City of Chicago

O2013-9206

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	11/26/2013
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Scope of services, budget and management agreement for Special Service Area No. 27
Committee(s) Assignment:	Committee on Finance

16G

CHICAGO December 11, 2013

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

An ordinance authorizing the imposition of a tax levy, the approval of the 2014 budget, and the approval of the Service Provider Agreement for Special Service Area Number 27.
O2013-9206

Amount to be levied: $757,220

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

This recommendation was concurred in by _____(a viva voce vote of members of the committee with _____dissenting vote(s).

Respectfully submitted

(signed)_____

Chairman

Document No._____

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

FIN.

16G

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

November 26, 2013

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

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing a scope of services, budget and management agreements for various Special Service Areas.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

SSA #27

ORDINANCE

WHEREAS, special service areas may be established pursuant to Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5 et seq., as amended from time to time (the "Act") and pursuant to the Property Tax Code, 35 ILCS 200/1-1 et seq., as amended from time to time (the "Code"); and

WHEREAS, on December 17, 2003, the City Council of the City of Chicago (the "City Council") enacted an ordinance which established an area known and designated as City of Chicago Special Service Area Number 27 (the "Original Area") and authorized the levy of an annual tax not to exceed an annual rate of 0.2% of the equalized assessed value of the taxable property therein (the "Original Services Tax") to provide certain special services in and for the Original Area in addition to the services provided by and to the City of Chicago (the "City") generally; and

WHEREAS, on November 16, 2011 the City Council enacted an ordinance (the "Establishment Ordinance") which reestablished an area known and designated as City of Chicago Special Service Area Number 27 (the "Area") with reconstituted boundaries, terminated the authorization to levy the Original Services Tax, and authorized the levy of an annual tax, for the period beginning in tax year 2011 through and including tax year 2025, not to exceed an annual rate of 0.25 of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally (the "Special Services"); and

WHEREAS, the Establishment Ordinance established the Area as that territory consisting approximately of the area on Lincoln Avenue, from Diversey Parkway to Addison Street; Ashland Avenue, from Diversey Parkway to Addison Street; Belmont Avenue, from Racine Street to Ravenswood Avenue; Southport Avenue, from Belmont Avenue to Byron Street; and the former railroad tracks from Diversey Parkway to Belmont Avenue; and

WHEREAS, the Special Services authorized in the Establishment Ordinance include, but are not limited to: recruitment of new businesses to the Area, rehabilitation activities, maintenance and beautification activities, new construction, security, coordination of promotional and advertising activities, strategic planning for the Area, and other technical assistance activities to promote commercial and economic development (which may include, but are not limited to, streetscape improvements, strategic transit/parking improvement including parking management studies, and enhanced land use oversight and control initiatives); and

WHEREAS, the Establishment Ordinance provided for the appointment of the West Lakeview Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, it is the responsibility of the Commission to recommend to the Department of Housing and Economic Development, the Mayor and the City Council an entity to serve as a service provider (the "Service Provider"), the form of an agreement between the City and the Service Provider for the provision of Special Services to the Area, and a line item budget to be

included in the agreement between the City and the Service Provider; and

WHEREAS, the Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Housing and Economic Development (the "Commissioner") and to the City Council its recommendations for a budget to provide the Special Services in the Area for the fiscal year commencing January 1, 2014, and has advised the Mayor and the City Council concerning the Services Tax for the tax year 2013 for the purpose of providing funds necessary to provide the Special Services, and has recommended to the Department of Housing and Economic Development, the Mayor and the City Council an agreement with the Service Provider, with a one-year term, whose terms and conditions provide for the expenditure of the Services Tax for the provision of the Special Services for the fiscal year commencing January 1, 2014, in substantially the form attached hereto as Exhibit A; now, therefore,

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

SECTION 1. Incorporation of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

WEST LAKEVIEW SPECIAL SERVICE AREA COMMISSION
SPECIAL SERVICE AREA BUDGET

For the fiscal year commencing January 1, 2014 and ending December 31, 2014.

	EXPENDITURES
Service Provider Agreement for the provision of Special Services	$797,220
TOTAL BUDGET REQUEST	$797,220
SOURCE OF FUNDING	
Tax levy at an annual rate not to exceed 0.25 percent of the equalized assessed value, of the taxable property within Special Service Area Number	$757,220
Carryover funds currently available from prior tax years	$5,000
Late collections received by the City of Chicago attributable to the levy of the Services Tax in prior tax years, along with interest income	

thereon, if any $35,000

SECTION 3. Levy of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Act and pursuant to the provisions of the Establishment Ordinance, the sum of $757,220 as the amount of the Services Tax for the tax year 2013.

SECTION 4. Filing. The City Clerk of the City (the "City Clerk") is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk") a certified copy of this ordinance on or prior to December 31, 2013, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2013 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner, or a designee of the Commissioner, are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver an agreement with Lakeview Chamber of Commerce, an Illinois not-for-profit corporation, in substantially the form attached hereto as Exhibit A and hereby made a part hereof (the "Service Provider Agreement"), and such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Service Provider Agreement.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in special pamphlet form, and made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

APPROVED
Stephen R. Patton
CORPORATION COUNSEL

APPROVED
Rahm Emanuel SRP
Mayor
12/17/13

EXHIBIT A
Service Provider Agreement

Agreement for Special Service Area #27

between

the CITY OF CHICAGO

(Represented by the Special Service Area Commission)

and

LAKEVIEW CHAMBER OF COMMERCE

effective January 1, 2014 through December 31, 2014

Rahm Emanuel
Mayor

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AGREEMENT

This Agreement for the management of Special Service Area Number 27 is entered into on_____, 2014 by and between Lakeview Chamber of Commerce, an Illinois not-for-profit corporation ("Contractor"), and the City of Chicago ("City"), a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, acting through the Special Service Area Commission at Chicago, Illinois.

RECITALS

WHEREAS, special service areas may be established pursuant to Article VII, §§ 6(1) and 7(6) of the Constitution of the State of Illinois, and pursuant to the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5 et seq.; and

WHEREAS, the City Council of the City of Chicago ("City Council") has established a special service area known and designated as "Special Service Area Number 27" ("Area"), to provide special services in addition to those services provided generally by the City ("Special Services"). The City Council has further authorized the levy of an annual ad valorem real property tax in the Area sufficient to produce revenues required to provide those Special Services but not to exceed .250% of the equalized assessed value of all property within the Area ("Service Tax"), all as provided in the Establishment Ordinance (hereinafter defined); and

WHEREAS, the City Council, on _____, 2013, authorized the levy of the Service Tax and appropriation of the funds therefrom for the Area for fiscal year 2014 for the provision of the Special Services in the Area, and the City wishes to provide that the Contractor, beginning on January 1, 2014, and continuing until December 31, 2014, may use those funds to provide the Services, subject to the terms and conditions of this Agreement; and

WHEREAS, the Contractor and the City desire to enter into this Agreement to provide such Special Services in the Area and the Contractor is ready, willing and able to enter into this Agreement to provide the Special Services to the full satisfaction of the City;

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, the City and the Contractor agree as follows:

ARTICLE 1 INCORPORATION OF RECITALS

The recitals set forth above are incorporated by reference as if fully set forth herein.

