

**INTERGOVERNMENTAL AGREEMENT  
AMONG THE CITY OF CHICAGO, THE  
CHICAGO PARK DISTRICT AND THE  
PUBLIC BUILDING COMMISSION OF CHICAGO**  
**(Taylor-Lauridsen Park Expansion)**

This Agreement is made as of the 1st day of May, 2008 (the "Closing Date"), under authority granted by Article VII, Section 10 of the 1970 Constitution of the State of Illinois and the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, by and among the City of Chicago, an Illinois municipal corporation having its principal offices at City Hall, 121 N. LaSalle Street, Chicago, Illinois 60602 (the "City"), acting through its Department of Planning and Development ("DPD") and its Department of Environment ("DOE"); the Chicago Park District, an Illinois municipal corporation having its principal offices at 541 N. Fairbanks Court, Chicago, Illinois 60611 (the "Park District"); and the Public Building Commission of Chicago, an Illinois municipal corporation having its offices at the Richard J. Daley Center, Room 200, Chicago, Illinois 60602 (the "Commission"). The Commission, the Park District and the City are sometimes referred to collectively herein as the "Parties."

**RECITALS**

WHEREAS, the City is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Legislature of the State of Illinois passed an act to authorize the creation of public building commissions and to define their rights, powers and duties, approved July 5, 1955, as amended (the "Commission Act") to facilitate the construction, improvement and enlargement of buildings and facilities at convenient locations within the county seats and municipalities, and

WHEREAS, pursuant to the Commission Act, the City Council (the "City Council") of the City, on March 28, 1956, by Ordinance, created the Commission for the purpose of assisting in the funding and constructing of public improvements; and

WHEREAS, the Park District, a body politic and corporate organized and existing under the Chicago Park District Act (the "Park District Act"), joined in the organization of the Commission on April 24, 1956; and

WHEREAS, the Commission has heretofore undertaken the acquisition, construction, alteration, repair, renovation, rehabilitation and equipping of buildings and facilities for use by various public bodies including the Park District, the City, the Board of Education of the City of Chicago and the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois; and

WHEREAS, the City is the owner of certain real property legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, the Property is located adjacent to Taylor-Lauridsen Park, an existing park in the Bridgeport Community Area which the Park District owns and operates (the "Existing Park," and together with the Property, the "Expanded Park"); and

WHEREAS, the City and the Park District desire to create additional public open space in the Bridgeport Community Area, and have proposed that the Commission undertake (i) the development and construction of an expansion of the Existing Park on the Property (the "TIF Project"), and (ii) the renovation of the Existing Park, including demolition of the existing fieldhouse and reconfiguration of the ball fields and backstops (the "Existing Park Renovation," and together with the TIF Project, the "Project"), as further described in Section 1 hereof; and

WHEREAS, the City desires to lease the Property to the Park District pursuant to a lease agreement in substantially the form attached hereto as Exhibit O (the "Lease"), and the Park District desires to enter into such Lease; and

WHEREAS, on or before December 22, 2016, concurrently with the termination of the Lease, the City desires to convey the Property to the Park District by quitclaim deed, and the Park District desires to accept such conveyance; and

WHEREAS, the Property lies wholly within the boundaries of the 47<sup>th</sup>/Halsted Redevelopment Project Area (as hereinafter defined); and

WHEREAS, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended from time to time (the "TIF Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, in accordance with the provisions of the TIF Act, pursuant to ordinances adopted on May 29, 2002 and published in the Journal of Proceedings for said date at pages 85676 to 85904, the City Council: (i) approved and adopted a redevelopment plan and project for a portion of the City known as the "47<sup>th</sup>/Halsted Redevelopment Project Area" (the "47<sup>th</sup>/Halsted Redevelopment Plan"); (ii) designated the 47<sup>th</sup>/Halsted Redevelopment Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the 47<sup>th</sup>/Halsted Redevelopment Area (collectively, the "47<sup>th</sup>/Halsted TIF Ordinances"); and

WHEREAS, in accordance with the provisions of the TIF Act, pursuant to ordinances adopted on December 12, 1996 and published in the Journal of Proceedings for said date at pages 35665 to 35886, the City Council: (i) approved and adopted a redevelopment plan and project for a portion of the City known as the "Stockyards Annex Redevelopment Project Area"; (ii) designated the Stockyards Annex Redevelopment Area as a "redevelopment project area"; and

(iii) adopted tax increment allocation financing for the Stockyards Annex Redevelopment Area (collectively, the "Stockyards Annex Original TIF Ordinances") and thereafter City Council amended the Stockyards Annex Original TIF Ordinances pursuant to ordinances adopted on October 6, 2005 and published in the Journal of Proceedings for said date at pages 56907 to 57163 (collectively, the "Stockyards Annex TIF Ordinances") which amended the redevelopment plan and project (the "Stockyards Annex Redevelopment Plan") and expanded the Stockyards Annex Redevelopment Area to an area now known as the "Stockyards Annex Redevelopment Project Area" (the "Stockyards Annex Redevelopment Area").

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the TIF Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the 47<sup>th</sup>/Halsted Redevelopment Area shall be known as the "47<sup>th</sup>/Halsted Increment" and Increment collected from the Stockyards Annex Redevelopment Area shall be known as the "Stockyards Annex Increment"; and together, the 47<sup>th</sup>/Halsted Increment and the Stockyards Annex Increment shall be known as the "City Increment"); and

WHEREAS, pursuant to 65 ILCS 5/11-74.4-4(q), the City can use Increment from one redevelopment project area for eligible redevelopment project costs in another redevelopment project area that is either contiguous to, or is separated only by a public right of way from, the redevelopment project area from which the Increment is received (the "Transfer Rights"); and

WHEREAS, the 47<sup>th</sup>/Halsted Redevelopment Area is either contiguous to, or is separated only by a public right of way from, the Stockyards Annex Redevelopment Area; and

WHEREAS, DPD wishes to make available to the Park District a portion of the City Increment in an amount not to exceed \$2,500,000 (the "TIF Assistance"), subject to Section 3.6, for the purpose of providing a portion of the funds for the TIF Project (the "TIF-Funded Improvements") in the 47<sup>th</sup>/Halsted Redevelopment Area to the extent and in the manner provided in this Agreement; and

WHEREAS, the City will agree and contract to exercise its Transfer Rights pursuant to the Act, the Stockyards Annex TIF Ordinances and the Stockyards Annex Redevelopment Plan in order to pay for certain TIF-Funded Improvements in the 47<sup>th</sup>/Halsted Redevelopment Area, to the extent and in the manner provided in this Agreement; and

WHEREAS, the 47<sup>th</sup>/Halsted Redevelopment Plan, attached hereto as Exhibit B, contemplates that tax increment financing assistance would be provided for public improvements, such as the TIF Project, within the boundaries of the 47<sup>th</sup>/Halsted Redevelopment Area; and

WHEREAS, the Park District is a taxing district under the TIF Act; and

WHEREAS, in accordance with the TIF Act, the TIF-Funded Improvements shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the 47<sup>th</sup>/Halsted Redevelopment Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the TIF Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the TIF Act; and

WHEREAS, DPD and the Park District intend to participate in the planning and implementation of the Project including, but not limited to review and approval of/consent to design elements and materials to be incorporated into the Project and approval of the Budget (as hereinafter defined); and

WHEREAS, pursuant to the terms of this Agreement, the City shall reimburse the Park District for the TIF-Funded Improvements upon completion of the Project by the Commission; and

WHEREAS, the Park District has executed grant agreement number 06-203242 with the Illinois Department of Commerce and Economic Opportunity ("IDCEO") dated June 2, 2006 and extended on March 30, 2008, pursuant to which IDCEO has agreed to provide a grant in an amount not to exceed \$3,450,000 to pay for a portion of the cost of the Project (the "IDCEO Grant Agreement"); and

WHEREAS, on April 14, 2008, the City Council adopted an ordinance published in the Journal of Proceedings for said date at pages 24109 to 24221, (the "Authorizing Ordinance"), among other things, authorizing the execution of this Agreement and the lease and subsequent transfer of the Property from the City to the Park District; and

WHEREAS, on March 13, 2007, the Commission's Board of Commissioners (the "Commission Board") passed a Resolution expressing its desire to undertake the design and construction of the Project and authorizing the execution of this Agreement (the "Commission Resolution")

WHEREAS, on November 13, 2002, and on February 13, 2008, the Park District's Board of Commissioners adopted ordinances expressing its desire to accept the lease and subsequent transfer of the Property from the City upon the fulfillment of the conditions set forth therein and authorizing the execution of this Agreement (the "Park District Ordinances"); and

WHEREAS, the parties have determined that it is necessary, desirable and in the public interest to enter into this Agreement pursuant to the Intergovernmental Cooperation Act of the

State of Illinois in order to set forth their respective objectives, duties and responsibilities and to describe the procedures and guidelines to be followed with respect to the implementation of the Project;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements contained herein, the above recitals which are made a contractual part of this Agreement, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## **TERMS AND CONDITIONS**

### **SECTION 1. THE PROJECT.**

1.1. The Commission will coordinate and manage the planning, development, design, selected demolition, construction and improvement of the Project pursuant to the terms of this Agreement, the IDCEO Grant Agreement (attached hereto as Exhibit M and incorporated hereby by reference) and all applicable Laws, including but not limited to the Commission Act, the TIF Act, the Park District Act and the Municipal Code of the City.

