



# Office of the City Clerk

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

## Legislation Details (With Text)

**File #:** O2014-87  
**Type:** Ordinance  
**File created:** 1/15/2014  
**Status:** Passed  
**In control:** City Council  
**Final action:** 2/5/2014  
**Title:** Lease agreement with Theaster Gates Group LLC for access to vacant city-owned property and use of open space at 265 E Garfield Blvd  
**Sponsors:** Emanuel, Rahm, Dowell, Pat  
**Indexes:** Lease  
**Attachments:** 1. O2014-87.pdf

Date	Ver.	Action By	Action	Result
2/5/2014	1	City Council	Passed	Pass
1/28/2014	1	Committee on Housing and Real Estate	Recommended to Pass	Pass
1/15/2014	1	City Council	Referred	

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

January 15, 2014

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

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith, together with Alderman Dowell, an ordinance authorizing the execution of a lease agreement with Theaster Gates Group,

LLC.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

**ORDINANCE BE IT ORDAINED BY THE CITY**

**COUNCIL OF THE CITY OF CHICAGO:**

SECTION 1: The Commissioner of the Department of Fleet and Facility Management and the Commissioner of the Department of Planning and Development are authorized to execute on behalf of the City of Chicago, as Landlord, a Lease with Theaster Gates Group, LLC, as Tenant, for Theaster Gates Group, LLC's access to vacant City-owned owned property located at 265 East Garfield Boulevard for use as public open space; such Lease to be approved as to form and legality by the Corporation Counsel in substantially the following form:

**LEASE NO. 20306**

**LEASE**

THIS LEASE is made and entered into this                      day of                      , 2014 (the "Commencement Date") by and between, the CITY OF CHICAGO, an Illinois Municipal Corporation and Home Rule Unit of Government (the "Landlord" or "City"), and THEASTER GATES GROUP, LLC, an Illinois Limited Liability Company (the "Tenant") (both parties are sometimes collectively referred to as the "Parties").

**RECITALS**

WHEREAS, Landlord is the owner of the property more commonly known as 265 East Garfield Boulevard, Chicago, Cook County, Illinois; and

WHEREAS, the property located at 265 East Garfield Boulevard is comprised of approximately 5,988 square feet of vacant land and has no present municipal use; and

WHEREAS, Tenant would like to promote community improvement, participation, and involvement in the area; and

WHEREAS, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord, approximately 5,988 square feet of vacant land located at 265 East Garfield Boulevard as legally described on Exhibit A attached hereto and made a part hereof to be used as landscaped public open space.

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:

Approximately 5,988 square feet of vacant land located at 265 East Garfield Boulevard, Chicago, Illinois (PIN 20-15-103-010 - the "Premises").

### **SECTION 2. TERM**

The term of this Lease ("Term") shall begin on the Commencement Date and shall end on December 31, 2017, unless sooner terminated as set forth in this Lease.

1

### **LEASE NO. 20306**

### **SECTION 3. RENT, TAXES AND UTILITIES**

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

One Dollar (\$1.00) for the entire Term the receipt and sufficiency of said sum being herewith acknowledged by both Parties.

2 Utilities. If applicable, Tenant shall pay when due all charges for gas, electricity, water, sewer, telephone, other communication, and any other utilities and charges that may be assessed on the Premises during the Term, or as a result of, Tenant's occupancy of the Premises. Landlord shall not have any responsibility for providing, delivering, or paying for any utilities supplied to the Premises.

3 Taxes. Tenant acknowledges that Premises are exempt from leasehold, real estate, and other property taxes. Tenant shall pay when due any leasehold, real estate, and other property taxes assessed or levied on the Premises where attributable to Tenant's use of the Premises. Tenant shall pay such amounts and Tenant shall provide Landlord with proof of such payment within ten (10) days of such payment. Tenant further acknowledges that real estate taxes are one (1) year in arrears in Cook County and that as a result Tenant shall

be responsible for satisfaction of leasehold, real estate, and other property taxes assessed or levied on the Premises on account of Tenant's use for at least one year after Tenant vacates the Premises. Tenant's failure to pay any such taxes shall constitute a default under this Lease. Notwithstanding the foregoing, nothing herein shall preclude Tenant from contesting any charge or tax levied against the Premises. The failure of Tenant to pay such taxes during the pendency of the contest shall not constitute a default under this Lease. Tenant's tax responsibilities under this section shall survive the expiration, cancellation, or termination of this Lease.

