



Office of the City Clerk

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

Legislation Details (With Text)

File #: O2017-6303
Type: Ordinance Status: Passed
File created: 9/6/2017 In control: City Council
Final action: 10/11/2017
Title: Lease and license agreements with U.S. General Services Administration on behalf of Transportation Security Administration for use of certain space at airports for office functions
Sponsors: Emanuel, Rahm
Indexes: Lease, Midway & O'Hare
Attachments: 1. O2017-6303.pdf

Table with 5 columns: Date, Ver., Action By, Action, Result. Rows show dates 10/11/2017, 9/27/2017, and 9/6/2017 with corresponding actions like 'Passed', 'Recommended to Pass', and 'Referred'.

Michael R. Zalewski

Alderman.23rd Ward 6247 South Archer Avenue

Chicago, Illinois 60638 Telephone: (773) 582-4444 mzalewski@cityofchicago.org <mailto:mzalewski@cityofchicago.org>

CBTY COUNCIL

City of Chicago

COUNCIL CHAMBER

City Hall Second Floor 121 North LaSalle Street
Chicago, Illinois 60602 Telephone: 312-744-6828
Fax: 312-744^1024

COMMITTEE MEMBERSHIPS

Aviation (Chairman)

Budget & Government Operations

Health & Environmental Protection

Rules & Ethics

Economic, Capital & Technology Development

Workforce Development & Audit

Finance

October 11, 2017

To the President and Members of the City Council:

Your Committee on Aviation begs to leave report and recommend that your Honorable

Body pass the proposed ordinance(s) transmitted herewith.

**A meeting was held on September 27, 2017 in Room 201 A at City Hall to consider the following**

**Ordinance:**

**02017-6303 Lease and license agreements with United States General Services Administration on behalf of Transportation Security Administration for use of certain space at airports for office functions. Emanuel (Mayor)**

This ordinance were passed unanimously viva voce of the members with no dissenting votes.

'ftrijzhael R.  
ZaJswski  
Chairman  
Committee on Aviation

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

September 6, 2017

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

Ladies and Gentlemen:

At the request of the Commissioner of Aviation, I transmit herewith an ordinance authorizing the execution of license and lease agreements with the General Services Administration on behalf of the Transportation Security Administration.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

ORDINANCE

WHEREAS, The City of Chicago (the "City") is a duly constituted and existing municipality within the meaning of Section 1. Article VII of the 1970 Constitution of the State of Illinois ("Constitution"), and is a home rule unit of local government under Section 6(a), Article VII of the Constitution; and

WHEREAS, The City owns and, through its Chicago Department of Aviation ("Aviation"), operates airports known as Chicago O'Hare International Airport ("O'Hare") and Chicago Midway International Airport ("Midway"); and

WHEREAS, The General Services Administration ("GSA") is an agency of the United States government responsible for contracting on behalf of other federal agencies; and

WHEREAS, The Transportation Security Administration ("TSA") is an agency of the United States government responsible for screening passengers and their baggage at the nation's airports; and

WHEREAS, The City desires to allow the TSA to use certain space at the airports for office functions, including but not limited to, break rooms and store rooms; and

WHEREAS, The City anticipates future agreements between the City and TSA with GSA, acting as agent on behalf of the TSA, relating to cost reimbursement agreements, baggage handling systems agreements, cost sharing agreements, utilization of space agreements, letters of intent, memoranda of understanding, other security improvements, and other agreements relating to the TSA's utilization of space, and/or its presence or performance of its duties at O'Hare and Midway (collectively, "Agreements"); and

WHEREAS, The City desires that the Commissioner of Aviation ("Commissioner") have the authority to negotiate and execute such agreements on behalf of the City; now, therefore,

*Be It Ordained by the City Council of the City of Chicago:*

SECTION 1. The above recitals are hereby incorporated by reference as if fully set forth in this ordinance.

SECTION 2. The Commissioner is hereby authorized to negotiate and execute an agreement between the City and the GSA, as agents acting on behalf of the TSA, relating to the TSA's use of office space at O'Hare and Midway, substantially in the form attached as Exhibits A and B, respectively.

SECTION 3. The Commissioner is hereby authorized to negotiate and execute future Agreements between the City and TSA or GSA, as agents acting on behalf of the TSA.

SECTION 4. The Commissioner and other City officials are further authorized to enter into and to execute all documents and perform any and all acts, including promulgation of any standards, rules or regulations, as shall be necessary or advisable to carry out the purpose and intent of this ordinance.

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

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

LICENSE AGREEMENT AT CHICAGO O'HARE INTERNATIONAL AIRPORT

THIS LICENSE AGREEMENT ("Agreement" or "License") is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_ 2017, by and between the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the 1970 Constitution of the State of Illinois ("City"), and the United States Government ("Government") acting by and through the General Services Administration ("GSA" or "Licensee") on behalf of the Transportation Security Administration ("TSA").

WITNESSETH

WHEREAS, the City owns and operates that certain airport located within the City and commonly known as Chicago O'Hare International Airport ("Airport") through its Chicago Department of Aviation ("Aviation"); and

WHEREAS, the City has the authority to lease and license the Airport premises and facilities and to grant rights and privileges with respect to the Airport; and

WHEREAS, the TSA is the Government agency that is responsible for screening passengers and their baggage at the nation's airports; and

WHEREAS, the GSA is the Government agency that is responsible for acquiring facilities for use by the TSA; and

WHEREAS, the TSA desires to use certain space at the Airport, more specifically identified on Exhibit A (the "Premises"), for those purposes set forth on Exhibit E (the "Permitted Uses"); and

WHEREAS, notwithstanding the fact that the GSA is the official Licensee, the City understands and agrees that the TSA will be the occupant of the Premises and will conduct the Permitted Uses, and

WHEREAS, the GSA and the TSA understand and agree that, whether or not expressly stated in the License, the City may look directly to the TSA to comply with the License terms and conditions governing the use and occupancy of the Premises without need first to provide notice to the GSA; and

