Contractor  
FOR  
NON-CONSTRUCTION PROJECTS ONLY

MUST BE SUBMITTED WITH THE BID. FAILURE TO SUBMIT THE SCHEDULE D-1 WILL CAUSE THE BID TO BE REJECTED. DUPLICATE AS NEEDED.

Project Name: \_

Specification No.:

In connection with the above captioned contract, I HEREBY DECLARE AND AFFIRM that I am a duly authorized representative of

(Name of Prime Contractor)

and that I have personally reviewed the material and facts set forth herein describing our proposed plan to achieve the MBE/WBE goals of this contract

All MBE/WBE firms included in this plan have been certified as such by the City of Chicago and/or Cook County, Illinois (Letters of Certification Attached)

I. Direct Participation of MBE/WBE Firms:

NOTE: The bidder/proposer shall, in determining the manner of MBE/WBE participation, first consider involvement with MBE/WBE firms as joint venture partners, subcontractors, and suppliers of goods and services directly related to the performance of this contract.

A If bidder/proposer is a joint venture and one or more joint venture partners are certified MBEs or WBEs, attach copies of Letters of Certification, Schedule B form and a copy of Joint Venture Agreement clearly describing the role of each MBE/WBE firm(s) and its ownership interest in the joint venture.

B. Complete this section for each MBE/WBE Subcontractor/Supplier/Consultant participating on this contract'

1. Name of MBE/WBE:

Address:

Contact Person: Phone Number'

Dollar Value of Participation \$ \_ Percentage of Participation %

Minority Business Enterprise Agreement (attach executed copy): ( ) Yes ( ) No Add'l Percentage Claimed.'

Total Participation %

2. Name of MBE/WBE'

Address:

Contact Person'

' The Prime Contractor may claim an additional 0.333 percent participation credit (up to a maximum of five (5) percent) (or every one (1) percent) of the value of the contract performed by the MBE/WBE" protégé firm

Schedule D-1: Prime Contractor Affidavit MBE/WBE Compliance Plan

Phone Number.

Dollar Value of Participalion \$

Percentage of Participation V.

Mentor Protege Agreement (attach executed copy). ( ) Yes ( ) No Add'l Percentage Claimed %

Total Participation %

3. Name of MBE/WBE

Address:

Contact Person.

Phone Number:

Dollar Value of Participation S ;

Percentage of Participalion %

Mentor Protegfi Agreement (attach executed copy). ( )Yes ( ) No Add'l Percentage Claimed: %

Total Participation %

4. Name of MBE/WBE:

Address<sup>1</sup>

Contact Person.

Phone Number.

Dollar Value of Participalion t

Percentage of Participation %

Mentor Protege Agreement (attach executed copy)( )Yes ( ) No Add'l Percentage Claimed %

Total Participation %

5. Attach Additional Sheets as Needed

II. Indirect Participation of MBE/WBE Firms

NOTE: This section need not be completed if the MBEM/BE goals have been met lthrough the direct participalion outlined m Section I If the MBE/WBE goals have not been met through direct participation. Contractor will be expected to demonstrate that the proposed MBE/WBE direct participation represents the maximum achievable under the circumstances Only after such a demonslrationwill indirect participation be considered.

MBE/WBE Subcontractors/Supplcirs/Consullanls proposed to perform work or supply goods or services where such performance does not directly relate to the performance of this contract:

1. Name of MBE/WBE<sup>1</sup>

Address.

