



City of Chicago



O2021-4984

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	11/9/2021
Sponsor(s):	Dept./Agency
Type:	Ordinance
Title:	Second Amendment to Group Room Block Sales Lease agreement with OQ168 NM Propco LLC relating to Hotel Julian, 168 N Michigan Ave
Committee(s) Assignment:	Committee on Housing and Real Estate

ORDINANCE

WHEREAS, the City of Chicago (the “City”) is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City, through its Department of Assets, Information and Services (“DAIS”); and Department of Family and Support Services (“DFSS”), entered into a Group Room Block Sales Agreement dated February 24, 2021, attached hereto as Exhibit A (the “Hotel Lease”) with OQ 168 NM Propco LLC, a Delaware limited liability company (the “Hotel Owner”), pursuant to which the City rented all rooms in the Hotel Julian, which is located at 168 Michigan Avenue (the “Hotel”), for the purpose of providing accommodations for residents of congregate living situations in order to prevent the spread of COVID-19; and

WHEREAS, the initial term of the Hotel Lease expired on June 30, 2021 (“Rental Period”), but the Hotel Lease gave the City two (2) options to extend the Rental Period for 30 days each, upon the same terms and conditions applicable to the initial Rental Period, except the City was permitted to decrease the number of reserved rooms; and

WHEREAS, the City exercised both options to extend; and

WHEREAS, the last extension period expired on August 29, 2021, and the City and the Hotel Owner entered into a First Amendment to Group Room Block Sales Agreement attached hereto as Exhibit B (“First Amendment”), to extend the Rental Period to September 30, 2021; and

WHEREAS, like the original Hotel Lease, the First Amendment gives the City two additional extension options of 30 days each (ending on November 27, 2021); and

WHEREAS, the DAIS Commissioner has the authority to enter into leases and other temporary occupancy agreements for up to 180 days under Section 2-51-050 (12) of the Municipal Code of Chicago; and

WHEREAS, after 180 days, City Council approval is required to extend such temporary occupancy agreements; and

WHEREAS, the 180-day period allowed under Section 2-51-050 (12) for the Hotel Lease expired on August 23, 2021; and

WHEREAS, on September 14, 2021, the City Council ratified the First Amendment and authorized the extension of the Rental Period to November 27, 2021; and

WHEREAS, DFSS has determined that it is necessary to further extend the Rental Period to February 28, 2022, for the same reasons that justified the prior extensions – that is, to provide housing for residents of congregate living situations due to the Delta variant, unpredictable rates

of infection in shelters, and the potential need to provide alternate beds during the continuation of the pandemic; *now, therefore,*

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

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. The DAIS Commissioner or a designee of the DAIS Commissioner, and the DFSS Commissioner or a designee of the DFSS Commissioner, are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a Second Amendment to Group Room Block Sales Agreement in substantially the form attached hereto as Exhibit C (the "Second Amendment") and such other documents as may be necessary or appropriate to carry out and comply with the provisions of the Second Amendment and this ordinance.

SECTION 3. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 4. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall take effect immediately upon its passage and approval.

Attachments: Exhibit A – Group Room Block Sales Agreement
Exhibit B – First Amendment to Group Room Block Sales Agreement
Exhibit C – Second Amendment to Group Room Block Sales Agreement

EXHIBIT A
GROUP ROOM BLOCK SALES AGREEMENT
(ATTACHED)

GROUP ROOM BLOCK SALES AGREEMENT

This Group Room Block Sales Agreement (this "*Agreement*") is entered into as of February 24, 2021 (the "*Effective Date*") between OQ 168 NM Propco LLC, a Delaware limited liability company (the "*Hotel*"), whose principal offices are located at 350 West Hubbard Street, Suite 440 Chicago, Illinois 60654, and the City of Chicago, an Illinois municipal corporation and home rule unit of government (the "*City*"), through its Department of Assets, Information and Services ("*DAIS*"), whose principal offices are located at 2 North LaSalle Street, Suite 200, Chicago, Illinois 60602.

RECITALS

A. The Hotel is the owner of the Hotel Julian, which is located at 168 Michigan Avenue, Chicago, Illinois 60601 (the "*Hotel Property*").