1.2. No later than three months from the Closing Date, or later as the Commissioner of DPD (the "DPD Commissioner") and the Authorized Park District Representative may agree in writing, the Commission shall let one or more contracts for the Project in compliance with all applicable Laws pertaining to or affecting the Project.

1.2.1. Selection of Contractor. The Commission shall review and evaluate the bids or proposals submitted and conduct such investigations as may be necessary and appropriate to determine the qualifications of the bidders or proposers and the responsiveness of the bid or proposal. During the bid review period, the Authorized DPD Representative and the Authorized Park District Representative shall have the right to attend meetings and participate in the evaluation process. Following the bid review process, the Contractor determined by the Commission Board to be the lowest responsible bidder in accordance with the Commission's usual and customary bid procedures shall be awarded the Contract upon recommendation of the Executive Director of the Commission.

1.2.2. Limited Applicability of Approval. Any approvals of the Contract Documents for the Project made by the Authorized DPD Representative or the Authorized Park District Representative are for purposes of this Agreement only and do not affect any required approvals pursuant to any ordinance or regulation of the City or the Park District. Any such approval by the Authorized DPD Representative or the Authorized Park District Representative to this Agreement also does not constitute approval of the quality, structural soundness or the safety of the Project.

1.2.3 Ownership of Documents. All construction documents, data, schematics, warranties, design documents, copyrights and Contract Documents with regard to the construction of the Project shall be the property of the Commission. After Final Acceptance of the Work, the Commission shall promptly assign all of its rights in and to such documents to the Park District and shall deliver such documents and the Record Documents as directed by the Authorized Park District Representative. Upon request, a copy of said documents and Record Documents shall be made available to the City.

1.3. The plans and specifications for the Project (the "Plans and Specifications") shall at a minimum be in conformance with the Site Plans set forth in Exhibit C hereof. The Plans and Specifications shall be provided to the City by the Commission prior to letting any contract pursuant to Section 1.2 hereof. No material deviation from the Plans and Specifications may be made without the prior written approval of the Authorized Park District Representative and the Authorized DPD Representative. The Park District and Commission shall comply with all applicable Laws as may be in effect from time to time, pertaining to or affecting the Project.

1.4. Prior to the commencement of the Work, the Commission shall provide the Authorized Park District Representative and the Authorized DPD Representative with copies of any required governmental licenses and permits required to construct the Project.

1.5. The Park District shall include a certification of compliance with the requirements of Sections 1.2, 1.3 and 1.4 hereof with the request for the TIF Assistance hereunder at the time the Project is completed. The City shall be entitled to rely on this certification without further inquiry. Upon the City's request, the Park District shall provide evidence satisfactory to the City of such compliance.

#### 1.6. *Administration of the Project.*

1.6.1 : Enforcement of Contract. The Commission shall comply with, and cause the Contractor to comply with, as appropriate and applicable, the terms and conditions of the Contract Documents for the Project including all applicable Laws. Such requirements include, but are not limited to, accessibility standards for persons with disabilities or environmentally limited persons, the Illinois Prevailing Wage Act, the City's Human Rights Ordinance; the City's Building Codes, EEO and affirmative action requirements, and all tasks set forth in Exhibit F hereto, including, without limitation, proper characterization and disposal of Hazardous Waste and Special Waste.

1.6.2 : Coordination with the City and the Park District. The Commission shall apprise the Authorized Park District Representative of the status of progress regarding the Project on a monthly basis and, upon request, provide the Authorized Park District Representative and the Authorized DPD Representative with copies of reports and other documents prepared by or for the Commission. As soon as reasonably

practicable, the Commission shall provide the Authorized Park District Representative and the Authorized DPD Representative with any information which may result in a request for a Change Order or Field Order or require the expenditure of additional funds or resultant delays. The Authorized Park District Representative shall have access to the Property, the right to inspect the Work wherever it is in process at all reasonable times and to attend meetings with representatives of the Commission, the Contractor and others regarding the Project. The Authorized Park District Representative will provide to the Commission prompt and accurate information regarding the programs and requirements of the Park District so that the progress of the Project will not be impeded. All data provided by the Authorized Park District Representative shall be evaluated by the Commission, who shall have the right to recommend alternative approaches and value engineering in order to reduce costs while maintaining the overall quality of the Project and the Budget.

1.6.3 Payment and Performance Bond. The Commission shall require the Contractor to provide a payment and performance bond to ensure that the terms and conditions of the Contract Documents will be faithfully performed. The payment and performance bond shall be in the amount specified in the Contract Documents and issued by a surety company licensed to do business in the State of Illinois and approved by the Commission. If the surety fails or is deemed by the Commission to be insufficient security for the payment of the bond, the Commission will require the Contractor to furnish an additional bond in such amount as shall be determined by the Commission. Any proceeds derived by the Commission as a result of the payment and performance bond shall be credited to the Project Account and applied as agreed by the Commission and the Authorized Park District Representative.

1.6.4 Waiver and Release of Liens. The Commission shall require and procure from the Contractor waivers of liens or rights of lien for all labor and materials furnished in the construction of the Project. This provision shall be construed as being solely for the benefit of the Commission, the City and the Park District and shall not confer any rights hereunder for the benefit of the Contractor or its subcontractors. To ensure payment of lien claims, the Commission shall retain the amounts of the liens claimed by subcontractors or suppliers from payments to the Contractor in accordance with applicable Illinois statutory requirements.

1.6.5 Standards for Construction. The Commission shall require the Contractor to provide for the Project materials that are new and work of good quality, free from faults and defects, and in conformity with the requirements of the Contract Documents. The Commission shall also require the Contractor to correct any deficient or defective work or materials in accordance with the procedures described in the Contract Documents. For a period of one (1) year from the date of Final Acceptance of the Work, or such longer period as may be provided by any applicable special warranty in any of the various subcontracts to the Contract, the Park District in collaboration with the

Commission shall cause the Contractor to correct any work or materials found to be defective or non-conforming and any damage caused by such work and materials.

1.7. *Definitions.* Certain capitalized terms that are not otherwise set forth in this Agreement have the meanings as set forth in Appendix A attached hereto.

## **SECTION 2. RESPONSIBILITIES OF THE PARTIES.**

2.1. *The Commission.* The Commission will undertake the coordination, management and administration of the Project in accordance with Section 1 hereof. Specific responsibilities of the Commission include, but are not limited to, the following:

- 2.1.1 Prepare or cause to be prepared the terms and conditions of the Contract, which upon request shall be forwarded to the Authorized Park District Representative and the Authorized DPD Representative for review;
- 2.1.2 Solicit bids and/or proposals as may be required for the development, construction, improvement or selected demolition of the Project and award the Contract in accordance with Section 1.2.1 hereof;
- 2.1.3 Engage the services of such planning, architectural, engineering and other consultants as may be necessary for the completion of the Project;
- 2.1.4 Examine any and all documents submitted by DPD, the Park District or the Contractor and render decisions pertaining thereto with reasonable promptness to avoid delay in the completion of the Project;
- 2.1.5 Require that the Contractor provide the types and amounts of insurance and bond during the construction of the Project pursuant the guidelines set forth in Sections 1.6.3 and 6.1 and Exhibit P, hereof;
- 2.1.6 Require, and procure from the Contractor, waivers of all liens or rights of lien for labor and materials furnished by or through it in the construction of the Project prior to processing interim and final pay requests as more fully described in Section 1.6.4 hereof;
- 2.1.7 Require, by appropriate provision in the Contract Documents, that the Contractor perform the Work in a manner that will avoid any damage to existing building, structures, underground service and utility lines and other improvements;
- 2.1.8 Require, by appropriate provision in the Contract Documents, that the Contractor insure, indemnify, save and hold harmless the City, the Park District and the Commission as more fully described in Section 7.1.2 hereof;

2.1.9 Amend Contract Documents in accordance with Sections 3.1.11 and 3.2.4 of the Master Park District/Commission IGA;

2.1.10 Apply the funds deposited in the Project Account or otherwise paid by the Park District to obtain the full and faithful completion of the Project in accordance with the Contract Documents and the Budget unless otherwise authorized by the Authorized Park District Representative;

2.1.11 Provide such additional services as may be requested by DPD or the Park District with respect to the Project provided that sufficient funds are available to pay the costs of such services; and

**2.1.12 Project Completion Requirements.**

(a) The Commission shall require the Contractor to comply with the requirements of the Contract Documents with respect to the completion and close-out of the Project including, but not limited to, the completion of Punch List Work, the furnishing of material and equipment guarantees, warranties, operating and maintenance data, manuals, Record Documents, waivers of lien, certified payrolls, and such other documents as may be required to comply with the terms of the Contract Documents. Upon completion, the Commission will cause a copy of all such relevant documents to be delivered as directed by the Authorized Park District Representative and, upon request, to the Authorized DPD Representative. Any liquidated damages which may be assessed by the Commission against the Contractor for non-performance or delay and any amounts which may be recovered from the Contractor or its surety for failure to comply with the requirements of the Contract Documents or for errors and omissions shall be credited to the Project Account or otherwise disbursed as agreed by the Commission, the Authorized Park District Representative and the Authorized DPD Representative.

