



# City of Chicago



O2013-5390

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	6/26/2013
<b>Sponsor(s):</b>	Emanuel, Rahm (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Lease agreement with The Thresholds, Inc. for use of space located at 6337 S Woodlawn
<b>Committee(s) Assignment:</b>	Committee on Housing and Real Estate

## ORDINANCE

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

**SECTION 1:** On behalf of the City of Chicago as Landlord, the Commissioner of the Department of Fleet and Facility Management and the Commissioner of the Department of Public Health are authorized to execute a Lease with The Thresholds, Inc. as Tenant governing the use of space located at 6337 South Woodlawn Avenue; such Lease to be approved as to form and legality by the Corporation Counsel in substantially the following form:

**LEASE**

**THIS LEASE** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2013 (the "Effective Date"), by and between **THE CITY OF CHICAGO**, an Illinois Municipal Corporation and Home Rule Unit of Government (herein referred to as "**Landlord**" or "**City**") and **THE THRESHOLDS**, an Illinois Not-for-Profit Corporation (hereinafter referred to as "**Tenant**").

**RECITALS**

**WHEREAS**, Landlord is the owner of the building located at 6337 South Woodlawn Avenue more commonly known as the Woodlawn Neighborhood Health Clinic (the "**Building**"); and

**WHEREAS**, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord, approximately 1,420 square feet of office space (the "Premises") located on the north portion of the Building as depicted on **Exhibit A** attached hereto and made a part hereof together with non-exclusive access to an adjoining parking lot located immediately to the east of the Building to be used by Tenant as provided herein; and

**WHEREAS**, Landlord is not presently utilizing the Premises; 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, and Tenant hereby leases from Landlord, the following described premises situated in the City of Chicago, County of Cook, State of Illinois, to wit:

Approximately 1,420 square feet of office space located at 6337 South Woodlawn Avenue together with access to an adjoining parking lot in Chicago, Illinois (part of PIN 20-23-200-029).

**SECTION 2. TERM**

2.1 Term. The term of this Lease ("Term") shall commence on the Effective Date and shall terminate on December 31, 2018, unless sooner terminated as set forth in this Lease.

**SECTION 3. RENT, TAXES, AND UTILITIES**

3.1 Rent. Tenant shall pay rent ("Rent") to Landlord for use of the Premises in the amount of:

One Dollar (\$1.00) for the entire Term with the receipt and sufficiency of said sum hereby acknowledged by both parties.

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3.2 Operating Costs. Tenant shall reimburse Landlord's Operating Costs (as defined hereunder) for use of the Premises as reimbursement for Landlord's costs to operate the Building and the Premises, but not as profit.

a. Calculation of Operating Costs. Tenant shall pay to Landlord Operating Costs incurred by Landlord with regards to Tenant's proportionate use of the Building (the "Proportionate Use"). This Proportionate Use shall be based on the square footage leased by Tenant divided by the Building's total square footage. The Building is comprised of approximately 13,675 square feet and the Premises are comprised of approximately 1,420 square feet or 10.39% of the Building's total square footage. Operating Costs shall be based on Tenant's 10.39% Proportionate Use of the Building. Operating Costs shall include (i) all utilities (including, but not limited to gas, electricity, and water), (ii) landscaping, (iii) mechanical supplies and repairs, and (iv) Tenant's allocable share of other reasonable costs incurred by Landlord in operating the Building (excluding any capital improvements that may be required). For 2013, Tenant's Operating Costs are estimated to be, and Tenant shall initially pay, \$499.59 per month (subject to subsequent accounting and adjustment which may serve to increase or decrease these initial estimated Operating Costs). The initial estimated monthly Operating Costs are set forth in Exhibit B, attached hereto and made a part hereof, and are subject to future accounting and adjustments. Tenant shall provide for Tenant's own security services and custodial services. Tenant may elect to subcontract such services directly through the other occupant of the Building, Cook County.

b. Reimbursement Procedure. Operating Costs shall be paid to Landlord at the City of Chicago, Department of Finance, Warrants for Collection, City Hall, 121 North LaSalle, Room 107, Chicago, Illinois 60602 or at such place as Landlord may from time to time designate in writing to Tenant. Landlord shall invoice Tenant for such Operating Costs on a monthly basis. In the event that Tenant does not receive invoices from Landlord, Tenant shall contact Landlord and request such invoices. Landlord's failure to invoice Tenant for Operating Costs or other expenses does not constitute a waiver by Landlord for payment of any charges due hereunder.

3.3 Utilities. Landlord shall pay for gas, electricity, and water supplied to the Building. Tenant shall pay when due all charges for any applicable telephone or other communication services provided to the Premises for Tenant's use.