ARTICLE 2 DEFINITIONS

The following words and phrases shall have the following meanings for purposes of this Agreement:

"**Agreement**" means this Special Service Area Agreement, including all exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

"**Commissioner**" means the Commissioner of the Department of Housing and Economic Development or a duly authorized representative of the Commissioner of the Department of Housing and Economic Development.

"**Construction**" means that work of a nature constituting "public works" as defined in 820 ILCS 130/2, such as landscaping and building activities, including but not limited to, physical building improvements, installations and other fixed works, but does not include pre-development work (design and preparation of specifications).

"**Days**" means business days in accordance with the City of Chicago business calendar.

"**Department**" means the City of Chicago Department of Housing and Economic Development.

"**Establishment Ordinance**" means the ordinance enacted by City Council on November 16, 2011, and any subsequent amendments thereto authorizing imposition of the Service Tax and setting forth the Special Services to be provided in the Area.

"Late Collections" means any tax revenue received by the City during the term of this Agreement attributable to the levy of the Service Tax in prior years in the SSA, along with any interest income on such revenue.

"**Risk Management Division**" means the Risk Management Division of the Department of Finance which is under the direction of the Comptroller of the City and is charged with reviewing and analyzing insurance and related liability matters for the City.

"**Security Firm**" means a business entity certified by the State of Illinois pursuant to the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004, 225 ILCS 447 et seq., and whose employees are licensed by the State of Illinois.

"**Services**" means, collectively, the services, duties and responsibilities described in Article 3 and Exhibit 1 (Scope of Services & Budget) of this Agreement and any revisions thereof and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

"**Service Tax Funds**" means the amount actually collected pursuant to the Service Tax.

"**Special Service Area Commission ('SSAC')**" means the body established pursuant to the Establishment Ordinance to prepare the Budget, identify a Contractor and supervise the provision of the Special Services in the Area.

"**Subcontractor**" means any person or entity with whom Contractor contracts to provide any part of the Services, including subcontractors of any tier, subconsultants of any tier, suppliers and materialmen, whether or not in privity with the Contractor.

"**Surplus Funds**", also referred to as "Carry-Over Funds", means those Service Tax Funds already collected and disbursed to the Contractor in prior years for the provision of Special Services in the Area which remain unspent, including any interest earned thereon.

ARTICLE 3 DUTIES AND RESPONSIBILITIES OF CONTRACTOR

3.01 Scope of Services

The Services which the Contractor shall provide include, but are not limited to, those described in this Article 3 and in Exhibit 1 which is attached hereto and incorporated by reference as if fully set forth here. The SSAC reserves the right to require the Contractor to perform revised services that are within the general scope of services of this Agreement and of the Special Services identified in the Establishment Ordinance subject to the same terms and conditions herein. Revised services are limited to changes or revisions to the line items in the Budget, do not affect the maximum compensation and require the prior written approval of the SSAC. The SSAC may, by written notice to the Department and the Contractor, delete or amend the figures contained and described in the Budget attached hereto as Exhibit 1 and incorporated by reference as if fully set forth herein. The Contractor shall provide the Services in accordance with the standards of performance set forth in Section 3.02.

3.02 Standard of Performance

The Contractor shall perform all Services required of it with that degree of skill, care and diligence normally shown by a contractor performing services of a scope, purpose and magnitude comparable with the nature of the Services to be provided hereunder. The Contractor shall at all times use every reasonable effort on behalf of the City to assure timely and satisfactory rendering and completion of its Services.

The Contractor shall at all times act in the best interests of the City consistent with the professional obligations assumed by it in entering into this Agreement. The Contractor shall perform all Services in accordance with the terms and conditions of this Agreement and to the full satisfaction of the SSAC. The Contractor shall furnish efficient business administration and supervision to render and complete the Services at reasonable cost.

The Contractor shall assure that all Services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. The Contractor remains responsible for the professional and technical accuracy of all Services provided, whether by the Contractor or its Subcontractors or others on its behalf.

If the SSAC determines that the Contractor has failed to comply with the foregoing standards, the Contractor shall perform again, at its own expense, all Services required to be reperformed as a direct or indirect result of such failure. Any review, approval, acceptance or payment for any or all of the Services by the City does not relieve the Contractor of its responsibility for the professional and technical accuracy of its Services. This provision in no way limits the City's rights against Contractor, either under this Agreement, at law or in equity.

3.03 Personnel

A. Key Personnel

The Contractor shall, immediately upon receiving a fully executed copy of this Agreement, assign and maintain during the term of this Agreement and any extension thereof an adequate staff of competent personnel, who are fully equipped, licensed as appropriate, available as needed, qualified and assigned to perform the Services. Contractor shall pay the salaries and wages due all its employees performing Services under this Agreement unconditionally and at least once a month without deduction or rebate on any account, except only for such payroll deductions as are mandatory by law or are permitted under applicable law and regulations.

B. Prevailing Wages

If the Contractor engages in Construction, it shall comply, and shall cause all of its Subcontractors to comply by inserting appropriate provisions in their contracts, with 820 ILCS 130/0.01 et seq. regarding the payment of the general prevailing rate of hourly wage for all laborers, workers, and mechanics employed by or on behalf of the Contractor and all Subcontractors in connection with any and all Construction work. The prevailing rates of wages applicable at the time of execution of this Agreement are included in Exhibit 5 to this Agreement, which is incorporated by reference as though fully set forth herein.

C. Illinois Workers, Veterans Preference and Steel Products

If the Contractor engages in Construction, it shall comply, and shall cause all of its Subcontractors to comply by inserting appropriate provisions in their contracts, with the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0.01 et seq., the Veterans Preference Act, 330 ILCS 55/0.01 et seq., and the Steel Products Procurement Act, 30 ILCS 30/565/1 et seq.

3.04 Nondiscrimination

(a) **Contractor**

(i) Federal Requirements

Contractor must not engage in unlawful employment practices, such as (1) failing or refusing to hire or discharging any individual, or otherwise discriminating against any individual with respect to compensation or the terms, conditions or privileges of the individual's employment, because of the individual's race, color, religion, sex, age, handicap/disability or national origin; or (2) limiting, segregating or classifying Contractor's employees or applicants for employment in any way that would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect the individual's status as an employee, because of the individual's race, color, religion, sex, age, handicap/disability or national origin.

Contractor must comply with, and the procedures Contractor utilizes and the Services Contractor provides under this Agreement must comply with, the Civil Rights Act of 1964, 42 U.S.C. § 2000e et seq. (1981), as amended and the Civil Rights Act of 1991, P.L. 102-166. Attention is called to: Exec. Order No. 11246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. § 2000e note, as amended by Exec. Order No. 11375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. §§ 6101-6106 (1981); Age Discrimination in Employment Act, 29 U.S.C. §§ 621-34; Rehabilitation Act of 1973, 29 U.S.C. §§ 793-794 (1981); Americans with Disabilities Act, 42 U.S.C. §12101 et seq.; 41 C.F.R. Part 60 et seq. (1990); and all other applicable federal statutes, regulations and other laws.