(b) Inspections. All Work and materials constituting the Project shall be inspected by the Authorized Commission Representative and designees or personnel of the City and the Park District as required by applicable codes or ordinance. The Commission shall notify the Authorized Park District Representative and the Authorized DPD Representative when the Project has been scheduled for inspections to certify Substantial Completion and Final Acceptance of the Work. The Authorized Park District Representative and the Authorized DPD Representative shall have the right to attend any and all such inspections and will assist the Authorized Commission Representative in determining when the Project has been sufficiently completed for beneficial use and occupancy. The Commission, the Authorized Park District Representative and the Authorized DPD

Representative will monitor completion of Punch List Work by the Contractor.

(c) Final Acceptance and Payment to Contractor. Unless otherwise provided by the Contract Documents, upon completion of all the Work required to be completed by the Contractor and issuance of the certificate of Final Acceptance of the Work, the Commission shall process final payment to the Contractor in accordance with the procedures set forth in the Contract Documents.

(d) Certificate of Completion. Upon Substantial Completion of the Work, the Authorized Commission Representative shall deliver to the Authorized Park District Representative and the Authorized DPD Representative a Certificate of Completion, substantially in the form attached hereto as Exhibit N, to be accepted in writing on behalf of the City and the Park District, and returned to the Authorized Commission Representative. In the event that, within ten (10) business days following receipt of the Certificate of Completion, the Authorized Park District Representative and the Authorized DPD Representative do not (a) return an executed counterpart of the Certificate of Completion to the Authorized Commission Representative or (b) advise the Authorized Commission Representative in writing that there are material defects in the Project which preclude beneficial use and occupancy, the Project will be deemed completed and accepted by the City and the Park District.

2.2. *The Park District.* The Park District, in consultation with the Authorized Commission Representative and the Authorized DPD Representative, shall determine the nature and scope of the Project. The Park District shall pay all costs of the Project as set forth in the Budget, attached hereto as Exhibit D-1. In no event shall the Commission be obligated to pay nor shall the Commission disburse any funds from the Project Account which exceed the overall Budget for the Project without the written approval of the Authorized Park District Representative and the Authorized DPD Representative. Specific responsibilities of the Park District include, but are not limited to, the following:

2.2.1 Designate the Authorized Park District Representative to act in the Park District's behalf with respect to the implementation of the Project for the purpose of attending meetings, examining documents and rendering timely decisions pertaining to design and construction of the Project;

2.2.2 Approve requests pursuant to Section 2.1.9 hereof in accordance with Sections 3.1.11 and 3.2.4 of the Master Park District/Commission IGA;

2.2.3 Pay all costs incurred in the development and construction of the Project as provided in the Budget in accordance with Section 3 hereof;

2.2.4. Cooperate with the designated representatives of the Commission and the

City in the execution of any applications for, and in obtaining any and all approvals pertaining to, all permits or the like as may be required in order to develop and construct the Project;

2.2.5 In consultation with the Commission provide prior approval to the Commission and notice to the Authorized DPD Representative for all changes in the Budget for the Project, including any reallocation of funds among line items therein; and

2.2.6 Provide such additional assistance as shall be agreed by the parties.

2.3. *The City.* The City, acting by and through DPD, will provide TIF Assistance in accordance with the provisions set forth in Section 3 hereof and will convey the Property to the Park District in accordance with the provisions set forth in Section 4 hereof. Specific responsibilities of the City include the following:

2.3.1 Designate an Authorized DPD Representative to act in the City's behalf with respect to the Project or the purpose of attending meetings, examining documents and rendering timely decisions with respect to the Project;

2.3.2 Cooperate with the designated representatives of the Commission and the Park District in the execution of any applications for, and in obtaining any and all approvals pertaining to, all permits or the like as may be required in order to develop and construct the Project;

2.3.3 Participate in inspections, attend meetings with representatives of the Contractor, the Park District and the Commission, and provide such additional assistance as may be necessary in order to facilitate Substantial Completion and Final Acceptance of the Project.

### **SECTION 3. FUNDING AND PAYMENT OF PROJECT COSTS.**

3.1. *Funding of the Project Account.*

3.1.1 Park District Funds. The Commission shall prepare and submit to the Authorized Park District Representative, on a quarterly basis in advance, the estimated amounts pursuant to the Budget that will be required to pay the costs of the Project during the next succeeding 90 days. Requests for payment shall include professional services, construction, administrative costs, contingency reserves and such other items as shall have been agreed by the Commission and the Park District. Within ten (10) days following receipt of a quarterly estimate and request for payment, the Park District shall pay to the Commission the estimated costs to be incurred during the applicable period notwithstanding receipt by the Park District of any State Grant funds or funds from the

City, including the TIF Assistance. In the event that a request for payment has not been paid to the Commission within 30 days following the submission of the payment request, the Commission shall have the right to suspend its performance of this Agreement until payment is received. Funds received pursuant to this Section 3.1.1 shall be deposited into the Project Account.

3.1.2 The TIF Assistance. The City shall, subject to the Park District's satisfaction of the conditions precedent for disbursement described in Sections 1 and 2 hereof and such other conditions contained in this Agreement, disburse the TIF Assistance to the Park District upon submission and approval of the Certificate of Expenditure for the TIF Project.

3.2. The City shall establish a special account within the 47<sup>th</sup>/Halsted Redevelopment Project Area Special Tax Allocation Fund; such special account is or shall be known as the "Taylor-Lauridsen Park Account." The City agrees to exercise its Transfer Rights to transfer Stockyards Annex Increment upon receipt by the City of the Certificate of Expenditure and all supporting documentation for review and payment of the TIF Assistance. Disbursement of TIF Assistance funds will be subject to the availability of City Increment in the Taylor-Lauridsen Park Account, subject to all restrictions on and obligations of the City contained in all 47<sup>th</sup>/Halsted Ordinances, or relating to the City Increment and all agreements and other documents entered into by the City pursuant thereto.

3.3. *Disbursement of Project Costs.*

3.3.1 The Commission will disburse funds deposited in the Project Account to pay eligible costs of the Project in accordance with the procedures specified in the Contract Documents for interim and final payments. Payments for professional services shall be on the basis of invoices approved by the Commission pursuant to its usual and customary payment procedures. In the event that the amounts in the Project Account shall be insufficient to complete the Project, the Commission shall notify the Authorized Park District Representative and the Authorized DPD Representative in writing and request additional funding.

3.3.2. If the Park District at any point does not have sufficient funds to complete the Project, the Park District shall so notify the City in writing and may ask the City to provide additional funding to the Park District to complete the Project; provided, however, that the decision whether to provide additional funding shall be in the City's sole discretion and shall be subject to the appropriation of such funds; if the City does not provide additional funding to the Park District to complete the Project, then the Park District shall narrow the scope of the Project as agreed with the City (the "Revised Project") in order to complete the Revised Project with the available funds. In no event shall the Commission be obligated to expend any funds for completing the Project in excess of the amounts provided by the Park District. Any balance remaining in the

Project Account upon completion of the Project shall be paid by the Commission as directed by the Authorized Park District Representative.

3.4. The Park District may request that a certificate(s) of expenditure in the form of Exhibit E hereto ("Certificates of Expenditure") be processed and executed upon receipt of the Certificate of Completion. The City shall not execute the Certificate of Expenditure for an amount in excess of the TIF Assistance. Included with the executed Certificate of Expenditure, the Park District shall submit documentation substantiating the TIF-Funded Improvements to the Authorized DPD Representative. Delivery by the Park District to DPD of the request for execution by the City of the Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that:

3.4.1 the total amount of the request for the Certificate of Expenditure represents the actual amount payable to (or paid to) the Contractor, subcontractors, and other parties who have performed work on or otherwise provided goods or services in connection with the Project, and/or their payees;

3.4.2 [Intentionally Omitted.];

3.4.3 the Park District has approved all work and materials for the request for the Certificate of Expenditure, and such work and materials conform to the Site Plans, as set forth in Exhibit C; and

3.4.4 the Park District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

3.5. The City shall have the right, in its discretion, to require the Park District to submit further documentation as the City may require in order to verify that the matters certified to in Section 3.4 hereof are true and correct, and the execution of the Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Park District.

3.6. The current estimate of the cost of the Project is \$9,450,000. The Commission has delivered to the Authorized Park District Representative and the Authorized DPD Representative the Budget for the Project in an amount not to exceed \$9,450,000, as attached as Exhibit D-1. The Park District certifies that the sources of funds set forth in the Budget are sufficient to complete the Project. The Park District agrees that the City will reimburse the Park District with the TIF Assistance for a portion of the costs of the TIF Project and that all costs of

completing the Project in excess of the TIF Assistance shall be the sole responsibility of the Park District.