WHEREAS, the City, is willing to grant the License to Licensee for the Permitted Uses, subject to certain terms and conditions set forth below; and

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained and other valuable consideration, the parties hereto covenant and agree-as follows:

1. Incorporation of Recitals. The above recitals are hereby incorporated by reference as if fully set forth herein.

Prior Agreement Extended. The prior License Agreement entered into on March 1,

7. Present Condition of the Premises. LICENSEE, BY THE EXECUTION OF THIS LICENSE, ACCEPTS THE PREMISES IN AN "AS-IS" CONDITION. THE CITY MAKES NO WARRANTY, EITHER EXPRESS OR

IMPLIED, AS TO THE CONDITION OF THE PREMISES OR THAT THE PREMISES WILL BE SUITABLE FOR THE PERMITTED USES OR ANY OTHER PURPOSES OR NEEDS OF THE LICENSEE OR THE TSA.

8. Modifications To Premises.

a) Licensee may, from time to time, install facilities and improvements and modify existing facilities or improvements in the Premises ("Work"). Before entering into any contract for such Work, Licensee shall first submit to the Commissioner of the Department of Aviation ("Commissioner") for prior written approval a construction application together with complete plans and specifications of the proposed Work. If requested by the Commissioner, Licensee shall require its contractor to furnish a performance bond and payment bond, approved as to form and substance by the Commissioner. The Commissioner's approval of the construction application and plans and specifications will not be unreasonably withheld.

b) Licensee shall cause construction contractors to, indemnify, hold harmless, and defend City, its officers, agents, and employees against losses (except to the extent such losses are caused solely by City's negligence), occasioned by death, injury or damage to property, arising out of or in connection with the performance of Work, against the risk of loss or damage to the construction prior to the completion thereof, and against losses resulting from claims and demands by third persons arising out of the performance of the Work. Licensee shall provide, or shall require its contractor to provide, insurance covering the foregoing, and naming the City as an additional insured, as provided in paragraph 16 and Exhibit C of the License. Licensee shall also include in any construction contract such provisions as may reasonably be required by the Commissioner relating to the operation of the contractor at the Airport.

c) All Work performed by Licensee or its contractor, including all workmanship and materials, shall be of acceptable quality and shall be performed in accordance with the plans and specifications approved by the Commissioner. Such Work may be inspected by the Commissioner, or the authorized representative of the Commissioner, at any time.

d) Licensee shall delivery to the Commissioner "as built" drawings of the Work performed on its Premises and shall keep such drawings current showing any additional changes or modifications made in or to its Premises.

e) Licensee shall discharge when due all obligations to contractors, subcontractors, materialmen, workmen,- suppliers, and others for all Work performed and for all materials furnished for or on account of Licensee.

f) Licensee shall keep its Premises and the installations situated thereon free and clear of any and. all liens in any .way arising out of the construction, improvement or use of the Premises by Licensee; provided, however, that Licensee may in good faith

contest the validity of any lien.

9. [Intentionally Deleted]

10. Taxes, Licenses, and Permits. Licensee shaii pay aii taxes and obtain ail necessary licenses, inspections, permits, certificates or other authorizations needed in connection with its use of the Premises.

11. Operation and Maintenance. Licensee shall be responsible for any all charges incurred in connection

with its operations. Licensee shall further restore and replace any property damaged as a result of Licensee's operations. Licensee shall conduct its operations in a clean, sanitary, and safe manner, and shall be responsible for any maintenance which is a result of Licensee's operations.

12. Non-Assignment. This License is personal and is granted solely to the Licensee and solely for the Permitted Uses stated herein. Licensee shall not assign this License to any other party without the prior written consent of the Commissioner. Any attempted assignment without such consent shall be void and without effect as to the City.

**13. Vacation of Premises.**

a) Licensee covenants and agrees to yield and deliver peaceably to the Licensor possession of the Premises on the date of the termination of this License, promptly and in as good condition as at the issuance of the License, reasonable wear and tear excepted or, if improved, in as good condition as of the completion date of the last improvement made to the Premises, reasonable wear and tear excepted.

b) The personal property owned and placed or installed by Licensee in the Premises shall remain the property of Licensee and must be removed on or before the effective date of termination of the License, at the Licensee's sole risk and expense. Any damage to the Airport, the Premises, or any fixtures located therein, resulting from such removal shall be paid for by Licensee. Licensee shall have thirty (30) days following the effective date of termination to remove such property; provided, however, Licensor shall have the right to assert such lien or liens against said property as Licensor may by law be permitted. So long as any such property remains in the Premises, Licensee's obligation to pay any fees shall continue with respect to such Premises.

c) If Licensee's property is not removed as herein provided, Licensee shall be deemed to have waived the Forcible entry and Detainer Act, 735 ILCS 5/9-101 and Licensor may, at its option, deem such property abandoned and keep such property or, after written notice to Licensee and at Licensee's sole risk and expense, remove such property to a public warehouse for deposit, or retain the same in the City's possession and after the expiration of thirty (30) days sell the same, with notice and in accordance with applicable law, the proceeds of which shall be applied first to the expense of such removal and sale, second to any sum owed by Licensee to the City and any balance

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remaining shall be paid to Licensee.

14. Payment. The terms of payment shall be as set forth in Exhibit D, attached hereto and incorporated by reference herein.

15. Place of Payment. All amounts due from Licensee hereunder shall be paid to:

City of Chicago Department of Finance Enterprise  
Fund Division 121 N. LaSalle Street; Room 700  
Chicago, Illinois 60602

or at such other place as may be hereafter designated by the City's Comptroller. Licensee shall not abate, suspend, postpone, set-off, or discontinue any payments of fees payable hereunder.

16. Insurance. Licensee shall comply with the insurance requirements set forth in Exhibit C hereto,

which is hereby incorporated by reference as though fully set forth herein.

