



City of Chicago



O2022-1989

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 6/22/2022

Sponsor(s): Lightfoot (Mayor)

Type: Ordinance

Title: Lease agreement with 2243 LLC for use of "John Burns" unit at southeast corner of 2243 S Throop St by Department of Police

Committee(s) Assignment: Committee on Housing and Real Estate



OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

June 22, 2022

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

Ladies and Gentlemen:

At the request of the Commissioner of Assets, Information and Services, I transmit herewith ordinances authorizing the execution of lease agreements with various entities.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

A handwritten signature in black ink that reads "Lori E. Lightfoot". Below the signature, the word "Mayor" is printed in a smaller, sans-serif font.

ORDINANCE

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

SECTION 1: On behalf of the City of Chicago as Tenant, the Commissioner of the Department of Assets, Information & Services is authorized to execute a Lease Agreement with 2243 LLC, as Landlord, to permit the use of space within the building located at 2243 South Throop Street by the Department of Police; such agreement to be approved by the Public Safety Administration and as to form and legality by the Corporation Counsel in substantially the following form:

LEASE NO. _____

LEASE

THIS LEASE (the “Lease”) is made and entered into this 31st day of May, 2022 (the “Execution Date”), by and between **2243, LLC**, an Illinois limited liability company (hereinafter referred to as “Landlord”) and the **CITY OF CHICAGO**, an Illinois municipal corporation (hereinafter referred to as “Tenant”).

R E C I T A L S

WHEREAS, Landlord is the owner of the real property located at 2243 South Throop Street, Chicago, Cook County, Illinois (the “Property”); and

WHEREAS, Landlord is marketing the “John Burns unit” located on the southeast corner of the building located on the Property, containing approximately 13,200 square feet of space, as available for lease; and

WHEREAS, Tenant has determined that the John Burns unit will be suitable for Tenant’s and wishes to lease the space from Landlord; and

WHEREAS, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord, the Premises (as hereinafter defined), upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the 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:

SECTION 1. GRANT

1.1 **The Premises**. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the following described premises:

The John Burns unit, containing approximately 13,200 rentable square feet, located on the ground floor in the southeast corner of the building located at 2243 South Throop Street (part of PIN 17-29-103-033), Chicago, Cook County, Illinois (the “Premises”). (See Exhibit 1) and 20,000 sq. ft. adjacent outdoor parking.

1.2 **Expansion of Premises**. Tenant may elect to expand the Premises by including the adjacent garage and office space located directly west of and adjacent to the John Burns unit, containing approximately 10,000 square feet of garage and office space (the “Expansion Space”) (See Exhibit 2), by providing Landlord with ninety (90) days’ notice of its intent to expand. Landlord is entitled to decline Tenant’s request to expand in the event that it is occupied by other tenants in the building, or the other occupied tenant is willing to move to another available area within the property.

LEASE NO. _____

SECTION 2. TERM

2.1 Term. The term of this Lease (“Term”) shall commence on June 1, 2022 (the “Commencement Date”) and shall terminate on May 31, 2027.

2.2 Termination by Tenant. Tenant shall have the right to terminate this lease effective as of November 27, 2022, if Tenant’s City Council does not approve the continuation of the Term. Notwithstanding the forgoing, Tenant shall have the right to terminate this Lease after completion of the first lease year by providing Landlord with one hundred eighty (180) days’ prior written notice.

SECTION 3. RENT, TAXES AND UTILITIES.

3.1 Rent. Tenant shall pay rent to Landlord in monthly installments according to the following rent schedule:

| Lease Year | Period Beginning | Period Ending | Monthly Rent | Annual Rent |
|------------|------------------|---------------|--------------|--------------|
| 1 | 6/1/2022 | 5/31/2023 | \$15,000.00 | \$180,000.00 |
| 2 | 6/1/2023 | 5/31/2024 | \$15,450.00 | \$185,400.00 |
| 3 | 6/1/2024 | 5/31/2025 | \$15,913.50 | \$190,962.00 |
| 4 | 6/1/2025 | 5/31/2026 | \$16,390.91 | \$196,690.86 |
| 5 | 6/1/2026 | 5/31/2027 | \$16,882.63 | \$202,591.59 |

In the event that Tenant expands into the Expansion Space, Tenant shall pay rent to Landlord according to the following rent schedule commencing on the date of expansion:

| Lease Year | Period Beginning | Period Ending | Monthly Rent | Annual Rent |
|------------|------------------|---------------|--------------|--------------|
| 1 | 6/1/2022 | 5/31/2023 | \$25,000.00 | \$300,000.00 |
| 2 | 6/1/2023 | 5/31/2024 | \$25,750.00 | \$309,000.00 |
| 3 | 6/1/2024 | 5/31/2025 | \$26,522.50 | \$318,270.00 |
| 4 | 6/1/2025 | 5/31/2026 | \$27,318.18 | \$327,818.10 |
| 5 | 6/1/2026 | 5/31/2027 | \$28,137.72 | \$337,652.64 |

Rent shall be prorated on a per diem basis if the Commencement Date, or date of expansion, is not the first day of the month or if the Term of this Lease shall be terminated on any day other than the last day of the month.

Rent shall be paid on or before the first day of the month during the Term. Landlord understands that Tenant’s budget office does not provide funding until mid-February, and Tenant

LEASE NO. _____

shall be granted until March 1 of a given calendar year to pay January and February rent without being deemed in default of its obligation to pay rent.

Rent shall be paid to Landlord at 2243 S. Throop Street, Chicago, IL 60608, or at such place as Landlord may from time to time, hereby designate in writing to Tenant.

3.2 Taxes and Other Levies. Landlord shall pay when due all real estate taxes, duties, assessments, sewer and water charges and other levies assessed against the Premises.

3.3 Reimbursement to Landlord for Increase Real Estate Taxes. Tenant shall reimburse Landlord for its proportionate share (equating to the square footage of Tenant's Premises as a percentage of the total rentable square feet of the Property) of real estate taxes for the Property that are in excess of 2020 real estate taxes (that were payable in 2021) for the Property. Tenant's proportionate share is determined to be 12% (Tenant's Premises of 13,200 s.f. / 110,000 s.f. for the Property). Landlord shall provide Tenant with copies of the real estate tax bills and Tenant shall tender the reimbursement payment to Landlord together with the following month's Rent payment.