3.7. Exhibit D-2 sets forth a preliminary list of costs recognized by the City as being eligible redevelopment project costs under the TIF Act with respect to the TIF Project, to be paid for out of the TIF Assistance. To the extent the TIF-Funded Improvements are included as taxing district capital costs under the TIF Act, the Park District acknowledges that the TIF-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these TIF-Funded Improvements are necessary and directly result from the Plan. Prior to the expenditure of TIF Assistance funds on the Project, the DPD Commissioner, based upon the Budget, may make such modifications to Exhibit D-2 as he or she wishes in his or her discretion to account for all of the TIF Assistance funds to be expended under this Agreement; provided, however, that all TIF-Funded Improvements shall (i) qualify as redevelopment project costs under the TIF Act, (ii) qualify as eligible costs under the Plan; and (iii) be improvements that DPD has agreed to pay for out of TIF Assistance funds, subject to the terms of this Agreement.

3.8. The Park District hereby acknowledges and agrees that the City's obligations hereunder with respect to the TIF Assistance are subject in every respect to the availability of funds as described in and limited by this Section 3.8 and by Section 3.2. If no funds or insufficient funds are appropriated and budgeted in any fiscal period of the City for disbursements of the TIF Assistance, then the City will notify the Park District in writing of that occurrence, and the City may terminate this Agreement on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for disbursement under this Agreement are exhausted.

3.9. If the aggregate cost of the TIF-Funded Improvements is less than the amount of the TIF Assistance contemplated by this Agreement, the Park District shall have no claim to the difference between the amount of the TIF Assistance contemplated by this Agreement and the amount of the TIF Assistance actually paid by the City to the Park District and expended by the Park District on the TIF Project.

#### **SECTION 4. TERM, CONVEYANCE AND RIGHTS OF ENTRY.**

4.1. The term of this Agreement shall commence on the Closing Date and shall expire on the date on which the 47<sup>th</sup>/Halsted Redevelopment Project Area is no longer in effect, or on the date of termination of this Agreement according to its terms, whichever occurs first.

4.2. The Park District, as tenant, and the City, as landlord, shall enter into a lease for the Property in substantially the form attached hereto as Exhibit O and incorporated herein by reference (the "Lease"). The term of the Lease shall commence on the date hereof and shall end on the "Expiration Date", as defined in the Lease. Unless the Lease is earlier terminated in accordance with its terms, the City shall transfer to the Park District, and the Park District shall

acquire from the City, fee simple title to the Property by quit claim deed. The City shall prepare all necessary transfer documents. If the Property is not conveyed to the Park District because the Property is not fit for recreational purposes pursuant to Section 23(a) of the Lease, the Improvements shall be subject to the surrender provisions in Section 16 of the Lease.

4.3. The City and the Park District hereby agree that the Commission, the Contractor and any designee thereof shall have such right or rights of entry upon the Property as may be required in order to commence, manage and after completion maintain the TIF Project during the term of the Lease. Additionally, the Park District hereby agrees that the Commission, the Contractor and any designee thereof shall have such right or rights of entry upon the Existing Park as may be required in order to commence, manage and after completion maintain the Project. The Contractor shall provide evidence of the types and amounts of insurance as set forth in Section 6.1 and indemnification as set forth in Section 7.1.2.

4.4. The following provisions shall govern the City's conveyance of the Property to the Park District:

4.4.1 The City shall convey title to the Property by a quitclaim deed for the sum of One Dollar (\$1.00). The conveyance and title shall, in addition to the provisions of this Agreement, be subject to:

- (a) the standard exceptions in an ALTA insurance policy;
- (b) all general real estate taxes;
- (c) easements, encroachments, covenants and restrictions of record and not shown of record; and
- (d) such other title defects as may exist.

If necessary to clear title of exceptions for general real estate tax liens attributable to taxes due and payable prior to the Closing Date, the City shall submit to the County a tax abatement letter and/or file a vacation of tax sale proceeding in the Circuit Court of Cook County, seeking the exemption or waiver of such pre-closing tax liabilities, but shall have no further duties with respect to any such taxes. In addition, if Servbest Foods of Puerto Rico, Inc. a dissolved corporation, or any successor thereto, asserts an interest in the three-foot strip of land identified as Parcel 5 in the title insurance commitment dated February 26, 2008, issued by Greater Illinois Title Company (Order No. 4389556), the City shall file a condemnation action or quiet title action, at its option, to clear title to such strip of land.

4.4.2 The Property closing shall take place on such date after the payment of the TIF Assistance on the Lease Expiration Date, and at such place as the parties may

mutually agree to in writing, but in no event earlier than the date of payment of the TIF Assistance.

4.4.3 The Park District shall promptly record the quitclaim deed for the Property in the Recorder's Office of Cook County. The Park District shall pay all costs for so recording the quitclaim deed.

4.4.4 In the event that the Park District requires conveyance through an escrow, the Park District shall pay all escrow fees.

4.4.5 In the event that the Park District requires an appraisal of the Property, the Park District shall pay all appraisal fees.

## **SECTION 5. ENVIRONMENTAL MATTERS.**

5.1. [Intentionally Omitted.]

5.2. To its knowledge, the City has delivered or otherwise made available to the Park District and the Commission copies of all environmental tests, reports or studies relating to the Property in its possession or control, and such documents are listed on Exhibit K attached hereto. The City, the Park District and the Commission hereby acknowledge and agree that the environmental documents listed on Exhibit K disclose various adverse environmental conditions on the Property, including, but not limited to, elevated levels of polynuclear aromatic hydrocarbons ("PAHs"), volatile organic compounds ("VOCs") and lead. The reported source of the VOCs on the Property is from one or more leaking USTs on property owned by Crawford Laboratories, Inc. ("Crawford") at 4165 South Emerald Avenue (the "Crawford Site"), which is located adjacent to the alley that runs along the western edge of the Property. As described below, Crawford has conducted remediation pursuant to the Approved Work Plan, and has further proposed the installation of a vapor barrier. The City has also undertaken remediation measures, as set forth below, and has enrolled the Property in the SRP and obtained a Final NFR Letter (South) for the Southern Portion of the Property and a Draft NFR Letter (North) for the remainder of the Property.

5.3. The Parties further acknowledge the following with respect to the environmental condition of the Property:

5.3.1 The Crawford Site has been and, as of the date hereof, remains contaminated with VOCs from one or more leaking USTs (LUST Incident Number 2003-1107). VOCs from the Crawford Site migrated off-site and contaminated a portion of the Property. Due to this release, the Illinois Attorney General's Office instituted an enforcement action against Crawford in the Circuit Court of Cook County, *People of the State of Illinois ex rel. Lisa Madigan, Attorney General of the State of Illinois v. Crawford Laboratories, Inc.*, No. 05 CH 9104 (the "Lawsuit"). The City subsequently

intervened in the Lawsuit, which is currently pending. On April 28, 2006, the court entered an Interim Order which, among other things, sets forth a schedule for remediating contamination on and under the Property and the Crawford Site.

5.3.2 In response to the Lawsuit, and pursuant to the Approved Work Plan, Crawford has completed the following remediation measures at the Property: (a) installation of a sheet pile wall in the location depicted on Exhibit H attached hereto in an effort to prevent further off-site migration of contamination from the Crawford Site; (b) shallow soil excavation (to the depth of the water table) and off-site disposal, completed in December 2005 for the purpose of removing contaminated soil exceeding TACO Tier I residential remediation objectives in the area depicted on Exhibit I attached hereto; (c) electrical resistance heating ("ERH") in the area depicted on Exhibit I attached hereto, completed in December 2006 in order to eliminate contamination in excess of soil saturation levels; and (d) additional shallow soil excavation (to the depth of the water table) and off-site disposal, completed in January 2007 for the purpose of removing soil that had been recontaminated due to the ERH treatment in the area depicted on Exhibit I attached hereto. The foregoing remediation measures reduced VOC contamination at the Property below the soil saturation limit, but contaminated soil remains in place below the depth of the water table.

5.3.3 Pursuant to the Interim Order, Crawford has until December 22, 2016, to complete the remediation of the Crawford Site. During this period, Crawford is required to monitor the Property in order to ensure that re-contamination by VOCs in excess of the soil saturation limit does not occur. If the Property is re-contaminated with VOCs above the soil saturation limit during the time that remediation of the Crawford Site is deferred, Crawford is obligated by the Interim Order to re-remediate the Property in accordance with the Approved Work Plan.

5.3.4 Except for the monitoring and contingent remediation obligations described in Section 5.3.3 above, Crawford has reportedly completed the remediation of the Property in accordance with the Approved Work Plan and Interim Order. Notwithstanding the foregoing, Crawford has submitted a proposal to the IEPA to install a vapor barrier over the ERH treatment area. A copy of Crawford's proposal, including a figure depicting the ERH treatment area, is attached hereto as Exhibit J. If the IEPA does not approve Crawford's proposal (as such proposal may be amended), or if, for any reason, Crawford does not install the vapor barrier, the City shall be responsible for completing this task in accordance with the Draft NFR Letter (North), which requires installation of a 30 mil PVC barrier, and shall pay all costs associated with such installation. The Commission shall coordinate construction of the Project with Crawford's or the City's installation of the vapor barrier.