3.4 Taxes. In the event that or Leasehold taxes are ever assessed against the Premises as a result of Tenant's tenancy, Tenant shall pay when due any leasehold taxes, penalties, and interest assessed or levied on the Premises without reimbursement or other setoff from Landlord. Tenant acknowledges that leasehold taxes are one (1) year in arrears in Cook County and that as a result Tenant will be responsible for satisfaction of all leasehold taxes, penalties, and interest assessed or levied on the subject Premises at least one year after Tenant vacates the Premises. Notwithstanding the foregoing, nothing contained herein shall preclude Tenant from contesting any charge or tax levied against the Premises. The failure of Tenant to pay such taxes, interest, and penalties during the pendency of the contest shall not constitute a default under this Lease. Tenant's tax responsibilities under this section shall survive the expiration, cancellation, or termination of this Lease, but payment may be a requirement for contesting such taxes.

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3.5 Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of Operating Costs or other costs due hereunder shall be deemed to be other than on account of the amount due, and no endorsement of statement or any check or any letter accompanying any check or payment of rent shall be deemed an accord and satisfaction. Landlord may accept such check or payment without prejudice as to Landlord's right to recover the balance of such installment or payment. Landlord may pursue any other remedies available to Landlord at law or equity.

### **SECTION 4. CONDITION AND ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS, AND SURRENDER**

4.1 Covenant of Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon paying the rent, Operating Costs, and upon observing and keeping the covenants, agreements, and conditions of this Lease on its part to be kept, observed, and performed, shall lawfully and quietly hold, occupy, and enjoy the Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by Landlord or by any person or persons claiming under Landlord.

4.2 Maintenance. Landlord shall take reasonable efforts to maintain the Building and the Premises in a condition of good repair and good order. Tenant shall notify Landlord with respect to any issues with maintenance of the Premises and/or the Building. Tenant shall also notify Landlord regarding any issues with other services provided to the Premises and/or the Building by Landlord. In the event that any building code violations are caused by Tenant, Tenant shall resolve such issues at Tenant's cost or, at Landlord's sole and exclusive option, Landlord may elect to perform such repairs subject to Tenant's reimbursement of Landlord's costs to undertake such repairs.

4.3 Landlord's Right of Access. Landlord shall have the right of reasonable access to the Premises and the Building, upon reasonable prior written notice to Tenant, for the purpose of inspecting and making repairs to the Premises or the Building. Landlord shall always have access to the Premises and the Building in the event of maintenance or security emergencies.

4.4 Use of the Premises. Tenant shall not use the Premises in a manner that would violate any law. Tenant further covenants not to do or suffer any waste or damage any portion of the Premises and/or the Building, and to comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state, and municipal governmental departments which may be applicable to the Premises or to the use or manner of use of the Premises. Any activities on the Premises must be limited to use as non-commercial office space. All such activities must be provided consistent with Tenant's not-for-profit purposes and so as to lessen the burdens of government by providing social care services.

4.5 Alterations, Repairs, Additions, and Improvements. Tenant may make alterations, additions, and improvements on the Premise provided that any such alterations, repairs, additions, and improvements shall be in full compliance with the applicable laws, permit requirements, and building codes. In addition, Tenant will comply with all insurance requirements under this Lease. Tenant must obtain the prior written consent of the Commissioner

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of the Department of Fleet and Facility Management before commencing any alterations, repairs, additions, and improvements including, but not limited to, telephone network switch repairs and upgrades. Any permanent additions and improvements shall be without cost to Landlord and shall become property of Landlord at Lease termination without offset or other credit to Tenant. Notwithstanding the foregoing, Landlord shall not have any obligations to provide any additional services or incur additional costs for code upgrades or code repairs or other improvements to either the Premises or the Building that may be triggered by any of Tenant's alterations, additions, or improvements.

### **SECTION 5. ASSIGNMENT, SUBLEASE, AND LIENS**

5.1 Assignment and Sublease. Tenant shall not assign this Lease in whole or in part, or sublet the Premises or any part thereof.

5.2 Tenant's Covenant against Liens. Tenant shall not cause or permit any lien or encumbrance, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon Landlord's title or interest in the Premises and/or the Building. All liens and encumbrances created by Tenant shall attach to Tenant's interest only. In case of any such lien attaching, Tenant shall immediately pay and remove such lien or furnish security or indemnify Landlord in a manner satisfactory to Landlord in its sole discretion to protect Landlord against any defense or expense arising from such lien. Except during any period in which Tenant appeals any judgment or obtains a rehearing of any such lien, or in the event judgment is stayed, Tenant shall immediately pay any judgment rendered against Tenant, with all proper costs and charges, and shall have the lien released and any judgment satisfied. If Tenant fails to pay and remove any lien or contest such lien in accordance herewith, Landlord, at its election, may pay and satisfy same, and all sums so paid by Landlord, with interest from the date of payment at the rate set at 12% per annum.

### **SECTION 6. INSURANCE AND INDEMNIFICATION**

6.1 Insurance. The Tenant shall procure and maintain at all times at Tenant's own expense, during the term of this Lease, and during any holding over, the insurance coverages and requirements specified below, insuring all operations related to the lease with insurance companies authorized to do business in the state of Illinois.

