

Mayor

Very truly yours,

ORDINANCE

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

SECTION 1: On behalf of the City of Chicago as Landlord, the Commissioner of the Department of Fleet and Facility Management is authorized to execute a new City as Landlord Lease Agreement with the Chicago Transit Authority, as Tenant, for use of a City-owned revenue parking lot located at 1130 West Lawrence Avenue; such Lease to be approved as to form and legality by the Corporation Counsel in substantially the following form:

LEASE NO. 20347

LEASE

THIS LEASE is made and entered into this _____ day of _____, 201_, by and between the **CITY OF CHICAGO, an Illinois municipal corporation and home rule unit of government (hereinafter referred to as "Landlord")** and the **CHICAGO TRANSIT AUTHORITY, an Illinois municipal corporation (hereinafter referred to as "Tenant")**.

RECITALS

WHEREAS, Landlord is the owner of the 31,002.8 square foot paved parking lot located at 1130 West Lawrence Avenue, Chicago, Cook County, Illinois; and

WHEREAS, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord such Premises, as hereinafter denned, to be used by Tenant for construction staging during the reconstruction of the Lawrence Avenue Red Line Station.

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

SECTION 1. GRANT

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

The 31,002.8 square foot paved parking lot, comprised of PINs 14-08-414-039, 14-08-414-040, and 14-08-414-042, located at 1130 West Lawrence Avenue in Chicago, Cook County, Illinois (as further depicted in Exhibit A - the "Premises").

SECTION 2. TERM

The term of this Lease ("Term") shall begin on June 1, 2019 (the "Commencement Date") and shall end on May 31, 2027, unless sooner terminated as set forth in this Lease.

SECTION 3. RENT, TAXES, AND UTILITIES

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

a) One Hundred Six Thousand Five Hundred Sixty-One and 82/100 Dollars (\$106,561.82) per year for the period beginning on the Commencement Date and ending on May 31, 2020.

b) One Hundred Nine Thousand Seven Hundred Fifty-Eight and 67/100 Dollars (\$109,758.67) per year for the period beginning on June 1, 2020 and ending on May 31, 2021.

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c) One Hundred Thirteen Thousand Fifty-One and 43/100 Dollars (\$113,051.43) per year for the period beginning on June 1, 2021 and ending on May 31, 2022.

d) One Hundred Sixteen Thousand Four Hundred Forty-Two and 98/100 Dollars (\$116,442.98) for the period beginning on June 1, 2022 and ending on May 31, 2023.

e) One Hundred Nineteen Thousand Nine Hundred Thirty-Six Dollars and 27/100 Dollars (\$119,936.27) for the period beginning on June 1, 2023 and ending on May 31, 2024.

f) One Hundred Twenty-Three Thousand Five Hundred Thirty-Four and 36/100 Dollars (\$123,534.36) for the period beginning on June 1, 2024 and ending on May 31, 2025.

g) One Hundred Twenty-Seven Thousand Two Hundred Forty and 39/100 > Dollars (\$127,240.39) for the period beginning on June 1, 2025 and ending on May 31, 2026.

h) One Hundred Thirty-One Thousand Fifty-Seven and 60/100 Dollars (\$131,057.60) for the period beginning on June 1, 2026 and ending on May 31, 2027.

2 Taxes and Other Levies. If applicable, Tenant shall pay when due all leasehold taxes, duties, assessments, water and sewer charges, and other levies assessed against the Premises. If applicable, Tenant's tax responsibilities under this section shall survive the expiration, cancellation, or termination of this Lease.

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

4 Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than

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

SECTION 4. ENJOYMENT OF PREMISES. USE OF PREMISES, ALTERATIONS AND ADDITIONS

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



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4.2 Tenant's Duty to Maintain Premises and Right of Access. Unless otherwise provided in this Lease, Tenant shall, at Tenant's expense, keep the Premises in a condition of thorough repair and good order, and in compliance with all applicable provisions of the Municipal Code of the City of Chicago, including but not limited to those provisions in Title 13 ("Building and Construction") and Title 15 ("Fire Prevention") and all applicable landscape ordinances. If Tenant shall refuse or neglect to make needed repairs within ten (10) days after mailing of written notice thereof sent by Landlord, unless such repair cannot be remedied within ten (10) days, and Tenant shall have commenced and is diligently pursuing all necessary action to remedy such repair, Landlord is authorized to make such repairs and Tenant will within ten (10) business days of demand reimburse Landlord for the reasonable cost thereof or Landlord can immediately terminate this Lease by providing the Tenant with written notice of termination for cause. Landlord shall have the right of access to the Premises for the purpose of inspecting r and making repairs to the Premises, provided that except in the case of emergencies, Landlord shall first give notice to Tenant of its desire to enter the Premises and will schedule its entry so as to minimize any interference with Tenant's use of the Premises to prospective or actual purchasers, mortgagees, tenants, workmen, or contractors or as otherwise necessary in the operation or protection of the Premises.