5.3.5 In addition to the remediation work performed by Crawford, the City has undertaken the following remediation measures on the Property:

- (a) removal of pavement from the closed section of Union Avenue between Root Street and 42<sup>nd</sup> Street, excavation of soil from beneath portions of the pavement and installation of an engineered barrier consisting of three (3) feet of clean fill to replace excavated soil;
- (b) excavation of soils impacted by PAHs from the Southern Portion of the Property, installation of an engineered barrier consisting of three (3) feet of clean fill, and removal of underground storage tanks and most foundations encountered during soil excavation to a depth of approximately three (3) to four (4) feet (deeper in some cases), all as described in the Remedial Objectives Report/Remedial Action Plan/Remedial Action Completion Report, dated April 28, 2006, prepared by Carnow, Conibear & Associates;
- (c) removal of contaminated soil to a depth of at least three (3) feet and installation of an engineered soil barrier consisting of at least three (3) feet of clean fill in approximately the same area remediated by Crawford twice as described in Section 5.3.2 above (once for shallow contamination related to VOCs and a second time due to recontamination after the ERH treatment), all as described in Site Investigation/Remedial Completion Report, Crawford Laboratories/Boyce Park, dated February 23, 2007.

5.4. The City enrolled the Southern Portion of the Property in the SRP on February 5, 2004, and obtained a Final NFR Letter for this portion of the site on October 6, 2006. A copy of the Final NFR Letter (South) is attached hereto as Exhibit L-1. The City enrolled the balance of the Property in the SRP and obtained a Draft NFR Letter covering this portion of the site on January 30, 2008. The Draft NFR Letter (North) is attached hereto as Exhibit L-2. The City has agreed, at its sole cost and expense (except as otherwise provided in Exhibit F attached hereto), to obtain a Final Project NFR Letter approving the use of the Property for the construction, development and operation of the Project based on (a) the site plan(s) submitted to the IEPA in connection with the Final NFR Letter (South) and the Draft NFR Letter (North) (the "Current Site Plan"), (b) the Final NFR Letter (South), and (c) the Draft NFR Letter (North), including, without limitation, the CSIR, ROR/RAP and other documents cited therein. The Final Project NFR Letter shall state that the subject area meets TACO Tier I residential remediation objectives as set forth in 35 Ill. Adm. Code Part 742, but may be reasonably conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA, while at all times being consistent with the Project requirements. The Commission and the Park District approve the Final NFR Letter (South), the Draft NFR Letter (North) and the imposition of such institutional and engineering controls, and both parties further agree to cooperate with the City in connection with the City's efforts to obtain the Final Project NFR Letter. The Commission and the Park District acknowledge and agree that any material changes to the Current Site Plan (including, without limitation, constructing additional improvements or relocating, reconfiguring or making additions to any improvements) could impose additional

environmental response obligations and, correspondingly, increase the costs of obtaining the Final Project NFR Letter. Accordingly, if the Park District makes material changes to the Current Site Plan, the Park District shall be responsible for preparing and submitting any required SRP documents (including, without limitation, any revisions to the documents cited in the draft or final NFR Letters covering the Property), complying with any required environmental response obligations and paying any additional SRP and environmental response costs. Further, if the Final Project NFR Letter is voided as a result of the Park District's acts or omissions, the City shall have no obligation to obtain a new NFR Letter or amend any existing NFR Letter covering the Property. Notwithstanding anything to the contrary contained herein, it is acknowledged that the scope of the remediation work presently anticipated on the Property is set forth in the ROR/RAP in existence on the date of this Agreement, and that neither the City nor the Park District shall be responsible for additional environmental response or SRP costs arising out of (a) any pre-existing environmental conditions that are not presently known or addressed in the ROR/RAP, and (b) modifications to the scope of work requested by the IEPA based on changes to existing Environmental Laws. In the event of (a) or (b) in the foregoing sentence, neither party is obligated to pay such additional costs, but the parties shall work cooperatively to identify funding sources for such costs.

5.5. The responsibilities of the parties with respect to obtaining the Final Project NFR Letter are set forth in Exhibit F hereto. The Commission and the Park District acknowledge and agree that the costs of performing the tasks outlined in Exhibit F, including all studies, reports, engineering analyses, engineering design and similar third party costs incurred in connection with such work, are included in the Budget. Each party shall deliver to the other copies of any written communications received from or submitted to the IEPA or other regulatory agencies in connection with the Property and the Project. The Park District agrees that it shall not communicate with the IEPA or any of the environmental consultants without first contacting DOE.

5.6. No party hereto is responsible for any other party's compliance with Environmental Laws and the terms and conditions of any draft or final NFR Letter affecting the Property, and each party hereto completely and forever waives, releases and discharges the other parties harmless from and against any and all claims, demands, actions, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, fines, costs and expenses based upon, arising out of, or related to such party's failure to comply with applicable Environmental Laws, including, without limitation, any IEPA directives, orders, rules and regulations, and the terms and conditions of any draft or final NFR Letter affecting the Property. This provision shall survive any termination of this Agreement.

5.7. The Commission agrees to carefully inspect the Property prior to commencement of any activity related to the Project to ensure that such activity shall not damage surrounding property, structures, utility lines or any subsurface lines or cables. The Commission shall be solely responsible for the safety and protection of the public. The City reserves the right to inspect the work being done on the Property. The Commission agrees to keep the Property free

from all liens and encumbrances arising out of any work performed, materials supplied or obligations incurred by or for the Commission or the Park District.

5.8. The City shall consult with the Park District regarding any settlement negotiations in the Lawsuit, and the Park District shall have the right to comment on any proposed settlement of the Lawsuit.

## **SECTION 6. INSURANCE.**

6.1. The Contractor and all subcontractors shall be required to purchase and maintain during the construction of the Project the types and amounts of insurance as set forth in Exhibit P. All such insurance shall be placed in financially responsible companies, satisfactory to the Commission and authorized under the insurance laws of the State of Illinois to do business in the State of Illinois.

6.2. Any insurance proceeds derived by the Commission in connection with the Project shall be credited to the Project Account and applied as agreed by the Commission and the Authorized DPD Representative and the Park District Risk Manager.

## **SECTION 7. INDEMNITY / NO PERSONAL LIABILITY.**

7.1. *Indemnification.*

### **7.1.1 Indemnification by the Parties.**

(a) Subject to the allocation of environmental liability provisions of this Agreement and the Lease, and to the extent permitted by applicable Laws, the City agrees to indemnify, defend and hold the Park District and harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the Park District or the Commission arising from any incident or accident related to the Project that results from: (a) a material breach of this Agreement by the City, its agents or employees; or (b) the negligence or intentional misconduct of the City or its agents, representatives, contractors, subcontractors, employees, licensees or invitees. Nothing in this paragraph shall be deemed to limit in any way the liability provisions of the Local Government and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101 *et seq.*)

(b) Subject to the allocation of environmental liability provisions of this Agreement and the Lease, and to the extent permitted by applicable Laws, the

Park District agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City or the Commission arising from any incident or accident related to the Project that results from: (a) a material breach of this Agreement by the Park District, its agents or employees; or (b) the negligence or intentional misconduct of the Park District or its agents, representatives, contractors, subcontractors, employees, licensees or invitees. Nothing in this paragraph shall be deemed to limit in any way the liability provisions of the Local Government and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101 *et seq.*)

**7.1.2 Indemnification by the Contractor.** Any Contract to be awarded by the Commission for the Project shall require the Contractor to indemnify, save and hold harmless the Commission, the City, the Park District and their respective commissioners, board members, officers, agents and employees and representatives, individually and collectively, from all claims, demands, actions and the like, made or instituted by third parties arising or alleged to arise out of the Work as a result of any negligent or willful act or omission of the Contractor or its subcontractors or any of their employees or agents.

**7.2.** No elected or appointed official or member or employee or agent of the City, the Commission or the Park District shall be individually or personally liable in connection with this Agreement.

**7.3. Construction and Other Third Party Claims.**

**7.3.1** Claims or proceedings against the Commission or the Contractor that arise out of a claim or proceeding that is instituted by third parties as a result of any negligent or willful act of the Contractor or any of its subcontractors or subconsultants shall be tendered to the Contractor for defense of the Commission, the Park District and the City pursuant to Section 7.1.2 hereof.