(ii) State Requirements

Contractor must comply with, and the procedures Contractor utilizes and the Services Contractor provides under this Agreement must comply with, the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq.(1990), as amended and any rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 44 Ill. Admin. Code § 750 Appendix A. Furthermore, Contractor must comply with the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq.(1990), as amended, and all other applicable state statues, regulations and other laws.

(iii) City Requirements

Contractor must comply with, and the procedures Contractor utilizes and the Services Contractor provides under this Agreement must comply with, the Chicago Human Rights Ordinance, ch. 2-160, Section 2-160-010 et seq. of the Municipal Code of Chicago (1990), as amended, and all other applicable City ordinances and rules.

(b) **Subcontractors**

Contractor must incorporate all of this Section 3.04 by reference in all agreements entered into with any suppliers of materials, furnisher of services, Subcontractors of any tier, and labor organizations that furnish skilled, unskilled and craft union skilled labor, or that may provide any such materials, labor or services in connection with this Agreement. Further, Contractor must furnish and must cause each of its Subcontractor(s) to furnish such reports and information as requested by the federal, state and local agencies charged with enforcing such laws and regulations, including the Chicago Commission on Human Relations.

3.05 Insurance

The Contractor shall comply with the insurance provisions attached hereto as Exhibit 3 and incorporated by reference as if fully set forth herein, or such other insurance provisions as may be required in the reasonable judgment of the Risk Management Division. If the Contractor enters into a subcontract with a Security Firm such Security Firm shall comply with the insurance provisions attached hereto as Exhibit 4 and incorporated by reference as if fully set forth herein, or such other insurance provisions as may be required in the reasonable judgment of the Risk Management Division. If the Contractor subcontracts with a Subcontractor other than a Security Firm, such Subcontractor shall comply with the Contractor insurance provisions attached hereto as Exhibit 3.

The Risk Management Division may waive or reduce any of the insurance requirements set forth herein.

3.06 Indemnification

A. On written notice from the City of Losses the City believes are Losses Arising under this Agreement as defined in this Section 3.06, the Contractor shall defend, indemnify, and hold completely harmless the City Indemnitees from and against such Losses, regardless of whether Contractor challenges the City's belief. The defense, indemnification and hold harmless obligations of the Contractor toward City Indemnitees remain an affirmative obligation of Contractor following the City's notice of Losses the City believes are Losses Arising under this Agreement, unless and until a court of competent jurisdiction finally determines otherwise and all opportunities for appeal have been exhausted or have lapsed.

B. For purposes of this Section 3.06,

"City Indemnitees" means, individually and collectively, the City of Chicago, its officials, agents, employees and SSAC members.

"Losses" means, individually and collectively, all kinds of liabilities, losses, suits, claims, damages, judgments, fines, and demands, including all reasonable costs for investigation,

reasonable attorneys' fees, court costs, and experts' fees, arising by reason of injury or death of any person, damage to property, patent or copyright infringement.

"Arising under this Agreement" means (i) arising out of awarding this Agreement, (ii) arising out of the enforcement of this Agreement, including the enforcement of this indemnification provision; (iii) arising out of or in connection with Contractor's performance or non-performance of this Agreement (including the acts or omission of Contractor, its officers, agents, employees, consultants, subcontractors, licensees, or invitees), any breach by any of them of any warranty made under this Agreement, or any failure by any of them to meet any applicable standard of performance under this Agreement; or (iv) any combination of any of the foregoing.

C. To the extent permissible by law, Contractor waives any limits on Contractor's liability that it would otherwise have by virtue of the Worker's Compensation Act or any other related law or judicial decision (such as *Kotecki v. Cyclops Welding Corporation,* 146 Ill. 2d 155 (1991)). The City, however, does not waive any limitations it may have on its liability under the Worker's Compensation Act or under the Illinois Pension Code.

D. The City has the right, at its option and at its own expense, to participate in the defense of any suit without relieving Contractor of any of its obligations under this indemnity provision. The requirements set forth in this indemnity provision are separate from and not limited by the amount of insurance Contractor is required to obtain under this Agreement or by its bonds pursuant to other provisions in this Agreement. Further, the indemnitees contained in this provision survive the expiration or termination of this Agreement.

3.07 Records and Audits

The Contractor shall deliver or cause to be delivered all documents, data, studies, reports, findings or information to the SSAC promptly in accordance with the time limits prescribed herein and if no time limit is specified, then upon reasonable demand therefore, or upon termination or completion of the Services hereunder.

The Contractor agrees to adopt at its own expense such financial controls, including, without limitation, the employment of a fiscal agent approved by the Commissioner, as determined by the Commissioner in his sole discretion and communicated in writing to the Contractor after the date of execution of this Agreement, to ensure that the Contractor is fulfilling the terms of this Agreement.

The Contractor and any Subcontractors shall furnish the SSAC with semi-annual reports or provide such information as may be requested relative to the performance and cost of the Services. The Contractor shall maintain records showing actual time devoted and costs incurred. The Contractor shall keep books, documents, paper, records and accounts in connection with the Services open to inspection, copying, abstracting, transcription, and an independent audit by City employees or agents or third parties, and shall make these records available to the City and any other interested governmental agency at reasonable times during the performance of its Services.

In addition, Contractor shall retain them in a safe place and make them available for an independent audit, inspection, copying and abstracting for at least five years after the final payment made in connection with this Agreement.

THE CONTRACTOR SHALL NOT COMMINGLE SERVICE TAX FUNDS WITH FUNDS FROM OTHER SOURCES, and to the extent that the Contractor conducts any business operations separate and apart from the Services hereunder using, for example, personnel, equipment, supplies or facilities also used in connection with this Agreement, then the Contractor shall maintain and make similarly available to the City detailed records supporting the Contractor's allocation to this Agreement of the costs and expenses attributable to any such shared usages.

The Contractor shall provide an annual audited financial statement (a "Third Party Audit") to the Department and the SSAC within 120 calendar days after the end of the calendar year, and the system of accounting shall be in accordance with generally accepted accounting principles and practices, consistently applied throughout. Contractor must comply with the requirements in Exhibit 8 with respect to any Third Party Audit. If any Third Party Audit shows that Contractor or any of its Subcontractors has overcharged the City in any period, the City will notify Contractor, and Contractor must then promptly reimburse the City for any amounts the City has paid Contractor due to the overcharges. Any failure to comply with the audit requirements set forth in Exhibit 8 of the Agreement shall constitute an event of default under the Agreement. If such event of default is not corrected to the City's satisfaction within the cure period identified by the City, the City may incur costs to conduct any supplementary audit it deems necessary, and Contractor must then promptly reimburse the City for any such costs. No provision in this Agreement granting the City a right of access to records and documents is intended to impair, limit or affect any right of access to such records and documents that the City would have had in the absence of such provisions.