.4.3 Use of the Premises. Tenant shall not use the Premises in a manner that would violate any law. Tenant further covenants not to do or suffer any waste or damage, comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments (collectively - the "Laws") which may be applicable to the Premises or to the use or manner of use of the Premises, disfigurement or injury to any building or improvement on the Premises, or to fixtures and equipment thereof. Any activities on the Premises must be limited to the Chicago Transit Authority use for construction staging and employee and/or agent parking in connection with the reconstruction of the Lawrence Avenue Red Line Station (the "Use"). The Use does not include public parking. Tenant shall not allow any public parking on the Premises. Tenant shall not use the Premises in a manner that would cause the Premises to be deemed a "Competing Parking Facility" or cause a "Compensation Event" under the Chicago Metered Parking System Concession Agreement dated December 4, 2008, as amended on June 5, 2013, by and between the City of Chicago and Chicago Parking Meters, LLC (as amended, the "Parking Agreement").

Tenant agrees that in utilizing said Premises that it shall not discriminate against any member of the public because of race, creed, color, sexual orientation, political perspective, or national origin.

4.4 Alterations and Additions. Tenant shall have the right to make such alterations, additions and improvements on the Premises as it shall deem necessary to the Use, provided that any such alterations, additions and improvements shall be in full compliance with the applicable Laws and provided that Tenant has obtained the prior written consent of Landlord.

SECTION 5. ASSIGNMENT, SUBLEASE, AND LIENS

5.1 Assignment and Sublease. Tenant shall not assign this Lease in whole or in part, or sublet the Premises or any part thereof without the written consent of Landlord in each instance.

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5.2 Tenant's Covenant Against Liens. Tenant shall not cause or permit any lien or encumbrance, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon Landlord's title or interest in the Premises. All liens and encumbrances created by Tenant shall attach to Tenant's interest only.

SECTION 6. INSURANCE AND INDEMNIFICATION

6.1 Insurance. Tenant shall procure and maintain at all times at Tenant's own expense, during the Term and during any holding over, the insurance coverages and requirements specified below, or a similar amount of self-insurance, insuring all operations related to the Lease. Tenant may also elect to self-insure for such insurance coverages and requirements.

The kinds and amounts of insurance required are as follows:

a) Workers Compensation and Employers Liability Insurance. Workers Compensation and Employers Liability Insurance and Occupational Disease Insurance, as prescribed by applicable law, covering all Tenant's employees and Employer's Liability coverage with limits of not less than \$500,000 for each accident or illness.

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

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

c) Professional/ Liability. When any professional consultants perform services in the Premises or in connection with Tenant's use of the Premises, Liability Insurance covering acts, errors or omissions related to such activities must be maintained with limits of not less than \$1,000,000. Coverage must include contractual liability insurance. A claims-made policy which is not renewed or replaced must have an extended reporting period of 2 years. Tenant shall provide Landlord with copies of the professional licenses and/or certificates for each of the professional consultants performing services in the Premises or in connection with Tenant's use of the Premises.

d) Automobile Liability Insurance. (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed,

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Tenant shall provide Comprehensive Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence, for bodily injury and property damage.

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

6.2 Other Terms of Insurance. Tenant will furnish the City of Chicago, Department of Fleet and Facility Management, Office of Real Estate Management, 30 North LaSalle Street, Suite 300, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Lease, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of this Lease. If Tenant elects to self-insure for such insurance coverages and requirements, Tenant shall provide Landlord with evidence of such self-insurance. Tenant shall submit evidence on insurance prior to Lease award. The receipt of any certificates does not constitute agreement by Landlord that the insurance requirements in the Lease have been fully met or that the insurance policies indicated on the certificate are in compliance with all Lease requirements. The failure of Landlord to obtain certificates or other insurance evidence from Tenant, or Tenant's failure to submit insurance coverage required under this Lease, shall not be deemed to be a waiver by Landlord. Tenant shall advise all insurers of the Lease provisions regarding insurance. Non-conforming insurance shall not relieve Tenant of its obligation to provide Insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Lease, and Landlord retains the right to terminate the Lease until proper evidence of insurance is provided.

The insurance shall provide for 60 days prior written notice to be given to Landlord in the event coverage is substantially changed, canceled, or non-renewed.