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 any amounts 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. CONDITION AND ENJOYMENT OF PREMISES, ALTERATIONS, ADDITIONS, USE AND STANDARDS**

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

2

#### **LEASE NO. 20306**

this Lease on its part to be kept, observed, and performed, shall lawfully enjoy the Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by Landlord.

2 Tenant's Duty to Maintain Premises and Right of Access. Tenant shall, at Tenant's expense, keep the Premises in a condition of good repair and order, and in compliance with all applicable provisions of the Municipal Code of Chicago, including, but not limited to, Title 17 ("Landscape Ordinance"). Landlord shall have the right of access to the Premises for the purpose of inspecting and making repairs to the Premises, provided that, except in the case of emergencies, Landlord shall first give notice to Tenant of its desire to enter the Premises and will schedule its entry so as to minimize any interference with Tenant's use of the Premises.

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, and to comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments which may be applicable to the Premises or to the use or manner of use of the Premises. Tenant shall not cause 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 use as public open space (the "Use"). Tenant shall not be permitted to charge any fee for the Use of for any other access to the Premises. The

promotion and operation of public open space does not include direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office. Tenant shall not use said Premises for political or religious activities. Tenant agrees that in utilizing the Premises that it shall not discriminate against any member of the public because of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, immigration status, sexual orientation, marital status, parental status, military discharge status, or source of income. Tenant must secure all other permits and approvals that may be required to undertake the Use. Tenant understands that this Lease shall not act as a substitute for any other permitting or approvals that may be required to undertake the Use.

4 Alterations, Additions, and Improvements. Tenant may not undertake any cleanup or make any permanent alterations, additions, repairs, and improvements to the Premises without the prior written approval of the Commissioner of the Department of Planning and Development. Landlord shall not be obligated to pay for any alterations, additions, improvements, or repairs to the Premises. Tenant must secure all other permits and approvals that may be required to undertake the Use. Tenant understands that this Lease shall not act as a substitute for any other permitting or approvals that may be required to undertake the Use.

## **SECTION 5. ASSIGNMENT, SUBLEASE AND LIENS**

### **LEASE NO. 20306**

1 Assignment and Sublease. Tenant shall not assign this Lease in whole or in part, or sublet or license the Premises or any part thereof without the prior written consent of the Commissioner of the Department of Planning and Development.

2 Tenant's Covenant against 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 by virtue of any express or implied contract by Tenant. Any claim to, or lien upon, the leased 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.

3 Tenant's Covenant against Liens. Tenant shall not permit the Premises to become subject to any mechanic's, laborer's, or materialmen's liens on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant. In case of any such lien attaching, Tenant shall immediately pay and remove such lien or furnish security or indemnify Landlord in a manner satisfactory to Landlord in its sole discretion to protect Landlord against any defense or expense arising from such lien. Except during any period in which Tenant appeals any judgment or obtains a rehearing of any such lien, or in the event judgment is stayed, Tenant shall immediately pay any judgment rendered against Tenant, with all proper costs and charges, and shall have

the lien released and any judgment satisfied. If Tenant fails to pay and remove any lien or contest such lien in accordance herewith, Landlord, at its election, may pay and satisfy same, and all sums so paid by Landlord shall become immediately due and payable by Tenant, with interest from the date of payment at the rate set at 12% per annum provided that such rate shall not be deemed usurious by any Federal, State, or Local law.