The City may in its sole discretion audit the records of Contractor or its Subcontractors, or both, at any time during the term of this Agreement or within five years after the Agreement ends, in connection with the goods, work, or services provided under this Agreement. Each calendar year or partial calendar year is considered an "audited period." If, as a result of such an audit, it is determined that Contractor or any of its Subcontractors has overcharged the City in the audited period, the City will notify Contractor. Contractor must then promptly reimburse the City for any amounts the City has paid Contractor due to the overcharges and also some or all of the cost of the audit, as follows:

A. If the audit has revealed overcharges to the City representing less than 5% of the total value, based on the Agreement prices, of the goods, work, or services provided in the audited period, then the Contractor must reimburse the City for 50% of the cost of the audit and 50% of the cost of each subsequent audit that the City conducts;

B. If, however, the audit has revealed overcharges to the City representing 5% or more of the total value, based on the Agreement prices, of the goods, work, or services provided

in the audited period, then Contractor must reimburse the City for the full cost of the audit and of each subsequent audit.

If the City is unable to make a determination regarding overcharges to City as a result of Contractor's not having maintained records as required under this Agreement, Contractor must promptly reimburse the City for some or all of the cost of the audit, as determined in the sole discretion of the City. Failure of Contractor to promptly reimburse the City in accordance with this Section 3.07 is an event of default under Section 7.01 of this Agreement, and Contractor will be liable for all of the City's costs of collection, including any court costs and attorneys' fees.

3.08 Subcontracts and Assignments

The Contractor shall not assign, delegate, subcontract or otherwise transfer all or any part of its rights or obligations under this Agreement or any part hereof, unless otherwise provided for herein or without the express written consent of the SSAC. The absence of such provision or written consent shall void the attempted assignment, delegation or transfer and shall be of no effect as to the Services or this Agreement.

All subcontracts, all approvals of Subcontractors and any assignment to which the SSAC consents are, regardless of their form, deemed conditioned upon performance by the Subcontractor or assignee in accordance with the terms and conditions of this Agreement.

If the Contractor subcontracts for security services, the Subcontractor shall be a Security Firm certified by the State of Illinois and the Security Firm's employees shall be licensed by the State of Illinois. The Contractor, upon entering into any subcontract with a Security Firm, shall furnish the SSAC and the Department with a copy of the subcontract for their approval. The City expressly reserves the right to approve all Security Firm subcontracts.

3.09 License, Permits and Safety Considerations

A. Licenses and Permits

If the Contractor engages in Construction, it is responsible for and, in a timely manner consistent with its obligations hereunder, shall secure and maintain at its expense such permits, licenses, authorizations and approvals as are necessary for it to engage Construction under this Agreement

B. Safety Considerations

If the Contractor engages in Construction, it shall at all times exercise reasonable care, shall comply with all applicable provisions of federal, state and local laws to prevent accidents or injuries, and shall take all appropriate precautions to avoid damage to and loss of City property and the property of third parties in connection with the Construction. The Contractor shall erect and properly maintain at all times all necessary safeguards, barriers, flags and lights for the protection of its and its Subcontractors' employees, City employees and the public.

If the Contractor engages in Construction, it shall report to the Department any damage on, about, under or adjacent to City property or the property of third persons resulting from its performance under this Agreement. The Contractor is responsible for any damage to City property and the property of third parties due, in whole or in part, to the Contractor's Construction activities under this Agreement, and the Contractor shall repair such damage to a reasonably acceptable standard.

3.10 Performance Bond

If the Contractor engages in Construction work where expenditures exceed $100,000, it shall, not later than the date the Contractor begins such work or executes a subcontract for such work, provide or cause to be provided to the Department a performance and payment bond in the amount allocated for the Construction work (but not including the amount allocated for design and preparation of specifications), by a surety or sureties acceptable to the City. The performance bond shall be in the form and to the effect of Exhibit 6 hereto, which is incorporated by reference as if fully set forth here.

If any of the sureties on such bond at any time fail financially, or are deemed to be insufficient security for the penalty of the bond, then the City may, on giving 10 days notice thereof in writing, require the Contractor to furnish a new and additional bond with sureties satisfactory to the City, and, if so required, Contractor must promptly provide such bond.

ARTICLE 4 TERM OF SERVICES

This Agreement shall take effect as of January 1, 2014 ("Effective Date") and shall continue through December 31, 2014, or until the Agreement is terminated earlier in accordance with its terms.

ARTICLE 5 COMPENSATION

5.01 Basis of Payment

The maximum compensation that the Contractor may be paid under this Agreement between January 1, 2014 and December 31, 2014 is the sum of (a) $757,220 or the total amount of Service Tax Funds actually collected, plus interest earned on those funds, for tax year 2013, whichever is less; (b) the total amount of Surplus Funds in the amount of $5,000 which are being carried over from previous program years and which contractor hereby acknowledges are in its possession; and (c) Late Collections in an amount not to exceed $35,000; the maximum compensation that the Contractor may be paid under this Agreement between January 1, 2014 and December 31, 2014, therefore, shall not exceed $797,220.

5.02 Budget for Services

The Contractor in conjunction with the SSAC has prepared a Budget through December 31, 2014, attached hereto as Exhibit 1 and incorporated by reference as if fully set forth here, covering all services described in the Scope of Services. Subject to the restriction that the maximum amount that may be spent in calendar year 2014 may not exceed $797,220, the SSAC reserves the right to transfer funds between line items or make Budget revisions that do not affect the maximum compensation set forth in Section 5.01. The SSAC shall revise the Budget if any part of the Contractor's Services is terminated.

5.03 Method of Payment

Pursuant to a schedule to be determined by the Commissioner, after the performance of Services pursuant to the terms of this Agreement, Contractor may submit invoices to the City to request reimbursement for such expenses. The Contractor must provide, along with the invoices, such additional documentation as the Commissioner requests to substantiate the Services. Upon the Commissioner's determination that the invoices are accurate, the City will process payment of the invoices.

The Contractor shall establish a separate checking account ("Account") in a bank authorized to do business in the State of Illinois that is insured by the Federal Deposit Insurance Corporation. All Service Tax Funds that the Comptroller transfers to the Contractor shall be deposited in the Account and disbursements from the Account shall be pursuant to this Agreement. THE CONTRACTOR IS RESPONSIBLE FOR RECONCILING THE ACCOUNT MONTHLY AND ACCOUNTING FOR ALL SERVICE TAX FUNDS. THE CONTRACTOR MUST REQUIRE ITS AUDITOR TO REPORT ON THE ACTIVITIES THAT ARE SUPPORTED BY THESE FUNDS IN A SEPARATE AUDIT TO ACCOUNT FOR CURRENT AND PRIOR YEARS' SERVICE TAX FUNDS.

The Contractor shall provide to the SSAC the signature card and sample check from the bank which shows the signature(s) of the Contractor's authorized representative(s). The SSAC reserves the right to audit the account and require the Contractor to refund any funds that were not spent pursuant to the Budget or that were not approved by the SSAC. The name and address of the bank is _____ and the wire transfer and the Account numbers are _____.

All funds remaining in the Account at the expiration or early termination of this Agreement, including any interest earned, belong to the City for the benefit of the Area and shall be returned to the City to be used only for Special Services.

5.04 Criteria for Payment

The SSAC shall determine the reasonableness, allocability and allowability of any rates, costs and expenses charged or incurred by the Contractor.