B. Due to the COVID-19 pandemic, the City needs temporary hotel room accommodations for residents of congregate living situations (each, an "*Occupant*" and collectively, the "*Occupants*").

C. The City desires to rent a block of rooms in the Hotel Property in order to provide temporary hotel room accommodations for the Occupants, and the Hotel is willing to rent a block of rooms to the City pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Reserved Rooms; Option to Expand. The City agrees to rent all 218 rooms in the Hotel Property (as such number may be decreased pursuant to Section 2 below, the "*Reserved Rooms*") for the period commencing on the Effective Date and continuing through June 30, 2021 (as such period may be extended pursuant to Section 2 below, the "*Rental Period*"). The Hotel shall not rent rooms in the Hotel Property to other guests during the Rental Period.

2. City's Right to Extend Rental Period. The City shall have the option to extend the Rental Period for two (2) additional periods of 30 days each, upon the same terms and conditions applicable to the initial Rental Period, except the City may decrease the number of Reserved Rooms to 175 during either 30 day extension of the Rental Period. The City shall give the Hotel prior written notice (which may be through e-mail) of its election to exercise its option to extend and, if applicable, decrease the number of Reserved Rooms, at least ten (10) days prior to the expiration of the then-current Rental Period.

3. Use of Reserved Rooms. The City shall use the Reserved Rooms solely for the purpose described in the Recitals. The City shall not use the Reserved Rooms to provide hospital, skilled care, intermediate care, sheltered care, or any other health care services that require a facility license under Illinois law. Employees of the City's Department of Family and Support Services ("*DFSS*"), or other trained personnel contracted by the City (collectively, "*City Staff*"), shall make

all determinations as to the eligibility of any person to occupy a room in the Hotel Property. DFSS will provide service and management staff and partnerships with health care partners for COVID-19 testing, vaccination, and other non-emergency primary care services. Any health care services that are provided to Occupants while they are using Reserved Rooms in the Hotel Property shall be in the nature of home health care services or paramedic services that are provided to individuals in their own homes, and the City shall only permit such services to be provided by duly licensed persons (to the extent a license is required to provide such services). The City acknowledges and agrees that this Agreement does not create any landlord-tenant obligations or duties by and between the Hotel and the City or any Occupants, and that the Occupants shall have no right to occupy the Reserved Rooms as tenants under any State or local laws or ordinances, including, without limitation, the Chicago Residential Landlord and Tenant Ordinance.

4. Intake Procedures; Daily Census Update. City Staff shall maintain a list of Occupants and shall update the list daily for any changes that occur, including all new arrivals and all departures. City Staff shall be responsible for assigning the Reserved Rooms to Occupants and shall be responsible for determining any segregation of Occupants on particular floors. Because the Hotel will not be open to the general public during the Rental Period, the Hotel shall have no obligation to operate the reservation system, but shall make its reservation system available to the City for use upon request.

5. Hotel Services. The Hotel shall provide the following services to each of the Occupants during the Rental Period, and all costs associated with such services shall be included in the Room Charges.

(a) Utilities. The Hotel shall provide all Occupants with utilities, HVAC, cable television (but no on-demand or pay-per-view service), internet access, and internal telephone service. The Hotel will provide necessary IT voltage.

(b) Housekeeping and Laundry. The Hotel shall provide each Occupant with linens, towels, and basic toiletries (soap, shampoo, etc.) on a weekly basis, or as necessary, and replenish the linen/towel supply rooms with such items, as necessary. The Hotel shall be responsible for laundering used linens and towels once delivered to the Hotel's laundry area. The Hotel shall increase capacity for trash removal and recycling as needed.

(c) Laundry Room. If a laundry room can be created, the City may supply its own washers and ventless dryers. Occupants will not be allowed to use this room.

(d) Food Service. During the Rental Period, the Hotel shall provide meals, which will include hot and cold items and non-alcoholic beverages, to the Occupants for breakfast, lunch and dinner, plus two snacks per day. The Hotel will serve meals and provide snacks in the first floor restaurant. The City and the Hotel shall mutually agree upon all menu selections at least 24 hours in advance. The Hotel shall provide dietary options to accommodate vegetarians and individuals with food allergies.