3.4 Separate Utilities. Tenant shall pay when due all charges for gas, heat, and telephone or other communication service, and all other utility services used in or supplied to the Premises, with the exception of water and sewer charges. Landlord shall sub-meter the Premises for Tenant's utilities if they are not already on a separate meter.

3.4.1 Common Utilities. Tenant shall pay to Landlord 25 percent of the total bill for common electric, water and sewer. If the tenant elects to expand pursuant to 1.2 of this Lease, then tenant shall pay 43 percent of the Common Electric, water and sewer. Landlord shall bill Tenant for the common utilities and Tenant shall pay Landlord for the common utilities within (30) thirty days.

SECTION 4. TENANT IMPROVEMENTS

4.1 Tenant Improvements. Tenant shall be permitted to construct improvements within the Premises and may elect to have such work completed by Landlord with all costs being reimbursable to Landlord by Tenant.

4.2 Conditions prior to Construction. Tenant shall cause to be prepared the appropriate architectural drawings sufficient to obtain the required permits, which shall be subject to landlords' approval.

4.3 Cost of Improvements. Tenant and/or landlord, by their agreement, shall obtain bids for the requested improvements and agree on the cost and contractor(s) to provide such improvements.

4.4 Payment of Cost of Improvements. Unless otherwise agreed, the cost of the improvements shall be paid by tenant. If tenant requests landlord to pay said costs of

LEASE NO. _____

improvements, then tenant shall reimburse landlord for the costs of said improvements in the following manner:

- a) by opening a construction escrow at Fidelity National Title Co. and funding the construction escrow; or
- b) by reimbursing landlord and paying to landlord the following sums for said construction: one-third (1/3) upon execution of a construction contract; one third (1/3) upon completion of one half (1/2) of the construction project and a final payment of all monies due upon completion.

SECTION 5. CONDITION AND ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS, SURRENDER.

5.1 Condition of Premises Upon Delivery of Possession. Landlord covenants that the Premises shall, at the time of delivery of possession to Tenant:

(a) Comply in all respects with all laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments, ("Law") which may be applicable to the Premises or to the use or manner of use of the Premises;

(b) Contain no environmentally hazardous materials.

5.2 Covenant of Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon paying the rent and upon observing and keeping the covenants, agreements and conditions of this Lease on its part to be kept, observed and performed, shall lawfully and quietly hold, occupy and enjoy the Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by Landlord or by any person or persons claiming under Landlord.

5.3 Landlord's Duty to Maintain Premises and Right of Access. Unless otherwise provided in this Lease, Landlord shall, at Landlord's expense, keep the electrical, plumbing, and building envelope in a condition of thorough repair and good order, free from water infiltration, and in compliance with all applicable provisions of the Municipal Code of the City of Chicago, including but not limited to those provisions in Title 13 ("Building and Construction"), Title 14 ("Electrical Equipment and Installation"), and Title 15 ("Fire Prevention"). If Landlord shall refuse or neglect to make needed repairs within ten (10) days after mailing of written notice thereof sent by Tenant, unless such repair cannot be remedied within ten (10) days, and Landlord shall have commenced and is diligently pursuing all necessary action to remedy such repair, Tenant is authorized to make such repairs and, with respect to repairs costs that are Landlord's responsibility, to deduct the cost thereof from rents accruing under this Lease. Landlord shall have the right of access to the Premises for the purpose of inspecting and making repairs to the Premises, provided that except in the case of emergencies, Landlord shall first give notice to Tenant of its desire to enter the Premises and will schedule its entry so as to minimize any interference with Tenant's use of Premises to prospective or actual purchasers, mortgagees, tenants, workmen, or contractors or as otherwise necessary in the operation or protection of the Premises.

LEASE NO. _____

5.4 Tenants Duty to Maintain HVAC. Tenant shall be responsible for maintenance of the heating, ventilation, and air conditioning (HVAC) systems after expiration of any manufacturers or installer's warranty.

5.5 Accessibility. Landlord is responsible for ensuring that the Premises complies with all applicable Laws regarding accessibility standards for persons with disabilities or environmentally limited persons, including the following: the 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 Pub. L. 90-480 (1968), and the Uniform Federal Accessibility Standards; and the Illinois Environmental Barriers Act, 410 ILCS 25/L et seq, and all regulations promulgated thereunder, see Illinois Administrative Code, Title 71, Chapter 1, Section 400.110. If the above standards are inconsistent, Landlord must assure that the Premises comply with the standard providing the greatest accessibility.

5.6 Use of the Premises. Tenant shall not use the Premises in a manner that would violate any Law. Tenant further covenants not to do or suffer any waste or damage, comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments which may be applicable to the Premises or to the use or manner of use of the Premises, disfigurement or injury to any building or improvement on the Premises, or to fixtures and equipment thereof.

5.7 Alterations and Additions. Tenant shall have the right to make such alterations, and improvements on the Premises as it shall deem necessary. Provided, however, that any such alterations and improvements shall be in full compliance with the applicable Law and provided that Tenant has obtained the prior written consent of Landlord. Landlord shall not unreasonably withhold consent.

5.8 Tenant shall be responsible for snow and ice removal to the adjacent sidewalks and parking lot.

5.9 Tenant shall be responsible for a scavenger service for all waste and debris.

SECTION 6. ASSIGNMENT, SUBLEASE, AND LIENS.

6.1 Assignment and Sublease. Tenant shall not assign this Lease in whole or in part, or sublet the Premises or any part thereof, without the written consent of Landlord. Landlord shall not unreasonably withhold consent.

6.2 Tenant's Covenant Against Liens. Tenant shall not cause or permit any lien or encumbrance, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon Landlord's title or interest in the Premises. Any liens or encumbrances created by Tenant shall attach to Tenant's interest only.

LEASE NO. _____

SECTION 7. INSURANCE AND INDEMNIFICATION.

7.1 Insurance. The Landlord shall procure and maintain at all times, at Landlord's own expense, during the term of this Lease, the insurance coverages and requirements specified below, insuring all of Landlord's operations conducted in or about the Premises related to this Lease.

The kinds and amounts of insurance required are as follows:

(a) Workers Compensation and Employers Liability Insurance. Workers Compensation and Employers Liability Insurance, in accordance with the laws of the State of Illinois, or any other applicable jurisdiction, covering all Landlord's employees at the Premises and Employer's Liability coverage with limits of not less than \$500,000 each accident or illness. This provision shall also apply to Landlord's employees, agents or clients hired for work on the Premises, if such shall exist.