The kinds and amounts of insurance required are as follows:

a) Workers Compensation and Employers Liability Insurance. Workers Compensation and Employers Liability Insurance and Occupational Disease Insurance, as prescribed by applicable law, covering all Tenant's employees and Employer's Liability coverage with limits of not less than \$100,000 each accident or illness.

b) Commercial Liability Insurance. (Primary and Umbrella). Commercial Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence, for bodily injury, personal injury, and property damage liability. Coverage extensions shall include the following: All premises and operations, products/completed operations, defense, separation of insureds, and

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contractual liability (with no limitation endorsement). The City of Chicago, its employees, elected officials, agents, and representatives are to be named as additional insureds on a primary, non-contributory basis for any liability arising directly or indirectly from the Lease.

c) Professional/ Liability. When any professional consultants perform services in the Premises or in connection with Tenant's use of the Premises, Liability Insurance covering acts, errors or omissions related to such activities must be maintained with limits of not less than \$1,000,000 (this amount shall increase to \$3,000,000 in the event that Tenant provides medical or treatment services on the Premises). Coverage must include contractual liability insurance. A claims-made policy which is not renewed or replaced must have an extended reporting period of 2 years. Tenant shall provide Landlord with copies of the professional licenses and/or certificates for each of the professional consultants performing services in the Premises or in connection with the Tenant's use of the Premises.

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

e) All Risk Property Insurance. All risk property insurance coverage shall be maintained by the Tenant for full replacement value to protect against loss, damage to or destruction of property. The policy shall list the City of Chicago as an additional insured and loss payee. The Tenant shall be responsible for all loss or damage to personal property (including but not limited to materials, equipment, tools and supplies), owned or rented, by the Tenant.

f) All Risk Builders Risk Insurance. When Tenant undertakes any construction, including improvements, betterments, and/or repairs, the Tenant shall provide All Risk Builders Risk Insurance, at replacement cost, for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverage shall include but not limited to the following: right to partial occupancy, earth movement, flood including surface water backup and sewer backup and seepage. The City of Chicago shall be named as an additional insured and loss payee.

The Tenant shall be responsible for all loss or damage to personal property (including but not limited to materials, equipment, tools and supplies), owned or rented, by the Tenant.

6.2 Other Terms of Insurance. The Tenant will furnish the City of Chicago, Department of Fleet and Facility Management, Office of Real Estate Management, 30 North LaSalle Street, Suite 300, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Lease, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of this Lease. The Tenant shall submit evidence on insurance prior to Lease award. The receipt of any certificates does not constitute agreement by the Landlord that the insurance requirements in the Lease have been fully met or that the insurance policies indicated on the certificate are in compliance with all Lease requirements. The failure of the Landlord to obtain certificates or other insurance evidence from Tenant, or Tenant's failure to

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submit insurance coverage required under this Lease, shall not be deemed to be a waiver by the Landlord. The Tenant shall advise all insurers of the Lease provisions regarding insurance. Non-conforming insurance shall not relieve Tenant of its obligation to provide Insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Lease, and the Landlord retains the right to terminate the Lease until proper evidence of insurance is provided.

The insurance shall provide for 60 days prior written notice to be given to the Landlord 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 Tenant.

The Tenant agrees that its insurers shall waive their rights of subrogation against the Landlord of Chicago its employees, elected officials, agents or representatives.

The Tenant expressly understands and agrees that any coverages and limits furnished by Tenant shall in no way limit the Tenant's liabilities and responsibilities specified within the Lease documents or by law.

The Tenant expressly understands and agrees that any insurance or self-insurance programs maintained by the City of Chicago shall apply in excess of and not contribute with insurance provided by the Tenant under the Lease.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The City of Chicago, Department of Finance, Office of Risk Management, maintain the right to modify, delete, alter or change these requirements.

6.3 Tenant's Indemnification. Tenant shall indemnify, defend, and hold Landlord (its officers, agents, agencies, departments and employees) harmless against all liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, costs, damages, and expenses (including reasonable attorney's fees, expenses, and court costs – collectively the "Claims"), whether such Claim is related to or arises from personal injury or property damage which may be expended by or accrued against, be charged to, or be recovered from Landlord or Tenant by reason of Tenant's performance of or failure to perform any of Tenant's obligations, or Tenant's negligent acts or failure to act under this Lease, or resulting from the acts or failure to act of Tenant's contractors, invitees, agents, or employees or from any liability arising from access to the Premises or the Building by any of Tenant's contractors, invitees, agents, or employees or any third parties seeking services from Tenant under this Lease.

## **SECTION 7. DAMAGE OR DESTRUCTION**

7.1 Damage or Destruction. If the Premises and/or the Building are damaged or destroyed or sustain a casualty to such extent that Tenant cannot continue, occupy or conduct its



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normal business therein, or if, in Tenant or Landlord's opinion, the Premises and/or the Building are rendered untenable, either Landlord or Tenant shall have the option to declare this Lease terminated as of the date of such damage or destruction by giving the other party written notice of such exercise. If either party exercises this option, Tenant shall cease operations immediately and the Operating Costs shall be apportioned as of the date of such damage or destruction. Landlord shall repay to Tenant any prepaid Operating Costs.

