



Mayor

Very truly yours,

**June 17,2015**

**To the President and Members of the City Council:**

**Reporting for your Committee on Special Events, Cultural Affairs and Recreation for which a meeting was held on June 16, 2015 having had under consideration one item. An ordinance authorizing the use of open impact fees, which was introduced at the May 20, 2015 City Council meeting by Mayor Rahm Emanuel for the Kennicott Park Expansion Project located at 4434 South Lake Park Avenue I beg leave to report and recommend that Your Honorable Body Pass the proposed ordinance transmitted herewith.**

**This recommendation was concurred in by a viva voce vote of the members of the Committee.  
Chairman**

**Respectfully submitted,**

**Alderman Tunney remarks for Chairman report to the City Council, April 15, 2015**

**Mr. President, (or if Alderman Laurino is up there - Madam President)**

**Reporting for your Committee on Special Events, Cultural Affairs and Recreation for which a meeting was held on June 16<sup>th</sup>, and having had under consideration one item. An ordinance which was introduced by Mayor Emanuel at the May 20, 2015 City Council meeting, authorizing the use of open impact fees for the Kennicott Park Expansion Project, this park is located in the 4<sup>th</sup> Ward at 4434 South Lake Park Avenue.**

**If there is no objection, I move passage of this item by the last most favorable**

**roll call vote of the Committee on Finance and associated unsuccessful motion to reconsider.**

**Thank you, that concludes my report.**

**ORDINANCE**

WHEREAS, the City of Chicago (the "City"), is a home rule unit of government under Article VII, Section 6(a) of the Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Chicago Park District (the "Park District"), is an Illinois municipal corporation and a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois, and as such is authorized to exercise control over and supervise the operation of all parks with in the corporate limits of the City; and

WHEREAS, the City is authorized under its home rule powers to regulate the use and development of land; and

WHEREAS, it is a reasonable condition of development approval to ensure that adequate open space and recreational facilities exist within the City; and

WHEREAS, on April 1, 1998, the City Council of the City (the "City Council") adopted the Open Space Impact Fee Ordinance codified at Chapter 18 of Title 16 (the "Open Space Ordinance") of the Municipal Code of Chicago (the "Code") to address the need for additional public space and recreational facilities for the benefit of the residents of newly created residential developments in the City; and

WHEREAS, the Open Space Ordinance authorizes, among other things, the collection of fees from residential developments that create new dwelling units without contributing a proportionate share of open space and recreational facilities for the benefit of their residents as part of the overall development (the "Fee-Paying Developments"); and

WHEREAS, pursuant to the Open Space Ordinance, the City's Department of Finance ("DOF") has collected fees derived from the Fee-Paying Developments (the "Open Space Fees") and has deposited those fees in separate funds, each fund corresponding to the "Community Area" (as defined in the Open Space Ordinance), in which each of the Fee-Paying Developments is located and from which the Open Space Fees were collected; and

WHEREAS, the City's Department of Planning and Development ("DPD") has determined that the Kenwood Community Area (the "Community") has suffered from a significant deficit of open space as documented in the comprehensive plan entitled "The CitySpace Plan," adopted by the Chicago Plan Commission on September 11, 1997 and adopted by the City Council on May 20, 1998 pursuant to an ordinance published at pages 69309-69311 of the Journal of the Proceedings of the City Council of the same date; and

WHEREAS, the Park District is the owner of parcels of land at Kennicott Park (the "Park"), which opened in 1990, is located in the Community, and has served and continues to serve in alleviating the public open space needs and shortages in the Community; and

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WHEREAS, the City and the Park District desire to update and expand the area of the Park (the "Project") as described on Exhibit A for the continued benefit and use of the general public and Community in which the Park is located; and

WHEREAS, the City desires to grant to the Park District impact fee funds to reimburse or partially reimburse the Park District for development costs associated with the Project; and

WHEREAS, DPD desires to grant the Park District Open Space Fees in amounts not to exceed \$290,346; and

WHEREAS, the Open Space Ordinance requires that the Open Space Fees be used for open space acquisition and capital improvements, which provide a direct and material benefit to the new development from which the fees are collected; and