(b) Commercial Liability Insurance. (Primary and Umbrella). Commercial Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence, for bodily injury, personal injury, and property damage liability. Coverage extensions shall include the following: All premises and operations, products/completed operations, defense, separation of insureds, and contractual liability (with no limitation endorsement). The City of Chicago, its employees, elected officials, agents, and representatives are to be named as additional insureds on a primary, noncontributory basis for any liability arising directly or indirectly from the Lease.

(c) Automobile Liability Insurance. (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Landlord shall provide Comprehensive Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence, for bodily injury and property damage.

(d) All Risk Property Insurance. All risk property insurance coverage shall be maintained by the Landlord for full replacement value to protect against loss, damage to or destruction of property.

The insurance shall cover all loss or damage to personal property (including but not limited to materials, equipment, tools and supplies), owned or rented, by the Landlord.

7.2 Other Terms of Insurance. The Landlord will furnish the City of Chicago, Department of Assets, Information & Services, Office of Real Estate Management, 2 North LaSalle Street, Suite 200, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Lease, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Lease. The Landlord shall submit evidence on insurance prior to Lease execution. The receipt of any certificates does not constitute agreement by the Tenant that the insurance requirements in the Lease have been fully met or that the insurance policies indicated on the certificate are in compliance with all Lease requirements. The failure of the Tenant to obtain certificates or other insurance evidence from Landlord shall not be deemed to

LEASE NO. _____

be a waiver by the Tenant. The Landlord shall advise all insurers of the Lease provisions regarding insurance. Non-conforming insurance shall not relieve Landlord of its obligation to provide Insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Lease, and the Tenant retains the right to terminate the Lease until proper evidence of insurance is provided.

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

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Landlord.

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

The Landlord expressly understands and agrees that any coverages and limits furnished by Landlord shall in no way limit the Landlord's liabilities and responsibilities specified within the Lease documents or by law.

The Landlord expressly understands and agrees that any insurance or self-insurance programs maintained by the City of Chicago shall apply in excess of and not contribute to insurance provided by the Landlord under the lease. Tenant expressly understands and agrees that any coverages maintained by Landlord do not insure Tenant improvements in the Premises nor its interest in any of its personal property and trade fixtures located on or within the Premises, including, without limitation, its office furniture, equipment and supplies.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The City of Chicago, Office of Risk Management maintains the right to reasonably modify, delete, alter or change these requirements, as long as they do not exceed, or are more stringent, than the above requirements.

7.3 Tenant Self-Insurance. Tenant is self-insured for its liability exposure and shall remain a self-insured entity throughout the Term of this Lease. Tenant shall provide a letter of self-insurance to Landlord at the prior to the Commencement Date of this Lease.

7.4 Mutual Indemnification. Landlord and Tenant shall indemnify and hold each other harmless against all liabilities, judgment costs, damages, and expenses which may accrue against, be charged to, or be recovered from either party by reason of any negligent performance of or failure to perform any of their obligations under this Lease.

LEASE NO. _____

SECTION 8. CONDEMNATION AND CASUALTY

8.1 **Total Condemnation.** If at any time during the Term, any portion of the Premises or the Building shall be permanently taken or appropriated by virtue of eminent domain, or other similar proceedings or be condemned for any public or quasi-public use, the result of which is to render the Premises untenantable for Tenant's business purposes, Tenant's right to possession of the Premises shall automatically terminate, without compensation, payment or liability of Landlord to Tenant. Landlord shall be entitled to all condemnation awards, except that Tenant may pursue an award for the value of any permanent leasehold improvements to the Premises paid for by Tenant and for the value of the unexpired leasehold state herein as of the date of such taking or condemnation.

8.2 **Partial Condemnation.** If any part of the Premises shall be acquired or condemned by eminent domain for any public or quasi-public use of purpose, and in the event that such partial taking or condemnation shall render the Premises unsuitable for the business of the Tenant in the Tenant's reasonable opinion then, at Tenant's election, the term of this lease shall cease and terminate as of the date of title vesting in such proceeding. In the event of a partial taking or condemnation which in Tenant's opinion is not extensive enough to render the Premises unsuitable for Tenant's business then the Landlord shall promptly restore the Premises to a condition comparable to its condition at the time of such condemnation less the portion lost on the taking, and this Lease shall continue in full force and effect subject to a prorata reduction in the monthly rental. Tenant's election hereunder shall be made by written notice as provided herein within sixty (60) days of notice by the Landlord of the institution of the condemnation proceedings.

8.3 **Temporary Condemnation.** If the condemnation is a temporary taking of all or a portion of the Premises, Building or Project, and if this Lease is not terminated as provided for above, then Rent shall be abated in its entirety during the duration of the temporary taking (the "**Taking Period**") unless Tenant is able to conduct limited operations on a portion of the Premises, in which case Rent shall be abated proportionally in the same proportion as the rentable floor area of the Premises which Tenant is unable to use to conduct its business bears to the total rentable area of the Premises during the Taking Period. Notwithstanding the foregoing, if in Tenant's reasonable opinion (taking into account its ability to process the volume of cargo needed to meet its published customer standards) Tenant is unable to use the Premises to conduct its business during the Taking Period, and Tenant does in fact cease operating at the Premises during such time, then Rent shall be abated in its entirety until the Taking Period has ended or Tenant resumes operating at the Premises, whichever occurs first. If the Taking Period exceeds four (4) months, Tenant may elect to terminate this Lease with written notice to Landlord.

8.4 **Casualty.** In the event the premises are damaged by fire, explosion or any other casualty ("Casualty"), the damage shall promptly be repaired by Landlord at Landlord's expense. Within thirty (30) days of the Casualty, the Landlord shall notify Tenant in writing (the "**Restoration Notice**") of its reasonable estimate of how long it will take (after the date of the Casualty) to completely restore the Premises including time required to obtain insurance, to prepare plans for reconstruction, to obtain building permits, to account for weather conditions,

LEASE NO. _____

and to complete the likely contract bidding process and all other relevant factors (the "**Restoration Period**") in Landlord's reasonable estimation, the Restoration Period will exceed one hundred twenty (120) days, then Landlord may terminate this Lease by stating it has elected to do so in the Restoration Notice, or Tenant may terminate this Lease by written notice to Landlord delivered within thirty (30) days after receipt of the Restoration Notice, whereupon both parties shall be relieved of all further obligations hereunder, except as otherwise expressly set forth herein, and the Rent due hereunder shall be paid up to the date of the termination, proportionately abated to the extent any portion of the Premises was unable to be used by Tenant to conduct its business after the date of the Casualty.

