

GRANT AGREEMENT

This Grant Agreement, made and entered into effective as of the 1st day of January, 2017 (this "Agreement") by and between the City of Chicago (the "City"), acting through its Office of Budget and Management ("OBM"), and World Business Chicago, an Illinois not-for-profit corporation formerly known as Chicago Partnership for Economic Development ("WBC").

RECITALS

WHEREAS, the City is a municipal corporation and home rule unit of local government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois; and

WHEREAS, WBC is an Illinois not-for profit corporation organized for the purposes of facilitating and coordinating business attraction, retention and expansion efforts for the City ("WBC's Mission"); and

WHEREAS, WBC's Mission shall include the Chicago Sister Cities International Program, consisting of those activities set forth in Exhibit A hereto (the "Program"); and

WHEREAS, the City has determined that a grant to WBC is necessary, essential and appropriate to assist the Program; and

WHEREAS, OBM desires to provide to WBC for its use in the Program a grant in an amount not to exceed \$528,643 (the "Grant"); and

WHEREAS, on November 16, 2016, the City Council of the City adopted the City's 2017 annual appropriation ordinance approving the making of the Grant; and

WHEREAS, under the terms and conditions hereof, the City agrees to make the Grant funds available to WBC; and

WHEREAS, the City and WBC have among their powers the authority to contract with each other to perform the undertakings described herein;

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

SECTION 1. INCORPORATION OF RECITALS AND EXHIBIT A

The recitals set forth above and Exhibit A attached hereto are hereby incorporated herein by reference and made a part hereof.

SECTION 2. GRANT

Subject to the provisions in this Agreement, the City shall make available to WBC the Grant funds from Fund No. 355-0994401-9124-220140.

SECTION 3. COVENANTS AND REPRESENTATIONS

3.1 WBC shall use the Grant funds solely for purposes of the Program.

3.2 WBC shall comply 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, including Title 2, Chapter 2-156 of the Municipal Code of Chicago, pertaining to or affecting WBC. Upon the City's request, WBC shall provide evidence satisfactory to the City of such compliance.

3.3 WBC shall at all times perform its work in connection with the Program with the utmost care, skill and diligence in accordance with the applicable standards currently recognized in the community.

3.4 WBC warrants that it has obtained from the Internal Revenue Service (the "Service") tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. WBC agrees to provide the City with copies of all correspondence it receives from the Service with regard to its status for tax-exemption. WBC shall not act, directly or indirectly, in any manner which would adversely affect its tax-exemption status with the Service.

3.5 WBC shall maintain and keep in force, at its sole cost and expense, at all times during its existence, insurance in such amounts and of such type as set forth in Section 9 hereof.

3.6 WBC shall comply with all policies issued by the City relating to Illinois not-for-profit corporations and federal tax-exempt entities, as such policies may be modified, amended or supplemented from time to time.

3.7 WBC represents that it has full power and authority to enter into and perform its obligations under this Agreement and the execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all requisite corporate action.

3.8 WBC represents that neither WBC nor any Affiliate thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business with under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

3.9 WBC represents that no member, official or employee of the City has any personal interest, direct or indirect, in WBC's business or shall participate in any decision relating to WBC's business which affects his/her personal interests or the interests of any corporation, partnership or association in which he/she is directly interested.

SECTION 4. TERM; EXTENSIONS

4.1 This Agreement shall terminate on December 31, 2017; provided, however, that this Agreement may be extended for one or more one-year periods at the sole discretion of the Budget Director of OBM.

4.2 Notwithstanding anything to the contrary, the Grant funds being provided under this Agreement are subject to the appropriation and availability of City funds. In the event that no funds or insufficient funds relating to the Grant are appropriated and budgeted in any fiscal period of the City which governs the Grant to be made under this Agreement, the City shall notify WBC of such occurrence and this Agreement shall terminate on the earlier of: (a) the last day of the fiscal period for which sufficient appropriation was made or (b) whenever the funds appropriated in relation to the Grant being provided under this Agreement are exhausted.

SECTION 5. AUDIT, INSPECTION AND RETENTION OF RECORDS, REPORTS

5.1 WBC shall maintain separate, complete, accurate and detailed books and records necessary to monitor its use of the Grant funds. All such books, records and other related documents shall be available at WBC's principal office at reasonable times for inspection, copying, audit and examination by an authorized representative of the City, at WBC's expense.

5.2 Rights of inspection and review provided in this Section 5 shall continue for five years from the date hereof or until final settlement and conclusion of all issues arising out of the acceptance of the Grant.

5.3 WBC shall provide the City with written quarterly reports (in a format acceptable to the City) detailing WBC's activities; such reports shall be due on April 30, 2017, July 31, 2017, October 31, 2017 and (Section 4.1 notwithstanding) January 31, 2018.

SECTION 6. DISBURSEMENTS

WBC agrees to submit quarterly reimbursement requisitions to the City, or at other intervals as determined by the City, identifying the payment due for costs expended in such detail as the City may require, with such supporting documentation as required by the City.

