



City of Chicago



O2014-2449

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 4/2/2014

Sponsor(s): Emanuel (Mayor)

Type: Ordinance

Title: Use agreement with Board of Trustees of Community College No. 508 regarding access to portion of property at 740 North Sedgwick St

Committee(s) Assignment: Committee on Housing and Real Estate



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

April 2, 2014

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 an ordinance authorizing the execution of an agreement with the City Colleges of Chicago regarding use of space at 740 North Sedgwick.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

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

SECTION 1: On behalf of the City of Chicago, the Commissioner of the Department of Fleet and Facility Management is authorized to execute a Use Agreement with the Board of Trustees of Community College No. 508 governing the Board of Trustees of Community College No. 508's access to a portion of property located at 740 North Sedgwick Street; such Use Agreement to be approved as to form and legality by the Corporation Counsel in substantially the following form:

USE AGREEMENT

THIS USE AGREEMENT (the "**Agreement**") is made and entered into this _____ day of _____, 2014 (the "**Effective Date**"), by and between **THE CITY OF CHICAGO**, an Illinois Municipal Corporation and Home Rule Unit of Government (hereinafter referred to as "**City**") and **BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508**, an Illinois Municipal Corporation (hereinafter referred to as "**CCC**").

RECITALS

WHEREAS, City is the owner of the administrative and public hearing complex located at 400 West Superior Street/740 North Sedgwick Street (the "**Complex**") which is comprised of approximately 130,007 square feet of office space; and

WHEREAS, CCC requires office space for CCC operations which generally involve administrative duties and CCC would like to relocate these operations into a publicly owned space; and

WHEREAS, the Illinois Intergovernmental Cooperation Act (5 ILCS 220 *et. seq.*) authorizes municipalities and other branches of government to collaborate jointly in the efficient and cost effective delivery of public services; and

WHEREAS, City is not presently utilizing approximately 2,310 square feet of office space located on the third floor of the Complex as depicted on **Exhibit A** attached hereto and made a part hereof (the "**Premises**"); and

WHEREAS, CCC has requested access to the Premises from City and City has agreed to provide CCC with such access to the Premises.

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

SECTION 1. GRANT

Upon the terms and conditions hereinafter specified, City hereby grants to CCC the right to use and occupy the following described property situated in the City of Chicago, County of Cook, State of Illinois, to wit:

Approximately 2,310 square feet of office space located on the third floor of 740 North Sedgwick Street in Chicago Illinois (together with access to Swing Space and a Waiting Area as subsequently defined hereunder) as depicted on **Exhibit A** attached hereto and made a part hereof (part of PIN 17-09-116-008).

This Agreement creates a license only and CCC acknowledges and agrees that CCC shall not hold or claim at any time an interest or estate of any kind whatsoever in the Premises by virtue of this Agreement or CCC's use of the Premises.

SECTION 2. TERM

2.1 Term. The term of this Agreement ("**Term**") shall commence on the Effective Date and shall terminate on June 30, 2019, unless sooner terminated as set forth in this Agreement.

SECTION 3. OPERATING COSTS, TAXES, AND UTILITIES

3.1 Rent. CCC shall pay City for use of the Premises the amount of:

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

3.2 Operating Costs. CCC shall reimburse a portion of City's Operating Costs (as hereinafter defined) attributable to the Premises pursuant to Section 3.2.a below. Such Operating Costs are only reimbursement for City's costs required by City to operate the Complex and the Premises for public benefit. Such Operating Costs are neither rent nor profit for City.

a. Calculation of Operating Costs. CCC shall pay to City Operating Costs incurred by City for CCC's proportionate use of the Complex (the "**Proportionate Use**"). This Proportionate Use shall be based on the square footage of the Premises divided by the Complex's total square footage. The Complex's total square footage is approximately 130,007 square feet and the Premises square footage is approximately 2,310 square feet or 1.777% of the Complex's total square footage. The "**Operating Costs**" shall be based on CCC's 1.777% Proportionate Use. Operating Costs shall include (i) all utilities (including, but not limited to gas, electricity, and water), (ii) security services, (iii) custodial services, (iv) mechanical supplies, service, and repairs, and (v) CCC's allocable share of other costs incurred by City in operating the Complex (excluding any capital improvements that may be required). For 2014, CCC's Operating Costs are estimated to be, and CCC shall initially pay, **\$1,890.05** per month (subject to subsequent accounting and adjustments which may serve to increase or decrease these estimated Operating Costs). The estimated monthly Operating Costs are set forth in **Exhibit B** and are subject to subsequent accounting and adjustments. The Operating Costs shall be prorated on a per diem basis in the event that the Effective Date is not the first day of the month.

