



# Office of the City Clerk

City Hall  
121 N. LaSalle St.  
Room 107  
Chicago, IL 60602  
www.chicityclerk.com

## Legislation Details (With Text)

**File #:** O2012-8220  
**Type:** Ordinance **Status:** Passed  
**File created:** 12/12/2012 **In control:** City Council  
**Final action:** 1/17/2013  
**Title:** Intergovernmental agreement with Chicago Park District for provision of Tax Increment Financing (TIF) assistance for Harris Park improvement  
**Sponsors:** Emanuel, Rahm  
**Indexes:** Intergovernmental  
**Attachments:** 1. O2012-8220.pdf

Date	Ver.	Action By	Action	Result
1/31/2013	1	Office of the Mayor	Signed by Mayor	
1/17/2013	1	City Council	Passed	Pass
1/15/2013	1	Committee on Finance	Recommended to Pass	Pass
12/12/2012	1	City Council	Referred	

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

December 12, 2012

TO THE HONORABLE, THE CITY COUNCIL OF THE CITY OF  
CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith an ordinance authorizing the execution of an Intergovernmental Agreement with the Chicago Park District regarding TIF assistance for Harris Park.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

CHICAGO January 17, 2013

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

**Your Committee on Finance having had under consideration**

A communication recommending a proposed ordinance concerning the authority to enter into and execute an Intergovernmental Agreement with the Chicago Park District regarding Harris Park.

02012-8220

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith

**This recommendation was concurred in by  
of members of the committee with**

**Respectfully submitted**

**Chairman**

**Document No.**

**REPORT OF THE COMMITTEE ON FINANCE TO THE CITY COUNCIL CITY OF CHICAGO  
ORDINANCE**

WHEREAS, the City of Chicago (the "City") is a home rule unit of government under Article VII, Section 6(a) of the 1970 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 within the corporate limits of the City; and

WHEREAS, the Park District has undertaken to rehabilitate and improve a parcel of land known as Harris Park (the "Project"), which is generally located at 6200 South Drexel Avenue, Chicago, Illinois and legally described in Exhibit A (the "Property"); and

WHEREAS, the Property lies wholly within the boundaries of the Woodlawn Redevelopment Area (as hereinafter defined); and

WHEREAS, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, in accordance with the provisions of the Act, and pursuant to ordinances adopted on January 20, 1999 and published in the Journal of the Proceedings of the City Council (the "Journal") for said date at pages 87763 to 87860, the City Council: (i) approved and adopted a redevelopment plan and project (the "Plan") for a portion of the City known as the "Woodlawn Redevelopment Project Area" (the "Woodlawn Redevelopment Area"); (ii) designated the Woodlawn Redevelopment Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the Woodlawn Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Woodlawn Redevelopment Area shall be known as the "Woodlawn Increment"); and

WHEREAS, the City, by and through its Department of Housing and Economic Development ("HED") wishes to make available to the Park District a portion of the Woodlawn Increment in an amount not to exceed a total of \$1,000,425, for the purpose of reimbursing the Park District for expenses incurred in the rehabilitation and improvement of the Property (the "TIF-Funded Improvements") in the Woodlawn Redevelopment Area to the extent and in the manner provided in the Agreement (as hereinafter defined); and

WHEREAS, the Plan contemplates that tax increment financing assistance would be

S:\SHARKD\Finance\Open <file:///S:/SHARKD/Finance/Open> Space Projects\TIF ParksU larris Park\Harris Park Ordinance v.3.doc

provided for public improvements, such as the Project, within the boundaries of the Woodlawn Redevelopment Area; and

WHEREAS, the Park District is a taxing district under the Act; and

WHEREAS, in accordance with the Act, the TIF-Funded Improvements shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project

and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act; and

WHEREAS, the City and the Park District wish to enter into an intergovernmental agreement in substantially the form attached as Exhibit B (the "Agreement") whereby the City shall pay for or reimburse the Park District for the City-Funded Improvements; 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 a part of this ordinance as though fully set forth herein.

SECTION 2. The City hereby finds that the TIF-Funded Improvements, among other eligible redevelopment project costs under the Act approved by the City, consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act.