**SECTION 8. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS**

8.1 Conflict of Interest. No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial interest (as defined in Chapter 2-156 of the Municipal Code), either direct or indirect, in the Premises; nor shall any such official, employee, or member participate in making or in any way attempt to use her or his position to influence any City governmental decision or action with respect to this Lease.

8.2 Duty to Comply with Governmental Ethics Ordinance. Landlord and Tenant shall comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics," including but not limited to section 2-156-120, which states that no payment, gratuity, or offer of employment shall be made in connection with any City of Chicago contract as an inducement for the award of that contract or order. Any contract negotiated, entered into, or performed in violation of any of the provisions of Chapter 2-156 shall be voidable as to the City of Chicago.

**SECTION 9. HOLDING OVER**

9.1 Holding Over. Any holding over by Tenant shall be construed to be a tenancy from month to month beginning on January 1, 2019 and the rent and Operating Costs will be the same as outlined in Section 3.1 and Section 3.2 of this Lease. During any holding over, all other provisions of this Lease shall remain in full force and effect.

**SECTION 10. MISCELLANEOUS**

10.1 Notice. All notices, demands and requests which may be or are required to be given, demanded or requested by either party to the other shall be in writing. All notices, demands and requests by Tenant to Landlord shall be delivered by national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid addressed to Landlord as follows:

City of Chicago  
Chicago Department of Public Health  
333 South State Street, 2<sup>nd</sup> Floor  
Chicago, Illinois 60604

With a copy to:

City of Chicago

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Department of Fleet and Facility Management  
Office of Real Estate Management  
30 North LaSalle Street, Suite 300  
Chicago, Illinois 60602

or at such other place as Landlord may from time to time designate by written notice to Tenant. All notices, demands, and requests by Landlord to Tenant shall be delivered by a national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to Tenant as follows:

The Thresholds  
4101 North Ravenswood Avenue  
Chicago, Illinois 60613  
Attn: Brue Jefferson

or at such other place as Tenant may from time to time designate by written notice to Landlord. Any notice, demand or request which shall be served upon Tenant by Landlord, or upon Landlord by Tenant, in the manner aforesaid, shall be deemed to be sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed.

10.2 Partial Invalidity. If any covenant, condition, provision, term or agreement of this Lease shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Lease shall not be affected thereby, but each covenant, condition, provision, term or agreement of this Lease shall be valid and in force to the fullest extent permitted by law.

10.3 Governing Law. This Lease shall be construed and be enforceable in accordance with the laws of the State of Illinois.

10.4 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Lease. This Lease contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by the parties hereto.

10.5 Captions and Section Numbers. The captions and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Lease nor in any way affect this Lease.

10.6 Binding Effect of Lease. The covenants, agreements, and obligations contained in this Lease shall extend to, bind, and inure to the benefit of the parties hereto and their legal representatives, heirs, successors, and assigns.

10.7 Time is of the Essence. Time is of the essence of this Lease and of each and every provision hereof.

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10.8 No Principal/Agent or Partnership Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

10.9 Authorization to Execute Lease. The parties executing this Lease hereby represent and warrant that they are duly authorized and acting representatives of Landlord and Tenant respectively and that by their execution of this Lease, it became the binding obligation of Landlord and Tenant respectively, subject to no contingencies or conditions except as specifically provided herein.

10.10 Termination of Lease. Landlord and Tenant shall have the right to terminate this Lease for any reason by providing each other with ninety (90) days prior written notice at any time after the Effective Date. In addition, this Lease shall automatically terminate in the event that the Landlord conveys the Building to Cook County or to any other entity at Landlord's sole and exclusive discretion.

10.11 Force Majeure. When a period of time is provided in this Lease for either party to do or perform any act or thing, the party shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, wars, governmental regulation or control, and other causes beyond the reasonable control of the party, and in any such event the time period shall be extended for the amount of time the party is so delayed.

10.12 Tenant Default. Tenant must adhere to all provisions of this Lease. Failure of Tenant to adhere to all provisions of this Lease will result in default. In the event of such default, Landlord will notify Tenant in writing as to the circumstances giving rise to such default. Upon written receipt of such notice, Tenant must cure such default within thirty (30) days. If Tenant does not cure such default within thirty (30) days, Landlord may cancel this Lease with thirty (30) days written notice.

10.13 No Brokers. Tenant warrants to Landlord that no broker or finder (a) introduced Tenant to the Premises, (b) assisted Tenant in the negotiation of this Lease, or (c) dealt with Tenant on Tenant's behalf in connection with the Premises or this Lease. Landlord warrants to Tenant that no broker or finder (a) introduced Landlord to Tenant, (b) assisted Landlord in the negotiation of this Lease, or (c) dealt with Landlord on Landlord's behalf in connection with the Premises or this Lease. Any and all payments due from Tenant to Landlord under this Lease shall be paid directly to Landlord.