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

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

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

3.5 Accord and Satisfaction. No payment by CCC or receipt by City 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. No endorsement of statement or any check or any letter accompanying any check or payment of rent shall be deemed an accord and satisfaction. City may accept such check or payment without prejudice as to City's right to recover the balance of such installment or payment. City may pursue any other remedies available to City at law or equity.

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

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

4.2 Maintenance. City shall take reasonable efforts to maintain the Complex and the Premises in a condition of good repair and good order. CCC shall notify City with respect to any issues with maintenance of the Premises and/or the Complex. CCC shall also notify City regarding any issues with other contract services provided to the Premises and/or the Complex.

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

4.4 Use of the Premises. CCC shall not use the Premises in a manner which would violate any law. CCC further covenants not to damage any portion of the Premises and/or the

Complex. CCC shall 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 CCC's not-for-profit educational purposes.

4.5 Alterations, Additions, or Improvements. CCC may not make any alterations, additions, or improvements on the Premises without the prior written consent of the Commissioner of the Department of Fleet and Facility Management. Such consent shall not be unreasonably withheld, delayed or conditioned. Any such alterations, additions, or improvements shall be in full compliance with all applicable laws, zoning, permit requirements, and codes. Any alterations, additions, or improvements shall be undertaken at CCC's sole cost. Any permanent alterations, additions, or improvements shall become property of City at the termination of this Agreement with this Agreement acting as a bill of sale without further payment or credit by City to CCC. Neither this Agreement nor any subsequent consent pursuant to this section shall act as a substitute for any other permit obligations that may be required by CCC to undertake any alterations, additions, or improvements to the Premises.

4.6 Access to Swing Space. At such time CCC undertakes any alterations, additions, and improvements on the Premises and such work prevents CCC from occupying the Premises, CCC may utilize approximately 1,850 square feet of office space (the "**Swing Space**") in the vacant unit located north of the Premises as depicted on **Exhibit A** attached hereto and made a part hereof. In the event of such use of the Swing Space, CCC's Proportionate Use shall be 1.42% for purposes of determining CCC's Operating Costs pursuant to Section 3.2 hereinabove.

4.7 Access to Waiting Area. CCC may use the open communal space (the "**Waiting Area**") located west of the Premises as depicted on **Exhibit A** attached hereto and made a part hereof as a visitors waiting area. The Waiting Area shall not be included as CCC's Proportionate Use for purposes of determining CCC's Operating Costs pursuant to Section 3.2 hereinabove.

SECTION 5. ASSIGNMENT, SUBLEASE, AND LIENS

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

5.2 CCC's Covenant against Liens. CCC shall not cause or permit any lien or encumbrance, whether created by act of CCC, operation of law or otherwise, to attach to or be placed upon City's title or interest in the Premises and/or the Complex. All liens and encumbrances created by CCC shall attach to CCC's interest only. In case of any such lien attaching, CCC shall immediately pay and remove such lien or furnish security or indemnify City in a manner satisfactory to City in its sole discretion to protect City against any defense or expense arising from such lien. Except during any period in which CCC appeals any judgment or obtains a rehearing of any such lien, or in the event judgment is stayed, CCC shall immediately pay any judgment rendered against CCC, with all proper costs and charges, and shall have the lien released and any judgment satisfied. If CCC fails to pay and remove any lien

or contest such lien in accordance herewith, City, at its election, may pay and satisfy same, and all sums so paid by City, with interest from the date of payment at the rate set at 12% per annum.

SECTION 6. INSURANCE AND INDEMNIFICATION

6.1 Insurance. CCC shall procure and maintain at all times at CCC's own expense, during the Term, and during any holding over, the insurance coverages and requirements specified below, insuring all operations related to the Agreement with insurance companies authorized to do business in the state of Illinois. CCC may also elect to self-insure for such insurance coverages and requirements.