17. Indemnity. In accordance with the terms and subject to the conditions, limitations, and exceptions set forth in the Federal Tort Claims Act of 1948, as amended (28 USC 2671" et seq.) ("Tort Act"), Licensee shall be liable to persons damaged by any personal injury, death, or injury to or loss of property, which is caused by a negligent or wrongful act or omission of any employee of Licensee or TSA while acting within the scope of his office or employment under the circumstances where a private person would be liable in accordance with the law of the place where the act or omission occurred. The foregoing shall not be deemed to extend Licensee's or TSA's liability beyond that existing under the Tort Act at the time of such act or omission, or to preclude Licensee or TSA from using any defense available at law or in equity.

18. Compliance with All Laws. Licensee shall, and shall cause all contractors to, observe and comply with all laws applicable to the Premises and pay all taxes and obtain all licenses, certificates, and other authorizations required by all applicable federal, state, county, and municipal laws, statutes, ordinances, and executive orders. Licensee agrees to make a part of and incorporate into this License, by reference or by setting forth at length, at the option of the Licensor, any and all statutes, rules and regulations required pursuant thereto which may now or hereafter be required by any federal, state, county, and municipal agency. Notwithstanding anything herein to the contrary, references herein to a statute or law shall be deemed to be a reference to (i) such statute or law as may be amended from time to time, (ii) all regulations and rules,

: 19 - Notices. Any notice required-pursuant to this License shall be mailed, telexed, telecopied or personally delivered to the respective parties at the following address:

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If to City: City of Chicago  
Chicago Department of Aviation P.O. Box 66142  
niCayo, il ouooo Attn: Deputy Commissioner, Real Estate

City of Chicago  
Department of Law  
30 North LaSalle; Ste. 1400  
Chicago, IL 60602  
Attn: Deputy Corporation Counsel

If to Licensee: General Services Administration 230 S. Dearborn  
Street Room 3622 Chicago, IL 60604

Except as otherwise expressly provided hereunder, any notice or communication under this License shall be deemed to have been given or made: (a) if a messenger or courier service is used, when delivered to the addresses; (b) if sent by mail (certified or otherwise), five (5) days after being deposited in the mail, postage prepaid and properly addressed; and (c) if sent by telex or telecopy, the earlier of (i) actual receipt by addressee and (ii) twenty-four (24) hours after confirmation of transmission.

20. Applicable Law. Except to the extent pre-empted by federal law, this License shall be deemed to have been granted in, and shall be construed in accordance with, the laws of the State of Illinois.

21. Severability. The invalidity of any one or more phrases, sentences, clauses, or sections contained in this License shall not affect the remaining portions of this License or any part thereof.



22. Amendments. No changes, amendments, modifications, or discharge of this License, or any part thereof, shall be valid unless in writing and signed by the authorized agent of Licensee and by the Authorized agent of Licensee and by the Commissioner or his respective successors and assigns.

23. No Personal Liability. No official, employee, or agent of the Licensor shall be charged personally by the Licensee, its officials, employees, agents, or contractors with any liability or expenses of defense or be held personally liable to them under any term or provision of this License, or because of the City's execution or attempted execution,-or because of any breach thereof.

24. Subordination. This Licensee shall be subordinate to any and all (i) agreements between the Licensor and the United States government regarding the operation of the Airport and (ii) agreements for the use and lease of terminal facilities at

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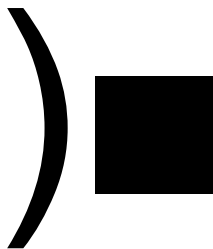
the Airport between the Licensor and various airlines.

25. Environmental. Licensee and the TSA shall observe, obey and cause its contractors, employees, agents, and licensees to observe and obey all applicable Environmental Laws as described in Exhibit B.

26. Entire Agreement. This License, and the Exhibits attached hereto and incorporated hereby, shall constitute the entire agreement between the parties and no other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this License that are not expressly addressed herein and therein.

27. Licensor's Authority. This License is authorized by an Ordinance passed by

27. the City of Chicago City Council on \_\_\_\_\_, 2017 (C.J.P. pages \_\_\_\_\_ -



28. Licensee's Authority. Execution of this Licensee by Licensee is authorized by federal law, and the signature(s) of each person signing on behalf of Licensee have been made with complete and full authority to commit Licensee to all terms and conditions of this License, including each and every representation, certification, and warranty contained herein, attached hereto and collectively incorporated by reference herein, or as may be required by the terms and conditions hereof.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

on Y Uf UHIUAUU

By:  
Commissioner

**APPROVED AS TO FORM AND LEGALITY:**

Senior Counsel

**LICENSEE**

By:

Name: Title:

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Exhibit A The Premises

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J. P.  
: Chicago O'Hare  
International Airport

a; TSA Lease Agreement of JP  
373 sf key plan \ Exh-02

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## HH TSA Space

Chicago O'Hare International Airport

Rafael Emanuel, Mayor

Chicago Department of Aviation

Gina S. Evans, Commissioner  
deputy Chief of Staff

Chicago City Clerk's Office

### Exhibit B Environmental Matters Environmental Matters

Section 1 Defined Terms. The following terms, when used in the context of this exhibit, have the meanings set forth below:

"Claim" means any (a) demand, cause of action, proceeding, or suit for damages (actual or punitive); damages to natural resources; fines; penalties; interest; losses; costs of site investigations, feasibility studies, or information requests; contributions; or settlements; (b) actions to correct, remove, remediate, respond to, clean up, prevent, mitigate, monitor, evaluate, assess, or abate the release of a Hazardous Material; (c) any other investigative, enforcement, cleanup, removal, containment, remedial or other private or governmental or regulatory action at any time noticed, cited, instituted or completed pursuant to any applicable Environmental Law; (d) actions to enforce insurance, contribution, or indemnification agreements being made pursuant to a claimed violation or non-compliance with any Environmental Law; and (e) any claim at any time made by any person with respect to the Property or any condition, use or activity on the Property, relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or in any way arising in connection with any Hazardous Material at the Property or any Environmental Law.