## **SECTION 6. AGENTS, INSURANCE AND INDEMNIFICATION**

6.1 Tenant's Agents. This Lease extends to, and Tenant shall be responsible for, its agents, employees, contractors, subcontractors, consultants, invitees, guests, vendors, patrons and any other parties who enter the Premises at Tenant's direction or with Tenant's consent (collectively, "Agents"). Tenant shall be responsible for ensuring that all Agents comply with Tenant's obligations under this Lease, and non-compliance by any Agent shall be deemed to be non-compliance by Tenant. This Lease is subject to all easements, encroachments, covenants, restrictions of record and not shown of record, and any other title encumbrances or defects affecting the Premises. Tenant acknowledges that Landlord has not performed any title or survey work in connection with the negotiation and execution of this Lease and agrees that it is Tenant's sole responsibility and obligation to confirm that the Use occurs solely within the portions of the Premises permitted by this Lease and on property owned by Landlord.

### **4**

LEASE NO. 20306

6.2 Insurance. Tenant shall procure and maintain, and cause its Agents to procure and maintain, at Tenant's sole expense (or the expense of its Agents as applicable), during the Term, the types and amounts of insurance set forth below with insurance companies authorized to do business in the State of Illinois, covering all work under this Lease, whether performed by or on behalf of Tenant. The Tenant and its agents agree hereby to waive any subrogation.

a) Worker's Compensation and Employer's Liability Insurance. Tenant and its contractors and subcontractors shall procure and maintain Worker's Compensation Insurance, as prescribed by applicable law, covering all employees who are to provide a service under this Lease, and Employer's Liability Insurance with limits of not less than \$100,000 for each accident or illness.

b) Commercial General Liability Insurance (Primary and Umbrella). Tenant and its contractors and subcontractors shall procure and maintain Commercial General Liability Insurance, or equivalent, with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and Property damage liability; provided, however, subcontractors performing work in connection with this Lease may maintain limits of \$1,000,000 if the subcontract amount is less than \$100,000. Coverage shall include, at a minimum, all premises and operations, products/completed operations, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago shall be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the Tenant's access to the Premises or Tenant's Agent's

access to the Premises.

c) Automobile Liability Insurance (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with the Activity, Tenant and its contractors and subcontractors shall procure and maintain Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and Property damage; provided, however, subcontractors performing work in connection with this Lease may maintain limits of \$1,000,000 if the subcontract amount is less than \$100,000. The City of Chicago shall be named as an additional insured with respect to such coverage on a primary, non-contributory basis.

d) Professional Liability Insurance. When any architects, engineers, construction managers or other professional consultants perform work in connection with this Lease, such parties shall procure and maintain Professional Liability Insurance covering acts, errors, or omissions with limits of not less than \$1,000,000, with coverage including contractual liability. When a policy is renewed or replaced, the policy retroactive date must coincide with, or precede, the start of work under this Lease. A claims-made policy that is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago shall be named as an additional insured with respect to such coverage on a primary, non-contributory basis.

e) All Risk Property. Tenant and its contractors and subcontractors shall be responsible for all loss or damage to personal property (including, without limitation,

5

**LEASE NO. 20306**

vehicles, materials, equipment, tools and supplies), owned, rented or used by Tenant or its contractors and subcontractors. Tenant shall be responsible for all loss or damage to City-owned property, improvements or facilities at replacement cost.

Tenant will furnish to the City of Chicago, Department of Fleet and Facility Management, Office of Real Estate Management, 30 North LaSalle Street, Suite 300, Chicago, Illinois 60602, and the Department of Planning and Development, 121 North LaSalle Street, Room 1000, 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. Tenant shall submit evidence on insurance prior to Lease award. The receipt of any certificate does not constitute agreement by Landlord that the insurance requirements in this Lease have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements set forth herein. The failure of Landlord to obtain certificates or other evidence of insurance from Tenant (or its contractors or subcontractors as applicable) shall not be deemed to be a waiver by Landlord of the insurance requirements set forth herein. Tenant shall advise all insurers of the insurance requirements set forth herein and the nature of its use of the Premises. Non-conforming insurance shall not relieve Tenant of the obligation to provide insurance as specified herein. Landlord may terminate this Lease for non-fulfillment of the insurance conditions, and retains the right to order Tenant to cease all activities on the Premises until proper evidence of

insurance is provided.