SECTION 3. Subject to the approval of the Corporation Counsel of the City of Chicago as to form and legality and to the approval of the Chief Financial Officer, the Commissioner of the HED is authorized to execute and deliver the Agreement, and such other documents as are necessary, between the City of Chicago and the Park District, which Agreement may contain such other terms as are deemed necessary or appropriate by the parties executing the same on the part of the City.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, 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 other provisions of this ordinance.

SECTION 5. This ordinance shall be in full force and effect from and after the date of its passage.

S:\SHARED\Finance\Open <file:///S:/SHARED/Finance/Open> Space Projects\TIF Parks\Harris Park\Harris Park Ordinance v 2.doc

»

**EXHIBIT A to the Ordinance**

**[Subject to Survey and Title Commitment] Legal**

**Description**

General Location: 6200 South Drexel Avenue

P.I.N.: 20-14-313-014-0000 and 20-14-313-016-0000

**Legal Description:**

LOTS 1 THROUGH 17, INCLUSIVE IN H.M. HARPER'S ADDITION TO CHICAGO, A SUBDIVISION OF BLOCK 7 OF CHARLES BUSBY'S SUBDIVISION OF THE SOUTH  $\frac{1}{2}$  OF THE SOUTHWEST  $\frac{1}{4}$  OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 15, 1889 AS DOCUMENT NUMBER 1185732, IN COOK COUNTY, ILLINOIS.

S:\SHARI2D\Finance\Opcn <file:///S:/SHARI2D/Finance/Opcn> Space ProjectsYTIF Parks\Harris ParkNHarris Park Ordinance v.2.doc

3

**EXHIBIT B to the Ordinance Intergovernmental Agreement**

S:\SHARED\Finance\Open <file:///S:/SHARED/Finance/Open> Space ProjectsYTIF ParksUlarris ParkVJlarris Park Ordinance v 2.doc

**AGREEMENT BETWEEN THE CITY OF CHICAGO  
AND THE CHICAGO PARK DISTRICT HARRIS  
PARK**

This Agreement is made this      day of      , 20      (the "Closing Date"), under authority granted by Article VII, Section 10 of the 1970 Constitution of the State of Illinois, by and between the City of Chicago (the "City"), an Illinois municipal corporation, by and through its Department of Housing and Economic Development ("HED"); and the Chicago Park District (the "Park District"), an Illinois municipal corporation. The Park District and the City are sometimes referred to herein as the "Parties."

**RECITALS**

A. The City is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs.

B. The Park District is a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois, and as such, has the authority to exercise control over and supervise the operation of parks within the corporate limits of the City.

**C. The Park District seeks payment or reimbursement of funds expended for the rehabilitation of and improvements made to Harris Park (the "Project"), a 2.2 acre park located at 6200 South Drexel Avenue and legally described in Exhibit A (the "Property").**

D. The Park District owns the Property that lies wholly within the boundaries of the Woodlawn Redevelopment Area (as hereinafter defined).

E. The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects.

F. In accordance with the provisions of the Act, pursuant to ordinances adopted on January

20,1999 and published in the Journal of the Proceedings of the City Council (the "Journal") for said date at pages 87763 to 87860, the City Council: (i) approved and adopted a redevelopment plan and project (the "Plan") for a portion of the City known as the "Woodlawn Redevelopment Project Area" (the "Woodlawn Redevelopment Area"); (ii) designated the Woodlawn Redevelopment Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the Woodlawn Redevelopment Area.

**G. Under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs. (Increment collected from the Woodlawn Redevelopment Area shall be known as the "Woodlawn Increment").**

1

H. HED wishes to make available to the Park District a portion of the Woodlawn Increment in an amount not to exceed a total of \$1,000,425 (the "TIF Assistance"), subject to Section 2.6, for the purpose of funding the Project (the "TIF-Funded Improvements") in the Woodlawn Redevelopment Area to the extent and in the manner provided in the Agreement (as hereinafter defined).

I. The Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within the boundaries of the Woodlawn Redevelopment Area.

J. The Park District is a taxing district under the Act.

K. In accordance with the Act, the TIF-Funded Improvements shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act.

L. The City and the Park District wish to enter into this Agreement whereby the Park District shall undertake the Project and the City shall reimburse the Park District for the TIF-Funded Improvements made pursuant to the Project.