10.14 Amendments. From time to time, the parties hereto may administratively amend this Lease with respect to any provisions reasonably related to Tenant's use of the Premises and/or Landlord's administration of this Lease, including, but not limited to, leasehold expansion or reduction within the Building and space remeasurement. Such Amendment(s) shall not serve to extend the Term hereof nor serve to otherwise materially alter the essential provisions contained herein. Such Amendment(s) shall be in writing, shall establish the factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both Landlord and Tenant. Such Amendment(s) shall only take effect

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upon execution by both parties. Upon execution, such Amendment(s) shall become a part of this Lease and all other non-impacted provisions of this Lease shall otherwise remain in full force and effect.

10.15 Access to Parking Lot. Tenant shall have non-exclusive access to the adjoining parking lot of the Building on a first-come first-served basis. This use of the adjoining parking lot shall be subject to all of Landlord's rules governing this use. Tenant acknowledges that Landlord may from time to time lease parts of the adjoining parking lot to other parties. Landlord and Tenant acknowledge that in fulfilling Landlord and Tenant's public benefit mission, the adjoining parking lot is provided primarily for the benefit of clients to the Building and not as staff parking.

10.16 Existing Furniture. Tenant may use any furniture belonging to Landlord and located within the Premises which is not removed by Landlord by the Effective Date. Landlord shall retain ownership of such furniture.

10.17 No Other Rights. The execution of this Lease does not give Tenant any other right with respect to the Premises and/or the Building. Any rights not expressly granted to Tenant through this Lease are reserved exclusively to Landlord. Unless otherwise specified in this Lease, execution of this Lease does not obligate Landlord to undertake any additional duties or services.

10.18 Municipal Marketing Efforts. Landlord shall have the right to install digital advertising sign on the adjoining parking lot or on the Building as part of the Landlord's municipal marketing efforts.

10.19 No Construction against Preparer. This Lease shall not be interpreted in favor of either the Landlord or Tenant. Landlord and Tenant acknowledge that both parties participated fully in the mutual drafting of this Lease.

## **SECTION 11. RESPONSIBILITIES OF TENANT**

11.1 Tenant Inspection. Tenant has inspected the Premises, the Building, the adjoining parking lot, and all related areas and grounds. Tenant is satisfied with the physical condition thereof. Tenant accepts Premises, the Building, the adjoining parking lot, and all related areas and grounds in "as-is" condition.

11.2 Custodial Services. Tenant shall be responsible for providing custodial services to the Premises. Tenant may also elect to work directly with Cook County to receive custodial services from Cook County or Cook County's contractor(s) and to reimburse Cook County for the costs of such services. Landlord shall not be a party to such discussions. Tenant acknowledges that Landlord shall not have any responsibility to provide custodial services.

11.3 General Condition. Tenant shall keep the Premises in a sanitary condition, free of insects, rodents, vermin, and other pests. Tenant shall be responsible for payment of any extermination services that may be required to resolve any issues that may arise from Tenant's

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failure to maintain the Premises in a sanitary condition, free of insects, rodents, vermin, and other pests.

11.4 Security Services. Tenant shall be responsible for providing security services to the Premises. Tenant may also elect to work directly with Cook County to receive security services from Cook County or Cook County's contractor(s) and to reimburse Cook County for such services. Landlord shall not be a party to such discussions. Tenant shall secure Tenant's property located within the Premises. Tenant shall abide by any security rules that may apply to the Building and/or the Premises. Tenant acknowledges that Landlord shall not have any responsibility to provide security services.

11.5 Access to Restrooms. Tenant acknowledges that the public restrooms immediately south of the Premises are restrooms which are available to all Building visitors and staff. Tenant shall not limit or otherwise interfere with access to the public restrooms.

11.6 Use of Phone Lines and Data Lines. Where possible, Tenant shall use Landlord's existing phone lines and data lines for Tenant's phone lines and data lines. If Tenant requires additional or new phone lines or data lines, Tenant shall pay for all costs required for such additional or new phone lines or data lines. Tenant shall also be responsible for removal or relocation of any of Landlord's phone lines or data lines that may be required for installation of Tenant's equipment. In the event that that Landlord elects to provide Tenant with access to Landlord's phone lines or data lines, the allocable costs attributable to Tenant's use of Landlord's phone lines and data lines shall be included as a reimbursable Operating Cost per Section 3.2 of this Lease.

11.7 Security Procedures. Landlord shall provide Tenant with a key and, if applicable, a security code, for Tenant's access to the Building entrance and the Premises. If Tenant desires to access the Premises before the Building opens or after it closes, it shall be the Tenant's responsibility to open and close and secure the Premises and/or the Building.

11.8 Building Rules. Tenant shall comply with all reasonable rules and regulations in promulgated in writing by Landlord for the Building, the Premises, and the adjoining parking lot.