Contact Person

08/T013 Parje2o15

Dollar Value of Participation \$ \_ Percentage of Participation % \_

Mentor ProtegS Agreement (attach executed copy): ( ) Yes ( ) No Add'l Percentage Claimed:

Total Participation %

2. Name of MBE/WBE.

Address:

Contact Person- Phone Number:

Dollar Value of Participation \$ \_ Percentage of Participation % \_

Mentor Protege Agreement (attach executed copy)- ( ) Yes ( ) No Add'l Percentage Claimed-

Total Participation %

3. Name of MBE/WBE:

Address:

Contact Person:

Phone Number:

Dollar Value of Participation \$ \_

Percentage of Participation % \_

Mentor Protege Agreement (attach executed copy) ( ) Yes ( ) No Add'l Percentage Claimed:

Total Participation %

4. Name of MBE/WBE'

Address:

Contact Person-

Phone Number:

Dollar Value of Participation \$ \_

Percentage of Participation % \_

Mentor Protege Agreement (attach executed copy). ( ) Yes ( ) No Add'l Percentage Claimed. %

Total Participation %

5. Attach Additional Sheets as Needed

Foot Joi 5

M/WBE Special Conditions for Commodities & Services OS 09.2014

Schedule D-1: Prime Contractor Affidavit-MBE/WBE Compliance Plan 111. Summary of MBE/WBE Proposal A. MBE Proposal (Direct & Indirect) 1. MBE Direct Participation

MQE Firm Name	Dollar Amount Participation (\$)	Percent Amount ParticipationV(e)
---------------	----------------------------------	----------------------------------

Total Direct MBE Participation

2. MBE Indirect Participation



purposes therein contained

IN WITNESS WHEREOF, I hereunto set my hand and seal

(Notary Public Signature)

SEAL:

Commission Expires:

Page 5 of 5

*M/WBE Special Conditions for Commodities & Services 05.09 2014*

*M/WBS Special Conditions for Commodities & Services 9 27 2013*

EXHIBIT 10 INSURANCE REQUIREMENTS AND  
EVIDENCE OF INSURANCE  
INSURANCE REQUIREMENTS - REVISED Department of Transportation  
People Plaza Management Agreement

Licensee must provide and maintain at Licensee's own expense, during the term of this Agreement and any time period following expiration if Licensee is required to return and perform any of the work or services under this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

A. INSURANCE TO BE PROVIDED

1) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law, covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$500,000 each accident, illness or disease.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence for bodily injury, personal injury and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, separation of insured, defense and contractual liability (not to include Endorsement CG 21 39 or equivalent).

The City of Chicago is to be named as an additional insured under the Consultant's and any subcontractor's policy. Such additional insured coverage shall be provided on ISO Endorsement Form CG 20 10 for ongoing operations or on a similar additional insured form acceptable to the City. The additional insured coverage shall not have any limiting endorsements or language under the policy such as, but not limited to Consultant's or subcontractors sole negligence or the additional insured's vicarious liability. Consultant's liability insurance shall be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City. Licensee must ensure the City is an additional insured on insurance required from subcontractors.

Subcontractors performing work or services for Licensee must maintain limits of not less than \$1,000,000 with the same terms in this subsection.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with Services to be performed, Licensee must provide Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

4) Professional Liability

When any project/site managers, other management professionals or any other consultants perform services in connection with this Agreement, Professional Liability Insurance? covering acts, errors or omissions must be maintained with limits of not less

than \$2,000,000. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede start of services on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of 2 years.

Subcontractors performing professional services for Licensee must maintain limits of not less than \$1,000,000 with the same terms in this subsection.

5) Valuable Papers

When any media, data, reports, records, files and other documents are produced or under this Agreement, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever, and must have limits sufficient to pay for the recreation and reconstruction of such records.

6) Blanket Crime

The Licensee must provide Blanket Crime coverage covering all persons handling funds under this Agreement, against loss by dishonesty, robbery, burglary, theft, destruction, or disappearance, computer fraud, credit card forgery, and other related crime risks. The policy limit must be written to cover losses in the amount of maximum monies collected, received and on premises at any given time

7) Property

The Licensee is responsible for all loss or damage to City property at full replacement cost.

The Licensee is responsible for all loss or damage to personal property (including materials, equipment, tools and supplies) owned, rented or used by Licensee .