8.5 Restoration. If neither party terminates this Lease, or if the restoration can be completed within the Restoration Period, then Landlord shall diligently and with commercially reasonable promptness repair the Premises to the condition existing prior to the Casualty (except for Tenant's personal property). During the Restoration Period, Landlord shall use commercially reasonable efforts to provide Tenant with any temporary accommodations or services that Tenant may require to continue operating at the Premises, including without limitation, temporary truck access and utility services, if needed. Rent shall be abated in its entirety during the Restoration Period unless Tenant is able to conduct limited operations on a portion of the Premises, in which case Rent shall be abated proportionally in the same proportion as the rentable floor area of the Premises which Tenant is unable to use to conduct its business bears to the total rentable area of the Premises from the date of the Casualty until the restoration has been substantially completed. Notwithstanding the foregoing, if in Tenant's reasonable opinion (taking into account its ability to process the volume of cargo needed to meet its published customer standards) Tenant is unable to use the Premises to conduct its business during the Restoration Period, and Tenant does in fact cease operating at the Premises during the Restoration Period, then Rent shall be abated in its entirety until the restoration of the Premises has been completed or Tenant resumes operating at Premises, whichever occurs first. If the Lease is not terminated pursuant to the termination rights granted hereunder, and Landlord's reconstruction or repair of the Premises is not completed within the estimated Restoration Period (subject to unexpected delays due to inclement weather, unexpected delays in the time required to prepare plans for reconstruction, to obtain building permits, an to complete the likely contract bidding process and all other relevant factors, but not to exceed an additional sixty (60) days, then, Tenant shall have the right to terminate this Lease by written notice to Landlord delivered with thirty (30) days after the expiration of the Restoration Period (or as so extended), whereupon both partied shall be relieved of all further obligations hereunder, except as otherwise expressly set forth herein.

8.6 Common Area. Notwithstanding the foregoing, if a portion of the Common Area is damaged or destroyed by Casualty, and as a result Tenant is unable to access the Premises or otherwise use the Premises as intended herein, the parties agree that: (i) Landlord shall use commercially reasonable efforts to provide Tenant with any temporary accommodations or services that Tenant may require to continue operating at the Premises, including without limitation, temporary truck access and parking, (ii) if Tenant is unable to use the Premises as intended, or if such use is adversely impacted, the Rent due hereunder shall be equitably reduced as agreed upon by the partied until such time as the Common Area are restored or Landlord provides satisfactory alternate accommodations to Tenant (in Tenant's sole reasonable opinion), and (iii) if the parties are unable to reach agreement on the reduced Rent within sixty (60) days

LEASE NO. _____

after the date of the Casualty, or Tenant is unable to reasonably use the Premises for a period of one hundred twenty (120) days after the date of such Casualty, then Tenant may elect to terminate this Lease with written notice to Landlord.

8.7 In the event that (a) Casualty occurs during the last six (6) months of the Term, or (b) the Building is damaged to the extent of fifty percent (50%) or more of the costs of replacement, either Landlord or Tenant may elect to terminate the Lease upon giving such notice of such election to the other party within sixty (60) days after the occurrence of the event causing the damage. Landlord agrees to carry sufficient insurance coverage for the Building with coverage for rebuilding in the event of total loss. In the event that the Landlord elects not to rebuild the Premises after a total loss, then Rent shall abate as of the date of the loss. If Landlord elects to repair or rebuild the Premises, then Tenant shall pay all cost of repair or replacement of the Leasehold improvements to the extent of available insurance proceeds. If Landlord is required or elects to repair the Premises, as herein provided, Tenant shall repair or replace its stock in trade, fixtures, furniture, furnishings, floor coverings and equipment, and if Tenant has closed for business, Tenant shall promptly reopen for business upon completion of such repairs.

SECTION 9. HOLDING OVER.

9.1 Holding Over. Any holding over by Tenant shall be construed to be a tenancy from month to month only beginning after the expiration of the Term, and the rent shall be due at 105% of Section 3.1 at the expiration of the Term.

SECTION 10. ADDITIONAL RESPONSIBILITIES OF LANDLORD.

10.1 Roof. Landlord shall at all times maintain the roof in a watertight condition so as to prevent water infiltration into the Premises.

10.2 Water Service. Landlord shall ensure there is water service to the Premises and shall provide a hot water heater for supplying hot water to the Premises.

10.3 Plumbing. Landlord shall maintain plumbing in good operable condition, excluding damage caused by acts of vandalism or negligence attributable to Tenant, Tenant's agents or Tenant's clients.

10.4 Fire Extinguishers. Landlord shall provide and maintain fire extinguishers in the Premises at all times as required by code. Provided, however, that Landlord shall not be responsible for replacement of fire extinguishers that are vandalized or stolen from the Premises.

10.5 Economic Disclosure Statement Updates. Upon the City's request throughout the Term, Tenant shall provide the City with any material updates to the information previously submitted in Tenant's Economic Disclosure Statement.

LEASE NO. _____

10.6 Compliance with City Requirements. Landlord covenants and agrees to abide by, and contractually obligate and cause its contractors to abide by, the terms set forth in Exhibit A attached hereto.

SECTION 11. WAIVER AND INDEMNIFICATION

11.1 Landlord's Indemnification. Except to the extent due to the negligence or willful misconduct of Landlord or its employees, agents or contractors, or Landlord's failure to perform its obligations hereunder, Tenant agrees to protect, defend, indemnify, and hold Landlord harmless from and against any and all liabilities, claims, expenses, losses and damages (including reasonable attorney fees and costs), that may at any time be asserted against Landlord by any person as a result of or in connection with Tenant's use or occupancy of the Premises. Tenant will give prompt written notice to Landlord of any casualty or accident on or about the Premises. The provisions of this Section will survive the expiration or earlier termination of this Lease.

11.2 Tenant's Indemnification. Upon approval of the City of Chicago City Council and except to the extent due to the negligence or willful misconduct of Tenant or its employees, agents or contractors, or Tenant's failure to perform its obligations hereunder, Landlord agrees to protect, defend, indemnify, and hold Tenant harmless from and against any and all liabilities, claims, expenses, losses and damages (including reasonable attorney fees and costs), that may at any time be asserted against Tenant by any person as a result of the negligent acts or omissions of Landlord or its employees, agents or contractors in on or about the Premises, or Landlord's failure to perform its Lease obligations. The provisions of this Section will survive the expiration or earlier termination of this Lease.