5.05 Funding

Payments under this Agreement shall be made from Service Tax Funds in fund number _____ and are subject to the availability of funds therein.

5.06 Non-Appropriation

In the event that no funds or insufficient funds are appropriated and budgeted in any City fiscal period for payments to be made under this Agreement, then the City will notify the Contractor of such occurrence and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. No payments shall be made or due to the Contractor under this Agreement beyond those amounts appropriated and budgeted by the City to fund payments hereunder.

ARTICLE 6 SPECIAL CONDITIONS

6.01 Warranties and Representations

In connection with the execution of this Agreement, the Contractor warrants and represents:

A. That it is financially solvent; that it and each of its employees, agents, and Subcontractors are competent to perform the Services required; that it is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated herein.

B. That it shall not knowingly use the services of any ineligible Subcontractor for any purpose in the performance of the Services.

C. That it and its Subcontractors are not in default at the time of the execution of this Agreement, or deemed by the Department to have, within five years immediately preceding the date of this Agreement, been found to be in default on any contract awarded by the City.

D. That it and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of § 2-92-320 of the Municipal Code of Chicago, 720 ILCS 5/33E-1 et seq. of the Criminal Code of 1961, and 65 ILCS 5/11-42.1-1 of the Illinois Municipal Code.

E. That it, all Subcontractors and their respective officers, directors, agents, partners, and employees shall cooperate with the Inspector General or Board of Ethics in any investigation or hearing undertaken pursuant to Chapters 2-56 or 2-156 of the Municipal Code of Chicago; that it understands and will abide by all provisions of Chapter 2-56 and 2-156 of the Municipal Code of Chicago and all subcontracts shall inform Subcontractors of such provision and require

understanding and compliance therewith.

F. That, except only for those representations, statements or promises expressly contained in this Agreement and any exhibits attached hereto, no representation, statement or promise, oral or written, or of any kind whatsoever, by the City, its officials, agents or employees, has induced the Contractor to enter into this Agreement.

G. That the Contractor understands and agrees that any certification, affidavit or acknowledgment made under oath in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination for default.

H. That neither Contractor nor an Affiliate of Contractor (as defined below) appears on the Specially Designated Nationals List, the Denied Persons List, the unverified List, the Entity List or the Debarred List as maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or by 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. "Affiliate of Contractor"means a person or entity that directly (or indirectly through one or more intermediaries) controls, is controlled by or is under common control with Contractor. A person or entity will be deemed to be controlled by another person or entity if it is controlled in any manner whatsoever that results in control in fact by that other person or entity (either acting individually or acting jointly or in concert with others) whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

I. Contractor will abide by any policies promulgated by the Department or other City departments.

J. Contractor understands and will abide by, and will cause Subcontractors to abide by, the terms of Chapter 2-55 of the Municipal Code of Chicago pertaining to cooperation with the Office of the Legislative Inspector General. Contractor understands and will abide by the terms of Section 2-154-020 of the Municipal Code of Chicago. Failure by the Contractor 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 a default for which no cure is available and grounds for termination of this Agreement.

6.02 Economic Disclosure Statement and Affidavit

The Contractor has provided the City with an Economic Disclosure Statement (EDS) and Affidavit, "Familial Relationships with Elected City Officials and Department Heads," which is attached hereto as Exhibit 2 and incorporated by reference as if fully set forth herein. Contractor shall apprise the Department promptly of any changes in the information provided in the EDS by completing and submitting a revised EDS.

In addition, the Contractor shall provide the City with copies of its latest articles of incorporation, by-laws and resolutions, or partnership or joint venture agreement, as applicable, and evidence of its authority to do business in the State of Illinois, including without limitation, registrations of assumed names or limited partnerships and certifications of good standing with the Office of the Secretary of State of Illinois.

6.03 Conflict of Interest

Pursuant to Chapter 2-156 of the Municipal Code of Chicago, and 65 ILCS 5/3.1-55-10, no member of the governing body of the City or other unit of government, no other officer, employee, SSAC member, or agent of the City or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement or any related subcontract pertain, and no relative of any SSAC member shall have any personal economic or financial interest, directly or indirectly, in this Agreement or any such subcontract except to the extent that such benefits are provided equally to all residents and/or business owners in the Area. Furthermore, no SSAC member, relative of any SSAC member, City official, agent or employee shall be a Subcontractor or have any financial interest in any Subcontractor, employee or shareholder of the Contractor or receive anything of value from the Contractor.

No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee shall be admitted to any share or part of this Agreement or to any financial benefit to arise from it. The Contractor acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 shall be voidable by the City.

The Contractor covenants that it, its officers, directors and employees, and the officers, directors and employees of each of its members if a joint venture, and Subcontractors presently have no financial interest and shall acquire no interest, direct or indirect, in the Services undertaken by the Contractor pursuant to the Agreement that would conflict in any manner or degree with the performance of the Services. The Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed. The Contractor agrees that if the Commissioner in his reasonable judgment determines that any of the Contractor's services for others conflict with the Services the Contractor is to provide for the City under this Agreement, the Contractor shall terminate such other services immediately upon request of the City.

6.04 Non-liability of Public Officials

No official, employee or agent of the City shall be charged personally by the Contractor, or by any assignee or Subcontractor of the Contractor, with any liability or expenses of defense or be held personally liable to them under any term or provision hereof, because of the City's execution or attempted execution hereof, or because of any breach hereof.

6.05 Independent Contractor

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

(b) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the **"Shakman Accord"**) and the June 24, 2011 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United State District Court for the Northern District of Illinois). Among other things, the 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.

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

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

(e) In the event of any communication to Contractor by a City employee or City official in violation of paragraph (c) above, or advocating a violation of paragraph (d) above, Contractor 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 Department. Contractor will also cooperate with any inquiries by IGO Hiring Oversight or the Shakman Monitor's Office related to this Agreement.

6.06 Business Relationships with Elected Officials

Pursuant to Section 2-156-030(b) of the Municipal Code of the City of Chicago, it is illegal for any elected official, 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 official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months. In addition, no elected official may participate in any discussion in any City Council committee hearing or in any City Council meeting or vote on any matter involving the person with whom the elected official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months.

Violation of Section 2-156-030 by any elected official with respect to this Agreement will be grounds for termination of this Agreement. The term financial interest is defined as set forth in Chapter 2-156 of the Municipal Code of the City of Chicago.

6.07 Chicago "Living Wage" Ordinance

(a) Section 2-92-610 of the Municipal Code of Chicago provides for a living wage for certain categories of workers employed in the performance of City contracts, specifically non-City employed security guards, parking attendants, day laborers, home and health care workers, cashiers, elevator operators, custodial workers and clerical workers ("**Covered Employees**"). Accordingly, pursuant to Section 2-92-610 and regulations promulgated under it:

(i) If Contractor has 25 or more full-time employees, and

(ii) If at any time during the performance of this Agreement, Contractor and/or any Subcontractor or any other entity that provides any portion of the Services (collectively "**Performing Parties**") uses 25 or more full-time security guards, or any number of other full-time Covered Employees, then

(iii) Contractor must pay its Covered Employees, and must assure that all other Performing Parties pay their Covered Employees, not less than the minimum hourly rate as determined in accordance with this provision (the "**Base Wage**") for all Services performed under this Agreement.