**B. ADDITIONAL REQUIREMENTS**

Licensee must furnish the City of Chicago, Department of Transportation, attn. Janet Attarian, Suite 500, 30 North LaSalle Street, Chicago, IL 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and

Renewal Certificates of Insurance, or such similar evidence, if the coverage have an expiration or renewal date occurring during the term of this Agreement. Licensee must submit evidence of insurance on an Insurance Certificate Form prior to execution of Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of Agreement. The failure of the City to obtain certificates or other insurance evidence from Licensee is not a waiver by the City of any requirements for the Licensee to obtain and maintain the specified coverage. Licensee must advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Licensee of the obligation to provide insurance as specified in this Agreement. Non-fulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated

2

The Licensee must 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 deductibles or self-insured retentions on referenced insurance coverage must be borne by Licensee.

Licensee hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents or representatives.

The coverage and limits furnished by Licensee in no way limit the Licensee's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self-insurance programs maintained by the City of Chicago do not contribute with insurance provided by Licensee under this Agreement.

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

If the Licensee maintains higher limits than the minimums shown, the City requires and shall be entitled to coverage for the higher limits maintained by the Licensee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

If Licensee is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Licensee must require all subcontractors to provide the insurance required herein, or Licensee may provide the coverage for subcontractors. All subcontractors are subject to the same insurance requirements of Licensee unless otherwise specified in this Agreement. Licensee must ensure that the City is an additional insured on Endorsement CG 20 10 of insurance required by subcontractors.

If Licensee or subcontractors desire additional coverage, the party desiring the additional coverage is responsible for the acquisition and cost.

Notwithstanding any provision in the Agreement to the contrary, the City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

EXHIBIT 11 ADVERTISING STANDARDS

Exhibit 11 Advertising Standards

A. Definitions

"Advertising" means the placement of ads unrelated to Sponsorships in or on People Plazas.

"Signage" means a static (i.e., non-digital) sign with two or three sides provided that the total square footage of space for advertising and Messaging must not exceed 100 Sq. Ft. in total.

"Wrap Advertising" means advertising or promotional material that adheres to and becomes coextensive with the surface of a structure (other than a sign or Signage) on a People Plaza.

"Messaging" means content that provides a public benefit by informing the public about events and activities in the Plazas, the Make Way for People program, or other City benefits and Initiatives.

B. Advertising Right

Subject to written approval from the City Project Manager or a designee and City agreements with third parties. Licensee has the right to perform Advertising on People Plazas. All revenues from Advertising must be placed in the Chicago People Plaza Trust Account and used for the purposes of the People Plazas program. Advertising itself may not be used to meet Activation Services requirements or goals. All Advertising must be in accordance with the City Advertising Standards included in this Exhibit, which may be revised at the City's sole discretion on 30 days notice.

C. Means of Advertising

Licensee must only perform Advertising by means of placement of ads on Signage or by use of a Wrap, unless otherwise authorized by the City at the City's sole discretion.

1) Signage. Licensee's right to place Signage on People Plazas will be subject to the written approval of the City Project Manager or a designee. Licensee will not have the right, unless authorized by the City at the City's sole discretion, to place Signage on every People Plaza. If Signage is allowed on a given People Plaza, such Signage must comply with the following specifications and as outlined in the contract:

(a) Signs may be a free standing structure that is double faced.

(b) Signs must be used to post advertising and City messaging. Fifty percent of the total square footage allowed for a sign must be used for messaging.



- (c) Sign dimensions must be no greater than 50 Square feet in total.
- d) Signage may be bolted directly onto sidewalks or concrete foundations.
- e) Signage may be temporary.
- f) Signage must follow all City ordinances and regulations

2) Wraps. At City's sole discretion and written approval, Licensee may also place Wrap Advertising on physical structures existing on the Activated Plazas on the Effective Date or allowed to be placed on the Activated Plazas pursuant to this Agreement (e.g., TSVs). Licensee acknowledges that Wrap Advertising will generally only be approved by the City in conjunction with Activated Plaza sponsorships under Section 4.5 or with an agreement with a Sublicensee under Section 4.7.