SECTION 7. INDEMNIFICATION

WBC agrees to indemnify, defend and hold the City, its officials, agents and employees harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, attorneys' and accountants' fees and court costs) suffered or incurred by any such party arising from or in connection with this Agreement. This indemnification shall survive the termination or expiration of this Agreement.

SECTION 8. DEFAULT AND REMEDIES

8.1 In the event WBC fails to perform, keep or observe any of its covenants, conditions, promises, agreements or obligations under this Agreement or that certain Economic Disclosure Statement and Affidavit dated as of the date hereof (which WBC provided to the City in connection with this Agreement), and the same is not cured as described in Section 8.2 hereof, the City may terminate this Agreement.

8.2 Prior to termination, the City shall give its notice of intent to terminate 30 days prior to termination at the address specified in Section 10 hereof, and shall state the nature of the default. In the event WBC does not cure such default within the 30-day notice period, such termination shall become effective at the end of such period; provided, however, with respect to those defaults which are not capable of being cured within such 30-day period, WBC shall not be deemed to have committed such default if it has commenced to cure the alleged default within such 30-day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

8.3 The City may, in any court of competent jurisdiction, by any proceeding at law or in equity, secure the specific performance of the agreements contained herein, or may be awarded damages for failure of performance, or both.

SECTION 9. INSURANCE

WBC shall provide and maintain or cause to be provided at WBC's own expense during the term of the Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

A. Insurance to Be Provided

1) Workers Compensation and Employers Liability

Workers Compensation as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, WBC shall provide Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage.

4) Professional Liability

When any professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$500,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of

work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

5) Directors and Officers Liability

Directors and Officers Liability Insurance must be maintained in connection with this Agreement with limits of not less than \$1,000,000. Coverage must include any actual or alleged act, error or omission by directors or officers while acting in their individual or collective capacities. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede commencement of services by WBC under this Agreement. A claims made policy which is not renewed or replaced must have an extended reporting period of 2 years.

6) Crime

Crime Insurance or equivalent covering all persons handling funds under this Agreement, against loss by dishonesty, robbery, burglary, theft, destruction, or disappearance, computer fraud, credit card forgery, and other related crime risks with limits of not less than \$100,000.

7) Valuable Papers

When any media, data, financial records, books and other documents are produced or used under this Agreement, Valuable Papers Insurance shall be maintained in an amount to insure against any loss whatsoever, and shall have limits sufficient to pay for the re-creation and reconstruction of such records.

B. Additional Requirements

WBC will furnish the City of Chicago, Office of Budget and Management, City Hall, Room 604, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. WBC has submitted evidence of insurance on the City of Chicago Insurance Certificate Form or equivalent concurrently herewith. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from WBC shall not be deemed to be a waiver by the City. WBC shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve WBC of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work until proper evidence of insurance is provided, or the Agreement may be terminated.

The insurance shall provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

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

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.

SECTION 11. MODIFICATION

This Agreement may not be altered, modified or amended except by a written instrument signed by all the parties hereto.

SECTION 12. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the City and WBC and supersedes all prior agreements, negotiation and discussion between them.

SECTION 13. WAIVER

Waiver by the City with respect to breach of this Agreement shall not be considered or treated as a waiver of the rights of the City with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City in writing.

SECTION 14. DISCLAIMER

Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

SECTION 15. HEADINGS

The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

SECTION 16. COUNTERPARTS

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

SECTION 17. SEVERABILITY

If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such provision shall be deemed severed from this Agreement to the extent of such invalidity or unenforceability, and the remainder hereof will not be affected thereby, each of the provisions hereof being severable in any such instance.

SECTION 18. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois.

SECTION 19. NON-LIABILITY OF OFFICIALS

No official, employee or agent of the City or WBC shall be charged personally by WBC, the City or by an assignee or subcontractor of either, with any liability or expenses of defense or be held personally liable under any term or provision of this Agreement because of their execution or attempted execution or because of any breach hereof.

SECTION 20. ASSIGNMENT

This Agreement, or any portion thereof, shall not be assigned by WBC without the prior written consent of the City.

SECTION 21. INSPECTOR GENERAL

It is WBC's duty and the duty of any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all of WBC's officers, directors, agents, partners, and employees and any such bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. WBC represents that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code and that WBC will inform subcontractors of this provision and require their compliance.

SECTION 22. EXECUTIVE ORDER No. 2011-4

WBC agrees that WBC, any person or entity who directly or indirectly has an ownership or beneficial interest in WBC of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, WBC's Subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractors of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (WBC and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City (the "Mayor") or to his political fundraising committee (i) after execution of this bid, proposal or Agreement by WBC, (ii) while this Agreement or any Other Contract is executory, (iii) during the term of this Agreement or any Other Contract between WBC and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated. WBC shall inform subcontractors of this provision and require their compliance.

