

LEASE AND LICENSE AGREEMENT
AT CHICAGO O'HARE INTERNATIONAL AIRPORT

THIS LEASE AND LICENSE AGREEMENT ("Agreement" or "License") is made and entered into as of this 1st day of December 2017, by and between the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the 1970 Constitution of the State of Illinois ("City"), and the United States Government ("Government") acting by and through the General Services Administration ("GSA" or "Licensee") on behalf of the [REDACTED] ([REDACTED]).

WITNESSETH

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

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

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

WHEREAS, the GSA is the Government agency that is responsible for acquiring facilities for use by the [REDACTED] and

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

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

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

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

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

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

2. **Prior Agreement Extended.** The prior License Agreement entered into on March 1, 2006, between the aforementioned parties, is hereby extended until the full execution of this Agreement.

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

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

5. **License.**

A. **Term.** Unless otherwise terminated as provided below or expressly provided otherwise with respect to specific Premises, this License will remain in effect for a period of three (3) years from the date first set forth above and may be extended for two additional one (1) year terms, provided that the Licensee, at the time of the extension, is in compliance with the terms and conditions of the License. Licensee must notify the City in writing at least one hundred eighty (180) days prior to expiration of the License if its intent is not to extend the License in order for the City to lease the Premises to others. If Licensee fails to comply with the foregoing notice requirement and the City is unable to lease the Premises to a replacement tenant(s) by the time of expiration of this License, Licensee shall pay rent for the period following expiration to the extent that any portion of the Premises is unleased, but not to exceed one hundred eighty (180) days.

B. **Termination.** The License may be terminated at any time by the Commissioner or Licensee, with or without cause, provided the terminating party gives one hundred eighty (180) days written notice in accordance with the terms and conditions hereof. In the event the [REDACTED] no longer possesses the necessary licenses, permits, or other authorizations in connection with the use of the Premises, is no longer responsible for screening passengers and their baggage, or fails to operate and maintain the Premises in accordance with this License, the Commissioner may terminate this License upon ten (10) days written notice. Any holdover by Licensee shall be on a month-to-month basis, terminable with one month's notice by the Commissioner.

6. **Relocation.** The Licensee will not be relocated during the first three (3) years of this Agreement. The City shall give notice to the Licensee of the City's intent to relocate the Premises at least 90 days prior to the effective date of the relocation. Such notice shall include a description of the new premises and the effective date of such relocation. The terms and conditions of this License shall apply to the new premises under such relocation and Exhibit A hereto may be revised by the City to show the relocated premises without need for a formal amendment to this License.

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

8. **Modifications To Premises.**

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

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

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

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

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

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

contest the validity of any lien.

9. **[Intentionally Deleted]**

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

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

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

13. **Vacation of Premises.**

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

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

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

remaining shall be paid to Licensee.

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

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

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

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

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

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

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

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

If to City: City of Chicago
Chicago [REDACTED]
P.O. Box 66142
Chicago, IL 60666
Attn: Deputy Commissioner, Real Estate

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

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

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

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

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

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

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

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

the Airport between the Licensor and various airlines.

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

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

27. **Licensor's Authority.** This License is authorized by an Ordinance passed by the City of Chicago City Council on 10/11, 2017 (C.J.P. pages 56829 - _____).

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

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

CITY OF CHICAGO

By

[Redacted Signature]

Commissioner

APPROVED AS TO FORM AND LEGALITY:

[Redacted Signature]

Senior Counsel

General Services Administration
LICENSEE

By

[Redacted Signature]

Name: Christine M. Reynolds

Title: Lease Contracting Officer