D. Conflicts

Licensee's placement of Advertising on the People Plazas must not conflict with any other City initiatives or agreements, including but not limited to: (i) JCD Decaux Street Furniture agreement, (ii) VanWagner brokerage agreement for Divvy Bike share, (iii) Blue Cross and Blue Shield Sponsorship for Divvy bike share, (iv) Vector Media advertising agreement for Big Belly Solar Recycling Bins, (v) Municipal Marketing initiative and (vi) Street Level Digital initiative. Licensee must cooperate with the City to ensure that Advertising creates no conflicts for the City.

E. City Advertising Standards

Advertising or promotional materials displayed on signage, wraps, or any other City approved locations shall be appropriate for display to the general public of all ages and may not contain material or information that:

- 1) is false, misleading, or deceptive;
- 2) is libelous or defamatory;
- 3) promotes unlawful or illegal products, services or activities;
- 4) infringes on any copyright, trade or service mark, patent, trade secret or other intellectual property right of any person or entity;
  
- 5) implies or declares an endorsement by the City of Chicago of any product, service or activity, except upon the written consent of the City of Chicago;
- 6) is obscene, pornographic, or sexually-explicit material, including, but not limited to, the depiction of nudity, sexual conduct, or sexual excitement;
- 7) promotes or depicts tobacco or tobacco-products, or their use, or advertises entities whose business is substantially derived from the sale of tobacco or tobacco products;

- 8) promotes or depicts alcoholic beverages or the use of alcoholic beverages if such advertisement or promotional material is within a 500-foot radius of a school up through the level of high school, a house of worship or a playground (other than a playground located adjacent to a linear park that is more than one mile in length and is located within the public way);
- 9) advertises entities whose business is substantially derived from the sale of firearms;
- 10) supports or opposes a political message, or a public issue or cause;
- 11) advocates imminent lawlessness or violent action, or contains graphic depictions of violence; or
- 12) supports or opposes a religion or religious denomination, creed, tenet or belief, atheism or agnosticism, or that contains a religious message, symbol or endorsement.

The terms "nudity" "sexual conduct" and "sexual excitement" have the same meanings herein as in 7210 ILCS 5/II-21(a) (2011) and as such law may be amended, modified or supplemented. The term "obscene" has the meaning set forth in 720 ILCS 5/II-20(b) (2011) and as such law may be amended, modified or supplemented.

F. Upkeep of advertising and messaging and signage

- a. Any physical structures that advertising is placed on must be kept in good upkeep and structurally sound and free from graffiti, posted material or other miscellaneous materials.
- b. If a structure is damaged and can not be easily repaired in place it must be removed and replaced within 3 days of the damage.
- c. If advertising is substantially damaged it must be replaced or removed as soon as possible.
- d. If wraps begin to be frayed, torn, or discolored they must be removed or replaced as soon as possible.
- e. Advertising or messaging has to be kept free of graffiti, posted material, or other miscellaneous materials.

EXHIBIT 12 ANNUAL PROFIT

Exhibit 12 Annual Profit

The extent to which Annual Profit is shared by Licensee and the City is based on Licensee's overall performance under this Agreement, as determined by the metrics utilized in Exhibit 6. The levels of disbursement are as follows:

- If Licensee Fails to Meet Expectations in a given Operating Period (Fewer than 18.5 total PIP points), then (a) 100% of NET (if any) from that Operating Period must be rolled into the next Operating Period Budget, and (b) there will be no Annual Profit from that Operating Period. Additionally, if Licensee fails to perform the minimum obligations for Financial Reporting or Maintenance Services under the Agreement, Licensee will be deemed to have Failed to Meet Expectations for that Operating Period, and 100% of NET must be rolled over to the next Operating Period.