(e) Security. The Hotel shall provide indoor security cameras at every entrance and exit in the Hotel Property and in the common areas, and shall give City Staff access to the video feeds. The Hotel shall also give City Staff access to walkie-talkie and/or panic buttons.

(f) Amenities. City Staff shall be entitled to use the second floor of the Hotel Property to create staff break rooms and office space. City Staff may use the printers in the Hotel Property. The Hotel will arrange planters on the sidewalk in front of the Hotel Property as a designated smoking area for Occupants.

(g) Fire Evacuation Protocol. The City shall develop a fire evacuation plan and protocol which shall be subject to the Hotel's review and approval. The Hotel agrees to cooperate with the City to amend the Hotel's existing fire evacuation plan and protocol for the City's use.

(h) Room Cleaning After Discharge; Common Area Maintenance. During the Rental Period, the Hotel shall provide cleaning services in the Reserved Rooms between Occupant stays. The Hotel shall be responsible for cleaning and maintaining all common areas in the Hotel Property, including but not limited to the lobby.

(i) Hotel Staffing. The Hotel will provide the following staff on-site at all times during the Rental Period (collectively, "**Hotel Staff**"): a general manager, front desk security, and housekeeping staff sufficient to provide the services described herein. All such staffing costs are the responsibility of the Hotel as is typical of any hotel stay. The City may provide additional security staff at its own cost.

6. Fees and Expenses.

(a) Deposit. Upon execution of this Agreement, the City shall deposit with the Hotel the amount of \$302,148 (the "**Deposit**") by electronic payment to an account designated by the Hotel, which amount is equal to two weeks of Room Charges (as defined below) at the rate of \$99 per Reserved Room. The Hotel shall hold the Deposit as security for any damage that may be caused to the Hotel Property by the City or for any cleaning and restoration of the Reserved Rooms to their pre-Rental Period condition. The Hotel may use the Deposit as necessary to pay for the repair of such damage, cleaning or restoration, including decontamination of bed bugs, if needed, provided that proper receipts for such damage, cleaning, restoration or decontamination are submitted to the City. If there is no damage to the Hotel Property (other than normal wear and tear), the Hotel shall apply the Deposit to the Room Charges, or any other amounts owed by the City to the Hotel under this Agreement. To the extent the City does not owe the Hotel any Room Charges or additional amounts, the Hotel shall return the Deposit to the City within thirty (30) days following the end of the Rental Period. The Hotel hereby reserves all other rights and remedies available to it at law or in equity for damage to the Hotel Property caused by the City or the Occupants. The Hotel shall hold the Deposit and may commingle the Deposit with other funds. Any interest earned on the Deposit shall be the property of the Hotel.

(b) Charges for Reserved Rooms. The City shall pay room charges ("**Room Charges**") for each 30-day period during the Rental Period (each, a "**Billing Period**") calculated by multiplying 30 days × \$99 per day × 218 Reserved Rooms at the beginning of each Billing Period (regardless of actual occupancy); provided, however, if the City exercises its option to decrease the number of Reserved Rooms during the extension periods, the Hotel shall adjust its invoices to account for the reduction in the number of Reserved Rooms. Except as specified in subsection (c) below, the Room Charges are all inclusive. Without limiting the generality of the foregoing, the Room Charges include any and all hotel taxes assessed or imposed on the Hotel

during the Rental Period, parking, and all costs associated with food and beverage service under Section 5(c) for Occupants, including costs of supplies (e.g., disposable plates, cups, cutlery).

(c) Miscellaneous Additional Costs. If the Hotel incurs any additional costs or expenses in order to accommodate special requests of City Staff, the City will reimburse the Hotel for all such additional costs. It is understood that the Hotel will not earn a profit under this subsection. The City shall have the right to review all Hotel invoices and other documents necessary to verify the Hotel's costs, and the Hotel shall deliver such records upon the City's request without delay. The Hotel shall include any additional food service, parking and miscellaneous costs in its invoice for each Billing Period.

(d) Billing and Payment. The Hotel shall send all invoices to an email address to be provided by the City. The City shall pay the invoices within ten (10) days by electronic payment to an account designated by the Hotel.