11.9 Hours of Operation. Where reasonable, Tenant's hours of operations shall mirror Cook County's hours of operation.

11.10 Repairs for Tenant Negligence, Vandalism, or Misuse. Tenant shall assume responsibility for any repairs to the Premises and/or the Building and/or the parking lot necessitated by the negligence, vandalism, or misuse of the Premises and/or the Building by Tenant's employees, invitees, agents, clients, or contractors.

11.11 Fire Extinguishers, Smoke Detectors, and Carbon Monoxide Detectors. Tenant shall provide and maintain required fire extinguishers, smoke detectors, and carbon monoxide detectors on the Premises in accordance with applicable laws.

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11.12 Signage. Tenant may place exterior and interior signage on the Premises and/or the Building. Such signage and placement must be approved in writing by the Commissioner of the Department of Fleet and Facility Management.

11.13 Hazardous Materials. Tenant shall keep out of the Premises materials which may cause a fire hazard or safety hazard. Tenant shall not store any hazardous materials within the Premises or the Building. Tenant shall dispose of all medical wastes, if any, at Tenant's cost and in accordance with any applicable laws.

11.14 Illegal Activity. Tenant, or any of its agents or employees, shall not perform or permit any practice that is injurious to the Premises or the Building, is illegal, or increases the rate of insurance on the Premises or the Building.

11.15 No Alcohol or Illegal Drugs. Tenant agrees that no alcoholic beverages or illegal drugs of any kind or nature shall be sold, given away, or consumed on the Premises and/or Building by Tenant's staff, contractors, agents, invitees, or clients.

11.16 Licensing and Permits. For any activity which Tenant desires to conduct on the Premises in which a license or permit is required, said license or permit must be obtained by Tenant prior to using the Premises for such activity. The Chicago Department of Public Health and the Department of Fleet and Facility Management must be notified of any such license or permit. Failure to obtain and maintain a required license or permit shall constitute a default of the terms of this Lease.

11.17 Full Liability. Tenant assumes full legal and financial responsibility and liability for any use of the Premises by Tenant, Tenant's staff, Tenant's agents, Tenant's invitees, and clients entering the Premises or the Building.

11.18 Non-Discrimination. Tenant agrees that Tenant shall not discriminate on the basis of race, color, sex, age, religion, disability, national origin, sexual orientation, marital status, parental status, military discharge status, immigration status, or source of income. Tenant shall not use the Premises for any religious purposes.

11.19 Trade Fixtures. Tenant shall maintain Tenant's equipment and trade fixtures in the Premises in good condition. Upon the termination or cancellation of this Lease, Tenant shall remove Tenant's equipment and trade fixtures and shall repair any injury or damage to the Premises and/or the Building resulting from such removal. If Tenant does not remove Tenant's property, Landlord may, at its option, remove the same and deliver them to any other place of business of Tenant or warehouse the same. Tenant shall pay the cost of such removal, including the repair for such removal, delivery and warehousing, to Landlord on demand, or Landlord may treat such property as being conveyed to Landlord with this Lease serving as a bill of sale, without further payment or credit by Landlord to Tenant.

11.20 Condition on Surrender. Upon the termination or cancellation of this Lease, Tenant shall surrender the Premises to Landlord in a comparable or better condition to the

condition of the Premises at the beginning of Tenant's occupancy, with normal wear and tear excepted.

11.21 Future Site Development. Landlord's Department of Fleet and Facility Management is working on the possible conveyance of the Building, the Premises, and the adjoining parking lot to Cook County. In the event of such conveyance to Cook County, or to any other entity as determined exclusively by Landlord, this Lease shall terminate on the date of such conveyance. In such event, Tenant's sole remedy is to vacate the Premises. Tenant may work with the purchaser on a new lease, but Landlord shall not be a party to such discussions. Landlord is under no obligation to provide Tenant with alternative locations.

11.22 Economic Disclosure Statement and Affidavit ("EDS") Updates. Throughout the Lease Term and during any holding over periods, Tenant shall provide Landlord with any material updates to the information previously submitted in Tenant's Economic Disclosure Statement and Affidavit ("EDS"). Landlord may also request such updates from time to time. Failure to provide such information on a timely basis shall constitute a default under this Lease.

## **SECTION 12. TENANT DISCLOSURES AND REPRESENTATIONS**

12.1 Business Relationships. Tenant acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) notwithstanding anything to the contrary contained in this Lease, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Lease shall be grounds for termination of this Lease and the transactions contemplated hereby. Tenant hereby represents and warrants that no violation of Section 2-156-030 (b) has occurred with respect to this Lease or the transactions contemplated hereby.

12.2 Patriot Act Certification. Tenant represents and warrants that neither Tenant nor any Affiliate thereof (as defined in the next paragraph) 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 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.