**7.3.2** The Commission will use its best efforts to enforce the provisions of the Agreement so that the Project is completed in a cost efficient, timely manner. The Commission will defend or prosecute, as applicable, rights and remedies afforded by the Contract in a reasonable, prudent manner. Unless the Park District and the City consent otherwise, the Commission shall pursue and exhaust, and shall pursuant to the Contract require the Contractor to pursue and exhaust all dispute resolution requirements provided for under the Contract before litigating any dispute in connection with the Project. To the extent that payment of the Commission's legal costs and expenses are not recovered from the Contractor or any surety, the Park District agrees to pay or reimburse the Commission for costs incurred for legal costs and expenses subject to the following conditions:

- (a) the Commission will not initiate any legal proceeding related to the Project and no settlement shall be made without the prior consent of the Park District General Counsel and the Corporation Counsel of the City;
- (b) the Park District shall have the right to approve legal counsel selected by the Commission in any legal proceeding in which the Park District is a party under this Agreement, and the City shall have the right to approve legal counsel selected by the Commission to represent the City in any legal proceeding in which the City is a party under this Agreement;
- (c) the Commission will notify the Authorized Park District Representative and the Park District General Counsel and the Authorized DPD Representative and the Corporation Counsel of the City of any proceeding related to the Project within ten (10) days following receipt of summons and complaint or as otherwise directed by of the Park District General Counsel and the Corporation Counsel of the City;
- (d) the Commission will apprise the Authorized Park District Representative and the Park District General Counsel and the Authorized DPD Representative and the Corporation Counsel of the City on a quarterly basis or otherwise as agreed by the Parties concerning the status of any legal proceeding related to the Project;
- (e) the Commission, the Park District, and the Corporation Counsel of the City shall establish a separate legal budget as soon as practicable after the commencement of any legal proceeding related to the Project;
- (f) the Commission will provide a quarterly legal services report summary related to the Project to the Authorized Park District Representative and the Park District General Counsel and the Authorized DPD Representative and the Corporation Counsel of the City;
- (g) any legal fees, costs of expenses incurred (collectively, "legal costs") must comply with the City's Outside Counsel Guidelines (the "Guidelines"). All invoices for legal costs shall be submitted to: (i) the Authorized Park District Representative if payment is sought to be received from the Park District, and (ii) Patrick Ryan, the Corporation Counsel's Director of Administration, and online to the City's legal auditor, Examen, if payment is sought to be received from the City. The Commission shall review the charges not in compliance with the Guidelines, as determined by the Authorized Park District Representative or Examen, as the case may be, and process the invoices for payment. The Parties shall endeavor to approve invoices within 10 business days following written receipt in order for the Commission to comply with the

Prompt Payment Act (50 ILCS 20/12.1); and

(h) notwithstanding the foregoing, in the event that the Commission is judged by a court of competent jurisdiction to have been negligent or to have committed other acts of misconduct involving a claim or other legal proceeding the Parties will equitably adjust the reimbursement of legal fees and costs as appropriate.

7.3.3 Any funds which may be recovered by the Commission as a result of any such legal proceedings shall be deposited in the Project Account and disbursed as directed by the Authorized Park District Representative.

7.3.4 It is expressly understood and agreed that the City and the Park District will not reimburse the Commission for any legal fees on account of findings against the Commission for breach of contract or the breach of the Agreement.

7.4. The defense and indemnification obligations in this Section 7.1 shall survive any termination or expiration of this Agreement.

## **SECTION 8. DEFAULT.**

8.1. *Default by Contractor.* In the event that a Contractor defaults in its obligations to perform, the Commission shall pursue all rights and remedies afforded to it pursuant to the terms of the Contract, at law or in equity. Upon request by the Park District and approval by the Commission, the Commission shall assign any of its rights and remedies for default by the Contractor to the Park District.

## **SECTION 9. GENERAL PROVISIONS.**

9.1. Authority. Execution of this Agreement by the City and the transfer of the Property from the City to the Park District are authorized by the Authorizing Ordinance. Execution of this Agreement by the Park District is authorized by the Park District Ordinances. Execution of this Agreement by the Commission is authorized by the Commission Resolution. The Parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their respective obligations hereunder.

9.2. Records; Audit. The Commission shall maintain records and accounts which shall include entries of all transactions relating to the expenditure of funds required for the Project. The Authorized Park District Representative and the Authorized DPD Representative shall have the right to inspect the books and records of the Commission pertaining to a Project upon request at all reasonable times.

9.3. Compliance with Laws. The Parties agree to comply with all Laws relating to this Agreement.

9.4. Consents. Whenever the consent or approval of a Party to this Agreement is required hereunder, such consent or approval will not be unreasonably withheld.

9.5. Construction of Words. As used in this Agreement, the singular of any word shall include the plural, and vice versa. Masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.

9.6. Counterparts. This Agreement may be executed in several counterparts and by a different Party in separate counterparts, with the same effect as if all Parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

9.7. Further Assurance. The Parties shall perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the transactions contemplated in this Agreement.

9.8. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to the principles of conflicts of law thereof. If there is a lawsuit under this Agreement, each Party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois.

9.9. Integration. This Agreement constitutes the entire agreement between the Parties, merges all discussions between them and supersedes and replaces any and every other prior or contemporaneous agreement, negotiation, understanding, commitments and writing with respect to such subject matter hereof.

9.10. Parties' Interest/No Third Party Beneficiaries. This Agreement shall be binding upon the Parties, and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Parties, and their respective successors and permitted assigns (as provided herein). This Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a Party and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Agreement, nor any act of the Parties shall be deemed or construed by any of the Parties hereto or by third parties, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving any of the Parties.

9.11. Modification or Amendment. This Agreement may not be altered, modified or amended except by a written instrument signed by all Parties.

9.12. **No Implied Waivers.** No waiver by a Party of any breach of any provision of this Agreement will be a waiver of any continuing or succeeding breach of the breached provision, a waiver of the breached provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to, or demand on, a Party in any case will, of itself, entitle that Party to any further notice or demand in similar or other circumstances.

9.13. **Notices.** Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram, facsimile (fax); (c) overnight courier or (d) registered or certified first class mail, return receipt requested.

|                       |   |
|-----------------------|---|
| To the City:          | <b>City of Chicago</b><br>Department of Planning and Development<br>Attention: Commissioner<br>City Hall, Room 1000<br>121 N. LaSalle Street<br>Chicago, Illinois 60602<br>(312) 744-4190<br>(312) 744-2271 (Fax)           |
| With copies to:       | <b>City of Chicago</b><br>Department of Law<br>Attention: Finance and Economic Development<br>Division<br>City Hall, Room 600<br>121 N. LaSalle Street<br>Chicago, Illinois 60602<br>(312) 744-0200<br>(312) 744-8538 (Fax) |
| To the Park District: | <b>Chicago Park District</b><br>Attention: General Superintendent<br>541 North Fairbanks<br>Chicago, Illinois 60611<br>(312) 742-4200<br>(312) 742-5360 (Fax)   |
| With copies to:       | <b>Chicago Park District</b><br>General Counsel<br>541 North Fairbanks<br>Chicago, Illinois 60611<br>(312) 742-4602   |

(312) 742-5316 (Fax)

To the Commission: Public Building Commission of Chicago  
50 West Washington Street  
Room 200  
Chicago, Illinois 60602  
Attn: Executive Director

With a copy to: Neal & Leroy, LLC  
203 N. LaSalle Street  
Suite 2300  
Chicago, Illinois 60601  
Attn: Anne L. Fredd

Such addresses may be changed by notice to the other Parties given in the same manner provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) above shall be deemed received upon such personal service or dispatch. Any notice, demand or request sent pursuant to clause (c) above shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to clause (d) above shall be deemed received two business days following deposit in the mail.

Any notice sent pursuant to this Section 9.14 shall also be sent to the Authorized DPD Representative, the Authorized Park District Representative and the Authorized Commission Representative, as the case may be.

9.14. Remedies Cumulative. The remedies of a Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such Party unless specifically so provided herein.

9.15. Representatives. Immediately upon execution of this Agreement, the following individuals will represent the Parties pursuant to Section 2.2 hereof as a primary contact in all matters under this Agreement.

Authorized DPD  
Representative: Nelson Chueng  
Coordinating Planner  
City of Chicago  
Department of Planning and Development  
City Hall, Room 1003  
121 N. LaSalle Street  
Chicago, Illinois 60602  
(312) 744-5756  
(312) 744-7996 (Fax)

Authorized Park District  
Representative:

Michael C. Kelly  
Chief Operating Officer  
Chicago Park District  
541 North Fairbanks  
Chicago, Illinois 60611  
(312) 472-4300  
(312) 472-5360 (Fax)

Authorized Commission  
Representative:

John Plezbert  
First Deputy Director  
Public Building Commission of Chicago  
50 West Washington Street  
Room 200  
Chicago, Illinois 60602  
(312) 744-9286  
(312) 744-8005 (Fax)

Each Party agrees to promptly notify the other Party of any change in its designated representative, which notice shall include the name, address, telephone number and fax number of the representative for such Party for the purpose hereof.

9.16. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

9.17. Survival of Agreements. Except as otherwise contemplated by this Agreement, all covenants and agreements of the Parties contained in this Agreement will survive the consummation of the transactions contemplated hereby.

9.18. Titles and Headings. Titles and headings to paragraphs contained in this Agreement are for convenience only and are not intended to limit, vary, define or expand the content of this Agreement.

9.19. Assignment. This Agreement, or any portion thereof, shall not be assigned by a Party without the prior written consent of the other Parties.

