



City of Chicago



O2018-7781

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	9/20/2018
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Lease agreement with Archer Ave LLC for use of office space at 5672 S Archer Ave by Department of Family and Support Services and Office of City Clerk
Committee(s) Assignment:	Committee on Housing and Real Estate

HSC-



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

September 20, 2018

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

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith ordinances authorizing the execution of lease agreements.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor

ORDINANCE

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

SECTION 1: On behalf of the City of Chicago as Tenant, the Commissioner of the Department of Fleet and Facility Management is authorized to execute a Lease with Archer Avenue LLC, as Landlord, for use of approximately 6,748.75 square feet of office space, located at 5672 South Archer Avenue, by the Department of Family and Support Services and the Office of the City Clerk; such Lease to be approved by the Commissioner of the Department of Family and Support Services and the City Clerk, and approved as to form and legality by the Corporation Counsel in substantially the following form:

LEASE NO. 14216

LEASE

THIS LEASE (the "Lease") is made and entered into this _____ day of _____, 2018, by and between **ARCHER AVENUE, LLC** (hereinafter referred to as "Landlord") and the **CITY OF CHICAGO**, an Illinois municipal corporation (hereinafter referred to as "Tenant").

RECITALS

WHEREAS, Landlord is the owner of the real property with a common address range of 5666-5690 South Archer Avenue, Chicago, Cook County, Illinois (the "Property") as legally described on **Exhibit A** attached hereto; and

WHEREAS, the Property is improved with a 2-story building located on the west side of the Property with a common address of 5680 South Archer Avenue, and is improved with a 1-story building located on the east side of the Property with a common address of 5672 South Archer Avenue (the "5672 Building"); and

WHEREAS, Landlord and Tenant are parties to a lease agreement dated December 13, 2007 (the "2007 Lease," the term of which expires on December 31, 2018) governing Tenant's occupancy of approximately 5,300 square feet (more precisely, 5,321.75 square feet) of ground floor office space located in the 5672 Building for use by the former Department on Aging (now called the Department of Family and Support Services) and the Office of the City Clerk;

WHEREAS, pursuant to the 2007 Lease, the Office of the City Clerk occupies 973 square feet of office space located in the westernmost unit of the 5672 Building, as depicted on the floor plan attached hereto as Exhibit B, and the Department of Family and Support Services occupies 4,348.75 square feet of space (the "DFSS Unit") directly adjacent to and east of the Office of the City Clerk, also depicted on **Exhibit B**; and

WHEREAS, Tenant desires to relocate the Office of the City Clerk from the 973 square foot unit to a vacant 2,400 square foot unit located directly east of and adjacent to the DFSS Unit in the 5672 Building; and

WHEREAS, Landlord wishes to accommodate the relocation of Tenant's Office of the City Clerk; and

NOW THEREFORE, in consideration of the covenants, terms and conditions set forth herein, the parties hereto agree and covenant as follows:

SECTION 1. GRANT

Landlord hereby leases to Tenant the following described premises situated in the City of Chicago, County of Cook, State of Illinois, to wit:

LEASE NO. 14216

Approximately 6,748.75 square feet of office space in the building located at 5672 South Archer Avenue, Chicago, Illinois (part of PIN# 19-09-315-026 - the "Premises").

SECTION 2. TERM

The term of this Lease ("Term") shall commence on January 1, 2019 (the "Commencement Date"), and shall end on December 31, 2025, unless sooner terminated as set forth in this Lease.

SECTION 3. RENT, TAXES AND UTILITIES.

3.1 Rent. Tenant shall pay base rent for the Premises in the amount of:

a) Fourteen Thousand Six Hundred Twenty-Two and 29/100 Dollars (**\$14,622.29**) per month for the period beginning on January 1, 2019 and ending on the December 31, 2020.

b) Fourteen Thousand Seven Hundred Sixty-Eight and 51/100 Dollars (**\$14,768.51**) per month for the period beginning on January 1, 2020 and ending on the December 31, 2020.

c) Fourteen Thousand Nine Hundred Sixteen and 20/100 Dollars (**\$14,916.20**) per month for the period beginning on January 1, 2021 and ending on the December 31, 2021.

d) Fifteen Thousand Sixty-Five and 36/100 Dollars (**\$15,065.36**) per month for the period beginning on January 1, 2022 and ending on the December 31, 2022.

e) Fifteen Thousand Two Hundred Sixteen and 01/100 Dollars (**\$15,216.01**) per month for the period beginning on January 1, 2023 and ending on the December 31, 2023.

f) Fifteen Thousand Three Hundred Sixty-Eight and 17/100 Dollars (**\$15,368.17**) per month for the period beginning on January 1, 2024 and ending on the December 31, 2024.

g) Fifteen Thousand Five Hundred Twenty-One and 85/100 Dollars (**\$15,521.85**) per month for the period beginning on January 1, 2025 and ending on the December 31, 2025.

Rent shall be paid to Landlord at Archer Avenue, LLC, 302 West 31st Street, Chicago, Illinois 60616, or at such place as Landlord may from time to time, hereby designate in writing to Tenant.

LEASE NO. 14216

3.2 Taxes and Other Levies. Landlord shall pay when due all real estate taxes, duties, assessments, sewer and water charges and other levies assessed against the Premises, except for those charges which this Lease specifies that Tenant shall pay.

3.3 Utilities. Tenant shall pay when due all charges for gas, electricity, light, heat, and telephone or other communication service, and all other utility services used in or supplied to the Premises, except for those charges which this Lease specifies that Landlord shall pay. Landlord shall sub-meter the Premises for Tenant's utilities.

SECTION 4. BUILDOUT.

4.1 Buildout of New Space. Due to Tenant's relocation of the Office of the City Clerk from the 973 square foot unit to the 2,400 square foot unit, the 2,400 square foot unit will require a construction buildout to satisfy the needs of Tenant's operations. At Tenant's cost, Tenant shall build out the 2,400 square foot unit within the Premises to serve its operational needs. Tenant shall present to Landlord drawings and specifications that shall be approved by Landlord prior to the start of construction, such approval not be unreasonably withheld. Any construction work undertaken by Tenant shall be in full compliance with all building and construction code requirements of the City of Chicago.

4.2 Access to Unit for Buildout. To complete Tenant's construction buildout of the 2,400 square foot unit, Tenant shall be permitted early access to the 2,400 square foot unit to commence construction on a no-cost basis. Such early access shall be permitted upon full execution of this Lease, which is anticipated to occur prior to the Commencement Date.

4.3 Holding Over in the to be Vacated Unit During Buildout. Tenant anticipates that construction in the 2,400 square foot unit may take up to three months to complete, which may delay Tenant in vacating the 973 square foot unit beyond December 31, 2018. Tenant shall be permitted to remain in the 973 square foot space beyond December 31, 2018 if construction in the 2,400 square foot unit is still ongoing, and total monthly rent shall still be payable to Landlord as outlined in Section 3.1(a) of this Lease. If, however, Tenant requires to hold over in the 973 square foot unit beyond February 28, 2019, Tenant shall pay Landlord \$1,045.27 for the month of March 2019, in addition to the monthly rent as outlined in Section 3.1(a) of this Lease. If Tenant holds over in the 973 square foot unit beyond March 31, 2019, then Tenant shall pay Landlord \$2,090.54 per month in addition to the monthly rent outlined in Section 3.1(a) of this Lease.

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

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