WHEREAS, the Open Space Ordinance requires that the Open Space Fees be expended within the same or a contiguous Community Area from which they were collected after a legislative finding by the City Council that the expenditure of the Open Space Fees will directly and materially benefit the developments from which the Open Space Fees were collected; and

WHEREAS, DPD has determined that the use of the Open Space Fees to fund the Project will provide a direct and material benefit to each of the Fee-Paying Developments from which the Open Space Fees were collected; and

WHEREAS, DPD has determined that Open Space Fees to be used for the purposes set forth herein have come from the specific funds set up by DOF for the Community, in which the Fee-Paying Developments are located and from which the Open Space Fees were collected; and

WHEREAS, DPD has recommended that the City Council approve the use of the Open Space Fees for the purposes set forth herein through this ordinance; and

WHEREAS, DPD has recommended that the City Council make a finding that the expenditure of the Open Space Fees as described herein will directly and materially benefit the Fee-Paying Developments from which the Open Space Fees were collected; and

WHEREAS, the City Council finds that the update and expansion of the area of the Park will continue to alleviate and help to further alleviate the public open space shortage in the Community, and is in the best interests of the City; now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made part of this ordinance as though fully set forth herein.

SECTION 2. The City Council hereby finds that the expenditure of the Open Space -Fees will directly and materially benefit the residents of those Fee-Paying Developments from

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EXHIBIT A

Address: P.I.N.s:

Community Area: Description of Project:

Amount of Open Space Fees: Source of Funds/CAPS Code  
DESCRIPTION OF PROJECT (Park Expansion Project)

**Kennicott Park Project**

4434 South Lake Park Avenue, Chicago, Illinois 60653

20-02-310-012 20-02-310-013 20-02-310-014 20-02-310-015

Kenwood Redevelopment Area

Existing park expansion project; costs to include land acquisition, alley closure, site preparation, utilities/lights, paving & fencing, landscaping, benches, and other necessities and contingencies

\$290,346

PS39 131 54 5039 2604

EXHIBIT B

INTERGOVERNMENTAL AGREEMENT

**This Intergovernmental Agreement (this "Agreement") is entered into as of &?, 2015 (the "Closing Date"), by and between the City of Chicago (the "City"), an Illinois municipal corporation, acting through its Department of Planning and Development (the "DPD"), and the Chicago Park District (the "Park District"), a body politic and Corporate of the State of Illinois. The Park District and the City are sometimes referred to herein as the "Parties" and individually as a "Party".**

**RECITALS**

WHEREAS, on April 1, 1998, the City Council of the City (the "City Council") adopted the Open Space Impact Fee Ordinance codified at Chapter 18 of Title 16 (the "Open Space Ordinance") of the Municipal Code of Chicago (the "Code") to address the need for additional public space and recreational facilities for the benefit of the residents of newly created residential developments in the City; and

WHEREAS, the Open Space Ordinance authorizes, among other things, the collection of fees from residential developments that create new dwelling units without contributing a proportionate share of open space and recreational facilities for the benefit of their residents as part of the overall development (the "Fee-Paying Developments"); and

WHEREAS, pursuant to the Open Space Ordinance, the City's Department of Finance ("DOF") has collected fees derived from the Fee-Paying Developments (the "Open Space Fees") and has deposited those fees in separate funds, each fund corresponding to the "Community Area" (as defined in the Open Space Ordinance), in which each of the Fee-Paying Developments is located and from which the Open Space Fees were collected; and

WHEREAS, the DPD has determined that the Kenwood Community Area (the "Community") has suffered from a significant deficit of open space as documented in the comprehensive plan entitled "The CitySpace Plan," adopted by the Chicago Plan Commission on September 11, 1997 and adopted by the City Council on May 20, 1998 pursuant to an ordinance published at pages 69309-69311 of the Journal of the Proceedings of the City Council of the same date; and

WHEREAS, the Park District is the owner of parcels of land at Kennicott Park (the "Park" or the "Property"), which opened in 1990, is located in the Community, and has served and continues to serve in alleviating the public open space needs and shortages in the Community; and

WHEREAS, the City and the Park District desire to update and expand the area of the Park (the "Project") as described on Exhibit A for the continued benefit and use of the general

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public and Community in which the Park is located; and

WHEREAS, the City desires to grant to the Park District impact fee funds to reimburse or partially reimburse the Park District for development costs associated with the Project; and