"Environmental Law" means any federal, state or local law, statute, ordinance, code, rule, regulation, license, authorization, decision, order, injunction, which pertains to health, safety, any Hazardous Material, or the environment (including but not limited to ground or air or water or noise pollution or contamination, and underground or above-ground tanks) and includes, without limitation, the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Section 11001 et seq.; the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq.; the Resource Conservation and Recovery Act (aRCRA"), 42 U.S.C. Section 6901 et seq., as amended by the Hazardous and Solid Waste Amendments of 1984; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq. (aCERCLA'), as amended by the Superfund Amendments and Reauthorization Act of 1986 (aSARA"); the Federal Water Pollution Control Act, 33 U.S.C. Section 1251 et seq.; the Clean Air Act, 42 U.S.C. Section 7401 et seq., the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq., the Gasoline Storage Act, 430 ILCS 15/0.01 et seq.; the Municipal Code of the City of Chicago; and any other local, state or federal

environmental statutes, and all rules, regulations, orders and decrees now or hereafter promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.

"Hazardous Material" means any substance, whether solid, liquid or gaseous; which is or contains asbestos, radon, any polychlorinated biphenyl, urea formaldehyde foam insulation, explosive or radioactive material, or motor fuel or other petroleum hydrocarbons.

"On" when used with respect to the Property or any property adjacent to the Property means Aon, in, under, or above/

"Pre-Existing Condition" means a violation of Environmental Laws existing on the Property prior to the License Period.

"Release" or "Released" have the meanings set forth in CERCLA, including but not limited to any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of Hazardous Materials into the environment, as "environment" is defined in CERCLA.

"Response" or "Respond" mean action taken in compliance with Environmental Laws in response to the presence or Release of a Hazardous Material.

## **Section 2 Pre-Existing Conditions.**

(a) The City is responsible for any Pre-Existing Conditions and the Licensee will have no obligation to Respond to a Pre-Existing Condition, except to the extent that a Response is required solely as a result of Licensee's activities. In the event the Licensee becomes aware of a Pre-Existing Condition, it will immediately notify the City and will cease activities on the Property until the City can conduct an investigation.

(b) During the License Period the Licensee: (i) will at its own cost comply with all applicable Environmental Laws with respect to the Property and Licensee's activities thereon; (ii) will not handle, generate, manufacture, process, treat, store, use, re-use, refine, recycle, reclaim, blend or burn for energy recovery, incinerate, accumulate speculatively, transport, transfer, dispose of {except as provided in (a)} or abandon Hazardous Materials or authorize any of such activities on the Property, including installation of any underground storage tanks; (iii) will not take any action that would subject the Property to permit requirements under RCRA or any other Environmental Laws for storage, treatment or disposal of Hazardous Materials; (iv) will not discharge Hazardous Materials into drains or sewers in violation of Environmental Law; (v) will not cause or allow the Release of any Hazardous Materials on, to or from the Property in violation of Environmental Law; (vi) will at its own cost arrange for the lawful transportation and off-site disposal at a properly permitted facility of all Hazardous Materials that it generates or Releases with respect to its activities; (vii) will legally transport and dispose of all waste on the Property as a result of Licensee's operations; (viii) will keep such records and obtain such permits as may be required for the use of the Property under Environmental Laws; and (ix) will be

solely responsible for protecting or causing the protection of the health and safety of all people working on behalf of Licensee at the Property. If the Licensee fails to comply with the foregoing, the Licensee will undertake such Response as may be necessary under applicable Environmental Law. During the License Period, the Licensee, will be responsible with respect to any liability accruing to the City arising out of a violation of any of the foregoing provisions by Licensee's employees, contractors, suppliers and

invitees.

(c) If during the License Period the presence of Hazardous Materials at the Property that is not a Preexisting Condition but was not caused by the Licensee, its employees, contractors, suppliers and invitees (i) gives rise to liability or to a Claim under any Environmental Law or (ii) violates Environmental Law, the Licensee will promptly notify City and cooperate in such Response as City may undertake in compliance with applicable Environmental Law.

Section 3 Copies of Notices. Each Party will provide the other with copies of all notices of Claims relating to the Property during the License Period.

**Exhibit C insurance Requirements**  
**Insurance Requirements**

The Licensee must provide and maintain at Licensee's own expense or cause to be provided, during term of the Agreement and during the time period following expiration if Licensee is on premises for any reason under the Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

**A. INSURANCE TO BE PROVIDED BY LICENSEES**

1) Workers Compensation and Employers Liability

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

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, explosion, collapse, underground, separation of insured, 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 Licensee must provide or cause to be provided, Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

4) Professional Liability

When any architects, engineers, project designers, geotechnical testing professionals, or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained or cause to be maintained with limits of not less than \$1,000,000. When policies are renewed or replaced, the policy retroactive date must coincide "with, or precede, start of work on the Agreement: A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

5) -Property-

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

as a result of the Agreement.

6) To the extent permitted by law, Licensee may self-insure for the insurance requirements specified above, it being expressly understood and agreed that, if Licensee does self-insure for the above insurance requirements, the Licensee 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 the insurance requirements as stipulated above.

**C. ADDITIONAL REQUIREMENTS**

The Licensee must furnish the City of Chicago, Chicago Department of Aviation, 10510 WestZemke Road, Chicago, IL 60666, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Licensee must submit evidence of insurance on the City of Chicago Insurance Certificate Form or equivalent prior to execution of Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Licensee is not a waiver by the City of any requirements for the Licensee to obtain and maintain the specified coverages. The Licensee must advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Licensee of the obligation to provide insurance as specified herein. Non-fulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and suspend the Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

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

Any deductibles or self insured retention on referenced insurance coverages must be borne by Licensee.

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

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



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

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this

Agreement given as a matter of law.