SECTION 12. COMPLIANCE WITH LAWS

12.1 Landlord's Representations. Landlord hereby represents and warrants that as of the date of this Lease, the Premises, Building, and Project comply with all building codes, applicable laws, covenants or restrictions of record, regulations, and ordinances, including without limitation the ADA. Landlord shall correct any violation of this warranty at its sole cost and expense. Landlord's Obligations. Landlord represents and warrants that it will comply will all local, municipal, state and federal codes (including but not limited to the Americans with Disabilities Act), laws or regulations with respect to the Building, Project and Premises. Any costs associated with compliance (including without limitation, any capital improvement that may be required) will be Landlord's sole responsibility. Tenant shall not be required to make any improvements, modifications or additions to the Premises, Building or Project in order to cause such to comply with any applicable laws, unless such improvement , modifications or additions are required due to (i) improvements made to the Premises by the Tenant during the Term or (ii) the specific and unique use of the Premises by Tenant as opposed to uses by tenants in general.

12.2 Tenant's Obligations. Tenant shall observe and comply with all laws, orders, rules, requirements, and regulations of a federal, state or local nature, and of any and all governmental authorities or agencies and of any board of fire underwriters or other similar

LEASE NO. _____

organization, respecting the manner in which the Premises are or should be used by Tenant. Tenant shall have the right, at its own cost and expense, to contest or review by legal proceedings the validity, legality or applicability of any such laws, orders, rules, requirements, and regulations, except real estate taxes, and during such contest, Tenant may refrain from complying therewith, provided that such compliance may be deferred only if (i) neither Tenant nor Landlord will thereby be subjected to civil or criminal liability for failure to comply therewith; (ii) compliance may be so deferred without the incurrence of any lien, charge or liability of any kind against the Premises or any interest therein or part thereof; and (iii) Tenant prosecutes the contest in good faith and with due diligence. Landlord shall at times during the Term reasonable cooperate with Tenant, at no material expense to Landlord, in requesting such modifications, changes in zoning, variances, special use permits and such other changes in any such laws, orders, rules, requirements, and regulations affecting the Premises, as Tenant may request.

SECTION 13. ENVIRONMENTAL OBLIGATIONS AND RESPONSIBILITY.

13.1 Definition. For purposes of this section, "Hazardous Substances" shall be interpreted broadly to include but not limited to (a) substances designated as hazardous under the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq., the Federal Water Pollution Control Act, 33 U.S.C. §1257, et seq., the Clean Air Act, 42 U.S.C. §2001, et seq., or the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. §9601, et seq., or any other Federal or State law or regulation now or in the future applicable to the Premises, Building or Project, (b) any substance which after release into the environment and upon exposure, ingestion, inhalation or assimilation, either directly from the environment or directly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavior abnormalities, cancer and/or genetic abnormalities, and (c) oil and petroleum based derivatives.

13.2 Landlord's Warranty. Landlord, to the best of its knowledge, represents and warrants to Tenant that no toxic, explosive or other dangerous materials or Hazardous Substances have been concealed within, buried beneath, released on or from, or removed from and stored off-site of the property upon which the Building and Premises are constructed and there are no underground or above-ground storage tanks associated with the Premises, Building and Project. Landlord, to the extent of applicable law (excluding specifically Landlord's recourse against any third parties including, but not limited to, prior or existing tenants) represents and warrants that, as of the Lease Commencement Date, to the best of its knowledge, there is no current violation of any environmental laws or presence of any Hazardous Substances on or affecting the Premises, Building and/or Project in violation of applicable law.

13.3 Landlord's Obligations. Landlord agrees to indemnify, defend and hold Tenant harmless for any and all claims, damages, fines, judgments, penalties, costs, liabilities, or losses (including, without limitation, any and all sums paid for settlement of claims, attorneys' fees, consultant and expert fees) arising during or after the Term from or in connection with the presence or suspected presence of Hazardous Substances or environmental damage in or on the Premises unless the Hazardous Substances are present solely as a result of the negligence, willful misconduct, or other acts of Tenant, Tenant's agents, employees, contractors, or invitees.

LEASE NO. _____

Without limitation of the foregoing this indemnification shall include any and all costs incurred due to any investigation of the site or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision, and shall specifically include any and all costs due to Hazardous Substances that flow, leach, diffuse, migrate, or percolate into, onto, or under the Premises after the Term commences.

13.4 The obligations of Landlord under this Section shall survive the expiration or earliest termination of this Lease.

13.5 Tenant's Obligation. Tenant shall comply with all laws relating to the handling of Hazardous Substances. Tenant agrees to indemnify and hold harmless Landlord and its successors and assigns and their respective partners, officers, directors, shareholders, and employees for any and all claims, damages, fines, judgements, penalties, costs, liabilities, or losses (including, without limitation, any and all sums paid for settlement of claims, attorneys' fees, consultant and expert fees) arising from or in connection with the presence or suspected presence of Hazardous Substances or environmental damage in or on the Premises which are present as a result of the negligence, willful conduct, or other acts of Tenant, Tenant's agents, employees, contractors, or invitees. Without limitation of the foregoing, this indemnification shall include any and all costs incurred due to any investigation of the Premises or any clean-up, removal, or restoration mandated by federal, state, or local agency or political subdivision. The obligations of this Section shall survive the expiration or earlier termination of this Lease.

13.6 Shipping. Tenant may bring upon and ship through the Premises limited quantities of Hazardous Substances in the ordinary course of its business provided the handling of such is at all times in compliance with all applicable laws.

13.7 Environmental Reports. Landlord shall provide to Tenant, at no cost to Tenant, prior to the Commencement Date and thereafter upon receipt of written request, copies of the most recent environmental reports (such as Phase I) that Landlord has or is reasonably able to obtain for the Premises, Building, and Project. Landlord also hereby agrees that Tenant may, at its sole cost and expense, conduct a Phase I or similar environmental report on the Premises, Building and Project provided (i) Tenant gives Landlord prior written notice of such, (ii) Tenant repairs any damages caused by such investigation, if any, and (iii) Tenant and its contractors shall not unreasonably disturb any other occupants of the Building or Project, if any.