7. Surrender and Restoration. The City, at its sole cost and expense, shall restore any portion of the Hotel Property that it occupies (i.e., excluding the kitchen and any other portions of the Hotel that the City does not occupy) to the same condition as existed prior to the use by the City and shall be responsible for immediately repairing and/or restoring any damage to the Hotel Property and to any Hotel personal property to the extent that the City occupies such Hotel Property or uses such personal property. Any improvements or betterments made by the City to the Hotel Property (which may only be made with the prior written consent of the Hotel) shall inure to and remain the property of the Hotel. The City agrees to surrender and cease its use of the Hotel Property at the end of the Rental Period, and to return the same to the Hotel in the condition required above within seven (7) days following the end of the Rental Period. If the City or any Occupant fails to leave any of the Reserved Rooms or fails to surrender any other area of the Hotel Property, the Hotel may charge the City a fee for each day that the City or such Occupant fails to surrender the Reserved Room or other area in an amount that is equal to its standard room rates and the City shall pay all costs and expenses incurred in removing any Occupant who fails to leave. In addition, the City shall be solely responsible for any claims that the Occupants have rights in and to the Reserved Rooms as tenants under any State or local law, including without limitation the Chicago Residential and Landlord Tenant Ordinance, and the City shall be solely responsible for the payments of any amounts that may become due to any party under or in connection with the same. The City agrees that, in addition to the remedies expressly provided for herein, the Hotel shall have all remedies available at law or in equity for the City's failure to comply with this provision.

8. General.

(a) Responsibility. The City shall be responsible for damages to property and injuries to persons which may arise from or be incident to the exercise of the rights herein granted, not including damages or injuries due to the fault or negligence of the Hotel or its employees or contractors.

(b) Waiver and Release. Prior to permitting any of the City's servants, agents, licensees, employees, contractors, volunteers, or invitees (including without limitation any Occupants) (collectively, "*Invitees*") to enter upon the Hotel Property or any part thereof, the City shall seek to obtain from each such Invitee (or the guardian of a minor or other person subject to

guardianship) a signed liability waiver, in a form supplied by the Hotel, releasing and waiving the Hotel from all liability for bodily injury, sickness, disease, loss of consortium or services, death or damage to property or other incidents that may occur while on the Hotel Property or using any hotel services.

(c) Hotel Insurance. During the Rental Period, the Hotel shall maintain all insurance policies identified on Exhibit A attached hereto in full force and effect.

(d) City Insurance. During the Rental Period, the City shall carry and maintain for the mutual benefit of the Hotel and the City Commercial General Liability insurance against claims for bodily injury, personal injury, and property damage occurring on or about the Hotel Property, naming the Hotel as an additional insured, in an amount of at least \$1 Million per occurrence and \$3 Million aggregate. The City shall obtain and maintain at all times during the Rental Period Workers Compensation coverage up to statutory limits covering all City employees providing services or working at the Hotel Property. The City may self-insure for all insurance requirements. The City hereby waives its rights of subrogation and agrees to require its insurers to waive their rights of subrogation against the Hotel under all required insurance herein for any loss arising from or relating to this Agreement.

(e) No Representations or Warranties Regarding Property. Notwithstanding anything herein to the contrary, the Hotel makes no representations or warranties regarding the condition of the Hotel Property. The City accepts the Hotel Property in its "AS IS, WHERE IS" condition with all faults.

(f) Licenses and Permits. The City shall, at its sole cost and expense, obtain any and all permits, licenses, and other approvals necessary for any activities or services it shall conduct or provide on the Hotel Property. Nothing contained herein shall be deemed a representation by the Hotel that the use by the City set forth herein is allowable or that such permits, licenses, and other approvals are obtainable. The Hotel shall reasonably cooperate with the City, upon request, to obtain any such permits, licenses, and other approvals, provided that the Hotel shall not incur any cost or expense in connection therewith. The City shall have no right to create or place any liens on the Hotel Property.