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 CCC'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 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 Agreement.

c) Professional/ Liability. When any professional consultants perform services in the Premises or in connection with CCC'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. 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. CCC shall provide City with copies of the professional licenses and/or certificates for each of the professional consultants performing services in the Premises or in connection with CCC'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, CCC shall provide Comprehensive Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence, for bodily injury and property damage.

CCC 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 CCC.

6.2 Other Terms of Insurance. CCC 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 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. If CCC elects to self-insure for such insurance coverages and requirements, CCC shall provide City with evidence of such self-insurance. CCC shall submit evidence on insurance prior to Agreement award. The receipt of any certificates does not constitute agreement by 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 City to obtain certificates or other insurance evidence from CCC, or CCC's failure to submit insurance coverage required under this Agreement, shall not be deemed to be a waiver by City. CCC shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve CCC of its obligation to provide Insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and City retains the right to terminate the Agreement until proper evidence of insurance is provided.

The insurance shall provide for 60 days prior written notice to be given to 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 CCC.

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

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

CCC 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 CCC under the Agreement.

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 CCC's Indemnification. CCC shall indemnify, defend, and hold City (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 accrue against, be charged to, or be recovered from City or CCC by reason of CCC's performance of or failure to perform any of CCC's obligations, or CCC's negligent acts or failure to act under this Agreement, or resulting from the acts or failure to act of CCC's

contractors, invitees, agents, or employees or from any liability arising from access to the Premises or the Complex by any of CCC's contractors, invitees, agents, or employees or any third parties seeking services from CCC under this Agreement.

SECTION 7. DAMAGE OR DESTRUCTION

7.1 Damage or Destruction. If the Premises and/or the Complex are damaged or destroyed or sustain a casualty to such extent that CCC cannot continue, occupy or conduct its normal business therein, or if, in CCC or City's opinion, the Premises and/or the Complex are rendered unusable, either City or CCC shall have the option to declare this Agreement 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, CCC shall cease operations immediately and the Operating Costs, shall be apportioned as of the date of such damage or destruction. City shall repay to CCC 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 Agreement.

8.2 Duty to Comply with Governmental Ethics Ordinance. City and CCC 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 (the "**Holding Over**") by CCC shall be construed to be a use agreement from month to month beginning on July 1, 2019 and the costs will be the same as outlined in Section 3.1 and Section 3.2 of this Agreement. During any Holding Over, all other provisions of this Agreement 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 CCC to City 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 City as follows:

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

or at such other place as City may from time to time designate by written notice to CCC. All notices, demands, and requests by City to CCC 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 CCC as follows:

City Colleges of Chicago
General Counsel
226 West Jackson Boulevard
Chicago, Illinois 60606

or at such other place as CCC may from time to time designate by written notice to City. Any notice, demand or request which shall be served upon CCC by City, or upon City by CCC, 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 Agreement shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Agreement shall not be affected thereby, but each covenant, condition, provision, term or agreement of this Agreement shall be valid and in force to the fullest extent permitted by law.

10.3 Governing Law. This Agreement 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 Agreement. This Agreement 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 Agreement 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 Agreement nor in any way affect this Agreement.

10.6 Binding Effect of Agreement. The covenants, agreements, and obligations contained in this Agreement 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 Agreement and of each and every provision hereof.

10.8 No Principal/Agent or Partnership Relationship. Nothing contained in this Agreement 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 Agreement. The parties executing this Agreement hereby represent and warrant that they are duly authorized and acting representatives of City and CCC respectively and that by their execution of this Agreement, it became the binding obligation of City and CCC respectively, subject to no contingencies or conditions except as specifically provided herein.

10.10 Termination of Agreement. City and CCC shall have the right to terminate this Agreement for any reason by providing each other with one-hundred eighty (180) days prior written notice at any time after December 31, 2016.

10.11 Force Majeure. When a period of time is provided in this Agreement 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 No Brokers. CCC warrants to City that no broker or finder (a) introduced CCC to the Premises, (b) assisted CCC in the negotiation of this Agreement, or (c) dealt with CCC on CCC's behalf in connection with the Premises or this Agreement. City warrants to CCC that no broker or finder (a) introduced City to CCC, (b) assisted City in the negotiation of this Agreement, or (c) dealt with City on City's behalf in connection with the Premises or this Agreement. Any and all payments due from CCC to City under this Agreement shall be paid directly to City.

