

Exhibit 1 (of the Ordinance) – Façade Encroachment Easement Agreement

THIS INSTRUMENT PREPARED
BY, AND AFTER RECORDING,
PLEASE RETURN TO:

Akerman LLP
Attn: Chris A. Leach
71 South Wacker Drive
47th Floor
Chicago, Illinois 60606

(The Above Space for Recorder's Use Only)

FAÇADE ENCROACHMENT EASEMENT AGREEMENT

This Façade Encroachment Easement Agreement (“**Agreement**”) is entered into as of this ____ day of _____, 2024, by and between the **CITY OF CHICAGO**, an Illinois home rule municipality (“**City**”), **JRTC HOLDINGS, LLC**, an Illinois limited liability company (“**Grantee**”). The City and Grantee are sometimes referred to herein jointly as the “**Parties**” or individually as a “**Party**.”

BACKGROUND

WHEREAS, Grantee is the fee owner of a certain parcel of land in the County of Cook, State of Illinois, commonly known as 100 West Randolph Street, Chicago, Illinois, legally described in **Exhibit A**, attached hereto and made a part hereof (hereinafter referred to as the “**Thompson Center Parcel**”); and

WHEREAS, the Thompson Center Parcel is improved with a 17 story building known as the “**Thompson Center Building**”; and

WHEREAS, the Thompson Center Building occupies the entire south frontage of West Lake Street between North LaSalle Street and North Clark Street; and

WHEREAS, the northeast corner of the existing Thompson Center Building façade projects beyond the northerly boundary of the Thompson Center Parcel and encroaches into a small portion of the West Lake Street public right of way legally described in **Exhibit B**, attached hereto and made a part hereof (“**Façade Projection Easement Area**”); and

WHEREAS, the Grantee is currently undertaking a comprehensive rehabilitation of the Thompson Center Building including the reconstruction of its façade facing West Lake Street (“**Thompson Center Project**”); and

WHEREAS, subject to its obligations as trustee of the public way, the City desires to grant an exclusive easement in and through the Façade Projection Easement Area for the continued use and occupation of the Façade Projection Easement Area by the façade of the Thompson Center Building, including its rehabilitation through the Thompson Center Project,

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

1. **Grant of Easement.** Subject to the terms and conditions of this Agreement, the City hereby grants to Grantee an easement (“**Easement**”) across the Façade Projection Easement Area solely for the use, operation, maintenance, and repair of the façade of the Thompson Center Building within such area. This Easement is subject to all existing and future utilities and public service facilities, and any other appurtenances that may be legally authorized to occupy the Façade Projection Easement Area.

2. **Term.** The Easement is granted for a term (the “**Term**”) commencing on the date hereof (the “**Commencement Date**”) and shall expire on the date the Thompson Center Building ceases to occupy the Façade Projection Easement Area. In addition, Grantee shall have the right to terminate this Agreement at any time, but only upon completion and satisfaction of the removal and restoration obligations in Section 6 below.

3. **Title.** Grantee represents and warrants to the City that it is the owner of the Thompson Center Parcel, and that the Grantee holds sufficient title and fee interest in and to the Thompson Center Parcel to enter into this Agreement and bind the Thompson Center Parcel to the obligations provided herein.

4. **Grantee's Obligations.**

(a) Prior to the commencement of construction of any alterations to the portion of the Thompson Center Building within the Façade Projection Easement Area, Grantee shall deliver proposed plans and specifications for such alterations to the City’s Commissioner of Transportation (“CDOT”) for their review and approval. Grantee shall expressly warrant with such submittal that any such work shall be designed, constructed and maintained in compliance with all applicable federal, state and local laws and regulations in effect at the time (“Laws”).

(b) Grantee shall be responsible for obtaining approvals of, and paying for, any and all removals, relocations, alterations, additional maintenance and restorations of or to any utility or public service structures or facilities, or any other structures or facilities, located in or adjacent to the Façade Projection Easement Area, whether owned or controlled by the City or by any third-party with authority to occupy the public way,

which work is or may be, in the reasonable judgment of CDOT, necessary or appropriate to facilitate work to the Thompson Center Building. Grantee shall be responsible for obtaining the consent of and making suitable arrangements with all entities owning or having an interest in such structures and facilities, including any City department.