(g) Miscellaneous. This Agreement may be executed in any number of counterparts and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute one and the same agreement. This Agreement may not be assigned by any party without the prior written consent of the other party. This Agreement contains the entire agreement of the parties and supersedes all prior discussions or understandings. This Agreement is for the sole benefit of the parties hereto and their respective successors and assigns and nothing herein shall confer any right, benefit or remedy to any third party. No agreement to modify this Agreement or to waive any provision of this Agreement shall be effective unless in writing and executed by the party against whom the modification or waiver is sought to be enforced. No failure by any party to insist upon strict compliance with any term of this Agreement shall constitute a waiver of the first party's right to enforce that term. The headings of the sections and subsections of this Agreement are not part of the context of this Agreement but are only labels to assist in locating those provisions, and shall be ignored in construing this Agreement. The parties hereby designate the federal and state courts located in or having jurisdiction over Chicago, Illinois, as

courts of jurisdiction and venue for any litigation relating to this Agreement, and the parties hereby consent to jurisdiction and venue in such courts and hereby waive any defenses of lack of jurisdiction or venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, exclusive of conflicts of law principles. No agency, employment, joint venture or partnership has been or shall be created between the parties pursuant to this Agreement.

(h) Severability. If any provision of this Agreement is held or deemed to be or is in fact invalid, illegal, inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions of this Agreement or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, those circumstances do not have the effect of rendering the provision in question invalid, illegal, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions in this Agreement invalid, illegal, inoperative or unenforceable to any extent whatsoever. The invalidity, illegality, inoperativeness or unenforceability of any one or more phrases, sentences, clauses or sections in this Agreement does not affect the remaining portions of this Agreement or any part of it.

(i) Hotel's Authority. The Hotel represents, warrants and covenants that it is duly organized, validly existing, and qualified to do business in Illinois; that it has the right, power, and authority to execute and deliver this Agreement and to perform its obligations hereunder; that the person(s) signing this Agreement on behalf of the Hotel has the authority to do so; and that this Agreement shall be binding upon and enforceable against the Hotel in accordance with its terms.

(j) Termination Clause.

(i) The City or Hotel may terminate this Agreement for cause upon such written notice as is reasonable under the circumstances. Cause shall include, but not be limited to, misuse of funds; fraud; lack of compliance with applicable rules, laws and regulations; failure to make payments as and when due; and failure to perform in a timely manner. Following any such termination, each party shall have the right to exercise its legal and equitable remedies with respect to any such cause.

(ii) The City may terminate this Agreement for convenience or when it determines, in its sole discretion, that the continuation of the Agreement would not produce beneficial results commensurate with the further expenditure of funds, by providing the Hotel with prior written notice of 30 calendar days.

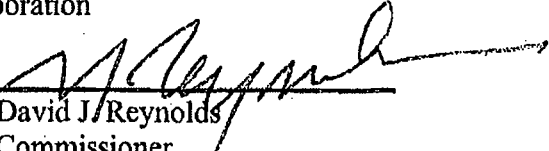
(iii) In the event this Agreement is terminated, Hotel shall not incur new obligations for the terminated portion of the Agreement after Hotel has received the notification of termination. Hotel shall cancel as many outstanding obligations as possible.

(k) Compliance with Laws. Each party hereby represents, warrants and covenants that it shall comply with all laws, rules, orders and regulations applicable to its performance under this Agreement.

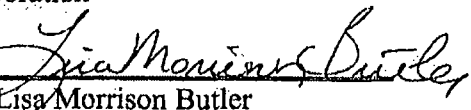
(l) FEMA Rider. This Agreement is subject to the Rider attached hereto as Exhibit B.

IN WITNESS WHEREOF, the City and the Hotel have executed this Agreement as of the Effective Date.