WHEREAS, the DPD desires to grant the Park District Open Space Fees in amounts not to exceed \$290,346 (the "Grant"); and

WHEREAS, on ^ 2015 the City Council of the City adopted an ordinance published in the Journal of the Proceedings of the City Council for said date at pages OA to ■ ' ■ . finding, among other things, that the Project would provide a direct and material benefit to the residents of the new developments originating the Open Space Fees and authorizing the Grant and this Agreement is subject to certain terms and conditions (the "Authorizing Ordinance"); and

WHEREAS, on January 14, 2015, the Park District's Board of Commissioners passed an ordinance expressing its desire to accept Project assistance from the City for the development of the Project and authorizing the execution of this Agreement (the "Park District Ordinance"); and

WHEREAS, under the terms and conditions hereof, the City agrees to make the Grant available to the Park District; and

WHEREAS, the City and the Park District have among their powers the authority to contract with each other to perform the undertakings described herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, the above recitals which are made a contractual part of this Agreement, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the City and the Park District agree as follows:

### SECTION 1. THE GRANT

1.1. Budget. Subject to the provisions set forth in this Agreement, the City will disburse the Grant to reimburse the Park District for part of the cost of completing the Project in accordance with the budget attached to this Agreement as Exhibit B (the "Budget"), which Budget is hereby approved by the DPD, and only after the Park District has submitted Certificate(s) of Expenditure to the DPD (as defined below) along with such supporting documentation as the City may reasonably require.

1.2 Reimbursement. The Park District may request that certificate(s) of expenditure substantially in the form attached hereto (the "Certificate of Expenditure") as Exhibit C be processed and executed periodically. The City will not execute the Certificate of Expenditure in the aggregate in excess of the actual cost of the Project or in excess of the agreed upon Grant amount, whichever is the lower. Prior to each execution of a Certificate of Expenditure by the City, the Park District must submit documentation regarding the applicable expenditures to the DPD. Delivery by the Park District to the DPD of a request for execution by

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the City of a Certificate of Expenditure hereunder will, in addition to the items therein expressly ' set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that,

i) the total amount of the request for the Certificate of Expenditure represents an actual amount payable to (or paid to) the general contractor, subcontractors, and other parties who have performed work on or otherwise provided goods, property or services in connection with the Project, and/or their payees;

ii) all amounts shown as previous payments on the current request for a Certificate of Expenditure have been paid to parties entitled to such payment;

iii) the Park District has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Drawings (as defined in Section 2.2); and

(ii) the Park District has complied and is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

3. Limits of Reimbursement. The Park District hereby acknowledges and agrees that the Grant must be used exclusively to pay for or reimburse costs associated with the Project. If the Grant amount should exceed the costs of the Project, the total amount payable to the Park District shall be the actual costs incurred by the Park District in completion of the Project.

4. Cost Overruns. The Park District is solely responsible for any fees, costs and expenses of the Project in excess of the amount of the Grant and will hold the City harmless from all such excess fees, costs and expenses. In the event that either party believes that the Budget may not provide sufficient funds for the construction of the Project, such party must notify the other party and the parties must cooperate to modify the Project so that it can be completed in accordance with the Budget.

5. Source of Funds. The source of funds for the City's obligations under this Agreement is a fund identified by CAPS Code: PS39 131 54 5039 2604. The Park District hereby acknowledges and agrees that the City's obligations hereunder are subject in every respect to the availability of funds as described in and limited by this Section 1.5. If no funds or insufficient funds are appropriated and budgeted for disbursement of the Grant, then the City will notify the Park District in writing of that occurrence, and the Park District will have the right, but not the obligation to terminate this Agreement by written notice to the City.

## **SECTION 2. DEVELOPMENT AND CONSTRUCTION OF THE PROJECT**

2.1. Title Commitment and Insurance; Survey. The Park District must be responsible for obtaining, at its own expense, any title commitment or title policy and survey with respect to the Property that it deems necessary.