Tenant (or its contractors or subcontractors as applicable) shall be responsible for any and all deductibles or self-insured retentions. Tenant agrees that insurers shall waive their rights of subrogation against Landlord. Tenant expressly understands and agrees that any coverages and limits furnished by it (or its contractors or subcontractors as applicable) shall in no way limit Tenant's liabilities and responsibilities specified in this Lease or by law. Tenant expressly understands and agrees that its insurance (or that of its contractors or subcontractors as applicable) is primary and any insurance or self-insurance programs maintained by Landlord shall not contribute with insurance provided by Tenant (or its contractors or subcontractors as applicable) under this Lease. 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.

Tenant shall require all contractors and subcontractors to maintain the above-described coverage, or Tenant may provide such coverage for its contractors and subcontractors. If Tenant or any contractor or subcontractor wants additional coverage, such party shall be responsible for the acquisition and cost of such additional protection. Landlord shall have no responsibility to provide insurance or security for the Premises, or any vehicles, materials, equipment, tools, supplies or other personal property (collectively, "Personal Property") to be used by Tenant or any of its contractors, subcontractors or other Agents in connection with the Use.

6

**LEASE NO. 20306**

The insurance shall provide for thirty (30) days prior written notice to be given to Landlord in the event coverage is substantially changed, canceled, or non-renewed.

The City of Chicago, Department of Finance, Office of Risk Management, maintains the rights to modify, delete, alter or change these requirements at any time during the Term.

6.3 Tenant's Indemnification. Tenant shall indemnify, defend (through an attorney reasonably acceptable to Landlord) and hold the Landlord, its officers, officials, employees, agents and representatives (collectively, the "City Parties"), harmless from and against any and all actions, claims, suits, complaints, demands, legal or administrative proceedings, losses, damages, debts, liens, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs and expenses (including, without limitation, attorneys' fees, consultants' fees and court costs) (collectively, "Claims"), of whatsoever kind and nature, including without limitation, any and all environmental Claims, made or asserted by any third parties for injury, including personal injury or death of any person or persons, and for loss or damage to any property, occurring in connection with, or in any way arising out of or incident to (a) any and all acts, alleged acts or omissions of Tenant, its Agents or any other person entering the Premises during the Term and (b) any entry upon or use of the Premises or performance of the Use by or on behalf of Tenant, its Agents



or any other person entering the Premises during the Term and (c) the failure of Tenant or its Agents to pay contractors, subcontractors or material suppliers in connection with this Lease. The indemnification provided herein will be effective to the maximum extent permitted by Law and is not limited by any amount of insurance required under this Lease.

Tenant shall be solely responsible for the defense of any and all Claims against the City Parties, including without limitation, claims by any Agents of Tenant, even though the claimants may allege negligence or intentional and willful misconduct on the part of the City Parties. Landlord shall have the right, at its sole option, to participate in the defense of any such Claims, without relieving Tenant of its obligations hereunder.

Tenant shall promptly provide, or cause to be provided, to the City of Chicago, Department of Law, at 121 North LaSalle Street, Room 600, Chicago, Illinois 60602, copies of such notices as Tenant may receive of any Claims for which the City Parties are entitled to indemnification hereunder and to give the City Parties authority, information, and assistance for the defense of any such Claims.

This Section 6.3 shall survive the expiration or termination of this Lease (regardless of the reason for such termination).

## **SECTION 7. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS**

### **7**

#### **LEASE NO. 20306**

1      Conflict of Interest. No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial interest (as defined in Chapter 2-156 of the Municipal Code), 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/her position to influence any governmental decision or action with respect to this Lease by the Landlord.

2      Duty to Comply with Governmental Ethics Ordinance. Landlord and Tenant shall comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics," including but not limited to section 2-156-120, which states that no payment, gratuity, or offer of employment shall be made in connection with any City of Chicago contract, as an inducement for the award of that contract or order. Any contract or lease negotiated, entered into, or performed in violation of any of the provisions of Chapter 2-156 shall be voidable as to Landlord.

## **SECTION 8. HOLDING OVER**

8.1 Holding Over. Any holding over by Tenant shall be construed to be a tenancy from month to month only beginning on January 1, 2018 and the rent shall be the same as listed in Section 3.1 of this Lease. During

such holding over all other provisions of this Lease shall remain in full force and effect.