M. On \_\_\_\_\_, the City Council adopted an ordinance published in the Journal for said date at pages \_\_\_\_\_ to \_\_\_\_\_, (the "Authorizing Ordinance"), among other things, authorizing the execution of this Agreement.

**N. On March 14,2012, the Park District's Board of Commissioners passed a resolution expressing its desire to cooperate with the City in the completion of the Project and authorizing the execution of this Agreement (the "Park District Ordinance").**

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 Parties agree as follows:

**TERMS AND CONDITIONS SECTION 1.**



## **THE PROJECT.**

1. [INTENTIONALLY OMITTED - relating to the acquisition/conveyance of property]

2. No later than 12 months from the Closing Date, or later as the Commissioner of HED (the "Commissioner") may agree in writing, the Park District shall let one or more contracts for the Project 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.

2

3. The plans and specifications for the Project (the "Plans and Specifications") shall at a minimum meet or shall have met the general requirements set forth in Exhibit B hereof and shall be provided to the City by the Park District prior to the disbursement of the TIF Assistance. No material deviation from the Plans and Specifications may be made without the prior written approval of the City. The Park District shall comply 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.

4. The Park District shall also provide the City with copies of all governmental licenses and permits required to construct the Project and to use, occupy and operate the Property as a public park from all appropriate governmental authorities, including evidence that the Property is appropriately zoned to be used, occupied, and operated as a public park.

5. The Park District shall include a certification of compliance with the requirements of Sections 1.2, 1.3, and 1.4 hereof with the request for the TIF Assistance hereunder at the time the Project is completed and prior to the disbursement of the TIF Assistance. The City shall be entitled to rely on this certification without further inquiry. Upon the City's request, the Park District shall provide evidence satisfactory to the City of such compliance.

## **SECTION 2. FUNDING**

1. The City shall, subject to the Park District's satisfaction of the conditions precedent for disbursement described in this Section 2 and such other conditions contained in this Agreement, disburse the TIF Assistance to the Park District.

2. The City shall establish a special account within the Woodlawn Redevelopment Area Special Tax Allocation Fund; such special account is or shall be known as the "Harris Park Account." Disbursement of TIF Assistance funds will be subject to the availability of Woodlawn Increment in the Harris Park Account, subject to all restrictions on and obligations of the City contained in all Woodlawn Ordinances, or relating to the Woodlawn Increment and all agreements and other documents entered into by the City pursuant thereto.

3. Within 15 days after the Closing Date or such longer period of time as may be agreed to by the Commissioner, but in no event later than 30 days after the execution of this Agreement (the "Satisfaction Period"), the Park District must satisfy to the reasonable satisfaction of the Commissioner, the following conditions precedent for City's disbursement of the TIF Assistance to the Park District:

1. the Park District has satisfactory title to the Property, which may be evidenced by an acceptable title insurance policy, subject only to those title exceptions acceptable to the City and the Park

District; and

2. [Intentionally Omitted - relating to title imperfections]

3. the Park District has satisfied the conditions stated in this Section 2.3 within the Satisfaction Period. If the Park District is unable to satisfy said conditions, either Party may terminate this Agreement by providing written notice to the other Party.

2.4. The Park District may request that a certificate(s) of expenditure in the form of

3

Exhibit D hereto ("Certificates of Expenditure") be processed and executed periodically, but in no event more frequently than quarterly. The City shall not execute Certificates of Expenditure in the aggregate in excess of the actual costs of the Project that are TIF-Funded Improvements. Prior to each execution of a Certificate of Expenditure by the City, the Park District shall submit documentation regarding the applicable expenditures to the City. Delivery by the Park District to the City of any request for execution by the City of a Certificate of Expenditure hereunder shall, 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:

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

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

2.4.3 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; and

2.4.4. 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.

5. The City shall have the right, in its discretion, to require the Park District to submit further documentation as the City may require in order to verify that the matters certified to in Section 2.4 are true and correct, and any execution of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Park District.

6. The current estimate of the cost of the Project is \$2,000,850. The Park District has delivered to the Commissioner a budget for the Project attached as Exhibit C. The Park District certifies that it has identified sources of funds, including the TIF Assistance, sufficient to complete its budgeted portion of the Project. The Park District agrees that the City will reimburse the Park District with the TIF Assistance for the costs of the Project and that all costs of completing the Project over the TIF Assistance shall be the sole responsibility of the Park District. If the Park District at any point does not have sufficient funds to complete the Project, the Park District shall so notify the City in writing, and the Park District may narrow the scope of the Project (the "Revised Project") as agreed with the City in order to complete the Revised Project with the available funds.