(b) Contractor's obligation to pay, and to assure payment of, the Base Wage will begin at any time during the term of this Agreement when the conditions set forth in (a)(i) and (a)(ii) above are met, and will continue until the end of the term of this Agreement.

(c) As of July 1, 2013, the Base Wage is $11.78, and each July 1 thereafter, the Base Wage will be adjusted, using the most recent federal poverty guidelines for a family of four as published annually by the U.S. Department of Health and Human Services, to constitute the following: the poverty guidelines for a family of four divided by 2000 hours or the current base wage, whichever is higher. At all times during the term of this Agreement, Contractor and all other Performing Parties must pay the Base Wage (as adjusted in accordance with the above). If the payment of prevailing wages is required for Services done under this Agreement, and the prevailing wages for Covered Employees are higher than the Base Wage, then Contractor and all other Performing Parties must pay the prevailing wage rates.

(d) Contractor must include provisions in all subcontracts requiring its Subcontractors to pay the Base Wage to Covered Employees. Contractor agrees to provide the City with documentation acceptable to the Chief Procurement Officer demonstrating that all Covered Employees, whether employed by Contractor or by a Subcontractor, have been paid the Base Wage, upon the City's request for such documentation. The City may independently audit Contractor and/or Subcontractors to verify compliance with this section. Failure to comply with the requirements of this section will be an event of default under this Agreement, and further, failure to comply may result in ineligibility for any award of a City contract or subcontract for up to 3 years.

(e) Not-for-Profit Corporations: If Contractor is a corporation having federal tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and is recognized under Illinois not-for-profit law, then the provisions of Sections (a) through (d) above do not apply.

6.08 Deemed Inclusion

Provisions required by law, ordinances, rules, regulations or executive orders to be inserted in this Agreement are deemed inserted in this Agreement whether or not they appear in this Agreement or, upon application by either party, this Agreement will be amended to make the insertion; however, in no event will the failure to insert the provisions before or after this Agreement is signed prevent its enforcement.

6.09 Environmental Warranties and Representations

In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Contractor warrants and represents that it, and to the best of its knowledge, its subcontractors have not violated and are not in violation of the following sections of the Code (collectively, the Waste Sections):

7-28-390 Dumping on public way;

7-28-440 Dumping on real estate without permit;
11-4-1410 Disposal in waters prohibited;
11-4-1420 Ballast tank, bilge tank or other discharge;
11-4-1450 Gas manufacturing residue;
11-4-1500 Treatment and disposal of solid or liquid waste;
11-4-1530 Compliance with rules and regulations required;
11-4-1550 Operational requirements; and
11-4-1560 Screening requirements.

During the period while this Agreement is executory, Contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Agreement, constitutes a breach of and an event of default under this Agreement, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Commissioner. Such breach and default entitles the City to all remedies under the Agreement, at law or in equity.

This section does not limit 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 Agreement.

Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Agreement, and may further affect Contractor's eligibility for future contract awards.

6.10 EDS / Certification Regarding Suspension and Debarment

Contractor certifies, as further evidenced in the EDS attached as Exhibit 2, by its acceptance of this Agreement that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency. Contractor further agrees by executing this Agreement that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts and subcontracts. If Contractor or any lower tier participant is unable to certify to this statement, it must attach an explanation to the Agreement.

6.11 Ethics

(a) In addition to other warranties and representations, Contractor warrants that no payment, gratuity or offer of employment will be made in connection with this Agreement by or on behalf of any Subcontractors to Contractor or higher tier subcontractors or anyone associated with them, as an inducement for the award of a subcontract or order.

(b) Contractor further acknowledges that any Agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 is voidable as to the City.

6.12 MacBride Ordinance

The City of Chicago through the passage of the MacBride Principles Ordinance seeks to promote fair and equal employment opportunities and labor practices for religious minorities in Northern Ireland and provide a better working environment for all citizens in Northern Ireland.

In accordance with Section 2-92-580 of the Municipal Code of the City of Chicago, if Contractor conducts any business operations in Northern Ireland, the Contractor must make all reasonable and good faith efforts to conduct any business operations in Northern Ireland in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390 (1988 Ill. Laws 3220).

The provisions of this Section 6.12 do not apply to contracts for which the City receives funds administered by the United States Department of Transportation, except to the extent Congress has directed that the Department of Transportation not withhold funds from states and localities that choose to implement selective purchasing policies based on agreement to comply with the MacBride Principles for Northern Ireland, or to the extent that such funds are not otherwise withheld by the Department of Transportation.

6.13 Duty to Report Corrupt or Unlawful Activity

It is the duty of the Contractor to report to the Inspector General, directly and without undue delay, any and all information concerning conduct which it knows or should reasonably know to involve corrupt or other unlawful activity by its employees or the employees of any of its subcontractors, in connection with the performance of city work, or by any person dealing with the city which concerns the person's dealings with the city. Knowing failure to make such a report will be an event of default under this Agreement.

ARTICLE 7 EVENTS OF DEFAULT, REMEDIES, TERMINATION, RIGHT TO OFFSET, SUSPENSION

7.01 Events of Default Defined

The following constitute events of default:

A. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Contractor to the City.

B. Contractor's material failure to perform any of its obligations under the Agreement including, but not limited to, the following:

(1) failure to commence or ensure timely completion of the Services due to a

reason or circumstance within Contractor's reasonable control;

(2) failure to perform the Services in a manner satisfactory to the City;

(3) failure to promptly re-perform within a reasonable time Services that were rejected as erroneous or unsatisfactory;

(4) discontinuance of the Services for reasons within the Contractor's reasonable control;

(5) failure to comply with a material term of this Agreement, including but not limited to the provisions concerning insurance and nondiscrimination; and

(6) any other acts specifically and expressly stated in this Agreement as constituting an event of default.

C. The Contractor's default under any other agreement it may presently have or may enter into with the City during the life of this Agreement. The Contractor acknowledges and agrees that in the event of a default under this Agreement the City may also declare a default under any such other agreements.

7.02 Remedies

The occurrence of any event of default which the Contractor fails to cure within 14 calendar days after receipt of notice specifying such default or which, if such event of default cannot reasonably be cured within 14 calendar days after notice, the Contractor fails, in the sole opinion of the Commissioner, to commence and continue diligent efforts to cure, permits the City to declare the Contractor in default. Whether to declare the Contractor in default is within the sole discretion of the Commissioner. Written notification of the default, and any intention of the City to terminate the Agreement, shall be provided to Contractor and such decision is final and effective upon Contractor's receipt of such notice. Upon receipt of such notice, the Contractor must discontinue any services, unless otherwise directed in the notice, and deliver all materials accumulated in the performance of this Agreement, whether completed or in the process of completion, to the City. At such time the City may invoke any legal or equitable remedy available to it including, but not limited to, the following:

A. The right to take over and complete the Services or any part thereof as agent for and at the cost of the Contractor, either directly or through others. The Contractor shall have, in such event, the right to offset from such cost the amount it would have cost the City under the terms and conditions herein had the Contractor completed the Services.