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2. Construction Documents and Landscape Plan. The Park District has developed the construction documents and a plan for the Project (the "Drawings") as shown on Exhibit D. No material deviation from the Drawings will be made without the prior written approval of the DPD, which approval will not be unreasonably withheld, conditioned or delayed. The approval of the Drawings by the DPD are for the purposes of this Agreement only and other than as set forth in the Drawings, no structures or improvements are to be constructed on the Property by the Park District without the prior written approval of the DPD, which approval will not be unreasonably withheld, conditioned or delayed and will not constitute any approval required by the City's Department of Buildings, or any other Department of the City.

3. Schedule. The Park District has prepared a preliminary schedule for the development and construction of the Project as set forth on Exhibit E (the "Schedule"). No material deviation from the Schedule will be made without the prior written approval of the DPD, which approval will not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, in no event will the approval of the DPD be required for any changes to the Schedule required in connection with any force majeure event.

4. Use. The Project must be utilized as open space for use by the public for and on behalf of the City. This Agreement does not confer any special rights upon the Park District or any other person or entity to use the Project for private parties or events.

5. Certification. The Park District must submit the Certificate of Expenditure form as attached in Exhibit C prior to any Grant funds being released.

## **SECTION 3. TERM OF AGREEMENT**

Term of Agreement. The term of this Agreement will commence as of the Closing Date and, unless otherwise terminated as provided in this Agreement, will expire on the second anniversary of the Closing Date. Notwithstanding the foregoing, if the Park District modifies the Schedule pursuant to Section 2.3 of this Agreement and such modification extends beyond the term, the term will be adjusted accordingly.

## SECTION 4. COVENANTS AND REPRESENTATIONS

The Park District hereby warrants, represents and/or covenants to the City that:

1. The Park District will use the Grant solely for the Project and to pay for or reimburse eligible costs as determined in the sole discretion of the City and as outlined on Exhibit B.

2. The Park District will comply with all applicable federal, state, and local statutes, laws, ordinances, rules, regulations and executive orders that are in effect from time to time that pertain to or affect the Project, the Park District, or the Grant. Upon the City's request, the Park District will provide evidence of such compliance satisfactory to the City.

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4.3. The Park District agrees that provisions required to be inserted in this Agreement » by laws, ordinances, rules, regulations or executive orders are deemed inserted whether or not they appear in this Agreement and that in no event will the failure to insert such provisions prevent the enforcement of this Agreement.

4. The Park District has full power and authority to enter into and perform its obligations under this Agreement, and the signing and delivery of this Agreement and the performance of its obligations under this Agreement have been duly authorized by all requisite corporate action.

5. Signing, delivery and performance by the Park District of this Agreement does not violate its bylaws, articles of incorporation, resolutions or any applicable provision of law, or constitute a material breach of, default under or require any consent under, any agreement, instrument or document, including any related to borrowing monies, to which the Park District is party or by which it is bound.

6. There are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting the Park District that would materially impair its ability to perform under this Agreement.

7. The Park District is not in default on any loan or borrowing that may materially affect its ability to perform under this Agreement.

8. If the Grant, or a portion thereof, is used to pay for or reimburse construction costs, the Park District and all its contractors and subcontractors must meet labor standards and prevailing wage standards required by federal, state and City laws, regulations and ordinances.

9. The Park District must maintain and keep in force, at its sole cost and expense, at all times during the term of this Agreement, insurance in such amounts and of such type as set forth in Section 6 below.

10. The Park District must at all times perform its work in fulfilling its corporate mission with the utmost care, skill and diligence in accordance with the applicable standards currently recognized in the community.

11. The Parties agree that the Park District will maintain the Project improvements on the

Property in a condition and manner acceptable to the City.

12. **Inspectors General**

A. The Park District, and all officers, directors, agents, partners, and employees of the Park District shall cooperate with the City Inspector General in any investigation or hearing arising from or occurring as a result of this Agreement undertaken pursuant to Chapter 2-56 of the Municipal Code. The Park District represents that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code as it relates to this Agreement. Under Chapter II, Section D.6 of the Chicago Park District Code, all contractors and subcontractors hired by the Park District must cooperate fully and expeditiously with the Office of the Park

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District Inspector General ("OIG") in any investigation or review and follow any reasonable recommendations proposed by the OIG to remedy any waste, fraud, misconduct or misuse of Park District resources, unless otherwise prohibited by law or by collective bargaining rights.