CITY OF CHICAGO, an Illinois municipal corporation

By: 
David J. Reynolds
Commissioner
Department of Assets, Information and Services

CITY OF CHICAGO, an Illinois municipal corporation

By: 
Lisa Morrison Butler
Commissioner
Department of Family and Support Services

OQ 168 NM PROPCO LLC, a Delaware limited liability company

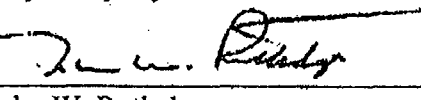
By: 
John W. Rutledge
Its Authorized Signatory

EXHIBIT A

INSURANCE REQUIREMENTS

During the Rental Period, the Hotel shall carry and maintain for the mutual benefit of the Hotel and the City Commercial General Liability insurance in the amount of at least \$5 million per occurrence for bodily injury, personal injury and property damage liability occurring on or about the Hotel Property, and naming the City as an additional insured. Coverage must also include products and completed operations for food or beverages for consumption and food or beverage contamination. Such limits may be satisfied through a combination of primary and excess/umbrella coverage. The Hotel shall obtain and maintain at all times during the Rental Period Workers Compensation coverage with limits no less than that required by applicable law and covering all of the Hotel's employees providing services or working in the Hotel Property. The Hotel shall obtain and maintain at all times during the Rental Period Property insurance in accordance with its standard corporate policies and programs. The Hotel hereby waives its rights of subrogation and agrees to require its insurers to waive their rights of subrogation against the City under all required insurance herein for any loss arising from or relating to this Agreement. The Hotel shall provide the City with evidence of insurance required herein in a form reasonably acceptable to the City. Hotel shall require all of its contractors and subcontractors to maintain appropriate insurance

EXHIBIT B

RIDER TO GROUP RENTAL AGREEMENT

This Rider is hereby incorporated into the Agreement by this reference. To the extent there is a conflict between the terms and provision contained in the Agreement and the terms and provisions contained in this Rider, the terms and provisions contained in this Rider shall prevail.

1. Termination for Convenience. The parties hereby acknowledge that they have already addressed a termination for convenience pursuant to the Addendum to which this Rider is a part.
2. Clean Air Act.
 - a. Hotel agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq.
 - b. Hotel agrees to report each violation to City and understands and agrees that the City will, in turn, report each violation as required to assure notification to the Centers for Disease Control and Prevention ("CDC"), and the appropriate Environmental Protection Agency Regional Office.
 - c. Hotel agrees to include the terms in Sections 2(a) and 2(b) above in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by CDC.
3. Federal Water Pollution Control Act.
 - a. Hotel agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33
 - b. U.S.C. 1251 et seq.
 - c. Hotel agrees to report each violation to City and understands and agrees that City will, in turn, report each violation as required to assure notification to CDC, and the appropriate Environmental Protection Agency Regional Office.
 - d. Hotel agrees to include the terms in Sections 2(a) and 2(b) above in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by CDC.
4. Debarment and Suspension.
 - a. The Agreement is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, Hotel shall verify that none of its principals (as defined in 2 C.F.R. § 180.995) or its affiliates (as defined in 2 C.F.R.

- b. §180.905) are excluded (as defined in 2 C.F.R. § 180-940) or disqualified (as defined in 2 C.F.R. § 180.935).
 - c. Hotel must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier subcontract entered into specifically for the performance of this Agreement.
 - d. This certification is a material representation of fact relied upon by City. If it is later determined that Hotel did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to City, the Federal Government may pursue available remedies, including but not limited to suspension and/or disbarment.
 - e. Hotel agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. Hotel further agrees to include a provision requiring such compliance in its lower tier subcontracts entered into specifically for the performance of this Agreement.
5. Byrd Anti-Lobbying Amendment. Hotel and all contracting parties shall file the required certification attached hereto as Schedule 1, certifying that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352 and disclosing any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures shall be forwarded from tier to tier up to City who in turn will forward the certification(s) to the awarding agency.
6. Access to Records. The Hotel shall be required to retain all financial records, supporting documents, statistical records and other records pertinent to this Agreement for a period of three years after submission of the final expenditure or cost report relating to the Agreement, provided that such three-year period may be extended as set forth in 48 CFR Section 200.333. For such retention period and for so long as Hotel is retaining the above-described information:
- a. Hotel agrees to provide City, the CDC Director, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of Hotel which are directly pertinent to the Agreement for the purposes of making audits, examinations, excerpts, and transcriptions.
 - b. Hotel agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
 - c. Hotel agrees to provide the CDC Director or his authorized representatives access to construction or other work sites pertaining to the work being completed under the Agreement, if any.