## **SECTION 9. MISCELLANEOUS**

9.1 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 Planning and Development 121 North LaSalle  
Street, Room 1000 Chicago, Illinois 60602

With a courtesy copy to:

City of Chicago  
Department of Fleet and Facility Management Office of Real  
Estate Management

8

LEASE NO. 20306

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:

Theaster Gates Theaster Gates Group, LLC 6918  
South Dorchester Avenue Chicago, Illinois 60637

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 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 do they 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.

9

LEASE NO. 20306

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 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. Landlord and Tenant shall have the right to terminate this Lease without penalty for any, or no, reason by providing each other with sixty (60) days prior written notice at any time after the Commencement Date. In addition, this Lease shall automatically terminate on the day of closing in the event that Landlord conveys the Premises to the Tenant pursuant to a Chicago City Council approved redevelopment agreement or other instrument of conveyance.

11 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, acts of terrorism, 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.

12 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 default, Landlord will notify Tenant in writing as to the circumstances giving rise to such default. Upon written receipt of such notice, Tenant must cure such default within ten (10) business days. If Tenant does not cure such default within ten (10) business days, Landlord may cancel this Lease with five (5) days written notice.

13 No Profit. Tenant shall not charge any fees for access to the Premises, shall not receive any other payment for such access to the Premises, and shall not derive any revenue from access and use of the Premises. Landlord shall not derive any revenue from Tenant's access or use of the Premises.

10

## **LEASE NO. 20306**

9.14 Amendments. From time to time, the Parties hereto may administratively 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 shall such Amendment(s) 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 10. ADDITIONAL RESPONSIBILITIES OF TENANT**

1 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. Tenant accepts the risk that any inspection may not disclose all material matters affecting the Premises. Tenant agrees to accept the Premises in its "as is," "where is" and "with all faults" condition on the Commencement Date without any covenant, representation or warranty, express or implied, of any kind, as to any matters concerning the Premises, including, without limitation: (a) the structural, physical or environmental condition of the Premises; (b) the suitability of the Premises for any purpose whatsoever; (c) the state of repair of the Premises or the

condition of soil, geology, groundwater, or any other physical characteristic of the Premises; (d) compliance of the Premises with any applicable laws, including, without limitation, environmental Laws; or (e) the presence or removal of hazardous substances or environmental conditions in, on, under or about the Premises.

2 Maintenance. Tenant shall provide, at Tenant's expense, any and all service for maintenance of the Premises during Tenant's occupancy. Tenant acknowledges that Landlord has no maintenance obligations with respect to the Premises.

3 Custodial Services. Tenant shall provide and pay for custodial services and shall be responsible for keeping the Premises clean and free of debris. Tenant shall keep the Premises clean, presentable, free of litter, and in good repair. Tenant shall properly discard any fly dumping materials placed on the Premises. Tenant shall provide and pay for any exterminator service whenever such services are reasonably necessary. Tenant shall provide and pay for Tenant's own scavenger service if reasonably necessary.

4 Snow Removal. Tenant shall provide for prompt removal of snow and ice from the sidewalks that adjoin the Premises and shall assume responsibility for failure to do so.

11

LEASE NO. 20306

Tenant acknowledges that Landlord shall not have any snow or ice removal responsibilities or liabilities.

5 Repairs for Tenant Negligence. Vandalism or Misuse. Tenant shall assume all responsibility for any repairs to any portion of the Premises necessitated by the negligence, vandalism, misuse, or other acts on any portion of the Premises by Tenant or Tenant's Agents.

6 Security. Tenant acknowledges that Landlord shall not have any security obligations or liabilities relative to the Premises and the Use of the Premises. Tenant shall properly secure the Premises. Tenant's security obligations do not cease until this Lease is terminated, Tenant completely vacates the Premises, and Tenant receives written notification from Landlord that Landlord has assumed control of the Premises.

7 No Alcoholic Beverages or Drugs. Tenant agrees that alcoholic beverages or illegal drugs of any kind or nature shall not be sold, given away, or consumed on the Premises.