7. Exhibit C contains a preliminary list of capital improvements, land assembly costs, relocation

costs, financing costs, and other costs, if any, recognized by the City as being eligible redevelopment project costs under the Act with respect to the Project, to be paid for out of the TIF Assistance. To the extent the TIF-Funded Improvements are included as taxing district capital costs under the Act, the Park District acknowledges that the TIF-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these TIF-Funded Improvements are necessary and directly result from the Plan. Prior to the expenditure of TIF

4

Assistance on the Project, the Commissioner, based upon the Project budget, may make such modifications to Exhibit C as he or she wishes in his or her discretion to account for all of the TIF Assistance to be expended under this Agreement; provided, however, that all TIF-Funded Improvements shall (i) qualify as redevelopment project costs under the Act, (ii) qualify as eligible costs under the Plan; and (iii) be improvements that the Commissioner has agreed to pay for out of TIF Assistance funds, subject to the terms of this Agreement.

8. The Park District hereby acknowledges and agrees that the City's obligations hereunder with respect to the TIF Assistance are subject in every respect to the availability of funds as described in and limited by this Section 2. If no funds or insufficient funds are appropriated and budgeted in any fiscal period of the City for disbursements of the TIF Assistance, then the City will notify the Park District in writing of that occurrence, and the City may terminate this Agreement on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for disbursement under this Agreement are exhausted.

9. If the aggregate cost of the Project is less than the amount of the TIF Assistance contemplated by this Agreement, the Park District shall have no claim to the difference between the amount of the TIF Assistance contemplated by this Agreement and the amount of the TIF Assistance actually paid by the City to the Park District and expended by the Park District on the Project.

### **SECTION 3. TERM.**

1. The term of this Agreement shall commence on the Closing Date and shall expire on the date on which the Woodlawn Redevelopment Area is no longer in effect, or on the date of termination of this Agreement according to its terms, whichever occurs first.

2. [Intentionally Omitted - related to conveyance]

3. [Intentionally Omitted - related to conveyance]

3.4. [Intentionally Omitted - related to conveyance]

### **SECTION 4. ENVIRONMENTAL MATTERS.**

1. It shall be the responsibility of the Park District, at its sole cost and expense, to investigate and determine the soil and environmental condition of the Property, including obtaining phase I and, if applicable, phase II environmental audits for the Property. The City makes no covenant, representation, or warranty as to the environmental condition of the Property or the suitability of the Property as a park or for any use whatsoever.

2. The Park District agrees to carefully inspect the Property prior to commencement of any activity related to the Project to ensure that such activity shall not damage surrounding property, structures, utility lines or any subsurface lines or cables. The Park District shall be solely responsible for the safety and protection of the public. 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.

5

**4.3. [Intentionally Omitted - relating to environmental remediation] SECTION**

**5. INSURANCE.**

5.1. The Park District shall provide and maintain at the Park District's own expense, or cause to be provided during the term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to this Agreement.

1. Workers Compensation and Employers Liability. Workers Compensation 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 each accident or illness.

2. 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 shall include the following: All premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

3. Automobile Liability (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Park District shall 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.

4. Professional Liability. When any architects, engineers or professional consultants perform work in connection with this Agreement, the Park District shall cause to be provided, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000.

5. 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.

5.2. The Park District will furnish the City at the address stated in Section 8.13, original Certificates of Insurance evidencing the required coverage to be in force on the Closing Date, 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 shall submit evidence of insurance on the City's Insurance Certificate Form or equivalent prior to the Closing Date. 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 shall not be deemed to be a waiver by the City.

## 6

3. The Park District shall advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance shall not relieve the Park District of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of this Agreement, and the City retains the right to stop work until proper evidence of insurance is provided, or this Agreement may be terminated.

4. The required insurance shall 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.

5. Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Park District and its contractors.

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

7. The Park District expressly understands and agrees that any coverage and limits furnished by the Park District shall in no way limit the Park District's liabilities and responsibilities specified by this Agreement or by law.