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

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

If Contractor or Subcontractors desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

EXHIBIT D Basis of Payment

**Basis of Payment**

Licensee will pay annual rent in the amount of \$ 219,387.00 for the use of. 2,089.4. square feet of Premises at \$105.00 per square, payable in equal monthly installments due in arrears on the first of each month. If the Licensee decides to exercise its fourth and/or fifth year option(s) as described in paragraph 5(A) above, the City will notify Licensee of the rent due for the option period(s) at least one hundred twenty (120) days before the first payment is due.

Exhibit E Permitted Uses

**Permitted Uses**

The Transportation Security Administration (TSA") will use the Premises identified in Exhibit A primarily for office functions, including but not limited to break rooms and store rooms.

LICENSE AGREEMENT AT CHICAGO MIDWAY INTERNATIONAL AIRPORT

THIS LICENSE AGREEMENT ("Agreement" or "License") is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_ 2017, by and between the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the 1970 Constitution of the State of Illinois ("City"), and the United States Government ("Government") acting by and through the General Services Administration ("GSA" or "Licensee") on behalf of the Transportation Security Administration ("TSA").

**WITNESSETH**

WHEREAS, the City owns and operates that certain airport located within the City and commonly

known as Chicago Midway International Airport ("Airport") through its Chicago Department of Aviation ("Aviation"); and

WHEREAS, the City has the authority to lease and license the Airport premises and facilities and to grant rights and privileges with respect to the Airport; and

WHEREAS, the TSA is the Government agency that is responsible for screening passengers and their baggage at the nation's airports; and

WHEREAS, the GSA is the Government agency that is responsible for acquiring facilities for use by the TSA; and

WHEREAS, the TSA desires to use certain space at the Airport, more specifically identified on Exhibit A (the "Premises"), for those purposes set forth on Exhibit E (the "Permitted Uses"); and

WHEREAS, notwithstanding the fact that the GSA is the official Licensee, the City understands and agrees that the TSA will be the occupant of the Premises and will conduct the Permitted Uses, and

WHEREAS, the GSA and the TSA understand and agree that, whether or not expressly stated in the License, the City may look directly to the TSA to comply with the License terms and conditions governing the use and occupancy of the Premises without need first to provide notice to the GSA;

WHEREAS, the City is willing to grant the License to Licensee for the Permitted Uses, subject to certain terms and conditions set forth below; and

• NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained and other valuable consideration, the parties hereto covenant and agree as follows:

1. Incorporation of Recitals. The above recitals are hereby incorporated by reference as if fully set forth herein.

2. Prior Agreement Extended. The prior License Agreement entered into on March 1,

2006, between the aforementioned parties, is hereby extended until the full execution of this Agreement.

3. Premises. The City hereby grants, and Licensee hereby accepts, a License for the exclusive use of the Premises by the TSA, subject to the terms and conditions of this License and all applicable federal, state, and local laws, regulations, rules, codes, ordinances, and executive orders. The Premises may be used by the TSA solely for the Permitted Uses and for no other purpose.

4. Access. The Licensee and TSA shall have ready and convenient access to the Premises, subject to the rules and regulations of the Airport. The License is subject to a reservation of rights by the City for access to the Premises for maintenance, repair, and inspection. The City shall give the Licensee and TSA reasonable notice prior to its exercise of such right.

5. **License.**

A. Term. Unless otherwise terminated as provided below or expressly provided otherwise with respect to specific Premises, this License will remain in effect for a period of three (3) years from the date first set forth above and may be extended for two additional terms of three (3) years each, provided that the

Licensee, at the time of the extension, is in compliance with the terms and conditions of the License. Licensee must notify the City in writing at least one hundred eight (180) days prior to expiration of the License if its intent is not to extend the License in order for the City to lease the Premises to others. If Licensee fails to comply "with the foregoing notice requirement and the City is unable to lease the Premises to a replacement tenant(s) by the time of expiration of this License, Licensee shall pay rent for the period following expiration to the extent that any portion of the Premises is unleased, but not to exceed 180 days.

6. Relocation. If at any time before the expiration of this License, the City desires to change the location of the Premises (in whole or in part), such relocation shall be at the expense of Licensee. The City shall give notice to the Licensee of the City's, intent to relocate the Premises at least 90 days prior to the effective date of the relocation. Such notice shall include a description of the new premises and the effective date of such relocation. The terms and conditions of this License shall apply to the new premises under such relocation, and Exhibit A hereto may be revised by the City to show the relocated premises without need for a formal amendment to this License.

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7. Present Condition of the Premises. LICENSEE, BY THE EXECUTION OF THIS LICENSE, ACCEPTS THE PREMISES IN AN "AS-IS" CONDITION. THE CITY MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE PREMISES OR THAT THE PREMISES WILL BE SUITABLE FOR THE PERMITTED USES OR ANY OTHER PURPOSES OR NEEDS OF THE LICENSEE OR THE TSA.

8. Modifications To Premises.

a) Licensee may, from time to time, install facilities and improvements and modify existing facilities or improvements in the Premises ("Work"). Before entering into any contract for such Work, Licensee shall first submit to the Commissioner of the Department of Aviation ("Commissioner") for prior written approval a construction application together with complete plans and specifications of the proposed Work. If requested by the Commissioner, Licensee shall require its contractor to furnish a performance bond and payment bond, approved as to form and substance by the Commissioner. The Commissioner's approval of the construction application and plans and specifications will not be unreasonably withheld.

b) Licensee shall cause construction contractors to, indemnify, hold harmless, and defend City, its officers, agents, and employees against losses (except to the extent such losses are caused solely by City's negligence), occasioned by death, injury or damage to property, arising out of or in connection with the performance of Work, against the risk of loss or damage to the construction prior to the completion thereof, and against losses resulting from claims and demands by third persons arising out of the performance of the Work. Licensee shall provide, or shall require its contractor to provide, insurance covering the foregoing, and naming the City as an additional insured, as provided in paragraph 16 and Exhibit C of the License. Licensee shall also include in any construction contract such provisions as may reasonably be required by the Commissioner relating to the operation of the contractor at the Airport.