B. The Park District, and all officers, directors, agents, partners, and employees of the Park district shall cooperate with the City Legislative Inspector General in any investigation or hearing arising from or occurring as a result of this Agreement undertaken pursuant to Chapter 2-55 of the Municipal Code. The Park District represents that it understands and will abide by all provisions of Chapter 2-55 of the Municipal Code as it relates to this Agreement. Under Chapter II, Section D.6 of the Chicago Park District Code, all contractors and subcontractors hired by the Park District must cooperate fully and expeditiously with the OIG in any investigation or review and follow any reasonable recommendations proposed by the OIG to remedy any waste, fraud, misconduct or misuse of Park District resources, unless otherwise prohibited by law or by collective bargaining rights.

13 Failure by the Park District or any controlling person (as defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City as required by Section 1-23-030 of the Municipal Code will be grounds for termination of this Agreement and the transactions contemplated hereby.

14 **Independent Contractor**

A. The Park District shall perform under this Agreement as an independent contractor to the City and not as a representative, employee, agent or partner of the City.

B. The City is subject to the June 24, 2011 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered into in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United State District Court for the Northern District of Illinois). Among other things, the 2011 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

C. The Park District is aware that City policy prohibits City employees from directing any individual to apply for a position with the Park District, either as an employee or as a subcontractor, and from directing the Park District to hire an individual as an employee or as a subcontractor. Accordingly, the Park District must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by the Park District under this Agreement are employees or subcontractors of the Park District, 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 the Park District.

D. The Park District 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

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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.

E. In the event of any communication to the Park District by a City employee or City official in violation of Section (C) above, or advocating a violation of Section (D) above, the Park District will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight") and also to the head of the DPD. The Park District will also cooperate with any inquiries by IGO Hiring Oversight related to this Agreement.

#### **4.15 FOIA and Local Records Act Compliance**

A. FOIA. The Park District acknowledges that the City is subject to the Illinois Freedom of Information Act, 5ILCS 140/1 et seq., as amended ("FOIA"). FOIA requires the City to produce "Records" (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the Records requested are exempt under FOIA. If the Park District receives a request from the City to produce Records within the scope of FOIA, the Park District covenants to comply with such request within 48 hours of the date of such request. Failure by the Park District to timely comply with such request will be a breach of this Agreement.

B. Exempt Information. Documents that the Park District submits to the City during the term of the Agreement containing trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by the Park District to be treated as trade secrets or information that would cause competitive harm, FOIA requires that the Park District mark any such documents as "proprietary, privileged or confidential." If the Park District marks a document as "proprietary, privileged and confidential", then the DPD will evaluate whether such document may be withheld under FOIA. The DPD, in its discretion, will determine whether a document will be exempted from disclosure, such determination being subject to review by the Illinois Attorney General's Office and/or the courts.

C. Local Records Act. The Park District acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et seq., as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Park District covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act concerning records arising under or in connection with this Agreement and the transactions contemplated in this Agreement.

### **SECTION 5. ENVIRONMENTAL MATTERS**

5.1. It will be the responsibility of the Park District to investigate and determine the soil and

environmental condition of the Property, if deemed necessary, including obtaining

phase I and, if applicable, phase II environmental audits for the Property. The City makes no i covenant, representation or warranty as to the environmental condition of the Property or the suitability of the Property for any use whatsoever.

2. The Park District agrees to carefully inspect the Property and all easements or other agreements recorded against the Property prior to commencement of any activity on the Property to ensure that such activity will not damage surrounding property, structures, utility lines or any subsurface lines or cables. The Park District is solely responsible for the safety and protection of the public on the portions of the Property affected by the Project, until the portion of the Project on each portion of the Property is completed. The City reserves the right to inspect the work being done on the Property. The Park District agrees to keep the Property free from all liens and encumbrances arising out of any work performed, materials supplied or obligations incurred by or for the Park District.

3. Prior to inspecting the Property, the Park District or its subcontractors, if any, must obtain insurance in accordance with Section 6 below, all necessary permits and, if applicable, a right of entry.

## SECTION 6. INSURANCE

6.1. Insurance to be Provided. The Park District must provide and maintain, at the Park District's own expense, or cause to be provided and maintained, during the term of this Agreement, the insurance coverages and requirements specified below, as applicable, insuring all operations related to this Agreement.