10.13 Existing Furniture. CCC may use any furniture or equipment belonging to City and located within the Premises which are not removed by City by the Effective Date. City shall retain ownership of such furniture and equipment.

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

10.15 No Construction against Preparer. This Agreement shall not be interpreted in favor of either City or CCC. City and CCC acknowledge that both parties participated fully in the mutual drafting of this Agreement.

10.16 Amendments. From time to time, the parties hereto may administratively amend this Agreement with respect to any provisions reasonably related to CCC's use of the Premises

and/or City's administration of this Agreement, including, but not limited to, space expansion or reduction 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 City and CCC. Such amendment(s) shall only take effect upon execution by both parties. Upon execution, such amendment(s) shall become a part of this Agreement and all other non-impacted provisions of this Agreement shall otherwise remain in full force and effect.

SECTION 11. RESPONSIBILITIES OF CCC

11.1 CCC Inspection. CCC has inspected the Premises, the Complex, and all related areas and grounds. CCC is satisfied with the physical condition thereof. CCC accepts Premises, the Complex, and all related areas and grounds in "as-is" condition.

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

11.3 Security Services. CCC shall be responsible for securing CCC's staff and equipment and property located within the actual Premises. CCC shall abide by any security rules that may apply to the Complex and/or the Premises. City shall provide security for the Complex.

11.4 Complex Rules. CCC shall comply with all reasonable rules and regulations promulgated in writing by City for the Complex, the Premises, and all related areas and grounds.

11.5 Repairs for CCC Negligence, Vandalism, or Misuse. CCC shall assume responsibility for any repairs to the Premises and/or the Complex and/or all related areas and grounds necessitated by the negligence, vandalism, or misuse by CCC's employees, invitees, agents, clients, or contractors.

11.6 Fire Extinguishers. City shall provide and maintain required fire extinguishers for the Premises.

11.7 Signage. CCC may place signage on the Premises and/or the Complex. Such signage and placement must be approved in writing by the Commissioner of the Department of Fleet and Facility Management. Such consent shall not be unreasonably withheld, delayed or conditioned.

11.8 Illegal Activity. CCC, or any of its agents, employees, contractors, or invitees shall not perform or permit any practice that is injurious to the Premises or the Complex, is illegal, or increases the rate of insurance on the Premises or the Complex.

11.9 No Alcohol or Illegal Drugs. CCC 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 Complex by CCC's agents, employees, contractors, or invitees.

11.10 Licensing and Permits. For any activity which CCC desires to conduct on the Premises in which a license or permit is required, said license or permit must be obtained by CCC prior to using the Premises for such activity.

11.11 Full Liability. CCC assumes full legal and financial responsibility and liability for any use of the Premises by CCC, CCC's staff, CCC's agents, CCC's contractors, or CCC's invitees entering the Premises or the Complex.

11.12 Non-Discrimination. CCC agrees that CCC 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, age or source of income with respect to use of the Premises. CCC shall not use the Premises for any religious purposes.

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

11.14 Condition on Surrender. Upon the termination of this Agreement, CCC shall surrender the Premises to City in a comparable or better condition to the condition of the Premises as of the Effective Date with normal wear and tear excepted.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY:

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

DEPARTMENT OF FLEET AND FACILITY MANAGEMENT

By: _____
Commissioner

APPROVED AS TO FORM AND LEGALITY:
DEPARTMENT OF LAW

By: _____
Deputy Corporation Counsel
Real Estate Division

CCC:

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508,
an Illinois Municipal Corporation

By: _____

Its: _____

APPROVED AS TO FORM AND LEGALITY:

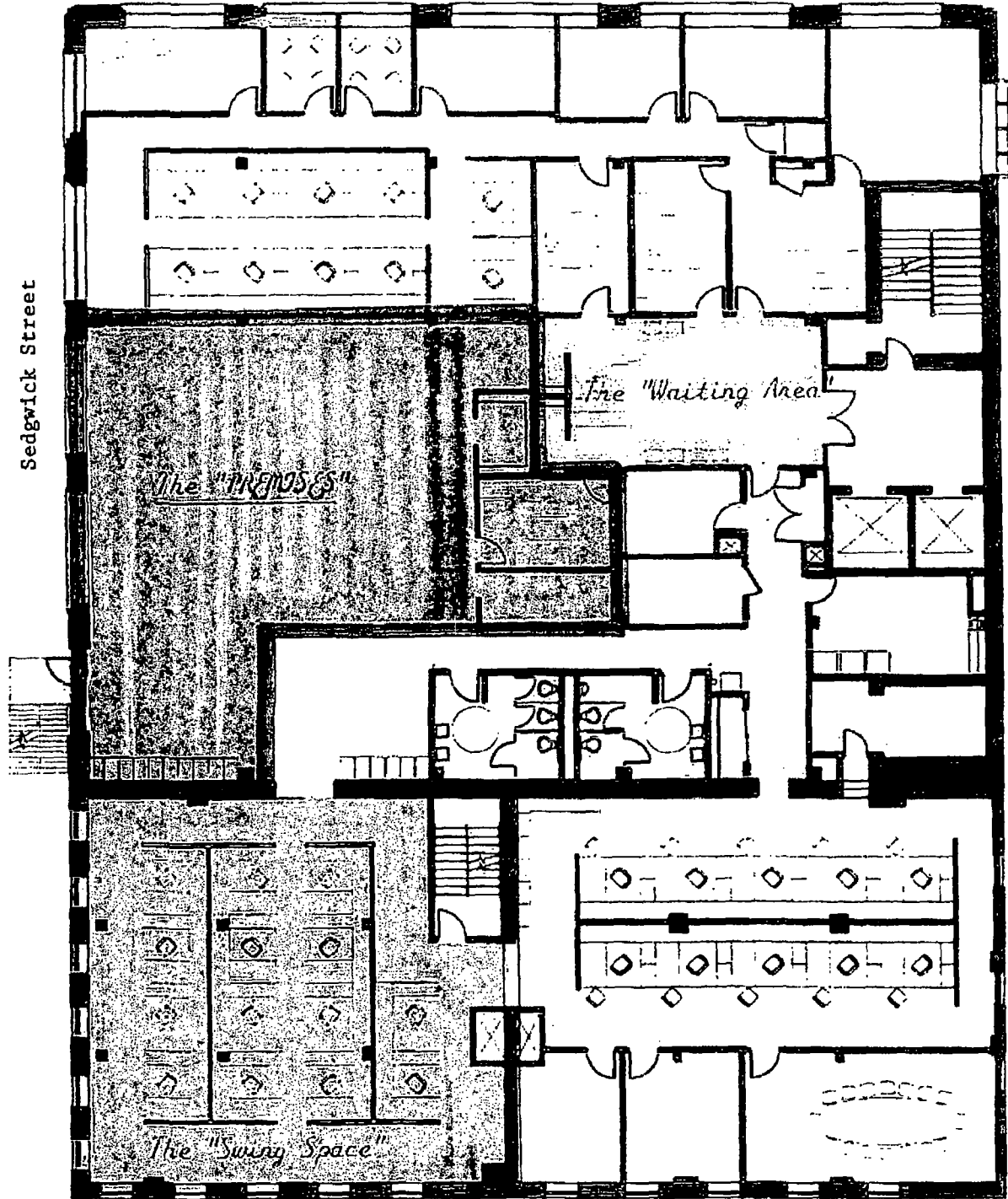
By: _____
General Counsel
Community College District No. 508

EXHIBIT A

DEPICTION OF PREMISES

(Subject to Further Revisions and Corrections)

Superior Street



THIRD FLOOR

EXHIBIT B

ESTIMATED OPERATING COSTS FOR 2014

400 West Superior Street/740 North Sedgwick Street Complex *(subject to future adjustments)*

<u>Operating Items</u>	<u>Annual Costs</u>
Electricity Service	\$135,092
Gas Service	\$12,369
Custodial Services	\$311,076
Security Services	\$327,775
Mechanical Repairs/Maintenance	\$351,071
General Building Services	\$18,400
<u>Administration Expenses</u>	<u>\$120,558</u>
	\$1,276,341

Premises = 1.777% of 400 W. Superior St./740 N. Sedgwick St. Complex

Premises Annual Operating Costs (\$1,276,341 X 1.777%) = \$22,680.58

Premises Monthly Operating Costs (\$22,680.58/12) = **\$1,890.05**

740 North Sedgwick Street
Board of Trustees of Community College No. 508
Agreement No. 20311

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