9.20. Time. Time is of the essence in the performance of this Agreement.

*[The remainder of this page is intentionally blank.  
Signatures appear on the following page.]*

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CHICAGO, a municipal corporation,

By and through its Department of Planning and Development

By:   
Arnold L. Randall  
Commissioner

By and through its Department of Environment

By: \_\_\_\_\_  
Suzanne Malec-McKenna  
Commissioner

CHICAGO PARK DISTRICT, a body politic and corporate

By: \_\_\_\_\_  
Timothy J. Mitchell  
General Superintendent and CEO

Attest: \_\_\_\_\_  
Darlene Lesniak  
Secretary

PUBLIC BUILDING COMMISSION OF CHICAGO,  
a body politic and corporate

By: \_\_\_\_\_  
Erin Lavin Cabonargi  
Executive Director

Taylor-Lauridsen Park Expansion  
Intergovernmental Agreement

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered as of the date first above written.

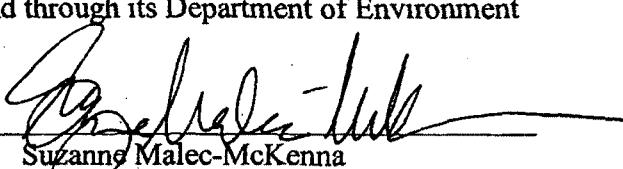
CITY OF CHICAGO, a municipal corporation,

By and through its Department of Planning and Development

By: \_\_\_\_\_

Arnold L. Randall  
Commissioner

By and through its Department of Environment

By:   
Suzanne Malec-McKenna  
Commissioner

CHICAGO PARK DISTRICT, a body politic and corporate

By: \_\_\_\_\_

Timothy J. Mitchell  
General Superintendent and CEO

Attest: \_\_\_\_\_

Darlene Lesniak  
Secretary

PUBLIC BUILDING COMMISSION OF CHICAGO,  
a body politic and corporate

By: \_\_\_\_\_

Erin Lavin Cabonargi  
Executive Director

Taylor-Lauridsen Park Expansion  
Intergovernmental Agreement

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CHICAGO, a municipal corporation,

By and through its Department of Planning and Development

By: \_\_\_\_\_

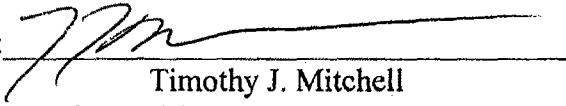
Arnold L. Randall  
Commissioner

By and through its Department of Environment

By: \_\_\_\_\_

Suzanne Malec-McKenna  
Commissioner

CHICAGO PARK DISTRICT, a body politic and corporate

By: 

Timothy J. Mitchell  
General Superintendent and CEO

Attest: 

Darlene Lesniak  
Secretary

PUBLIC BUILDING COMMISSION OF CHICAGO,  
a body politic and corporate

By: \_\_\_\_\_

Erin Lavin Cabonargi  
Executive Director

**Taylor-Lauridsen Park Expansion  
Intergovernmental Agreement**

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CHICAGO, a municipal corporation,

By and through its Department of Planning and Development

By: \_\_\_\_\_

Arnold L. Randall  
Commissioner

By and through its Department of Environment

By: \_\_\_\_\_

Suzanne Malec-McKenna  
Commissioner

CHICAGO PARK DISTRICT, a body politic and corporate

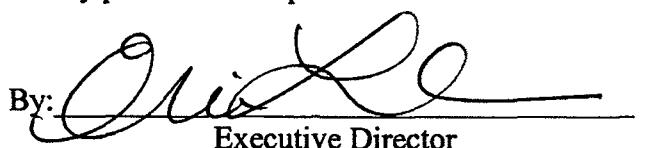
By: \_\_\_\_\_

Timothy J. Mitchell  
General Superintendent and CEO

Attest: \_\_\_\_\_

Darlene Lesniak  
Secretary

PUBLIC BUILDING COMMISSION OF CHICAGO,  
a body politic and corporate

By:   
Executive Director

Taylor-Lauridsen Park Expansion  
Intergovernmental Agreement

*Appendix A*  
*Definitions*

Approved Work Plan: The Revised Corrective Action Plan dated April 4, 2006, prepared by LFR Environmental Management and Consulting Engineering, and approved by the IEPA on April 19, 2006, as amended or supplemented from time to time.

Authorized Commission Representative: The person or entity employed or retained by the Commission to provide construction management, administration and coordination services with respect to the implementation of the Project.

Authorized DPD Representative: The person or firm employed by DPD for the purpose of facilitating the construction of the Project, approving change orders and material substitutions which affect or cause the Project to exceed the overall Budget, and obtaining all other required approvals by DPD.

Authorized Park District Representative: The person or firm employed by the Park District as its representative for purposes of receiving notices, attending meetings and inspections, and otherwise participating in the development and completion of the Project.

Budget: The amount determined by the Authorized DPD Representative, the Authorized Park District Representative and the Authorized Commission Representative as the estimated cost of completing the Project and attached hereto as Exhibit D-1.

Certificate of Expenditure. The Certificate, substantially in the form attached hereto as Exhibit N, which shall be issued by the Commission on behalf of the Park District as provided in Section 1.6.9 hereof to certify that the Project substantially conforms to the Contract Documents and that the Project has been completed except for Punch List Work that will not materially interfere with the use and occupancy of the Project.

Change Order: The document which authorizes either an adjustment in the Contract sum and/or Contract time or a change in the Work that may result in such an adjustment

Contract: The contract, including all of the Contract Documents as described therein, to provide the labor, materials and other Work, for the construction, repair or renovation of the Project. For purposes of this Agreement, the term "contract" may include a general construction contract or construction management services agreement.

Contract Documents: The drawings, specifications and program requirements (including civil, architectural, structural, mechanical, plumbing, fire protection and electrical drawings and technical specifications) for the construction of the Project.

Contractor: The contractor which contracts with the Commission to perform services

and provide Work in connection with the development, design, selected demolition, construction, repair or renovation of the Project. For purposes of this Agreement, the term "contractor" may include a general contractor, construction manager or other consultants engaged by the Commission to construct the Project.

CSIR: The Comprehensive Site Investigation Report submitted to the IEPA in connection with a request for the Draft NFR Letter (North) dated February 6, 2004, prepared by Carnow, Conibear and Associates, as amended or supplemented from time to time.

Draft NFR Letter (North): That certain draft comprehensive NFR Letter for that portion of the Property not covered by the Final NFR Letter (South), based on TACO Tier I residential remediation objectives dated January 30, 2008, and attached hereto as Exhibit L-2, as amended or supplemented from time to time.

Environmental Laws: Any and all Laws relating to the regulation and protection of human health, safety, the environment and natural resources now or hereafter in effect, as amended or supplemented from time to time, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136 et seq., the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., and any and all regulations promulgated thereunder, and all analogous state and local counterparts or equivalents, including, without limitation, the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq.

Field Order: A written order to the Contractor unilaterally directing changes in the Work or the Project Schedule.

Final Acceptance: The date on which the Authorized Commission Representative in consultation and agreement with the Authorized DPD Representative and the Authorized Park District Representative determines that all of the requirements of the Contract for the construction of the Project or portions thereof have been completed in accordance with the Contract Documents.

Final NFR Letter (South): That certain final comprehensive NFR Letter for the Southern Portion of the Property dated September 13, 2006 and recorded with the Office of the Cook County Recorder of Deeds on October 6, 2006, as Document No. 0627934091, based on TACO Tier I residential remediation objectives, and attached hereto as Exhibit L-1, as amended or supplemented from time to time.

Final Project NFR Letter: One or more comprehensive final NFR Letters, as amended or

supplemented from time to time, approving the use of the Premises for the Project and the operation of the Park Expansion based on (a) the Current Site Plan, (b) the Final NFR Letter (South), and (c) the Draft NFR Letter (North), including, without limitation, all documents cited therein. The Final Project NFR Letter shall state that the subject area meets TACO Tier I residential remediation objectives as set forth in 35 Ill. Adm. Code Part 742, but may be reasonably conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA, while at all times being consistent with the Project requirements.

Hazardous Substances: Any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Laws, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil or any fraction thereof), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

IEPA: The Illinois Environmental Protection Agency.

Interim Order: Agreed Amended Interim Order for Immediate and Preliminary Injunction entered by the Circuit Court of Cook County on April 28, 2006, in *People of the State of Illinois ex rel. Lisa Madigan, Attorney General of the State of Illinois v. Crawford Laboratories, Inc.*, No. 05 CH 9104, a copy of which is attached hereto as Exhibit G.

Laws: All applicable federal, state, local or other laws (including common law), statutes, codes, ordinances, rules, regulations or other requirements, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders, consent decrees or judgments.

Master Park District/Commission IGA: The Master Intergovernmental Agreement between the Park District and the Commission dated as of August 31, 1999, for the development and redevelopment of various Park District buildings and facilities by the Commission, as amended or supplemented from time to time.