c) All Work performed by Licensee or its contractor, including all workmanship and materials, shall be of acceptable quality and shall be performed in accordance with the plans and specifications approved by the Commissioner. Such Work may be inspected by the Commissioner, or the authorized representative of the Commissioner, at any time.

d) Licensee shall delivery to the Commissioner "as built" drawings of the Work performed on its Premises and shall keep such drawings current showing any additional changes or modifications made in or

to its Premises.

e) Licensee shall discharge when due all obligations to contractors, subcontractors, materialmen, workmen, suppliers, and others for all work performed and for all materials furnished for or on account of Licensee.

f) Licensee shall keep its Premises and the installations situated thereon free and clear of any artificial liens in any way arising out of the construction, improvement or use of the Premises by Licensee; provided, however, that Licensee may in good faith

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contest the validity of any lien.

9. [Intentionally Deleted]

10. Taxes, Licenses, and Permits. Licensee shall pay all taxes and obtain all necessary licenses, inspections, permits, certificates or other authorizations needed in connection with its use of the Premises.

11. Operation and Maintenance. Licensee shall be responsible for any all charges incurred in connection with its operations. Licensee shall further restore and replace any property damaged as a result of Licensee's operations. Licensee shall conduct its operations in a clean, sanitary, and safe manner, and shall be responsible for any maintenance which is a result of Licensee's operations.

12. Non-Assignment. This License is personal and is granted solely to the Licensee and solely for the Permitted Uses stated herein. Licensee shall not assign this License to any other party without the prior written consent of the Commissioner. Any attempted assignment without such consent shall be void and without effect as to the City.

### 13. Vacation of Premises.

a) Licensee covenants and agrees to yield and deliver peaceably to the Licensor possession of the Premises on the date of the termination of this License, promptly and in as good condition as at the issuance of the License, reasonable wear and tear excepted or, if improved, in as good condition as of the completion date of the last improvement made to the Premises, reasonable wear and tear excepted.

b) The personal property owned and placed or installed by Licensee in the Premises shall remain the property of Licensee and must be removed on or before the effective date of termination of the License, at the Licensee's sole risk and expense. Any damage to the Airport, the Premises, or any fixtures located therein, resulting from such removal shall be paid for by Licensee. Licensee shall have thirty (30) days following the effective date of termination to remove such-property; provided, however, Licensor shall have the right to assert such lien or liens against said property as Licensor may by law be permitted. So long as any such property remains in the Premises, Licensee's obligation to pay any fees shall continue with respect to such Premises.

c) If Licensee's property is not removed as herein provided, Licensee shall be deemed to have waived the Forcible entry and Detainer Act, 735 ILCS 5/9-101 and -Licensor may--at its option, deem-such property abandoned-and-keep such-property-or,-after written notice to Licensee and at Licensee's sole risk and expense, remove such property to a public warehouse for deposit, or retain the same in the City's possession and after the expiration of thirty\_(30) days sell the same, with notice and in accordance with

applicable law, the proceeds of which shall be applied first to the expense of such removal and sale, second to any sum owed by Licensee to the City and any balance

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remaining shall be paid to Licensee.

14. Basis of Payment. The basis of payment shall be as set forth in Exhibit D, attached hereto and incorporated by reference herein.

15. Place of Payment. All amounts due from Licensee hereunder shall be paid to:

City of Chicago Department of Finance Enterprise Fund  
Division 121 N. LaSalle Street; Room 700 Chicago,  
Illinois 60602

or at such other place as may be hereafter designated by the City's Comptroller. Licensee shall not abate, suspend, postpone, set-off, or discontinue any payments of fees payable hereunder.

16. Insurance. Licensee shall comply with the insurance requirements set forth in Exhibit C hereto, which is hereby incorporated by reference as though fully set forth herein.

17. Indemnity. In accordance with the terms and subject to the conditions, limitations, and exceptions set forth in the Federal Tort Claims Act of 1948, as amended (28 USC 2671 etseq.) ("Tort Act"), Licensee shall be liable to persons damaged by any personal injury, death, or injury to or loss of property, which is caused by a negligent or wrongful act or omission of any employee of Licensee or TSA while acting within the scope of his office or employment under the circumstances where a private person would be liable in accordance with the law of the place where the act or omission occurred. The foregoing shall not be deemed to extend Licensee's or TSA's liability beyond that existing under the Tort Act at the time of such act or omission, or to preclude Licensee or TSA from using any defense available at law or in equity.

18. Compliance with All Laws. Licensee shall, and shall cause all contractors to, observe and comply with all laws applicable to the Premises and pay all taxes and obtain all licenses, certificates, and other authorizations required by all applicable federal, state, county, and municipal laws, statutes, ordinances, and executive orders. Licensee agrees to make a part of and incorporate into this License, by reference or by setting forth at length, at the option of the Licensor, any and all statutes, rules and regulations required pursuant thereto which may now or hereafter be required by any federal, state, county, and municipal agency. Notwithstanding anything herein to the contrary, references herein to a statute or law shall be deemed to be a reference to (i) such statute or law as may be amended from time to time, (ii) all regulations and rules, pertaining to or promulgated pursuant to such statute or law, and (iii) all future statutes, laws, regulations, rules and executive orders pertaining to the same or similar subject matter.

19. Notices. Any notice required pursuant to this License shall be mailed, telexed, telecopied or personally delivered to the respective parties at the following address:

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If to City: City of Chicago  
Chicago Department of Aviation P.O. Box 66142  
Chicago, il\_ 60666

Attn: Deputy Commissioner, Real Estate

City of Chicago  
Department of Law  
30 North LaSalle; Ste. 1400  
Chicago, IL 60602

Attn: Deputy Corporation Counsel

If to Licensee: General Services Administration 230 S. Dearborn  
Street Room 3622 Chicago, IL 60604

Except as otherwise expressly provided hereunder, any notice or communication under this License shall be deemed to have been given or made: (a) if a messenger or courier service is used, when delivered to the addresses; (b) if sent by mail (certified or otherwise), five (5) days after being deposited in the mail, postage prepaid and properly addressed; and (c) if sent by telex or telecopy, the earlier of (i) actual receipt by addressee and (ii) twenty-four (24) hours after confirmation of transmission.