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to Tenant that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Tenant, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in

## LEASE NO. 20298

control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

12.3 Prohibition on Certain Contributions-Mayoral Executive Order No. 2011-4. Tenant agrees that Tenant, any person or entity who directly or indirectly has an ownership or beneficial interest in Tenant of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Tenant's contractors (i.e., any person or entity in direct contractual privity with Tenant regarding the subject matter of this Lease) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Tenant 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 of Chicago (the "Mayor") or to his political fundraising committee (i) after execution of this Lease by Tenant, (ii) while this Lease or any Other Contract is executory, (iii) during the term of this Lease or any Other Contract between Tenant and the City, or (iv) during any period while an extension of this Lease or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

Tenant represents and warrants that from the date the City approached the Tenant or the date Tenant approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Tenant agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its 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.

Tenant 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.

Notwithstanding anything to the contrary contained herein, Tenant 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 Lease, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Lease, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.



**LEASE NO. 20298**

If Tenant intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the execution of this Lease, the City may elect to decline to close the transaction contemplated by this Lease.

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 of Chicago to which Tenant is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (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 of the City of Chicago.

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

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; 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:
  - 1. The partners have been residing together for at least 12 months.
  - 2. The partners have common or joint ownership of a residence.
  - 3. 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;
    - d. a lease for a residence identifying both domestic partners as tenants.
  - 4. 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 of Chicago, as amended.

## LEASE NO. 20298

12.4 Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Tenant warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Lease is executory, Tenant's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Lease, constitutes a breach of and an event of default under this Lease, for which the opportunity to cure, if curable, will be granted only at the sole discretion of the Commissioner of the Department of Fleet and Facility Management. Such breach and default entitles the City to all remedies under the Lease, at law or in equity. This section does not limit Tenant's, general contractor's and its subcontractor's duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Lease. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Lease, and may further affect the Tenant's eligibility for future contract awards.

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

12.6 Cooperation with Inspector General and Legislative Inspector General. In accordance with Chapter 2-26-110 et seq. of the Municipal Code, the Tenant acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Office of the Inspector General and Office of the Legislative Inspector General in connection with any activities undertaken by such office with respect to this Lease, including, without limitation, making available to the Office of the Inspector General and the Office of the Legislative Inspector General the department's premises, equipment, personnel, books, records and papers. The Tenant agrees to abide by the provisions of Chapter 2-26-110 et seq.

### 12.7 Shakman Prohibitions.

(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "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 Shakman Accord and 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.

(ii) Tenant is aware that City policy prohibits City employees from directing any directing any individual to apply for a position with Tenant, either as an employee or as a subcontractor, and from directing Tenant to hire an individual as an employee or as a subcontractor. Accordingly, Tenant must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Tenant under

**LEASE NO. 20298**

this Lease are employees or subcontractors of Tenant, not employees of the City of Chicago. This Lease 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 Tenant.

(iii) Tenant will not condition, base, or knowingly prejudice or affect any term or term or aspect to the employment of any personnel provided under this Lease, or offer employment to any individual to provide services under this Lease, 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 Lease, 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.

(iv) In the event of any communication to Tenant by a City employee or City official in violation of Section 12.7(ii) above, or advocating a violation of Section 12.7(iii) above, Tenant will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the relevant City Department utilizing services provided under this Lease. Tenant will also cooperate with any inquiries by IGO Hiring Oversight or the *Shakman* Monitor's Office related to the contract.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the parties have executed this Lease as of the day and year first above written.