B. The right to terminate this Agreement as to any or all of the Services yet to be performed, effective at a time specified by the City.

C. The right of specific performance, an injunction or any other appropriate equitable remedy.

D. The right to money damages.

E. The right to withhold all or any part of Contractor's compensation hereunder.

F. The right to deem Contractor non-responsible in future contracts to be awarded by the City.

If the City considers it to be in its best interest, it may elect not to declare default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the City and that if the City permits the Contractor to continue to provide the Services despite one or more events of default, the Contractor is in no way relieved of any of its responsibilities, duties or obligations under this Agreement nor does the City waive or relinquish any of its rights. No delay or omission to exercise any right accruing upon any event of default impairs any such right nor shall it be construed as a waiver of any event of default or acquiescence therein, and every such right may be exercised from time to time and as often as may be deemed expedient.

7.03 Right to Offset

The City reserves its rights under § 2-92-380 of the Municipal Code of Chicago and the Commissioner shall consult with the SSAC before exercising such rights.

7.04 Suspension

The City may at any time request that the Contractor suspend its Services, or any part thereof, by giving 15 days prior written notice to the Contractor or upon no notice in the event of emergency. No costs incurred after the effective date of such suspension shall be allowed. The Contractor shall promptly resume its performance upon written notice by the Department. The Budget may be revised pursuant to Section 5.02 to account for any additional costs or expenses actually incurred by the Contractor as a result of recommencing the Services.

7.05 No Damages for Delay

The Contractor agrees that it, its members, if a partnership or joint venture and its Subcontractors shall make no claims against the City for damages, charges, additional costs or hourly fees for costs incurred by reason of delays or hindrances by the City in the performance of its obligations under this Agreement.

7.06 Early Termination

In addition to termination for default, the City may, at any time, elect to terminate this Agreement or any portion of the Services to be performed under it at the sole discretion of the

Commissioner by a written notice to the Contractor. If the City elects to terminate the Agreement in full, all Services shall cease and all materials accumulated in performing this Agreement, whether completed or in the process of completion, shall be delivered to the Department within 10 days after receipt of the notice or by the date stated in the notice.

During the final ten days or other time period stated in the notice, the Contractor shall restrict its activities, and those of its Subcontractors, to winding down any reports, analyses, or other activities previously begun. No costs incurred after the effective date of the termination are allowed. Payment for any Services actually and satisfactorily performed before the effective date of the termination shall be on the same basis as set forth in Article 5 hereof, but if any compensation is described or provided for on the basis of a period longer than ten days, then the compensation shall be prorated accordingly.

If a court of competent jurisdiction determines that the City's election to terminate this Agreement for default has been wrongful, then such termination shall be deemed to be an early termination.

ARTICLE 8 GENERAL CONDITIONS

8.01 Entire Agreement

This Agreement, 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 Agreement that are not expressly addressed herein.

8.02 Counterparts

This Agreement is comprised of several identical counterparts, each to be fully executed by the parties and each to be deemed an original having identical legal effect.

8.03 Amendments

No changes, amendments, modifications or discharge of this Agreement, or any part thereof, shall be valid unless in writing and signed by the authorized agent of the Contractor and the Commissioner, or their successors and assigns. The City shall incur no liability for revised services without a written amendment to this Agreement pursuant to this Section.

8.04 Compliance with All Laws

The Contractor shall at all times observe and comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government, now existing or hereinafter in effect, which may in any manner affect the performance of this Agreement.

8.05 Compliance with ADA and Other Accessibility Laws

If this Agreement involves services to the public, the Contractor warrants that all Services provided hereunder shall comply with all accessibility standards for persons with disabilities or environmentally limited persons including, but not limited to the following: Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq. and the Rehabilitation Act of 1973, 29 U.S.C. §§ 793-94. In the event that the above cited standards are inconsistent, the Contractor shall comply with the standard providing greater accessibility.

If this Agreement involves design for construction and/or Construction, the Contractor warrants that all design documents produced and/or used under this Agreement shall comply with all federal, state and local laws and regulations regarding accessibility standards for persons with disabilities or environmentally limited persons including, but not limited to, the following: Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq. and the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities; the Architectural Barriers Act, P.L. 90-480 and the Uniform Federal Accessibility Standards; and the Environmental Barriers Act, 410 ILCS 25/1 et seq., and the regulations promulgated thereto at Ill. Admin. Code tit. 71, ch. 1, § 400.110. In the event that the above cited standards are inconsistent, the Contractor shall comply with the standard providing greater accessibility. If the Contractor fails to comply with the foregoing standards, it shall perform again at no expense all services required to be reperformed as a direct or indirect result of such failure.

8.06 Assigns

All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, transferees and assigns.

8.07 Cooperation

The Contractor agrees at all times to cooperate fully with the City and to act in the City's best interests. Upon the termination or expiration of this Agreement, the Contractor shall make every effort to assure an orderly transition to another provider of the Services, if any, orderly demobilization of its operations in connection with the Services, uninterrupted provision of Services during any transition period and shall otherwise comply with reasonable requests of the Department in connection with this Agreement's termination or expiration.

8.08 Severability

If any provision of this Agreement is held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision hereof or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering such provision inoperative or unenforceable in any other case or circumstances, or of rendering any other provision herein invalid, inoperative, or unenforceable to any extent. The invalidity of

any one or more phrases, sentences, clauses or sections herein shall not affect the remaining portions of this Agreement or any part thereof.

8.09 Interpretation

All headings in this Agreement are for convenience of reference only and do not define or limit the provisions thereof. Words of gender are deemed to include correlative words of the other gender. Words importing the singular number include the plural number and vice versa, unless the context otherwise indicates. All references to exhibits or documents are deemed to include all supplements and/or amendments to such exhibits or documents if entered into in accordance with the terms and conditions hereof and thereof. All references to persons or entities are deemed to include any persons or entities succeeding to the rights, duties, and obligations of such persons or entities in accordance with the terms and conditions herein.

8.10 Miscellaneous Provisions

Whenever under this Agreement the City by a proper authority waives the Contractor's performance in any respect or waives a requirement or condition to the Contractor's performance, the waiver, whether express or implied, applies only to that particular instance and is not a waiver forever or for subsequent instances of the performance, requirement or condition. No waiver shall be construed as a modification of the Agreement regardless of the number of times the City may have waived the performance, requirement or condition.

8.11 Disputes

Except as otherwise provided in this Agreement, Contractor must and the City may bring any dispute arising under this Agreement which is not resolved by the parties to the Chief Procurement Officer for decision based upon the written submissions of the parties. (A copy of the "Regulations of the Department of Procurement Services for Resolution of Disputes between Contractors and the City of Chicago" is available in City Hall, 121 N. LaSalle Street, Room 301, Bid and Bond Room, Chicago, Illinois 60602.) The Chief Procurement Officer will issue a written decision and send it to the Contractor and the SSAC by mail. The decision of the Chief Procurement Officer is final and binding. The sole and exclusive remedy to challenge the decision of the Chief Procurement Officer is judicial review by means of a common law writ of certiorari.