20. **Applicable Law.** Except to the extent pre-empted by federal law, this License shall be deemed to have been granted in, and shall be construed in accordance with, the laws of the State of Illinois.

21. **Severability.** The invalidity of any one or more phrases, sentences, clauses, or sections contained in this License shall not affect the remaining portions of this License or any part thereof.

22. **Amendments.** No changes, amendments, modifications, or discharge of this License, or any part thereof, shall be valid unless in writing and signed by the authorized agent of Licensee and by the Authorized agent of Licensee and by the Commissioner or his respective successors and assigns.

23. **No Personal Liability.** No official, employee, or agent of the Licensor shall be charged personally by the Licensee, its officials, employees, agents, or contractors with any liability or expenses of defense or be held personally liable to them under any term or provision of this License, or because of the City's execution or attempted execution, or because of any breach thereof.

24. **Subordination.** This Licensee shall be subordinate to any and all (i) agreements between the Licensor and the United States government regarding the operation of the Airport and (ii) agreements for the use and lease of terminal facilities at

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the Airport between the Licensor and various airlines.

25. **Environmental.** Licensee and the TSA shall observe, obey and cause its contractors, employees, agents, and licensees to observe and obey all applicable Environmental Laws as described in Exhibit B.

26. **Entire Agreement.** This License, and the Exhibits attached hereto and incorporated hereby, shall constitute the entire agreement between the parties and no other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this License that are not expressly addressed herein and therein.

27. **Licensor's Authority.** This License is authorized by an Ordinance passed by

27. the City of Chicago City Council on . 2017 , (C.J.P. pages

28. Licensee's Authority. Execution of this Licensee by Licensee is authorized by federal law, and the signature(s) of each person signing on behalf of Licensee have been made with complete and full authority to commit Licensee to all terms and conditions of this License, including each and every representation, certification, and warranty contained herein, attached hereto and collectively incorporated by reference herein, or as may be required by the terms and conditions hereof.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

**CITY OF CHICAGO**

By:  
Commissioner

**APPROVED AS TO FORM AND LEGALITY :**

Senior Counsel

**LICENSEE**

By:

Name:

Title:

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Exhibit A The Premises

**Midway International Airport Final Leased Premises**

Preferentially Leased Space (Sorted by Zone, Level) Effective Date: 8/1/2017

**Transportation Security Administration (TSA)**

*Premises Space (Fee Applied per Square Foot)*

ZONE	LEVEL	SPACE ID	DESCRIPTION
7	L	07-137	Operations
<b>ZONE 7 (TSA) SUBTOTAL</b>			



AREA (SF)  
27.0 27.0

ZONE	LEVEL	SPACE ID	DESCRIPTION	AREA (SF)
11	L	11-155A	CommsRoom	107.6
	U	11-226	Office	165.7
	U	11-236	Office	71.3
	M	30-310	Breakroom & Lockers	993.0
	M	30-311	Training	227.0
<i>ZONE 11 (TSA) SUBTOTAL</i>				<i>1,564.6</i>

ZONE	LEVEL	SPACE ID	DESCRIPTION	AREA (SF)
12	L	12-134A	Break Room	240.8
	L	12-131A	Office	110.3
	U	12-243	Haz Mat Storage	146.7
<i>ZONE 12 (TSA) SUBTOTAL</i>				<i>497.8</i>

### TSA Total Premises 2,089.4

*The above space has been reviewed and approved by the following Lessee representative:*

Signature Date

Printed Name Title

Prepared June 12, 2017

### Exhibit B Environmental Matters Environmental Matters

Section 1 Defined Terms. The following terms, when used in the context of this exhibit, have the meanings set forth below:

AClaim" means any (a) demand, cause of action, proceeding, or suit for damages (actual or punitive); damages to natural resources; fines; penalties; interest; losses; costs of site investigations, feasibility studies, or information requests; contributions; or settlements; (b) actions to correct, remove, remediate, respond to, clean up, prevent, mitigate, monitor, evaluate, assess, or abate the release of a Hazardous Material; (c) any other investigative, enforcement, cleanup, removal, containment, remedial or other private or governmental or

regulatory action at any time noticed, cited, instituted or completed pursuant to any applicable Environmental Law; (d) actions to enforce insurance, contribution, or indemnification agreements being made pursuant to a claimed violation or non-compliance with any Environmental Law; and (e) any claim at any time made by any person with respect to the Property or any condition, use or activity on the Property, relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or in any way arising in connection with any Hazardous Material at the Property or any Environmental Law.

"Environmental Law" means any federal, state or local law, statute, ordinance, code, rule, regulation, license, authorization, decision, order, injunction, which pertains to health, safety, any Hazardous Material, or the environment (including but not limited to ground or air or water or noise pollution or contamination, and underground or above-ground tanks) and includes, without limitation, the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Section 11001 et seq.] the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.] the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq.] the Resource Conservation and Recovery Act (ARCRA"), 42 U.S.C. Section 6901 et seq., as amended by the Hazardous and Solid Waste Amendments of 1984; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq. (aCERCLA ), as amended by the Superfund Amendments and Reauthorization Act of 1986 (aSARA"); the Federal Water Pollution Control Act, 33 U.S.C. Section 1251 et seq.; the Clean Air Act, 42 U.S.C. Section 7401 et seq., the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq., the Gasoline Storage Act, 430 ILCS 15/0.01 et seq.] the Municipal Code of the City of Chicago; and any other local, state or federal environmental statutes, and all rules, regulations, orders and decrees now or hereafter promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.