- d. In compliance with the Disaster Recovery Act of 2018, City and Hotel acknowledge and agree that no language in this Rider or the Agreement is intended to prohibit audits or internal reviews by the CDC Director or the Comptroller General of the United States.
7. Contract Changes or Modifications. Changes to the Agreement's terms shall be made only with the written consent of Hotel.
8. DHS Seal, Logo and Flags. Hotel shall not use the U.S. Department of Homeland Security ("DHS") seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific CDC pre-approval.
9. Compliance with Federal Law, Regulations and Executive Orders. This is an acknowledgement that CDC financial assistance will be used to fund all or a portion of the Agreement.
10. No Obligation by Federal Government. The Federal Government is not a party to the Agreement and is not subject to any obligations or liabilities to City, Hotel, or any other party pertaining to any matter resulting from the Agreement.
11. Complete Agreement. The parties agree that the written terms of this Agreement contain the entirety of the parties' agreement. Hotel is not obligated to adhere to any additional requirements, including but not limited to any CDC regulations or requirements. The headings of this Rider are not part of the context of this Rider or the Agreement and shall be ignored in construing this Rider or the Agreement
12. Program Fraud and False or Fraudulent Statements or Related Acts. Hotel acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements), as amended, applies to Hotel's actions pertaining to the Agreement and is hereby incorporated by reference.

SCHEDULE 1

BYRD ANTI-LOBBYING AMENDMENT CERTIFICATION

The undersigned certifies, to the best of his or her knowledge and belief, that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Hotel certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the undersigned understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

OQ 168 NM PROPCO LLC, a Delaware limited liability company

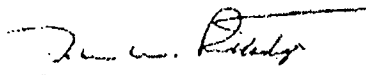
By: 
Name: John W. Rutledge
Its Authorized Signatory

EXHIBIT B

FIRST AMENDMENT TO GROUP ROOM BLOCK SALES AGREEMENT

(ATTACHED)

FIRST AMENDMENT TO GROUP ROOM BLOCK SALES AGREEMENT

This First Amendment to Group Room Block Sales Agreement (this "*First Amendment*") is entered into as of August __, 2021 (the "*Effective Date*") between OQ 168 NM Propco LLC, a Delaware limited liability company (the "*Hotel*"), whose principal offices are located at 350 West Hubbard Street, Suite 440 Chicago, Illinois 60654, and the City of Chicago, an Illinois municipal corporation and home rule unit of government (the "*City*"), through its Department of Assets, Information and Services ("*DAIS*"), whose principal offices are located at 2 North LaSalle Street, Suite 200, Chicago, Illinois 60602

WITNESSETH:

WHEREAS, the Hotel and the City entered into that certain Group Room Block Sales Agreement dated as of February 24, 2021 (the "*Agreement*"), relating to the Hotel Julian, which is located at 168 Michigan Avenue, Chicago, Illinois 60601 (the "*Hotel Property*"); and

WHEREAS, the Hotel and the City desire to modify the terms of the Agreement, as more specifically set forth below.

NOW THEREFORE, in consideration of the mutual covenants and agreements of the parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms. All capitalized terms used in this First Amendment shall have the same meanings given to said terms in the Agreement, unless otherwise expressly provided herein.

2. Reserved Rooms. The first sentence of Paragraph 1 of the Agreement is hereby amended to replace "all 218" with "175."

3. Rental Period. The first sentence of Paragraph 1 of the Agreement is hereby amended to replace "June 30, 2021" with "September 30, 2021."

4. City's Right to Extend Rental Period. The first sentence of Paragraph 2 of the Agreement is hereby amended to delete the language struck-through as follows:

The City shall have the option to extend the Rental Period for two (2) additional periods of 30 days each, upon the same terms and conditions applicable to the initial Rental Period; ~~except the City may decrease the number of Reserved Rooms to 175 during either 30-day extension of the Rental Period.~~

5. Counterparts. This First Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

6. Entire Agreement. This First Amendment embodies the entire agreement and understanding between the parties and supersedes any prior oral or written agreements with respect to the matters stated herein.

7. Incorporation of Amendment. The Hotel and the City hereby agree that (a) this First Amendment is incorporated into and made a part of the Agreement, and (b) any and all references to the Agreement hereinafter shall include this First Amendment.