- If Licensee Meets Expectations in a given Operating Period (Between 18.5 and 37 total PIP points), then 95% of NET from that Operating Period must be rolled into the upcoming Budget. The remaining 5% of NET will be deemed Annual Profit and will be divided according to the Agreement.
- If Licensee Exceeds Expectations in a given Operating Period (Between 37 and 55.5 total PIP points), then 85% of NET from that Operating Period must be rolled into the upcoming Budget. The remaining 15% of the NET will be deemed Annual Profit and will be divided according to the Agreement.
- If Licensee Greatly Exceeds Expectations in a given Operating Period (Over 55.5 total PIP points), then 75% of NET from that Operating Period must be rolled into the upcoming Budget. The remaining 25% of the NET will be deemed Annual Profit and will be divided according to the Agreement.

EXHIBIT 13

ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT

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: Latent Design Corporation

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1.  the Applicant

OR

2.  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:

OR

3.  a legal entity with a right of control (see Section II.B.I.) State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 900 N. Ashland Ave

Chicago, IL 60622 .

C. Telephone: 312-344-1498

Fax: rt/a

Email: [hello@latentdesign.net](mailto:hello@latentdesign.net)

[<mailto:hello@latentdesign.net>](mailto:hello@latentdesign.net)

D. Name of contact person: Katherine Darnstadt

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):

Activation of People Plazas

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

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

Specification U and Contract U <sup>n/a</sup>

Page I of 13

SECTION II -

- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing  Person

Publicly registered business corporation  Privately held business corporation  Sole proprietorship  General partnership

Limited partnership  Trust

Party:'

Limited liability company

Limited liability partnership

Joint venture

Not-for-profit corporation

(Is the not-for-profit corporation also a 501(c)(3))?

Yes

No

Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

State of 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?

[p/A

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 titlcholder(s).

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 Title

Katherine Darnsladt

Founding Architect + CEO

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,

Page 2 of 13

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	Business Address	Percentage Interest in the Disclosing Party
Katherine Darnstadl	900 N. Ashland Ave.. Chicago, IL 60622	100%

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  No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s): N/A

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.

Page 3 of 13

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.)
do Pokorny & Marks. LLC	Chicago, Illinois 60654	Attorney	\$10,000 [paid]

NOTE: "hourly rate" or "t.b.d." is not an acceptable response.  
Jonathan Rosen 6 West Hubbard Street. #700

(Add sheets if necessary)

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

CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under 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?

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

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

Yes       No

B. FURTHER CERTIFICATIONS

1. 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 11.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;
  - 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:

n/a

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

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"), n/a

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, n/a

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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

1.  is  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): n/a

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

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?

Yes  No

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

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

Does the Matter involve a City Property Sale?

Yes  No

3. If you checked "Yes" to Item D.I., 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
	n/a	

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below, disclose below or in an attachment to If the Disclosing Party checks 2., this EDS all information required

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the Disclosing Party must 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.

<sup>x</sup> 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: n/a

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):

n/a

(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 [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics) <<http://www.cityofchicago.org/Ethics>>, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with 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 2-1 54-020 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 Bond, 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.

Latent Design Corporation

(Sign here; Katherine Pamstfeld)

(Print or type name of person signing)

Founding Architect + CEO (Print or type title of person signing)

Signed and sworn to before me on (date) . . . .  
at 11:00 AM County, Cook (state).

Notary Public.

Commission expires

OFFICIAL SEAL  
DOUGLAS J MURPHY  
Notary Public - State of Illinois  
My Commission Expires March 14, 2017

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 n.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

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.

n/a

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

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

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

Yes  No

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

Yes  No  Not Applicable

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

n/a

FILLING OUT THIS APPENDIX B CONSTITUTES ACKNOWLEDGMENT AND AGREEMENT THAT THIS APPENDIX B IS INCORPORATED BY REFERENCE INTO, AND MADE A PART OF, THE ASSOCIATED EDS, AND THAT THE REPRESENTATIONS MADE IN THIS APPENDIX B ARE SUBJECT TO THE CERTIFICATION MADE UNDER PENALTY OF PERJURY ON PAGE 12 OF THE ASSOCIATED EDS.