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

Tenant agrees that its insurers shall waive their rights of subrogation against the City of Chicago its employees, elected officials, agents or representatives, which any insurer of Tenant may acquire against the Landlord by virtue of the payment of any loss under the insurance. Tenant agrees to obtain any endorsement

that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Landlord has received a waiver of subrogation endorsement from the insurer(s).

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

Tenant expressly understands and agrees that any insurance or self-insurance programs maintained by the City of Chicago shall not contribute with insurance provided by Tenant under this Lease.

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The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

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

Notwithstanding any provision to the contrary, the City of Chicago, Department of Finance, Office of Risk Management, maintains the right to modify, delete, alter or change these requirements at any time during the Term of this Lease.

6.3 Tenant agrees to indemnify, defend, and hold Landlord (its officers, agents, agencies, departments and employees) harmless against all liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, costs, damages and expenses (including reasonable attorney's fees, expenses, and court costs - collectively the "Claims"), whether such Claim is related to or arises from personal injury or property damage which may be expended by or accrue against, be charged to, or be recovered from Landlord or Tenant by reason of Tenant's performance of or failure to perform any of Tenant's obligations, or Tenant's negligent acts or failure to act under this Lease, or resulting from the acts or failure to act of Tenant's contractors, invitees, agents, or employees, or from any liability arising from access to the Premises by any of Tenant's contractors, invitees, agents, or employees, or from the use of the Property as a parking lot under the Parking Agreement.

SECTION 7. DAMAGE OR DESTRUCTION

7.1 Damage or Destruction. If the Premises shall be damaged or destroyed by fire or other casualty to such extent that Tenant cannot continue, occupy or conduct its normal business therein, or if, in Tenant's opinion, the Premises are rendered untenable, either Landlord or Tenant shall have the option to declare this Lease terminated as of the date of such damage or destruction by giving Landlord written notice to such effect. If either Landlord or Tenant exercises this option, the rent shall be apportioned as of the date of such damage or destruction and Landlord shall forthwith repay to Tenant all prepaid rent.

SECTION 8. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS

1 Conflict of Interest. No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial interest (as directed in Chapter 2-156 of the Municipal Code), either direct or indirect, in the Premises; nor shall any such official, employee, or member participate in making or in any way attempt to use his position to influence any City governmental decision or action with respect to this Lease.

2 Duty to Comply with Governmental Ethics Ordinance. Landlord and Tenant shall comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics,"

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including but not limited to section 2-156-120, which states that no payment, gratuity or offer of employment shall be made in connection with any City of Chicago contract, as an inducement for the award of a contract or order. Any contract or lease negotiated, entered into, or performed in violation of any of the provisions of Chapter 2-156 shall be voidable as to the City of Chicago.

SECTION 9. HOLDING OVER

9.1 Holding Over. Any holding over by Tenant shall be construed to be a tenancy from month to month beginning on June 1, 2027 and the rent shall be at 103% of the rate as set forth in Section 3.1(h) of this Lease, with said amount being pro-rated on a per diem basis for any period less than one year. During such holding over all other provisions of this Lease shall remain in full force and effect.

SECTION 10. MISCELLANEOUS

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

City of Chicago
Department of Fleet and Facility Management Office of Real
Estate Management 30 North LaSalle Street - Suite 300
Chicago, Illinois 60602 '

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

Chicago Transit Authority Attn: Director -
Real Estate 567 West Lake Street Chicago,
Illinois 60661

With a copy to:

Chicago Transit Authority Attn: General
Counsel 567 West Lake Street Chicago,
Illinois 60661

or at such other place as Tenant may from time to time designate by written notice to Landlord. Any notice, demand or request which shall be served upon Tenant by Landlord, or upon

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Landlord by Tenant, in the manner aforesaid, shall be deemed to be sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed.

2 Partial Invalidity. If any covenant, condition, provision, term or agreement of this Lease shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Lease shall not be affected thereby, but each covenant, condition, provision, term or agreement of this Lease shall be valid and in force to the fullest extent permitted by law.

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

4 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Lease. This Lease contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by the parties hereto.

5 Captions and Section Numbers. The captions and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Lease nor in any way affect this Lease.

6 Binding Effect of Lease. The covenants, agreements, and obligations contained in this Lease shall extend to, bind, and inure to the benefit of the parties hereto and their legal representatives, heirs, successors, and assigns.

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

8 No Principal/Agent or Partnership Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

9 Authorization to Execute Lease. The parties executing this Lease hereby represent and warrant that they are the duly authorized and acting representatives of Landlord and Tenant respectively and that by their execution of this Lease, it became the binding obligation of Landlord and Tenant respectively, subject to

no contingencies or conditions except as specifically provided herein.