A. 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 \$100,000 per each accident or illness.

B. Commercial General Liability (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: all premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent). The City is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work or services. Subcontractors performing work or services for the Park District must maintain limits of not less than \$1,000,000 with the same terms in this subsection.

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

D. Professional Liability. When any architects, engineers, or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance

covering acts, errors, or omissions must be maintained or caused to be maintained, with limits of not less than \$1,000,000. When policies are renewed or replaced, the policy retroactive date must coincide with or precede start of work on the Project. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

E. Self-Insurance. To the extent permitted by applicable law, the Park District may self-insure for the insurance requirements specified above, it being expressly understood and agreed that, if the Park District does self-insure for any such insurance requirements, the Park District must bear all risk of loss for any loss which would otherwise be covered by insurance policies, and the self-insurance program must comply with at least such insurance requirements as stipulated above.

6.2. Additional Requirements. The Park District must furnish the City of Chicago, Department of Planning and Development, 121 N. LaSalle Street, Room 905, Chicago, Illinois 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 coverages have an expiration or renewal date occurring during the term of this Agreement. The Park District must submit evidence of insurance acceptable to the City prior to execution of the Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from the Park District is not a waiver by the City of any requirements for the Park District to obtain and maintain the specified coverages. The Park District must advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance does not relieve the Park District of the obligation to provide insurance as specified in this Agreement. Nonfulfillment 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.

The insurance must provide for sixty (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 coverages must be borne by the Park District.

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

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

Any insurance or self-insurance programs maintained by the City do not contribute with insurance provided by the Park District under this Agreement.

The required insurance to be carried out 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.

The Park District must require all subcontractors to provide insurance required in this Agreement, or the Park District may provide the coverages for subcontractors. All subcontractors are subject to the same insurance requirements of the Park District unless otherwise specified in this Agreement.

If the Park District or its subcontractors desire additional coverages, the party desiring additional coverages is responsible for the acquisition and cost.

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

### **SECTION 7. INDEMNIFICATION**

The Park District will indemnify and defend the City, its officials, agents and employees (the "City Indemnitees") against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, attorneys' and expert witnesses' fees and court costs) the City Indemnitees suffer or incur arising from or in connection with the actions or omissions of the Park District and/or any contractors or subcontractors in implementing the Project, if any, or the Park District's breach of this Agreement. This defense and indemnification obligation survives any termination or expiration of this Agreement.

### **SECTION 8. NO LIABILITY OF OFFICIALS**

No elected or appointed official or member or employee or agent of the City will be charged personally by the Park District or by an assignee or subcontractor, with any liability or expenses of defense or be held personally liable under any term or provision of this Agreement because of their execution or attempted execution or because of any breach hereof.

### **SECTION 9. DEFAULT AND REMEDIES**

1. Default. If the Park District, without the City's written consent (which consent will not be unreasonably withheld, conditioned or delayed) defaults by failing to perform any of its obligations under this Agreement then the City may terminate this Agreement if such default is not cured as provided in Section 9.2 below.

2. Cure. Prior to termination, the City will give the Park District 30 days' advance written notice of the City's intent to terminate stating the nature of the default. If the Park District does not cure the default within the 30-day period, the termination will become effective at the end of the period. With respect to those defaults that are not capable of being cured within the 30-day period, the Park District will not be deemed to be in default if it has begun to cure the default within the 30-day period and thereafter diligently and continuously prosecutes the cure of the default until cured.

9.3. Remedies. Either Party may, in any court of competent jurisdiction, by any proceeding at law or in equity, seek the specific performance of this Agreement, or damages for failure of performance, or both.

## SECTION 10. BUSINESS RELATIONSHIPS

Pursuant to Section 2-156-030(b) of the Chicago Municipal Code, it is illegal for:

- i) any elected official of the City, or any person acting at the direction of such official, to contact either orally or in writing any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has any business relationship that creates a "Financial Interest" (as defined in Section 2-156-010 of the Municipal Code) on the part of the official, or the "Domestic Partner" (as defined in Section 2-156-010 of the Municipal Code) 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, and
- ii) for any elected official to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee 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.

Any violation of Section 2-156-030(b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Park District hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030(b) has occurred with respect to this Agreement or the transactions contemplated hereby.