8.12 Contractor Affidavit

The Contractor must provide to the City, no later than thirty days after the end of each year May 1st of each year, a fully executed and notarized Affidavit certifying the expenditures and Services provided for the prior year. The Contractor must also provide to the City, no later than June 1st of each year, a Full-Year Assessment. The forms of this Affidavit and Full-Year Assessment are attached as Exhibit 7 and incorporated by reference.

8.13 Prohibition on Certain Contributions

Contractor agrees that Contractor, any person or entity who directly or indirectly has an ownership or beneficial interest in Contractor of more than 7.5 percent ("**Owners**"), spouses and domestic partners of such Owners, Contractor's subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any subcontractor of more than 7.5 percent ("**Sub-owners**") and spouses and domestic partners of such Sub-owners (Contractor 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 ("**Mayor**") or to his political fundraising committee during (i) the bid, or other solicitation process for this Contract or other Contract, including while this Contract or Other Contract is executory, (ii) the term of this Contract or any Other Contract between City and Contractor, and/or (iii) any period in which an extension of this Contract or any Other Contract with the City is being sought or negotiated.

Contractor represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached Contractor or the date Contractor approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Contractor 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.

Contractor agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 11-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 11-4.

Contractor 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. 11-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Contractor violates this provision or Mayoral Executive Order No. 11-4 prior to award of the Agreement resulting from this specification, the Commissioner may reject Contractor's bid.

For purposes of this provision:

"Other Contract" means any other agreement with the City of Chicago to which Contractor 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.

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

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

8.14 Firms Owned or Operated by Individuals with Disabilities

The City encourages Contractors to use Subcontractors that are firms owned or operated by individuals with disabilities, as defined by Section 2-92-586 of the Municipal Code of the City of Chicago, where not otherwise prohibited by federal or state law.

8.15 Governing Law and Jurisdiction

This Agreement is governed as to performance and interpretation in accordance with the laws of the State of Illinois.

ARTICLE 9 NOTICES

Notices provided for herein shall be in writing and may be delivered personally or by United States mail, first class, certified, return receipt requested, with postage prepaid and addressed as follows:

If to the City: Special Service Area #27 Commission
1609 W. Belmont
Chicago, Illinois 60657

Department of Housing and Economic Development
City Hall, Room 1000
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Commissioner

With Copies to: Department of Law
Room 600, City Hall
121 North LaSalle Street

Chicago, Illinois 60602
Attention: Corporation Counsel

If to Contractor: Lakeview Chamber of Commerce
1609 W. Belmont
Chicago, Illinois 60657
Attention: Ms. Heather E. Way

Changes in the above-referenced addresses must be in writing and delivered in accordance with the provisions of this Section. Notices delivered by mail shall be deemed received 3 days after mailing in accordance with this Section. Notices delivered personally shall be deemed effective upon receipt.

ARTICLE 10 CITY ACTION

In the event that there is no duly constituted SSAC during the term of this Agreement, the City will retain all of the rights and obligations afforded to the SSAC hereunder.

ARTICLE 11 MULTI-PROJECT LABOR AGREEMENT

The City has entered into the Multi-Project Labor Agreement (**"PLA"**) with various trades regarding projects as described in the PLA, a copy of which, without appendices, is attached hereto as Exhibit 9. A copy of the PLA, with appendices, may also be found on the City's website at http://www.cityofchicago.org/PLA. Contractor acknowledges familiarity with the requirements of the PLA and its applicability to any Services under this Agreement, and shall comply in all respects with any applicable provisions of the PLA.

IN WITNESS WHEREOF, the City and the Contractor have executed this Agreement on the date first set forth above, at Chicago, Illinois.

Recommended by:

_____
SSAC Chairperson

CITY OF CHICAGO

By: _____
Commissioner, Department of
Housing and Economic Development
as of _____, 20____

CONTRACTOR
By:_____
Its: _____
Attested By:_____
Its: _____

State of
County of

This instrument was acknowledged before me on _____ (date) by (name/s of person/s) as _____ (type of authority, e.g., officer, trustee, etc.) of (name of party on behalf of whom instrument was executed).

_____
(Signature of Notary Public)

EXHIBIT 1

Scope of Services & Budget

SCHEDULE A: 2014 SSA BUDGET & SERVICES SUMMARY

City of Chicago, Department of Housing and Economic Development

SSA 27 Lakeview West

Lakeview Chamber of Commerce

Budget Period: January 1, 2014 to December 31, 2014

2013 BUDGET SUMMARY CATEGORY	2013 Levy	+	Carry Over	+	Late Collections and Interest Income Thereon	=	2014 Budget
1.00 Advertising & Promotion	$ 105,000	+	$ 2,500	+	$ -	=	$ 107,500
2.00 Public Way Maintenance	$ 128,500	+	$ -	+	$ -	=	$ 128,500
3.00 Public Way Aesthetics	$ 243,000	+	$ 2,500	+	$ -	=	$ 245,500
4.00 Tenant Retention/Attraction	$ 26,000	+	$ -	+	$ -	=	$ 26,000
5.00 Façade Improvements	$ 53,000	+	$ -	+	$ -	=	$ 53,000
6.00 Parking/Transit/Accessibility	$ 6,500	+	$ -	+	$ -	=	$ 6,500
7.00 Safety Programs	$ 1,000	+	$ -	+	$ -	=	$ 1,000
8.00 District Planning	$ 5,000	+	$ -	+	$ -	=	$ 5,000
9.00 Other Technical Assistance	$ -	+	$ -	+	$ -	=	$ -
10.00 Personnel	$ 141,000	+	$ -	+	$ -		$ 141,000
11.00 Admin Non-Personnel	$ 38,220	+	$ -	+	$ -	=	$ 38,220
12.00 Loss Collection: 1.3%	$ 10,000	+	$ -	+	$ -	=	$ 10,000
13.00 Late Collection	$ -		$ -		$ 35,000		$ 35,000
GRAND TOTAL	$ 757,220	+	$ 5,000	+	$ 35,000	=	$ 797,220

2014 Budget	$ 797,220

LEVY ANALYSIS		
1	Estimated 2012 EAV:	$302,811,729
2	Authorized Tax Rate Cap:	0.250%
3	Estimated 2013 Levy:	$757,220
4	Estimated Tax Rate to Generate 2013 Levy (EAV x Est. 2013 Levy = Est. Tax Rate):	0.250%

2014 SSA SERVICES SUMMARY
1.00 Advertising & Promotion
2.00 Public Way Maintenance
3.00 Public Way Aesthetics
4.00 Tenant Retention/Attraction
5.00 Façade Improvements
6.00 Parking/Transit/Accessibility
7.00 Safety Programs
8.00 District Planning

2014 BUDGET & SERVICES - SIGNATURE PAGE

Insert SSA #/Name Here

Budget & Services Period: January 1, 2014 to December 31, 2014

The 2014 Budget & Services were approved by the SSA Commission.

SSA Chairperson Signature	SSA Chairperson Printed Name	Date	Date
Lisa S. Sanfos	Lisa S. Sanfos	10/5/13	

EXHIBIT 2

Economic Disclosure Statement and Affidavit