(c) Grantee shall secure all necessary permits and approvals required by Law.

(d) Grantee shall conduct regular documented inspections of the Façade Projection Easement Area and the portions of the Thompson Center Building in and adjacent thereto. At its sole cost and expense, Grantee shall maintain the Façade Projection Easement Area and the portions of the Thompson Center Building in and adjacent thereto in good maintenance and repair, including structurally sound and clean to the reasonable satisfaction of CDOT, in accordance with Law, and in a condition such that they do not interfere with any legal use of the public way by the City, the public, or any person or entity authorized to use or occupy the public way. All inspection and maintenance records shall be made available to CDOT upon CDOT's written request for such documentation.

(e) Grantee shall cooperate with the City concerning the coordination of uses of the Public Way, including prompt responses to inquiries, attending meetings and site visits, and providing complete disclosure of information concerning the Façade Projection Easement Area and the portions of the Thompson Center Building in and adjacent thereto.

5. **City Has No Maintenance and Operational Duties.** Grantee acknowledges that the City is not responsible for the operation, maintenance, repair, replacement and/or removal or security of the Façade Projection Easement Area and the portions of the Thompson Center Building in and adjacent thereto, and the City has no obligations with respect thereto.

6. **Removal and Restoration.** Prior to expiration or termination of the Term, Grantee shall complete the removal of all portions of the Thompson Center Building within the Façade Projection Easement Area and the restoration of the public way to the extent altered, disturbed or damaged by the use, operation, inspection, maintenance, repair, replacement or removal of Thompson Center Building within the Façade Projection Easement Area, all to the reasonable satisfaction of CDOT and in accordance with Law.

7. **Indemnity.** Grantee hereby agrees to indemnify, defend and hold the City harmless from and against any and all claims, demands, damages, lawsuits, legal proceedings, losses, liens, liabilities, judgments, orders or decrees and all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees, court costs, and other reasonable expenses related to litigation), for personal injury or property damage arising or resulting from the use of the public way, including the Façade Projection Easement Area ("Claims"). If Grantee receives notice of any Claim, it shall promptly notify the City in writing with copies of all notices, letters, attachments and other evidence of claims provided to or obtained by Grantee. Upon receipt of such notice, City shall elect, within a reasonable time, whether to tender the defense of such Claim to Grantee which, upon an election to tender, shall timely appear and

diligently defend such Claim at Grantee's own expense. The City shall cooperate with Grantee in the defense thereof. This indemnification shall survive the expiration of the Term of this Agreement.

8. **Insurance.** The Grantee shall procure and maintain, at all times, or shall cause to be procured and maintained, and submit proof thereof, all of the types and coverages of insurance specified in **Exhibit C**, attached hereto and made a part hereof ("**Insurance Requirements**"), at the times stated therein, with insurance companies authorized to do business in the State of Illinois, covering all activities and operations under this Agreement, including construction, operation, maintenance and removal phases, whether performed by the Grantees or any of its contractors. The Grantees' liability coverages may be provided through its captive insurance company, if approved by the City as provided in the Insurance Requirements. Unless otherwise provided for by the authorized representative of the City Department, Grantees must register with the City's online insurance certificate portal as specified in the Insurance Requirements. Grantees shall be responsible for ensuring that Grantees' insurance agent or provider responds to requests generated by and sent via email from the City's online insurance certificate portal requiring the upload of a certificate of insurance (COI) or any other required insurance documents directly into the portal. Grantee is further responsible for ensuring that any requests for insurance documentation during the Term are provided through the City's online insurance certificate portal and that all such information uploaded is accurate and meets the requirements of the Insurance Requirements. COIs may not be submitted to the City via mail, email, fax, or other means unless specifically requested or agreed to by the City in that format. Grantees shall not be authorized to begin the Work prior to registration in and receipt of COI in the City's online insurance certificate portal, without the written authorization of the City Comptroller.