## SECTION 11. GENERAL CONDITIONS

1. Assignment. This Agreement, or any portion thereof, will not be assigned by either Party without the express prior written consent of the other Party which consent will not be unreasonably withheld, conditioned or delayed.
2. Construction of Words. As used in this Agreement, the singular of any word will include the plural, and vice versa. Masculine, feminine and neuter pronouns will be fully interchangeable, where the context so requires.
3. Counterparts. This Agreement may be executed in counterparts and by different Parties in separate counterparts, with the same effect as if all Parties had signed the

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same document. All such counterparts will be deemed an original, will be construed together and will constitute one and the same instrument.

4. Entire Agreement. This Agreement contains the entire agreement between the Parties and supersedes all prior agreements, negotiations and discussions between the Parties with respect to the Project.
5. Exhibits. Any exhibits to this Agreement will be construed to be an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

6. Governing Law, Venue and Consent to Jurisdiction. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its principles of conflicts of law. If there is a lawsuit under this Agreement, each Party agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

7. Inspection and Records. The Park District must provide the City with reasonable access to its books and records relating to the Project and the Grant as will be required by the City and necessary to reflect and disclose fully the amount and disposition of the Grant. Any duly authorized representative of the City will, at all reasonable times, have access to all such books and records, which right of access will continue for five years after the expiration or termination of this Agreement.

8. Modification. This Agreement may not be modified or amended except by an agreement in writing signed by both Parties.

9. Notice. Any notice, demand or communication required or permitted to be given hereunder will be given in writing at the address set forth below by any of the following means: (a) personal service; (b) electronic communication, whether by electronic mail or fax; (c) overnight courier; or (d) registered or certified first class mail postage prepaid, return receipt requested.

To the City:                   City of Chicago  
                                      Department of Planning and Development  
                                      Attention: Commissioner  
                                      121 N. LaSalle Street, Room 905  
                                      Chicago, Illinois 60602  
                                      (312) 744-4190  
                                      (312)744-2271 (Fax)

With copies to:            Department of Law  
                                      City of Chicago  
                                      Attention: Finance and Economic Development Division 121 N. LaSalle  
                                      Street, Room 600 Chicago, Illinois 60602 (312) 744-0200 (312) 744-  
                                      8538 (Fax)

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To the Park District:                   Chicago Park District Attention: General  
  Superintendent 541 North Fairbanks Chicago,  
  Illinois 60611 (312) 742-4200 (312) 742-5276 (Fax)

With a copy to:            Chicago Park District  
                                      General Counsel 541 North Fairbanks, Room 300  
                                      Chicago, Illinois 60611 (312) 742-4602 (312) 742-  
                                      5316 (Fax)

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof will be deemed received upon such personal service or upon dispatch by electronic means, respectively. Any notice, demand or communication given pursuant to clause (c) hereof will be deemed received on the day immediately following deposit with the overnight courier. Any notice, demand or communication given pursuant to clause (d) hereof will be deemed received three business days after mailing. The Parties, by notice given hereunder,

may designate any further or different addresses to which subsequent notices, demands or communications will be given.

10. Parties' Interest / No Third Party Beneficiaries. The terms and provisions of this Agreement will be binding upon and inure to the benefit of, and be enforceable by, the respective successors and permitted assigns of the Parties. This Agreement will not run to the benefit of, or be enforceable by, any person or entity other than a Party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Agreement, nor any act of the City or the Park District, will be deemed or construed by any of the Parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City or the Park District.

11. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, will be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances will remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms will provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

12. Titles and Headings. Titles and headings in this Agreement are inserted for convenience and are not intended to be part of or affect the meaning or interpretation of this Agreement.

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13. Waiver. Waiver by either party with respect to the breach of this Agreement will not be considered or treated as a waiver of the rights of such party with respect to any other default or with respect to any particular default except to the extent specifically waived by such party in writing.

14. Foreign Assets Control Lists. Neither the Park District, nor any affiliate thereof, is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For the purposes of this paragraph "Affiliate", when used to indicate a relationship with a specified person or entity, will mean a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity will be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

15. Further Actions. The Park District and the City agree to do, execute, acknowledge and deliver all agreements and other documents and to take all actions reasonably necessary or desirable to comply with the provisions of this Agreement and the intent thereof.