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

9 Hazardous Substances. Tenant shall not use or store any Hazardous Substances (defined below) on the Property. Tenant shall promptly notify the Landlord if Tenant discovers any Hazardous Substances on the Property. As used in this Lease, the term "Hazardous Substances" shall mean any toxic substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Laws (as defined hereunder), or any pollutant, toxic vapor, or contaminant, and shall include, but not be limited to, polychlorinated biphenyls (PCBs), crude oil, any fraction thereof, or refined petroleum products such as oil, gasoline, or other petroleum-based fuels, lead paint, asbestos or asbestos-containing materials, urea formaldehyde, any radioactive material or by-product material, radon and mold. "Environmental Laws" shall mean any and all Laws, permits and other requirements or guidelines of governmental authorities applicable to the Property and relating to the regulation and protection of human health, safety, the environment, natural resources or to any Hazardous Substances, including without limitation, any Laws requiring the filing of reports and notices relating to Hazardous Substances.

10 Permits. For any activity which Tenant desires to conduct on the Premises in which a license or permit is required, said license or permit must be obtained by Tenant prior to using the Premises for such activity. The Department of Planning and Development and the Department of Fleet and Facility Management must be notified of any such license or permit. Failure to obtain a required license or permit shall constitute a material breach of the terms of

12

## **LEASE NO. 20306**

this Lease. Tenant understands that this Lease shall in no way act as a substitute for any other permitting or approvals that may be required to undertake any activities on the Premises.

11 Full Liability. Tenant assumes full legal and financial responsibility and liability for any and all use of the Premises by Tenant, Tenant's Agents, third parties, and any other person, persons, or entities entering the Premises.

12 Condition at Termination. Upon the termination of this Lease, Tenant shall surrender the Premises to the Landlord in the same or better condition to the condition of the Premises at the beginning of Tenant's occupancy of the Premises. Tenant shall remove all equipment and/or materials placed on the Premises by Tenant or anyone acting by or under Tenant. Said removal shall be without cost to Landlord.

13 Usage Restrictions. Tenant shall not charge a fee for access to the Premises. Tenant shall schedule all use of the Premises in fair and non-discriminatory basis. Tenant shall not use the Premises after sun down. Tenant shall ensure that Tenant's Use shall not create excessive noise, disruptions, or otherwise interfere or conflict with the residential nature of the area. In the event that Landlord, in Landlord's sole and exclusive opinion, determines that Tenant's access to the Premises creates a nuisance for the area Landlord

may, in addition to Landlord's rights under Section 9.10 and 9.12 hereinabove, immediately suspend Tenant's access to the Premises until such time as Tenant has eliminated such nuisance to Landlord's satisfaction.

14 No Other Rights. This Lease does not give Tenant any other right with respect to the Premises. Any rights not specifically granted to Tenant by and through this Lease are reserved exclusively to Landlord. Execution of this Lease does not obligate Landlord in any manner and Landlord shall not be responsible for undertaking any additional duties or services.

15 Future Site Development. Tenant understands that Landlord's Department of Planning and Development and/or its successor department may actively market the Premises to Tenant or to other parties for disposition. In the event of a sale of the Premises to another party, Tenant's sole remedy is to vacate the Premises upon appropriate notice from Landlord. Landlord is under no obligation to provide Tenant with alternative locations.

16 Non-Discrimination. Tenant agrees that Tenant shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, immigration status, sexual orientation, marital status, parental status, military discharge status, or source of income in the use or occupancy of the Premises or any part thereof. Tenant shall not use the Premises for any religious activities.

13

LEASE NO. 20306

17 Economic Disclosure Statement Affidavit ("EDS") Updates. Throughout the Term, Tenant shall provide Landlord with any material updates to the information previously submitted in Tenant's Economic Disclosure Statement and Affidavit ("EDS"). Landlord may also request such updates from time to time. Failure to provide such information on a timely basis shall constitute a default under this Lease.

18 Non-ownership of South Parcel. Tenant understands that Landlord is not the owner of the property located immediately to the south of the Premises. This property (PIN 20-15-103-011) is owned and controlled by another party.

## **SECTION 12. TENANT DISCLOSURES AND REPRESENTATIONS**

1 Business Relationships. Tenant acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City

Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) notwithstanding anything to the contrary contained in this Lease, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Lease shall be grounds for termination of this Lease and the transactions contemplated hereby. Tenant hereby represents and warrants that no violation of Section 2-156-030 (b) has occurred with respect to this Lease or the transactions contemplated hereby.