SECTION 14. ADDITIONAL RESPONSIBILITIES OF TENANT.

14.1 Plate Glass. Tenant shall replace any broken or damaged plate glass during term of Lease which is not caused by acts or negligence of Landlord.

14.2 Custodial Services. Tenant shall Provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs, or sweeping.

LEASE NO. _____

14.3 Signage. At Tenant's option, Tenant may choose to place graphic lettering at Tenant's entrances. The placement and maintenance of such graphic lettering shall be at Tenant's sole expense. Any such signage shall be subject to approval by Landlord which shall not be unreasonably withheld.

14.4 Security Service. Tenant may elect to pay for monthly alarm service, at Tenant's sole discretion.

14.5 Repairs for Tenant Negligence, Vandalism, or Misuse. Subject to approval as set forth herein, Tenant shall assume all responsibility for any repairs to the Premises necessitated by the negligence, vandalism, or misuse of the Premises or equipment therein by Tenant's employees, clients, invitees, agents, or contractors. In such case, Landlord shall notify Tenant in writing of such damage. At Tenant's option, Tenant may perform such repairs with service providers suitable to Tenant and at Tenant's sole cost without further setoff or deduction. In the alternative, Tenant may direct Landlord in writing to perform said repairs subject to full reimbursement to Landlord by Tenant of all costs associated with such repairs excluding any overhead and/or profit. Any repairs to the Premises effectuated by Landlord under this section shall only be performed by Landlord upon written approval from the Department of Assets, Information & Services.

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

14.7 Hazardous Materials. Tenant shall keep out of Premises materials which cause a fire hazard or safety hazard and Tenant shall comply with reasonable requirements of Landlord's fire insurance carrier; not destroy, deface, damage, impair, nor remove any part of the Premises or facilities, equipment or appurtenances.

14.8 Rules and Regulations. Tenant agrees to observe and comply with any reasonable rules and regulations (the "Rules and Regulations") applicable to all tenants and occupants of Landlord's and such other reasonable rules and regulations as Landlord shall make and adopt by Landlord from time to time. Landlord shall uniformly apply such rules and regulations and shall not discriminate against Tenant in the enforcement of any such Rules and Regulations.

14.9 Snow Removal. Tenant shall be responsible for snow and ice removal and remediation for the parking facility and walkways adjacent to the premises.

14.10 Scavenger. Tenant shall be responsible to provide scavenger and debris removal as well as janitorial services to the premises.

SECTION 15. DEFAULT

15.1 Default. Except as otherwise provided herein, "Default" shall mean either:

- (a) Tenant shall have failed to pay installment of Rent when due and payable, and the same shall remain unpaid for a period of ten (10) business days after Tenant's receipt of written notice of such failure; or
- (b) Landlord or Tenant shall be in default under any other provisions of this Lease and so remain for a period of thirty (30) days after written notice from the other party stating the nature of the default (in the case of default which cannot with due diligence be cured within a period of thirty (30) days, the respective party shall have such additional time to cure same as may reasonably be necessary provided the proceed promptly and with due diligence to cure such default after receipt of said notice).

Notwithstanding the foregoing, a Landlord Default shall include the failure of refusal of Landlord to perform any obligation it has agreed to incur hereunder as soon as possible in the event of an "emergency", defined as an event which threatens the safety and/or well-being of the occupants of the Premises, or which prevents Tenant from continuing ongoing operations (in Tenant's sole reasonable opinion).

15.2 Landlord's Remedies. If a Tenant Default occurs, Landlord shall have the following rights and remedies:

- (i) Except in such instances where there is a bona fide dispute between the parties as to amounts due, Landlord may, after providing Tenant with written notice of such election and with or without entry or other action by Landlord, immediate terminate this Lease on a date specified in said written notice being no earlier than five (5) days from the date said written notice was received by Tenant, in which event the Term of this Lease shall end and all right, title and interest of Tenant hereunder shall expire on said date;
- (ii) Landlord may continue the Lease in effect by not terminating Tenant's right to possession of the Premises, in which event Landlord shall be entitled to enforce all of the Landlord's rights and remedies under the Lease including the right to recover Rent as it becomes due. Landlord, on Tenant's behalf, may, but shall not be required to, perform the obligation that caused the Tenant Default. Tenant shall reimburse Landlord for such reasonable expenses as are incurred by Landlord while performing such obligations within thirty (30) days after receipt of demand thereof, provided (i) Landlord provides Tenant with written notice of its intention to perform such obligation on Tenant's behalf at least fifteen (15) days before commencing such performance and (ii) Landlord included copies of all relevant invoices evidencing the work performed with its demand for reimbursement.

LEASE NO. _____

All of Landlord's rights and remedies under this Lease are distinct, separate and cumulative, and none will exclude any other right or remedy allowed at law or equity.

In event of Tenant Default, Landlord shall have the obligation to mitigate its damages. Further, nothing herein shall be deemed to permit Landlord to pursue an action or recover from Tenant any amounts attributable to an acceleration of Rent or other amounts due hereunder. Nothing contained in this Lease will be deemed the consent or agreement of Tenant to subject Tenant's interest in Tenant's personal prop, fixtures and equipment (or any personal property of Tenant's customers in Tenant's possession) to liability under any lien law including any so called landlord's lien, and Landlord hereby waives any such lien rights it may have by law or otherwise to impose a lien Tenant's personal property, fixtures and equipment.

15.3 Tenant's Remedies. If a Landlord Default occurs, Tenant, on Landlord's behalf: may but shall not be required to perform the obligations that caused the Landlord Default after a written demand to cure within thirty (30) days. Landlord shall reimburse Tenant for such reasonable expenses as are incurred by Tenant while performing such obligations within thirty (30) days after receipt of demand therefor, provided (i) Tenant provides Landlord with written notice of its intention to perform such obligation on Landlord's behalf at least fifteen (15) days before commencing such performance (unless an emergency, in which event Tenant need only give Landlord 24 hour prior notice which may be verbal), and (ii) Tenant includes copies of all relevant invoices evidencing the work performed with its demand for reimbursement. If Landlord fails to reimburse Tenant for such costs as required herein, Tenant may thereafter abate the Rent due hereunder to recover such costs.

15.4 Consequential Damages. In no event shall Landlord or Tenant be entitled to consequential damages from the other party.

SECTION 16. NO WAIVER.