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

WBC agrees that WBC shall not: (a) coerce, compel or intimidate WBC's employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse WBC's employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) Bundle or solicit others to Bundle contributions to the Mayor or to his political fundraising committee.

WBC agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

WBC agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If WBC violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Agreement resulting from this specification, the Commissioner may reject WBC's bid.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fundraising committee.

"Other Contract" means any other agreement with the City to which WBC are a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the city council.

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

For purposes of this Section 22 only, individuals are "Domestic Partners" if they satisfy the following criteria: (a) they are each other's sole domestic partner, responsible for each other's common welfare; and (b) neither party is married, as marriage is defined under Illinois law; and (c) the partners are not related by blood closer than would bar marriage in the State of Illinois; and (d) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and (e) two of the following four conditions exist for the partners: (i) the partners have been residing together for at least 12 months, (ii) the partners have common or joint ownership of a residence, (iii) the partners have at least two of the following arrangements: (A) joint ownership of a motor vehicle; (B) a joint credit account; (C) a joint checking account; and (D) a lease for a residence identifying both domestic partners as tenants, and (iv) each partner identifies the other partner as a primary beneficiary in a will.

"Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code.

SECTION 23. CITY HIRING PLAN

(a) The City is subject to the June 24, 2011 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

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

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

(d) In the event of any communication to WBC by a City employee or City official in violation of Section 23(b) above, or advocating a violation of Section 23(c) above, WBC will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General, and also to the Budget Director. WBC will also cooperate with any inquiries by IGO Hiring Oversight.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their authorized officers on or as of the day and year first written above.

CITY OF CHICAGO

By: Alfred Holl-
Budget Director
Office of Budget and Management
Date: 6/20/17

WORLD BUSINESS CHICAGO, an Illinois not-for-profit corporation

By: [Signature]
Name: Jeffrey A. Malachuk
Title: Pres & CEO
Date: May 25, 2017

**0355 - Special Events and Municipal Hotel Operators' Occupation Tax Fund
099 - FINANCE GENERAL**

(099/1005/2005)

Appropriations		Amount
0000 Personnel Services		
0029	For Health Maintenance Organization Premiums (HMO) Provided to Eligible Employees and Their Families	\$273,572
0042	For the Costs of Claims and Administration for Hospital and Medical Care Provided to Eligible Employees, Provided However, That All Payments to the Independent Utilization Reviewer Shall Be Subject to the Approval of the Chairman of the Committee on the Budget and Government Operations	629,488
0045	For the Cost of Claims and Administration or Premiums for Term Life Insurance	6,638
0049	Claims and Costs of Administration Pursuant to the Workers' Compensation Act	55,000
0051	Claims Under Unemployment Insurance Act	28,454
0052	Costs of Claims and Administration for Hospital and Medical Care to Eligible Annuitants and Their Eligible Dependents	22,394
0056	For the Cost of Claims and Administration or Premiums for a Co-Insured Dental Plan for Employees	32,765
0000 Personnel Services - Total*		\$1,048,311
0100 Contractual Services		
0138	For Professional Services for Information Technology Maintenance	\$111,492
0140	For Professional and Technical Services and Other Third Party Benefit Agreements	4,045,436
0149	For Software Maintenance and Licensing	106
0160	Repair or Maintenance of Property	500,000
0161	Operation, Repair or Maintenance of Facilities	200,000
0100 Contractual Services - Total*		\$4,857,034
0900 Financial Purposes as Specified		
0991	To Provide for Matching and Supplementary Grant Funds Currently in Effect as well as New Grants	183,750
0900 Financial Purposes as Specified - Total		\$183,750
9000 Purposes as Specified		
9027	For the City Contribution to Social Security Tax	\$1,922
9076	City's Contribution to Medicare Tax	81,372
9000 Purposes as Specified - Total		\$83,294
9100 Purposes as Specified		
9124	For the Sister Cities Program	528,643
9100 Purposes as Specified - Total		\$528,643



CERTIFICATE OF FILING FOR
CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT

EDS Number: 103416

Date of This Filing:02/02/2017 04:55 PM

Certificate Printed on: 02/02/2017

Original Filing Date:02/02/2017 04:55 PM

Disclosing Party: World Business Chicago

Title:Director of Operations

Filed by: Carrie Simmons

Matter: World Business Chicago

Applicant: World Business Chicago

Specification #:

Contract #:

The Economic Disclosure Statement referenced above has been electronically filed with the City. Please provide a copy of this Certificate of Filing to your city contact with other required documents pertaining to the Matter. For additional guidance as to when to provide this Certificate and other required documents, please follow instructions provided to you about the Matter or consult with your City contact.

A copy of the EDS may be viewed and printed by visiting <http://webapps1.cityofchicago.org/EDSWeb> and entering the EDS number into the EDS Search. Prior to contract award, the filing is accessible online only to the disclosing party and the City, but is still subject to the Illinois Freedom of Information Act. The filing is visible online to the public after contract award.