2 Patriot Act Certification. Tenant represents and warrants that neither Tenant nor any Affiliate thereof (as defined in the next paragraph) 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.

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to Tenant that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Tenant, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in

LEASE NO. 20306

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.

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



Tenant represents and warrants that from the date the City approached the Tenant or the date Tenant approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

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

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

Notwithstanding anything to the contrary contained herein, Tenant agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Lease, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to

15

LEASE NO. 20306

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

If Tenant intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the execution of this Lease, the City may elect to decline to lease the Premises to Tenant or to terminate the Lease after execution.

For purposes of this provision:

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

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

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

Individuals are "Domestic Partners" if they satisfy the following criteria:

- A) they are each other's sole domestic partner, responsible for each other's common welfare; and
- B) neither party is married; and
- C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- E) two of the following four conditions exist for the partners:
  - 1. The partners have been residing together for at least 12 months.
  - 2. The partners have common or joint ownership of a residence.
  - 3. The partners have at least two of the following arrangements:
    - a. joint ownership of a motor vehicle;
    - b. a joint credit account;

16

LEASE NO. 20306

- c. a joint checking account;
  - d. a lease for a residence identifying both domestic partners as tenants.
- 4. Each partner identifies the other partner as a primary beneficiary in a will.

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

4 Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Tenant warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Lease is executory, Tenant's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Lease, constitutes a breach of and an event of default under this Lease, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Commissioner of the Department of Planning and Development. Such breach and default entitles the City to all remedies under the Lease, at law or in equity. This section does not limit Tenant's, general contractor's and its subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive

orders, in effect now or later, and whether or not they appear in this Lease. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Lease, and may further affect the Tenant's eligibility for future contract awards.

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

6 Cooperation with Inspector General and Legislative Inspector General. In accordance with Chapter 2-26-110 et seq. of the Municipal Code, the Tenant acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Office of the Inspector General and the Office of the Legislative Inspector General in connection with any activities undertaken by such office with respect to this Lease, including, without limitation, making available to the Office of the Inspector General and the Office of the Legislative Inspector General the Tenant's premises, equipment, personnel, books, records and papers. The Tenant agrees to abide by the provisions of Chapter 2-26-110 et seq.

## LEASE NO. 20306

### 12.7 Shakman Prohibitions.

(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

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

iii) Tenant will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Lease, or offer employment to any individual to provide services under this Lease, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Lease, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

iv) In the event of any communication to Tenant by a City employee or City official in violation of Section 12.7 (ii) above, or advocating a violation of Section 12.7 (iii) above, Tenant 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 relevant City Department utilizing services provided under this Lease. Tenant will also cooperate with any inquiries by IGO Hiring Oversight or the Shakman Monitor's Office related to the contract.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

18

**LEASE NO. 20306**

IN WITNESS WHEREOF, the Parties have executed this Lease as of the Commencement Date

**LANDLORD:**

**CITY OF CHICAGO,**

**an Illinois Municipal Corporation and Home Rule Unit of Government**

**DEPARTMENT OF PLANNING AND DEVELOPMENT**

**By: \_**

**Commissioner**

**DEPARTMENT OF FLEET AND FACILITY MANAGEMENT**

By:  
Commissioner

APPROVED AS TO FORM AND LEGALITY: BY: THE  
DEPARTMENT OF LAW

By:  
Deputy Corporation Counsel Real Estate  
Division

**TENANT:**

**THEASTER GATES GROUP, LLC,**  
an Illinois Limited Liability Company

By:

Name:

Its:

19

**EXHIBIT A LEGAL DESCRIPTION OF PREMISES**

*(Subject to Final Survey and Title Commitment)*

**THE NORTH 101.5 FEET AND THE WEST 59 FEET OF LOT 4 IN BLOCK 2 OF YERBY'S  
SUBDIVISION OF THE NORTH Vi OF THE NORTH Vi OF THE NORTHWEST % OF THE WEST  
Vi OF THE NORTHEAST V\* OF SECTION 15, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE  
THIRD PRINCIPAL MERIDIAN IN COOK COUNTY ILLINOIS**