16.1 No waiver. The failure of either party to insist in any one or more cases upon the strict performance or observance of any obligation of other party hereunder or to exercise any right or option contained herein shall not be construed as a waiver or relinquishment for the future of any such obligation or any right or option of such party. Landlord's receipt and acceptance of Rent, or party's acceptance of performance of any other obligation, with knowledge of other party's breach of any provision of this Lease, shall not be deemed a waiver of such breach. No waiver by either party of any term, covenant or condition of this Lease shall be deemed to have been made unless expressed in writing and signed by said party.

SECTION 17. JURY WAIVER

17.1 Jury Waiver. All parties to this Lease hereby waive the right to a jury trial in any action, proceeding or counterclaim brought by either party against the other party.

LEASE NO. _____

SECTION 18. MISCELLANEOUS.

18.1 Notice. All notices, demands and requests which may be or are required to be given demanded or requested by either party to the other shall be in writing. All notices, demands and requests by Landlord to Tenant shall be delivered by national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid addressed to Tenant as follows:

City of Chicago
Department of Assets, Information & Services
Office of Real Estate Management
2 North LaSalle - Suite 200
Chicago, Illinois 60602

With Copy to:

City of Chicago
Department of Law
Real Estate & Land Use Division
121 N. LaSalle Street, Suite 600
Chicago, Illinois 60602

or at such other place as Tenant may from time to time designate by written notice to Landlord and to Tenant at the Premises. All notices, demands, and requests by Tenant to Landlord shall be delivered by a national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to Landlord as follows:

2243, LLC
c/o John H. Staggs II
2243 S. Throop Street
Chicago, Illinois 60608

or at such other place as Landlord may from time to time designate by written notice to Tenant. Any notice, demand or request which shall be served upon Landlord by Tenant, or upon Tenant by Landlord, in the manner aforesaid, shall be deemed to be sufficiently served or given for all purposes hereunder three (3) business days after the time such notice, demand or request shall be mailed.

18.2 Partial Invalidity. If any covenant, condition, provision, term or agreement of this Lease shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Lease shall not be affected thereby, but each covenant,

LEASE NO. _____

condition, provision, term or agreement of this Lease shall be valid and in force to the fullest extent permitted by law.

18.3 Governing Law. This Lease is governed by Illinois law. If any provision of this Lease or an application thereof is invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of any other application thereof shall not be affected or impaired thereby.

18.4 Severability. If any provision of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such provision shall not be affected thereby.

18.5 Attorney's Fees and Costs. Landlord and Tenant agree that if any legal action is brought under this Lease or correct a violation of any term of this Lease, the prevailing party shall be entitled to recover its reasonable attorney's fees.

18.6 Captions. Captions to the sections in this Lease are included for convenience only and do not modify any the terms of this Lease.

18.7 Word Usage. Unless the context clearly requires otherwise, (i) the plural and singular numbers will each be deemed to include the other; (ii) the masculine, feminine, and neuter genders will each be deemed to include the others; (iii) "shall", "will", "must", "agrees", and "covenants", are each mandatory; (iv) "may" is permissive; (v) "or" is not exclusive; and (vi) "includes" and "including" are not limiting.

18.8 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Lease. This Lease contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by the parties hereto pursuant to Section 11.13 hereunder.

18.9 Captions and Section Numbers. The captions and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Lease nor in any way affect this Lease.

18.10 Binding Effect of Lease. The covenants, agreements, and obligations contained in this Lease shall extend to, bind, and inure to the benefit of the parties hereto and their legal representatives, heirs, successors, and assigns.

18.11 Time is of the Essence. Time is of the essence of this Lease and of each and every provision hereof.

18.12 No Principal/Agent or Partnership Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

LEASE NO. _____

18.13 Authorization to Execute Lease. The parties executing this Lease hereby represent and warrant that they are the duly authorized and acting representatives of Landlord and Tenant respectively and that by their execution of this Lease, it became the binding obligation of Landlord and Tenant respectively, subject to no contingencies or conditions except as specifically provided herein.

18.14 Force Majeure. When a period of time is provided in this Lease for either party to do or perform any act or thing (except for the payment of rent), the party shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, wars, governmental regulation or control, and other causes beyond the reasonable control of the party, and in any such event the time period shall be extended for the amount of time the party is so delayed.

18.15 Brokers. The Department of Assets, Information & Services did not engage any real estate brokers, tenant representatives, or other finders. Tenant warrants to Landlord that no broker, tenant representative, or other finder (a) introduced Tenant to Landlord, (b) assisted Tenant in the negotiation of this Lease, or (c) dealt with Tenant on Tenant's behalf in connection with the Premises or this Lease. Under no circumstances shall Tenant make any payments due hereunder to any broker(s). Landlord acknowledges the retention of Paine Wetzel as its broker and shall be responsible and pay any commission.

18.16 Amendments. From time to time, the parties hereto may amend this Lease with respect to any provisions reasonably related to Tenant's use of the Premises and/or Landlord's administration of said Lease Agreement, including but not limited to expansion or contraction of Tenant's Premises. Provided, however, that such Amendment(s) shall not serve to extend the Lease term hereof nor serve to otherwise materially alter the essential provisions contained herein. Such Amendment(s) shall be in writing, shall establish the factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both Landlord and Tenant. Such Amendment(s) shall only take effect upon execution by both parties. Upon execution, such Amendment(s) shall become a part of this Lease and all other provisions of this Lease shall otherwise remain in full force and effect.

18.17 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

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LEASE NO. _____

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

LANDLORD: _____, LLC,
an Illinois limited liability company

By: _____

Name: _____

Its: _____

TENANT:

CITY OF CHICAGO, an Illinois Municipal Corporation
BY: THE DEPARTMENT OF ASSETS, INFORMATION & SERVICES

By: _____
Commissioner

**APPROVED: OFFICE OF PUBLIC SAFETY
ADMINISTRATION**

By: _____
Executive Director

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

By: _____
Assistant Corporation Counsel

LEASE NO. _____

EXHIBIT A

CITY REQUIREMENTS

1. Conflict of Interest and Governmental Ethics.

(a) Conflict of Interest. No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial interest (as defined in Chapter 2-156 of the Municipal Code), either direct or indirect, in the Premises; nor shall any such official, employee, or member participate in making or in any way attempt to use his or her position to influence any City governmental decision or action with respect to this Lease.