8. The Park District expressly understands and agrees that any insurance or self insurance programs maintained by the City shall not contribute with insurance provided by the Park District under this Agreement.

9. 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.

10. Intentionally Omitted.

11. The City's Risk Management Department maintains the right to modify, delete, alter or change these requirements.

### **SECTION 6. INDEMNITY / NO PERSONAL LIABILITY.**

1. The Park District agrees to indemnify and hold the City, its officers and employees, harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses, including, without limitation, reasonable attorney's fees and court costs suffered or incurred by the City arising from or in connection with (i) the Park District's failure to comply with any of the terms, covenants and conditions contained in this Agreement; or (ii) the Park District's or any contractor's failure to pay general contractors, subcontractors or materialmen in connection with the Project. The defense and indemnification obligations in this Section 6.1 shall survive any termination or expiration of this Agreement.

2. No elected or appointed official or member or employee or agent of the City or the Park District shall be individually or personally liable in connection with this Agreement.

### **SECTION 7. DEFAULT.**

1. [Intentionally omitted - relating to title]

2. If the Park District, without the City's written consent, fails to complete the Project within 36 months after the date of execution of this Agreement, then the City may terminate this Agreement by providing written notice to the Park District.

3. In the event the Park District fails to perform, keep or observe any of its covenants, conditions, promises, agreements or obligations under this Agreement not identified in Section 7.2 and such default is not cured as described in Section 7.4 hereof, the City may terminate this Agreement.

4. Prior to termination, the City shall give its notice of intent to terminate 30 days prior to termination at the address specified in Section 8.13 hereof, and shall state the nature of the default. In the event Park District does not cure such default within the 30-day notice period, such termination shall become effective at the end of such period; provided, however, with respect to those defaults which are not capable of being cured within such 30-day period, the Park District shall not be deemed to have committed such default and no termination shall occur if the Park District has commenced to cure the alleged default within such 30-day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

5. The City may, in any court of competent jurisdiction, by any proceeding at law or in equity, secure the specific performance of the agreements contained herein, or may be awarded damages for failure of performance, or both.

## **SECTION 8. GENERAL PROVISIONS.**

1. Authority. Execution of this Agreement by the City is authorized by the Authorizing Ordinance. Execution of this Agreement by the Park District is authorized by the Park District Ordinances. The Parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their obligations hereunder.

2. Assignment. This Agreement, or any portion thereof, shall not be assigned by either Party without the prior written consent of the other.

3. Compliance with Laws. The Parties agree to comply with all federal, state and local laws, status, ordinances, rules, regulations, codes and executive orders relating to this Agreement.

4. Consents. Whenever the consent or approval of one or both Parties to this Agreement is required hereunder, such consent or approval will not be unreasonably withheld.

5. Construction of Words. As used in this Agreement, the singular of any word shall include the plural, and vice versa. Masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.

6. Counterparts. This Agreement may be executed in several counterparts and by a different Party in separate counterparts, with the same effect as if all Parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

8

7. Further Assurance. The Parties shall perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the transactions contemplated in this Agreement.

8. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to the principles of conflicts of law thereof. If there is a lawsuit under this Agreement, each Party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois.

9. Integration. This Agreement constitutes the entire agreement between the Parties, merges all discussions between them and supersedes and replaces any and every other prior or contemporaneous agreement, negotiation, understanding, commitments and writing with respect to such subject matter hereof.

10. Parties' Interest/No Third Party Beneficiaries. This Agreement shall be binding upon the Parties, and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Parties, and their respective successors and permitted assigns (as provided herein). This Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a Party 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 Parties, shall be deemed or construed by any of the Parties hereto or by third parties, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving any of the Parties.

11. Modification or Amendment. This Agreement may not be altered, modified or amended except by a written instrument signed by both Parties.

12. No Implied Waivers. No waiver by either Party of any breach of any provision of this Agreement will be a waiver of any continuing or succeeding breach of the breached provision, a waiver of the breached provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to, or demand on, either Party in any case will, of itself, entitle that Party to any further notice or demand in similar or other circumstances.

13. Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram, facsimile (fax); (c) overnight courier or (d) registered or certified first class mail, return receipt requested.