9. **Default.** Grantee shall be in default hereunder in the event of a material breach by Grantee of any term or condition of this Agreement including, but not limited to, a representation or warranty, where Grantee has failed to cure such breach within sixty (60) days after written notice of breach is given to Grantee by City setting forth the nature of such breach. Failure of City to give written notice of breach to Grantee shall not be deemed to be a waiver of the City's right to assert such breach at a later time. If the default is not capable of being cured within the sixty (60) day period, then provided Grantee has commenced to cure the default and is diligently proceeding to cure the default within the sixty (60) day period, and thereafter diligently prosecutes such cure through to completion, then the sixty (60) day period shall be extended for the length of time that is reasonably necessary to cure the default. If the default is not cured in the time period provided for herein, the City may institute such proceedings at law or in equity as may be necessary or desirable to cure and remedy the default, including but not limited to, termination of this Agreement and removal of the Thompson Center Building from the Façade Projection Easement Area at Grantee's sole expense.

10. **No Liens.** Grantee shall not permit any lien to stand against the Façade Projection Easement Area for any labor or material in connection with work of any character performed in the Public Way Easement Area at the direction or sufferance of Grantee.

11. **Partial Invalidity.** If any clause, sentence or other portion of this Agreement shall become illegal, null or void for any reason, or shall be held by any court of competent jurisdiction to be so, the remaining portion hereof shall remain in full force and effect.

12. **Notices.** Any and all notices or other communications required or permitted pursuant hereto shall be in writing and shall be deemed to have been given if and when personally delivered or on the next following business day if transmitted by reputable overnight carrier. Notices shall be addressed to Grantee and City at their respective addresses set forth below, or to such substitute address as Grantee or City may have designated by notice in accordance herewith:

If to the City:	City of Chicago Department of Transportation 2 North LaSalle Street, Room 800 Chicago, Illinois 60602 Attn: Maps and Plats
With a copy to:	City of Chicago Department of Law 121 North LaSalle Street, Suite 600 Chicago, Illinois 60602 Attn: Real Estate and Land Use Division
If to Grantee:	JRTC Holdings, LLC 120 North LaSalle Street, Suite 3200 Chicago, Illinois 60602 Attn: Michael W. Reschke
With a copy to:	John J. George Akerman LLP 71 S. Wacker Dr., Suite 4700 Chicago, Illinois 60606

13. **Illinois Law.** This Agreement has been negotiated, executed and delivered in Chicago, Illinois, and shall be construed and enforced in accordance with the laws of Illinois, including the law of public trust with respect to the use and occupation of the public way.

14. **No Third-Party Beneficiaries.** This Agreement shall be binding upon and inure to the benefit solely of Grantee and the City and their respective successors and assigns. This document and the terms hereof are intended solely for the benefit of the parties hereto and their successors and assigns, as expressly referred to herein. No other person shall have any rights, responsibilities or obligations hereunder nor may such person enforce any of the terms or be entitled to any of the benefits hereof.

15. **Authority and Validity.** The undersigned representative of Grantee represents and warrants to City that this Agreement has been duly authorized, executed and delivered in accordance with the applicable governing board of Grantee, such that this Agreement constitutes

the legal, valid and binding obligation of Grantee, enforceable against Grantee in accordance with its terms. City represents that its execution of this Agreement has been authorized by an ordinance approved by City Council on _____, 2024 (C.J. pp. _____ - _____).

16. **Miscellaneous.**

(a) The terms, benefits, and privileges set forth in this Agreement shall run with the land of the Façade Projection Easement Area and shall be appurtenant to and bind the Thompson Center Parcel for the Term.

(b) If any provision of this Agreement, or any paragraph, sentence, clause, phrase, or word or the application thereof is held invalid, illegal, null or void for any reason, or shall be held by any court of competent jurisdiction to be so, the remainder of this Agreement shall be construed as if such invalid part were never included and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law provided that this Agreement, in its entirety as so reconstituted, does not represent a material change to the rights or obligations of either of the Parties.

(c) In the event the time for performance hereunder falls on a Saturday, Sunday, or legal holiday, the actual time for performance shall be the next business day.

(d) This Agreement and the accompanying Plat shall be governed by, and construed in accordance with, the internal laws of the State of Illinois. In the event that an adjudication of any kind shall be required in connection with this Agreement, the Parties agree that the venue therefor shall be the state or federal courts located in Cook County, Illinois, whichever may be applicable.