*[The remainder of this page is intentionally blank. Signatures appear on the following page.]*

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IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered as of the Closing Date.

CITY OF CHICAGO, an Illinois municipal corporation, acting by and through its Department of Planning and Development

Andrew J. Mooney Commissioner

CHICAGO PARK DISTRICT, a body politic and Corporate of the State of Illinois

Michael P. Kelly  
General Superintendent and CEO

Attest:

Kantrice Ogletree Secretary

EXHIBIT A

Address: P.I.N.s:

Community Area: Description of Project:

Amount of Open Space Fees: Source of Funds/CAPS Code:  
DESCRIPTION OF PROJECT

(Park Expansion Project) <

**Kennicott Park Project**

4434 South Lake Park Avenue, Chicago, Illinois 60653

20-02-310-012 20-02-310-013 20-02-310-014 20-02-310-015

Kenwood Redevelopment Area

Existing park expansion project; costs to include land acquisition, alley closure, site preparation, utilities/lights, paving & fencing, landscaping, benches, and other necessities and contingencies

\$290,346

PS39 131 54 5039 2604

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EXHIBIT B

BUDGET (Park Expansion Project)

**Kennicott Park Project: \$290,346.82**

**Item**

Land Acquisition Alley Closure Site Preparation Utilities/Lights Paving & Fencing

Landscaping Benches

Permits and Contractor General Conditions Contingencies

\$114,048.82 25,000.00 20,000.00 25,000.00 38,000.00 25,000.00 20,000.00 13,298.00 10,000.00

**Total \$290,346.82**

EXHIBIT C

CERTIFICATE OF EXPENDITURE (Park Expansion Project)

**Kennicott Park Project**

*[Next Page]*

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STATE OF ILLINOIS COUNTY OF COOK

The affiant, Chicago Park District, a body politic and Corporate of the State of Illinois, hereby certifies that with respect to that certain Intergovernmental Agreement between the Park District and the City of Chicago dated \_\_\_\_\_, (the "Agreement"):

- A. Expenditures for the Project, in the total amount of \$ \_\_\_\_\_, have been made:
- B. This paragraph B sets forth and is a true and complete statement of all costs of Open Space Impact Fee-Funded Improvements for the Project reimbursed by the City to date: \$ \_\_\_\_\_
- B. The Park District requests reimbursement for the following cost of Open Space Impact Fee-Funded Improvements: \$ \_\_\_\_\_
- D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.
- E. The Park District hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and the Park District is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute a Default, exists or has occurred.
3. The Park District has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Plans and Specifications.
4. The Park District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

By:  
Name

Title:

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Subscribed and sworn before me this      day of

My commission expires:

Agreed and accepted:

Name

Title:

City of Chicago  
Department of Planning and Development

Meg Gustafson  
Department of Planning and Development  
City Hall, Room 905  
312.744.0524

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EXHIBIT D

DRAWINGS  
(Park Expansion Project)

**Kennicott Park Project**

*[Next Page - To be reviewed\supplemented at Closing]*

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EXHIBIT E

PROJECT SCHEDULE (Park Expansion Project)

**Kennicott Park Project**

*[To be attached at Closing]*

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which the Open Space Fees were collected and approves the use of the Open Space Fees for the purposes described herein.

SECTION 3. The Commissioner of DPD (the "Commissioner") or a designee of the Commissioner are each hereby authorized, subject to the approval of the Corporation Counsel, to enter into an intergovernmental agreement with the Park District in connection with the Project, in substantially the form attached hereto as Exhibit B, and to provide Open Space Fees proceeds to the Park District in an amount not to exceed \$290,346 from the corresponding fund to reimburse expenses permitted under the Open Space Ordinance.

SECTION 4. Open Space Fees in the amount of \$290,346 from the Community's Open Space Fees Fund, as described by Exhibit A, are hereby appropriated for the purposes described herein.

SECTION 5. To the extent that any ordinance, resolution, rule, order or provision of the Code, or part thereof, is in conflict with the provisions of this ordinance,<sup>1</sup> the provisions of this ordinance shall control. If any section, paragraph, clause or provision shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 6. This ordinance shall be in full force and effect from and after the date of its passage.