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

2. Business Relationships. Landlord acknowledges (a) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (b) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as described in Section 2-156-080 of the Municipal Code), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) notwithstanding anything to the contrary contained in this Lease, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Lease shall be grounds for termination of this Lease and the transactions contemplated

LEASE NO. _____

hereby. Landlord hereby represents and warrants that no violation of Section 2-145-030 (b) has occurred with respect to this Lease or the transactions contemplated hereby.

3. Patriot Act Certification. Landlord represents and warrants that neither Landlord nor any Affiliate (as hereafter defined) thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable Laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. As used in this Section, an "Affiliate" shall be deemed to be a person or entity related to Landlord that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Landlord, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

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

Landlord represents and warrants that from the later of (a) May 16, 2011, or (b) the date the City approached Landlord, or the date Landlord approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to the Mayor's political fundraising committee.

Landlord 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 the Mayor's political fundraising committee.

Landlord agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to

LEASE NO. _____

entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Notwithstanding anything to the contrary contained herein, Landlord agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Lease or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Lease, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Lease, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Landlord intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the execution of this Lease, the City may elect to decline to execute this Lease.

For purposes of this provision:

(a) “Bundle” means to collect contributions from more than one source, which contributions are then delivered by one person to the Mayor or to his political fundraising committee.

(b) “Other Contract” means any other agreement with the City to which Landlord is a party that is (i) formed under the authority of Chapter 2-92 of the Municipal Code; (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.

(c) “Contribution” means a “political contribution” as defined in Chapter 2-156 of the Municipal Code, as amended.

(d) Individuals are “domestic partners” if they satisfy the following criteria:

(i) they are each other's sole domestic partner, responsible for each other's common welfare; and

(ii) neither party is married; and

(iii) the partners are not related by blood closer than would bar marriage in the State of Illinois; and

(iv) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and

(v) two of the following four conditions exist for the partners:

LEASE NO. _____

- (1) The partners have been residing together for at least 12 months.
- (2) The partners have common or joint ownership of a residence.
- (3) The partners have at least two of the following arrangements:
 - (A) joint ownership of a motor vehicle;
 - (B) joint credit account;
 - (C) a joint checking account;
 - (D) a lease for a residence identifying both domestic partners as tenants.
- (4) Each partner identifies the other partner as a primary beneficiary in a will.

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

5. Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code, Landlord warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Lease is executory, Landlord's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Lease, constitutes a breach of and an event of default under this Lease, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under the Lease, at law or in equity. This section does not limit Landlord's, general contractor's and its subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Lease. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Lease and may further affect Landlord's eligibility for future contract awards.

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

7. Cooperation with Office of Inspector General. It is the duty of Landlord and any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of any such grantee, subgrantee, bidder, proposer, contractor, subcontractor or such applicant to

LEASE NO. _____

cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. Landlord represents and warrants that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code and that Landlord will inform its Contractors and Subcontractors of this provision and require their compliance.

8. 2014 Hiring Plan Prohibitions.

(a) The City is subject to the June 16, 2014 "City of Chicago Hiring Plan", as amended (the "2014 City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the 2014 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

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

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

(d) In the event of any communication to Landlord by a City employee or City official in violation of paragraph (ii) above, or advocating a violation of paragraph (iii) above, Landlord will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("OIG Hiring Oversight"), and also to the head of the relevant City department utilizing services provided under this Lease. Landlord will also cooperate with any inquiries by OIG Hiring Oversight.

LEASE NO. _____

Lease No. 12072
2243 S. Throop St.

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

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

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

2243 LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: _____

OR

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

B. Business address of the Disclosing Party:

2243 S. Throop St

CHICAGO, IL, 60608

C. Telephone: 312-492-8325 Fax: _____

N/A

ACCOUNTING, PLESNICKIPUS
Email: (a) YAHOO.COM

D. Name of contact person: John STAGGS

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

Lease agreement for the City's use of property located at 2243 S. Throop St.

G. Which City agency or department is requesting this EDS? Dept. of Asset, Information & Services

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

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

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

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

ILLINOIS

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

- Yes No Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name

JOHN H. STAGGS II

Title

MANAGING MEMBER

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

| Name | Business Address | Percentage Interest in the Applicant |
|-------------------------------|-------------------------------|--------------------------------------|
| JOHN H. STRAUBES ² | 2243 S. THROOP ST CHICAGO, IL | |
| KEN BREATH | 2243 S. THROOP ST CHICAGO, IL | |

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? Yes No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? Yes No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

Yes No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

| | | | |
|--|------------------|--|---|
| Name (indicate whether retained or anticipated to be retained) | Business Address | Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.) | Fees (<u>indicate whether paid or estimated.</u>) NOTE: "hourly rate" or "t.b.d." is not an acceptable response. |
|--|------------------|--|---|

(Add sheets if necessary)

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

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

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

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

Yes No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

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

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;
- d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:

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

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
 - b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 - c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or
 - d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).
6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.
8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.
9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").
10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

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

N/A

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

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

None

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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

is is not

a "financial institution" as defined in MCC Section 2-32-455(b).

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

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

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

N/A

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

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes No

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

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

Does the Matter involve a City Property Sale?

Yes No

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

| Name | Business Address | Nature of Financial Interest |
|------|------------------|------------------------------|
| | | |
| | | |
| | | |

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

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

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

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

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

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

A. CERTIFICATION REGARDING LOBBYING

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

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

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

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

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

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

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

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

Yes No

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

Yes No Reports not required

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

Yes No

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

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

- A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.
- B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.
- C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.
- D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.
- E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

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

2243 LLC

(Print or type exact legal name of Disclosing Party)

By: John H. Staggs II
(Sign here)

John H. Staggs II

(Print or type name of person signing)

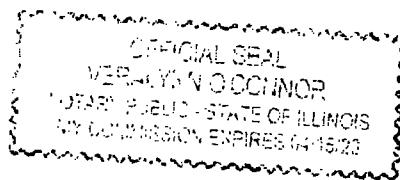
MANAGING MEMBER

(Print or type title of person signing)

Signed and sworn to before me on (date) 5-31-23.

at Cook County, IL (state).

Veronica O'Connor
Notary Public



Commission expires: 4-15-23

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

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

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

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

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

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

Yes

No

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

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

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

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[] Yes No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

[] Yes [] No The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX C

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a "contractor" as defined in MCC Section 2-92-385. That section, which should be consulted (www.amlegal.com), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants' wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

Yes

No

N/A – I am not an Applicant that is a "contractor" as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked "no" to the above, please explain.