(e) This Agreement constitutes the entire contract between the Parties with respect to the subject matter of this Agreement and may not be modified except by an instrument in writing signed by all the Parties and dated a date subsequent to the date of this Agreement.

(f) Each Party agrees that it will execute and deliver such other reasonable documents and take such other reasonable actions as may be reasonably requested by the other party to effectuate the purposes and intention of this Agreement.

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

18. **Inspector General.** It is the duty of every officer, employee, department, agency, contractor, subcontractor, developer and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the City's Inspector General in any

investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. Grantee understands and will abide by all provisions of Chapter 2-56 of the Municipal Code.

THE BALANCE OF THIS PAGE IS INTENTIONALLY LEFT BLANK

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

CITY OF CHICAGO, an Illinois municipal corporation and home rule unit of government

By: 
Thomas Carney
Commissioner
Department of Transportation

JRTC HOLDINGS, LLC,
an Illinois limited liability company

By: _____

Name: _____

Title: _____

STATE OF ILLINOIS)

) SS.

COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT Thomas Carney, personally known to me to be the Commissioner of the Department of Transportation of the City of Chicago, Illinois (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Commissioner he signed and delivered the said instrument pursuant to authority given him on behalf of the City, for the uses and purposes therein set forth.

Given under my hand and notarial seal on February 26, 2024.



~~Notary Public~~

STATE OF ILLINOIS)

) SS.

COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the _____ of JRTC HOLDINGS, LLC, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such officer, he signed and delivered the said instrument pursuant to authority given him on behalf of the LLC, for the uses and purposes therein set forth.

Given under my hand and notarial seal on _____, 2024.

Notary Public

EXHIBIT A (to Exhibit 1 of the Ordinance)

Thompson Center Parcel

PARCEL 1:

BLOCK 34 IN ORIGINAL TOWN OF CHICAGO IN THE SOUTH EAST 1/4 OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING THEREFROM THE WEST 3 FEET THEREOF, TAKEN FOR WIDENING NORTH LASALLE STREET), IN COOK COUNTY, ILLINOIS;

PARCEL 2:

THE VACATED WEST 16 FEET OF CLARK STREET LYING EAST OF AND ADJOINING BLOCK 34 IN ORIGINAL TOWN OF CHICAGO IN THE SOUTH EAST 1/4 OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS;

Property Address: 100 West Randolph Street, Chicago, Illinois

Real Estate Tax PINs:

17-09-434-020-0000

17-09-434-021-0000

17-09-434-022-0000

17-09-434-023-0000

EXHIBIT B (to Exhibit 1 of the Ordinance)

Legal Description of the Façade Projection Easement Area

ALL THAT PART OF THE WEST 16 FEET OF W. LAKE STREET, AN 80 FOOT WIDE PUBLIC RIGHT OF WAY NORTH OF AND ADJOINING THAT PART OF N. CLARK STREET AS VACATED BY ORDINANCE PASSED JANUARY 14, 1982 AND RECORDED FEBRUARY 2, 1982 AS DOCUMENT NO. 26130931 AND BLOCK 34 IN ORIGINAL TOWN OF CHICAGO, ANTE-FIRE, IN THE EAST PART OF THE SOUTHEAST QUARTER OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF VACATED N. CLARK STREET AFORESAID; THENCE SOUTH 89 DEGREES 14 MINUTES 04 SECONDS WEST ALONG THE NORTH LINE THEREOF AND THE NORTH LINE OF BLOCK 34 AFORESAID, 76.17 FEET; THENCE NORTH 88 DEGREES 31 MINUTES 46 SECONDS EAST 76.16 FEET TO THE NORTHERLY EXTENSION OF THE EAST LINE OF SAID VACATED N. CLARK STREET; THENCE SOUTH 01 DEGREES 39 MINUTES 08 SECONDS EAST ALONG SAID NORTHERLY EXTENSION 0.94 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

ABOVE DESCRIBED PARCEL CONTAINING 35.7 SQUARE FEET OR 0.0008 ACRES, MORE OR LESS

PLAT OF EASEMENT

(To Be Attached)