NFR Letter(s): "No further remediation" letter(s) issued by the IEPA pursuant to the SRP and, with respect to any USTs subject to Title 16 of the Illinois Environmental Protection Act, a "no further remediation" letter with respect to such USTs pursuant to Title 16, whichever is applicable, as amended or supplemented from time to time.

Project: The development, design, selected demolition, repair and renovation, construction and improvement of buildings and facilities for use in providing recreational services to residents of the City to be constructed on the Expanded Park as more fully described on Exhibit C entitled, "Site Plans", attached hereto and incorporated herein by

reference.

Project Account: An existing interest-bearing account of the Commission that will be used for purposes of depositing funds advanced by the Park District to pay the costs incurred by the Commission in designing, constructing and improving the Project or portions thereof as more fully described in Section 3.1.1 hereof.

Punch List Work: Minor adjustments, repairs or deficiencies in the Work as determined by the Authorized Commission Representative in consultation and agreement with the Authorized DPD Representative and the Authorized Park District Representative, which must be completed prior to Final Acceptance of the Work and the issuance of the Certificate of Completion for the Project.

RACR: The Remedial Action Completion Report submitted to the IEPA in connection with a request for a Final Project NFR Letter following completion of the Project.

Record Documents: Operating and maintenance manuals, "as built" documents (1 mylar set) and CAD files of all drawings relating to the Project.

RELPE: A Review and Evaluation Licensed Professional Engineer.

ROR/RAP: The Remedial Objectives Report/Remedial Action Plan submitted to the IEPA in connection with a request for the Draft NFR Letter (North) dated November 8, 2007, prepared by Carnow, Conibear and Associates, as amended or supplemented from time to time..

Schedule: The anticipated date or dates on which the Project or portion thereof will be completed.

Special Waste: All materials that require management as a special waste, as defined in the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq.

Southern Portion of the Property: The portion of the Property covered by the Final NFR Letter (South), for which there is evidence of contamination from PAHs but not from VOCs.

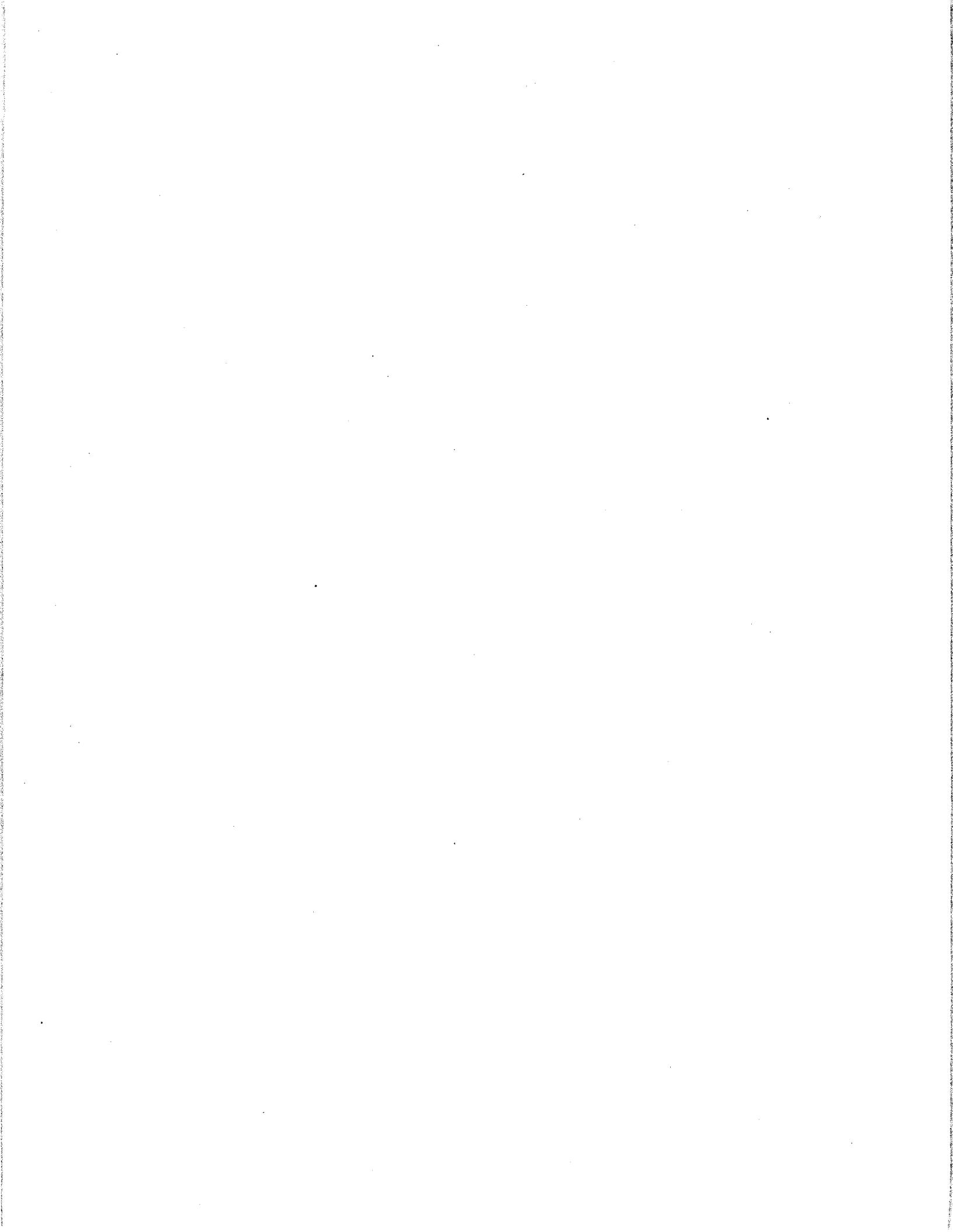
SRP: The IEPA's Site Remediation Program as set forth in Title XVII of the Illinois Environmental Protection Act, 415 ILCS 5/58 et seq., and the regulations promulgated thereunder.

Substantial Completion: The date on which the Authorized Commission Representative in consultation with the Authorized DPD Representative and the Authorized Park District Representative determines that the Project has been substantially completed (except for Punch List Work that will not materially interfere with the use and occupancy of the

Project) and the Contractor has delivered to the Commission a "Certificate of Occupancy" issued by the City for such Project.

UST(s). Underground storage tank(s) whether or not subject to Title 16 of the Illinois Environmental Protection Act, including without limitation (i) any underground storage tank as defined in 415 ILCS 5/57.2, (ii) any farm or residential tank of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes, (iii) any tank used for storing heating oil for consumption on the premises where stored, (iv) any septic tank, (v) any tank that is excluded from the definition in 415 ILCS 5/57.2 based upon the existence of any Hazardous Substance therein, and (vi) any pipes connected to items (i) through (v) above.

Work: All materials, labor, equipment, supplies, plant, tools, scaffolding, transportation, superintendence, permits, inspections, occupancy approvals, insurance, taxes and all other services, facilities and expenses necessary for the full performance and completion of the requirements of the Contract Documents. Work also means that which is furnished, produced, constructed or built pursuant to the Contract Documents.



*Exhibit A*  
*Legal Description*

PARCEL 1:

THE EAST 25 FEET OF THE NORTH 103 FEET OF BLOCK 14 IN SUPERIOR COURT PARTITION OF THE WEST 1/2 OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 701 WEST ROOT STREET  
CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-004-0000

PARCEL 2:

THE WEST 115.46 FEET OF THE EAST 140.46 FEET (EXCEPT THE WEST 17 FEET OF SAID 115.46 FEET) OF THE NORTH 100 FEET IN BLOCK 14 IN SUPERIOR COURT PARTITION OF THE WEST 1/2 OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 707 WEST ROOT STREET  
CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-020-0000

PARCEL 3:

THE SOUTH 287.1 FEET OF THE EAST 124 & 7/12 FEET OF BLOCK 14 IN THE SUBDIVISION BY THE COMMISSIONERS OF THE SUPERIOR COURT OF THE WEST ½ OF THE NORTH WEST ¼ OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 4160 SOUTH UNION STREET  
CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-024-0000

**PARCEL 4:**

THE EAST 124 & 7/12 FEET OF BLOCK 14 (EXCEPT THE NORTH 103 FEET THEREOF AND EXCEPT THE SOUTH 287.1 FEET THEREOF) IN SUPERIOR COURT PARTITION OF THE WEST  $\frac{1}{2}$  OF THE NORTH WEST  $\frac{1}{4}$  OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 4174 SOUTH UNION STREET  
CHICAGO, ILLINOIS

PERMANENT INDEX NO. 20-04-118-022-0000

AND ALSO THAT PART OF SOUTH UNION AVENUE LYING SOUTH OF THE SOUTH  
RIGHT OF WAY LINE OF WEST ROOT AND NORTH OF THE NORTH RIGHT OF WAY  
LINE OF WEST 42nd STREET OF THE WEST  $\frac{1}{2}$  OF THE NORTH WEST  $\frac{1}{4}$  OF SECTION 4,  
TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK  
COUNTY, ILLINOIS, WHICH PART OF SOUTH UNION AVENUE HAS BEEN CLOSED.