"Hazardous Material" means any substance, whether solid, liquid or gaseous; which is or is not a solid waste, or otherwise classified as hazardous or toxic, in or pursuant to any Environmental Law; or which is or contains asbestos, radon, any polychlorinated

biphenyl, urea formaldehyde foam insulation, explosive or radioactive material, or motor fuel or other petroleum hydrocarbons.

"On" when used with respect to the Property or any property adjacent to the Property means On, in, under, or above."

"Pre-Existing Condition" means a violation of Environmental Laws existing on the Property prior to the License Period.

"Release" or "Released" have the meanings set forth in CERCLA, including but not limited to any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of Hazardous Materials into the environment, as "environment" is defined in CERCLA.

"Response" or "Respond" mean action taken in compliance with Environmental Laws in response to the presence or Release of a Hazardous Material.

**Section 2 Pre-Existing Conditions.**

(a) The City is responsible for any Pre-Existing Conditions and the Licensee will have no obligation to Respond to a Pre-Existing Condition, except to the extent that a Response is required solely as a result of Licensee's activities. In the event the Licensee becomes aware of a Pre-Existing Condition, it will immediately notify the City and will cease activities on the Property until the City can conduct an investigation.

(b) During the License Period the Licensee: (i) will at its own cost comply with all applicable Environmental Laws with respect the Property and Licensee=s activities thereon; (ii) will not handle, generate, manufacture, process, treat, store, use, re-use, refine, recycle, reclaim, blend or burn for energy recovery, incinerate, accumulate speculatively, transport, transfer, dispose of (except as provided in (a)) or abandon Hazardous Materials or authorize any of such activities on the Property, including installation of any underground storage tanks; (iii) will not take any action that would subject the Property to permit requirements under RCRA or any other Environmental Laws for storage, treatment or disposal of Hazardous Materials; (iv) will not discharge Hazardous Materials into drains or sewers in violation of Environmental Law; (v) will not cause or allow the Release of any Hazardous Materials on, to or from the Property in violation of Environmental Law; (vi) will at its own cost arrange for the lawful transportation and off-site disposal at a properly permitted facility of all Hazardous Materials that it generates or Releases with respect to its activities; (vii)will legally transport and dispose of all waste on the Property as a result of Licensee=s operations; (viii) will keep such records and obtain such permits as may be required for the use of the Property under Environmental Laws; and (ix) will be solely responsible for protecting orcausing'the protection of the health and safety of all people working on behalf of Licensee at the Property. If the Licensee fails to comply with the foregoing, the Licensee will undertake such Response as may be necessary under-applicable Environmental Law, During the -License Period, the Licensee will be responsible with respect to any liability accruing to the City arising out of a violation of any of the foregoing provisions by Licensee=s employees, contractors, suppliers and

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invitees.

\_(c) If during the License Period the presence of Hazardous Materials at.the Property that is not a Preexisting Condition but was not caused by the Licensee, its employees, contractors, suppliers and invitees (i) gives rise to liability or to a Claim under any Environmental Law or (ii) violates Environmental Law, the Licensee will promptly notify City and cooperate in such Response as City may undertake in compliance with applicable Environmental Law.

Section .3 Copies of Notices. Each Party will provide the other with copies of all notices of Claims relating to the Property during the License Period.

**Exhibit C Insurance Requirements  
Licensee/Contractor Insurance Requirements**

The Licensee must provide and maintain at Licensee's own expense or cause to be provided, during term of the Agreement and during the time period following expiration if Licensee is on premises for any reason under the Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

**A. INSURANCE TO BE PROVIDED BY LICENSEES**

1) Workers Compensation and Employers Liability

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

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, explosion, collapse, underground, separation of insured, 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 Licensee must provide or cause to be provided, Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

4) Professional Liability

When any architects, engineers, project designers, geotechnical testing professionals, or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained or cause to be maintained with limits of not less than \$1,000,000. When policies are renewed or replaced, the policy retroactive date must coincide with, or preGede,start-of-work-on-the-Agreement^A Glaims-made-poliGy-which-is not -- renewed or replaced must have an extended reporting period of two (2) years.

5) Property

— —

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

as a result of the Agreement.

6)-To the extent permitted.by law, Licensee may selfinsure for the insurance, requirements specified above, it being expressly understood and agreed that, if Licensee does self-insure for the above insurance requirements, the Licensee must bear all risk of ioss for any loss which would otherwise be covered by insurance policies, and the self-insurance program must comply with at least the insurance requirements as stipulated above.

**C. ADDITIONAL REQUIREMENTS**

The Licensee must furnish the City of Chicago, Chicago Department of Aviation, 10510 WestZemke Road, Chicago, IL 60666, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Licensee must submit evidence of insurance on the City of Chicago Insurance Certificate Form or equivalent prior to execution of Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Licensee is not a waiver by the City of any requirements for the Licensee to obtain and maintain the specified coverages. The Licensee must advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Licensee of the obligation to provide insurance as specified herein. Non-fulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and suspend the Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

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

Any deductibles or self insured retention on referenced insurance coverages must be borne by Licensee.

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

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

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

The required-insurance to .be carried is notJimitedI .by .any limitations.expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this

#### EXHIBIT D Basis of Payment

##### Basis of Payment

Licensee will pay annual rent in the amount of \$1,920,765.00 for the use of 18,293 square feet of Premises at \$ 105.00 per square foot, payable in equal monthly installments due in arrears on the first of each month. If the Licensee decides to exercise its fourth and/or fifth year option(s) as described in paragraph 5(A) above, the City will notify Licensee of the rent due for the option period(s) at least one hundred twenty (120) days before the first payment is due.

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#### EXHIBIT E Permitted Uses

##### Permitted Uses

The Transportation Security Administration (TSA") will use the Premises identified in Exhibit A primarily for office functions, including but not limited to break rooms and store rooms.