8. Ratification. Except as provided in this First Amendment, the terms of the Agreement are hereby ratified and confirmed and the parties agree that the provisions contained therein are in full force and effect, as amended hereby, as of the date hereof.

IN WITNESS WHEREOF, the City and the Hotel have executed this First Amendment as of the Effective Date.

CITY OF CHICAGO, an Illinois municipal corporation

By: David J. Reynolds /jn
David J. Reynolds
Commissioner
Department of Assets, Information and Services

CITY OF CHICAGO, an Illinois municipal corporation

By: Brandie V. Knazze
Brandie V. Knazze
Commissioner
Department of Family and Support Services

OQ 168 NM PROPCO LLC, a Delaware limited liability company

By: John W. Rutledge
John W. Rutledge
Its Authorized Signatory

EXHIBIT C

SECOND AMENDMENT TO GROUP ROOM BLOCK SALES AGREEMENT

This Second Amendment to Group Room Block Sales Agreement (this “*Second Amendment*”) is entered into as of November __, 2021 (the “*Effective Date*”) between OQ 168 NM Propco LLC, a Delaware limited liability company (the “*Hotel*”), whose principal offices are located at 350 West Hubbard Street, Suite 440 Chicago, Illinois 60654, and the City of Chicago, an Illinois municipal corporation and home rule unit of government (the “*City*”), through its Department of Assets, Information and Services (“*DAIS*”), whose principal offices are located at 2 North LaSalle Street, Suite 200, Chicago, Illinois 60602.

WITNESSETH:

WHEREAS, the Hotel and the City entered into that certain Group Room Block Sales Agreement dated as of February 24, 2021, as amended by that certain First Amendment to Group Room Block Sales Agreement dated as of August 30, 2021 (collectively, the “*Agreement*”), relating to the Hotel Julian, which is located at 168 Michigan Avenue, Chicago, Illinois 60601 (the “*Hotel Property*”); and

WHEREAS, the Hotel and the City desire to modify the terms of the Agreement, as more specifically set forth below.

NOW THEREFORE, in consideration of the mutual covenants and agreements of the parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms. All capitalized terms used in this Second Amendment shall have the same meanings given to said terms in the Agreement, unless otherwise expressly provided herein.
2. Rental Period. The first sentence of Paragraph 1 of the Agreement is hereby amended to replace “September 30, 2021” with “February 28, 2022.”
3. City’s Right to Extend Rental Period. Paragraph 2 is hereby deleted in its entirety.
4. Counterparts. This Second Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.
5. Entire Agreement. The Agreement, as modified by this Second Amendment, embodies the entire agreement and understanding between the parties and supersedes any prior oral or written agreements with respect to the matters stated herein.

6. Incorporation of Amendment. The Hotel and the City hereby agree that (a) this Second Amendment is incorporated into and made a part of the Agreement, and (b) any and all references to the Agreement hereinafter shall include this Second Amendment.

7. Ratification. Except as provided in this Second Amendment, the terms of the Agreement are hereby ratified and confirmed and the parties agree that the provisions contained therein are in full force and effect, as amended hereby, as of the date hereof.

IN WITNESS WHEREOF, the City and the Hotel have executed this Second Amendment as of the Effective Date.

CITY OF CHICAGO, an Illinois municipal corporation

By: _____
David J. Reynolds
Commissioner
Department of Assets, Information and Services

CITY OF CHICAGO, an Illinois municipal corporation

By: _____
Brandie V. Knazze
Commissioner
Department of Family and Support Services

OQ 168 NM PROPCOLLC, a Delaware limited liability company

By: _____
John W. Rutledge
Its Authorized Signatory



CITY OF CHICAGO



DEPARTMENT OF ASSETS, INFORMATION & SERVICES

November 9, 2021


TO THE HONORABLE, THE CHAIRMAN AND
MEMBERS OF THE CITY COUNCIL COMMITTEE ON
HOUSING AND REAL ESTATE

Ladies and Gentlemen:

I transmit herewith an ordinance authorizing the execution of a renewal of a room rental agreement with Hotel Julian.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,



David J. Reynolds
Commissioner