**LANDLORD:**

**THE CITY OF CHICAGO,**  
an Illinois Municipal Corporation and Home Rule Unit of Government

**DEPARTMENT OF PUBLIC HEALTH**

By: \_\_\_\_\_  
**Commissioner**

**DEPARTMENT OF FLEET AND FACILITY MANAGEMENT**

By: \_\_\_\_\_  
**Commissioner**

**APPROVED AS TO FORM AND LEGALITY:**

**BY: DEPARTMENT OF LAW**

By: \_\_\_\_\_  
Deputy Corporation Counsel  
Real Estate Division

**TENANT:**

**THE THRESHOLDS,**  
an Illinois Not-for-Profit Corporation

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A**

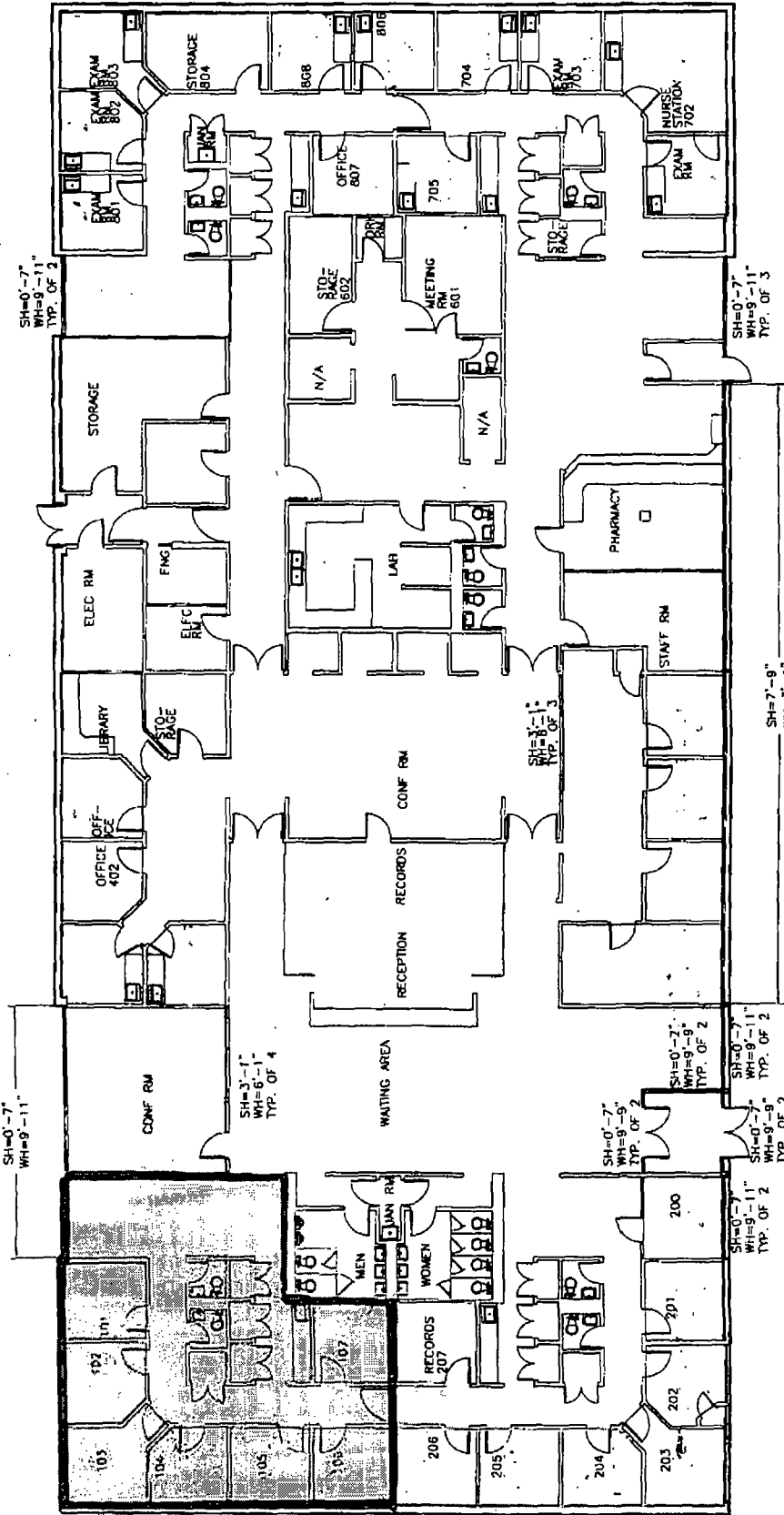
**DEPICTION OF PREMISES**  
*(Subject to Future Corrections)*

**WOODLAWN HEALTH CENTE  
6337 S. WOODLAWN  
CHICAGO, IL**

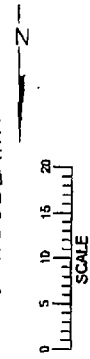
**FIRST FLOOR**

(As Measured: December 8, 2003)

**OCCUPANCY PLAN**



S WOODLAWN



Prepared By  
**LASERTECH Floor Plans**  
TEL: (866) 393-6635  
FILE: 2003-222-30

**PREPARED FOR:**  
City of Chicago  
Dept. of General Services  
30 North LaSalle St.  
37th Floor  
Chicago, IL 60602  
Tel (312) 744-2708  
Fax (312) 744-8843

THE PREMISES

Survey Accuracy: +/- 0.12%

## **EXHIBIT B**

### *ESTIMATED OPERATING COSTS FOR 2013*

**WOODLAWN NEIGHBORHOOD HEALTH CLINIC**  
**6337 SOUTH WOODLAWN AVENUE**  
*(subject to future adjustments)*

<b><u>Operating Cost Type</u></b>	<b><u>Annual Expense</u></b>
Gas Service	\$0.00
Electricity Service	\$44,993.00
Engineering Services	\$11,424.40
Dumpster Services	\$176.00
<u>Mechanical Supplies</u>	<u>\$1,107.00</u>
	\$57,700.40

6337 South Woodlawn Avenue Premises = 10.39% of Building

6337 South Woodlawn Avenue Premises Annual Operating Costs ( $\$57,700.40 \times 10.39\%$ ) = **\$5,995.07**

6337 South Woodlawn Avenue Premises Monthly Operating Costs ( $\$5,995.07/12$ ) = **\$499.59**

6337 South Woodlawn Avenue  
The Thresholds, Inc.  
Lease No. 20298

**SECTION 2:** This Ordinance shall be effective from and after the date of its passage and approval.



HSG-



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

June 26, 2013

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,

Mayor