PIN: 20-15-103-010

Common Address: 265 East Garfield Boulevard  
**265 East Garfield Boulevard Theaster Gates**

**Group, LLC Lease No. 20306**

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

**CITY OF CHICAGO ECONOMIC DISCLOSURE  
STATEMENT AND AFFIDAVIT**

**SECTION I - GENERAL INFORMATION**

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable: Theaster Gates  
Group, LLC

**Check ONE of the following three boxes:**

Indicate whether the Disclosing Party submitting this EDS is:

1. ☐ the Applicant

OR

2. ☐ a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest:

OR

3. ☐ a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 6918 S. Dorchester Ave., Chicago, IL 60637

C. Telephone: 773-702-8974 Fax: Email: [theasterg@uchicago.edu](mailto:theasterg@uchicago.edu)

[<http://theasterg@uchicago.edu>](http://theasterg@uchicago.edu)

D. Name of contact person: Theaster Gates, Jr.

E. Federal Employer Identification No. (if you have one): None

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Lease Agreement for 265 E. Garfield Blvd., Chicago, IL 60637

G. Which City agency or department is requesting this EDS? Department of Fleet and Facility Management

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

Specification #

N/A

Contract #

Page 1 of 13

## SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

### A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- |   |  |
|---|--|
| <input type="checkbox"/> Person                                   | <input type="checkbox"/> Limited liability company       |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership   |
| <input type="checkbox"/> Privately held business corporation      | <input type="checkbox"/> Joint venture                   |
| <input type="checkbox"/> Sole proprietorship                      | <input type="checkbox"/> Not-for-profit corporation      |
| <input type="checkbox"/> General partnership                      | (Is the not-for-profit corporation also a 501(c)(3))?    |
| <input type="checkbox"/> Limited partnership                      | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust                                    | <input type="checkbox"/> Other (please specify)          |

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

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

☐ Yes ☐ No ☐ N/A

### B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

Theaster Gates, Jr.

Sole Manager

No Members

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial

interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

Page 2 of 13

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Theaster Gates, Jr.	6918 S. Dorchester Ave., Chicago, IL 60637	100%

### **SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS**

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

☐ Yes ☒ No

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

### **SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES**

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.



Page 3 of 13

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is
Harlan Kahn	150 N. Wacker Dr., #1400	Attorney <sup>not an acceptable</sup> response.	
Bronson & Kahn LLC	Chicago, IL 60637		\$2,000 estimated

(Add sheets if necessary)

☐ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities

## SECTION V - CERTIFICATIONS

### A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

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

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

☐ Yes ☐ No

### B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the

City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below

Page 4 of 13

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

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

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

#### C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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

1. ☐ is ☒ is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

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

#### D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

☐ Yes ☐ No

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

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

Does the Matter involve a City Property Sale?

☐ Yes ☐ No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

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

#### E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

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

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

## SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

### A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

Page 9 of 13

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there

occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

## B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

☐ Yes ☐ No If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

☐ Yes ☐ No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

☐ Yes ☐ No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

☐ Yes ☐ No

If you checked "No" to question 1. or 2. above, please provide an explanation:

Page 10 of 13

## SECTION VII-- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other

agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics) <<http://www.cityofchicago.org/Ethics>>, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

Page 11 of 13

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2. If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3. If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and



will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

#### CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

"TUPAS-W fccxhs GvbVp LLC. (Print or type name of Disclosing Party)

By

(Sign here)

(Print or type name of person signing)

ore

(Print or type title of person signing)

Signed and sworn to before me on (date) *JcL^I UfltrM 2L 2014*" at *Cop U* County, *\_L*  
*VVA^oxS (state).* '

Notary Public.

Commission expires: \_

OFFICIAL SEAL VIRGINIA REYNOSO NOTARY PUBLIC • STATE OF ILLINOIS MY COMMISSION EXPIRES:04/09/14

### CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT APPENDIX A

#### FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

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

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-

brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

☐ Yes

☒ No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.