10 Termination of Lease. Tenant shall have the right to terminate this Lease for any reason without prepayment or penalty by providing ninety (90) days prior written notice at any time after execution of this Lease, and any portions of rent that have been pre-paid by Tenant shall be refunded by Landlord on a pro rata basis as of the termination date.

11 Tenant Default. Tenant must adhere to all provisions of this Lease. Failure of Tenant to adhere to all provisions of this Lease will result in default. In the event of such

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default, Landlord will notify Tenant in writing as to the circumstances giving rise to such default. Tenant must cure such default within sixty (60) days of Landlord's written notice. If Tenant does not cure such default within sixty (60) days, Landlord may terminate this Lease at the end of the sixty (60) day period. 10.12 Force Majeure. When a period of time is provided in this Lease for either party to do or perform any act or thing, the party shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, wars, governmental regulation or control, and other causes beyond the reasonable control of the party, and in any such event the time period shall be extended for the amount of time the party is so delayed.

13 Condemnation. If the whole or any substantial part of the Premises are taken or condemned by any competent authority for any public use or purpose, or if any adjacent property or street shall be so condemned or improved in such a manner as to require the use of any part of the Premises, the term of this Lease shall, at the option of Landlord or the condemning authority, be terminated upon, and not before, the date when possession of the part so taken shall be required for such use or purpose, and Landlord shall be entitled to receive the entire award without apportionment with Tenant.

14 Amendments. From time to time, the parties hereto may amend this Lease with respect to any provisions reasonably related to Tenant's use of the Premises and/or Landlord's administration of this Lease. Provided, however, that such amendment(s) shall not serve to extend the Lease term hereof nor serve to otherwise materially alter the essential provisions contained herein. Such amendment(s) shall be in writing, shall establish the factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both Landlord and Tenant. Such amendment(s) shall only take effect upon execution by both parties. Upon execution, such amendment(s) shall become a part of this Lease and all other provisions of this Lease shall otherwise remain in full force and effect.

SECTION 11. ADDITIONAL RESPONSIBILITIES OF TENANT

1 Tenant Use. Tenant shall not use the Premises for any commercial profit making, fund raising, political activity, or religious activity.

2 Custodial Service. Tenant shall provide and pay for custodial services which shall be construed as keeping the Premises clean and free of debris. Tenant shall keep the Premises clean, presentable, free of litter and in good repair.

3 Condition upon Termination. Upon the termination of this Lease, Tenant shall surrender the Premises to the Landlord in a comparable condition to the condition of the Premises at the beginning of this Lease, with normal wear and tear taken into consideration, unless such condition is waived by Landlord.

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

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5 Illegal Activity. Tenant, or any of its agents and employees, shall not perform or permit any practice that is injurious to the Premises or unreasonably disturbs the neighboring occupants; is illegal; or increases the rate of insurance on the Premises.

6 Hazardous Materials. Tenant shall keep out of the Premises materials which cause a fire hazard or safety hazard. Tenant shall not destroy, deface, damage, impair, nor remove any part of the Premises or facilities, equipment or appurtenances thereto.

7 Snow Removal. Tenant shall provide and pay for snow removal, including snow removal on the adjacent public way, as necessary. Tenant acknowledges that Landlord shall have no snow or ice removal responsibilities.

8 Scavenger Service. Tenant shall pay all scavenger costs, if applicable, associated with the Premises.

9 Alcohol and Drugs. Tenant agrees that no alcoholic beverages of any kind or illegal drugs be sold, given away or consumed on the Premises.

SECTION 12. ADDITIONAL CLAUSES

1 Encumbering Title. Tenant shall not do any act which shall in any way encumber the fee simple estate of Landlord in and to the Premises, nor shall the interest or estate of Landlord in the Premises be in any way subject to any claim by way of lien or encumbrance, whether by operation of law or virtue of any express or implied contract by Tenant any claim to, or lien upon, the Premises arising from any act or omission of Tenant shall accrue only against the leasehold estate of Tenant and shall be subject to and subordinate to the paramount title and rights of Landlord in and to the Premises.

2 Ownership of Improvements. All improvements that Tenant constructs or installs on the Premises at Landlord's option shall become the property of the Landlord upon the termination of this Lease or at Landlord's option removed at Tenant's expense.

3 No Other Rights. This Lease does not give Tenant any other right with respect to the Premises

DEPARTMENT

By:

Attorney

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**EXHIBIT A (the Premises, in bubbled
area)**

1130 West Lawrence Avenue Chicago Transit
Authority Lease No. 20347

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

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