To the City:                      City of Chicago  
   Department of Housing and Economic Development  
   Attention: Commissioner  
   City Hall, Room 1101  
   121 N. LaSalle Street  
   Chicago, Illinois 60602  
   (312) 744-4190  
   (312) 744-2271 (Fax)

With copies to:                      City of Chicago

9

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

To the Park District: Chicago Park District  
Attention: General Superintendent 541 North  
Fairbanks Chicago, Illinois 60611 (312) 742-4200  
(312) 742-5726 (Fax)

With copies to: Chicago Park District  
General Counsel 541 North  
Fairbanks Chicago, Illinois 60611  
(312) 742-4602 (312) 742-5328 (Fax)

Such addresses may be changed by notice to the other Party given in the same manner provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) above shall be deemed received upon such personal service or dispatch. Any notice, demand or request sent pursuant to clause (c) above shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to clause (d) above shall be deemed received two business days following deposit in the mail.

14. Remedies Cumulative. The remedies of a Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such Party unless specifically so provided herein.

15. Representatives. Immediately upon execution of this Agreement, the following individuals will represent the Parties as a primary contact in all matters under this Agreement.

For the City: Nelson Chueng  
City of Chicago  
Department of Housing and Economic Development  
City Hall, Room 1101  
121 N. LaSalle Street  
Chicago, Illinois 60602  
(312)744-1074  
(312) 744-6550 (Fax)

For the Park District: Rob Rejman  
Director of Planning, Construction and Facilities Chicago  
Park District

10

541 North Fairbanks Chicago,  
Illinois 60611 (312)742-4685 (312)  
742-5347 (Fax)

Each Party agrees to promptly notify the other Party of any change in its designated representative,



which notice shall include the name, address, telephone number and fax number of the representative for such Party for the purpose hereof.

16. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, shall 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 shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

17. Survival of Agreements. Except as otherwise contemplated by this Agreement, all covenants and agreements of the Parties contained in this Agreement will survive the consummation of the transactions contemplated hereby.

18. Titles and Headings. Titles and headings to paragraphs contained in this Agreement are for convenience only and are not intended to limit, vary, define or expand the content of this Agreement.

19. Time. Time is of the essence in the performance of this Agreement.

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

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CHICAGO, a municipal corporation, by and through its Department of  
Housing and Economic Development

By:  
Andrew J. Mooney Commissioner

CHICAGO PARK DISTRICT, a body politic and corporate

Bv:  
Michael P. Kelly  
General Superintendent and CEO

ATTEST

By:  
Kantrice Ogletree Secretary

12

**Exhibit A**

**Legal Description [Subject to Survey and  
Title Commitment]**

General Location : 6200 South Drexel Avenue

P.I.N.: 20-14-313-014-0000 and 20-14-313-016-0000

Legal Description: LOTS 1 THROUGH 17, INCLUSIVE IN H.M. HARPER'S ADDITION TO CHICAGO, A SUBDIVISION OF BLOCK 7 OF CHARLES BUSBYS SUBDIVISION OF THE SOUTH  $\frac{1}{2}$  OF THE SOUTHWEST  $\frac{1}{4}$  OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 15, 1889 AS DOCUMENT NUMBER 1185732, IN COOK COUNTY, ILLINOIS.

13

**Exhibit B Plans and Specifications**

**See attached [To be attached at closing]**

14

**Exhibit C**

**Project Budget / TIF-Funded Improvements**

**Preliminary Budget**

Mechanical	\$1,455,990	
Electrical		\$ 74,520
Plumbing		\$ 81,000
Controls		\$ 335,340
<u>Environmental remediation</u>		<u>\$ 54,000</u>
		<b>\$2,000,850</b>

The Commissioner may approve changes to the preliminary budget.

15

**Exhibit D**

**Form of Certificate of Expenditure**

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

The affiant, Chicago Park District (the "Park District"), an Illinois municipal corporation, 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 TIF-Funded Improvements for the Project reimbursed by the City to date:

\$

C. The Park District requests reimbursement for the following cost of TIF-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.

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 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 has the meanings given such terms in the Agreement.

16

Park District

By:

Name

Title:

Subscribed and sworn before me this      day of

My commission expires:

Agreed and accepted:

Name  
Title:  
City of Chicago  
Department of Housing and Economic Development