#### EXHIBIT 14 FINANCIAL REPORTING REQUIREMENTS

##### Exhibit 14 Financial Reporting

###### Budget

- Licensee must submit for the City's review and approval a Budget for each Operating Period. The Budget for the first Operating Period must be submitted for approval on or before May 1, 2015. All subsequent Budgets must be submitted Sixty (60) days prior to the start of each new Operating Period. The City will have ten (10) business days from receipt to approve or reject such proposed Budget. If the City fails to approve or reject such proposed Budget within ten (10) business days, the Budget is deemed approved. Proposed Budgets will be in a form agreed to by the Parties but must take account of all program activities, including, but not limited to, projected Revenues, Revenues rolled over from the previous Operating Period, Grant Funding (real or anticipated), City Funding, or Additional City Funding, and expenses including but not limited to administration, marketing, TVS construction, Capital Improvements, Repairs, Advertising, Maintenance and Activation, which should be broken down by Upgrades, Installations and Programmed Events. The Budget must break down revenues and expenses by Activated Plaza location as well as summarize anticipated quarterly and monthly revenues and expenses to use for Monthly and Quarterly Financial Reporting.

###### Monthly Financial Reports

- Monthly Financial Reporting. By the 10<sup>th</sup> day of each month, Licensee must provide the following document related to the prior month: (i) the monthly statement from the Revenue Trust Account, (ii) the monthly statement from the Grant Funding Account(s), (iii) a report on Revenue or Grant Funds received during the relevant month that are not reflected in such statements, and (iv) a report on any expenses made or committed that are not reflected in such statements. Licensee must explain how all expenses relate to the Budget and Grant Funding documents. Licensee must highlight any significant projected changes to the Budget due to the foregoing.

###### Quarterly Financial Reports

- Quarterly Financial Reporting. Within thirty (30) days after the end of each Quarterly Period, . Licensee shall provide the City with an unaudited financial statement showing (i) Licensee's gross Revenues, (ii) Grant Funding receipts, and (iii) costs and expenses for the prior Quarterly Period. Licensee must also provide projections of the foregoing for the current Quarterly Period, and how all of the foregoing affects the Budget, including any changes or anticipated changes to the Budget. The Licensee agrees to provide all documentation requested by the City supporting such unaudited statements. To the extent not covered above, Licensee must also submit a report detailing:

- i) All revenues, their sources, dates received, and dates deposited.
- ii) All expenses, where they were used and for what purpose and to whom they were paid, including and any relevant MBE/WBE information; provided, however, that this will not relieve Licensee from any reporting obligations under Exhibit 9 (Special Conditions).
- iii) Categorize revenues and expenses by Plaza location and by scope, including but not limited to: maintenance and security, activation, TVS's, advertising, marketing, capital improvements, repairs, and administrative expenses including payment to staff.
- iv) Licensee must provide copies of all original receipts, time sheets or other proof of costs incurred, expenses and payment thereof.

#### Annual Financial Reports

Annual Financial Reports. Within sixty (60) days after the end of the each Operating Period, Licensee shall provide the City with an audited financial statement from a professional accounting firm using generally accepted accounting principles. In addition to all the information required to be reported in such an audited financial statement (e.g., Revenues, expenses and the like attributable to the Operating Period), Licensee will present its calculation, based on Exhibits 6 and 12, of the Annual Profit and the split between the Parties, if any, and the amount to be reinvested in the upcoming Operating Period's Budget. The Licensee agrees to provide such documentation requested by the City supporting such audited statements.



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