

City of Chicago



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Meeting Date:

3/5/2014

Sponsor(s):

Emanuel (Mayor)

Type:

Ordinance

Title:

License agreement with Cook County for use of property at

2750 South California Ave

Committee(s) Assignment:

Committee on Housing and Real Estate

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OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL MAYOR

March 5, 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 ordinances authorizing a lease and property use agreement.

Your favorable consideration of these ordinances 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 License Agreement with Cook County governing the City's use of property located at 2750 South California Avenue by the Chicago Department of Public Health; such License Agreement to be approved by the Commissioner of the Chicago Department of Public Health and approved as to form and legality by the Corporation Counsel in substantially the following form:

LICENSE

THIS LICENSE (the "Agreement") is made and entered into this ______ day of ______, 2014 (the "Effective Date"), by and between the COUNTY OF COOK, a Body Politic and Corporate of the State of Illinois, (the "Licensor") and the CITY OF CHICAGO, an Illinois Municipal Corporation and Home Rule Unit of Government (the "Licensee").

RECITALS

WHEREAS, Licensor is the owner of the premises more commonly known as the Cook County Correctional Facility Complex located at 2600 South California Avenue, Chicago, Cook County, Illinois; and

WHEREAS, the Cook County Correctional Facility Complex includes the Cermak Health Services Building located at 2750 South California Avenue Chicago, Cook County, Illinois; and

WHEREAS, the Licensee's Department of Public Health provides infectious diseases monitoring and counseling services to individuals detained within the Cook County Correctional Facility Complex and receiving services at the Cermak Health Services Building; and

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

WHEREAS, Licensor has agreed to allow Licensee to use Room 149 comprised of approximately 120 square feet of office space in the Lower Level of the Cermak Health Services Building located at 2750 South California Avenue for use by Licensee's Department of Public Health.

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, Licensor hereby grants to Licensee right to use and occupy the following described premises situated in the City of Chicago, County of Cook, State of Illinois, to wit:

Room 149 comprised of approximately 120 square feet of office space in the Lower Level of the Cermak Health Services Building located at 2750 South California Avenue, Chicago, Illinois (the "Premises").

This instrument creates a license only and Licensee acknowledges and agrees that Licensee 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 Licensee's use of the Premises.

SECTION 2. TERM

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

SECTION 3. RENT, TAXES AND UTILITIES

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

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

3.2 <u>Taxes and Utilities</u>. Licensee shall not be obligated to pay any real estate taxes, duties, assessments, gas, electricity, sewer, and water charges and other levies assessed against the Premises. Subject to Licensor's approval and at Licensee's cost, Licensee may supplement the existing telephone or other communication services to the Premises.

SECTION 4. <u>CONDITION AND ENJOYMENT, MAINTENANCE, ALTERATIONS, ADDITIONS, SURRENDER</u>

- 4.1 <u>Condition of Premises Upon Delivery of Possession</u>. Licensee accepts the Premises in "as-is" condition.
- 4.2 <u>Maintenance of Premises and Right of Access</u>. Licensor shall take reasonable efforts to maintain the Premises in a condition similar to that of space occupied by Licensor's employees in the Building. Licensee shall notify Licensor regarding any issues with the maintenance of the Premises. Licensor shall be responsible for resolving building code violations, if any, issued on the Premises, or if Licensor chooses not to resolve such issues, then Licensor may terminate Licensee's rights to occupy the Premises. In the event such building code violations were caused by Licensee, Licensee shall resolve such issues at Licensee's cost or Licensor can perform such repairs subject to reimbursement from Licensee. Licensor shall have access to the Premises to perform any repairs. Licensor shall use reasonable efforts to limit Licensor's access to the Premises during regular business hours, but shall not be obligated to perform work on an overtime basis.
- 4.3 <u>Use of the Premises</u>. Licensee shall not use the Premises in a manner that would violate any laws. Licensee further covenants not to do or suffer any waste or damage, 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 operating an office which provides counseling and monitoring services to individuals detained within the Cook County Correctional Facility Complex.

4.4 <u>Alterations and Additions</u>. Licensee may not make any alterations, additions, and improvements to the Premises. Subject to Landlord's approval, Licensee may move or relocate furniture and equipment within the Premises.

SECTION 5. ASSIGNMENT, SUBLEASE, AND LIENS

- 5.1 <u>Assignment and SubLease</u>. Licensee shall not assign this Agreement in whole or in part or sublet the Premises or any part thereof.
- 5.2 <u>Licensee's Covenant Against Liens</u>. Licensee shall not cause or permit any lien or encumbrance, whether created by act of Licensee, operation of law, or otherwise, to attach to or be placed upon Licensor's title or interest in the Premises. All liens and encumbrances created by Licensee shall attach to Licensee's interest only.

SECTION 6. INSURANCE AND INDEMNIFICATION

- 6.1 <u>Licensees' Self-Insurance</u>. Licensee is self-insured and will provide Licensee with a letter from the City of Chicago executed by an authorized official of the City of Chicago indicating that the City of Chicago is self-insured. This letter shall be tendered to Licensor at the Effective Date.
- 6.2 <u>Mutual Indemnification</u>. Licensor and Licensee (subject to any allocation of adequate appropriations and other applicable legislative procedures, requirements, and approvals) shall indemnify and hold each other harmless against all liabilities, judgment costs, damages, and expenses which may accrue against, be charged to, or be recovered from either party by reason of any negligent performance of or failure to perform any of their obligations under this Agreement.

SECTION 7. DAMAGE OR DESTRUCTION

7.1 <u>Damage or Destruction</u>. If the Premises are damaged or destroyed by fire or other casualty to such an extent that Licensee cannot continue to occupy or to conduct Licensee's normal business therein, or if the Premises do not meet all applicable building and fire code provisions Licensee or Licensor shall have the option to declare this Agreement terminated as of the date of such damage or destruction.

SECTION 8. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS

8.1 <u>Conflict of Interest.</u> 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 directed in Chapter 2-156 of the Municipal Code of Chicago), either direct or indirect, in the Premises or in this Agreement. Nor shall any such official, employee, or member participate in making or in any way attempt to use his or her position to influence any governmental decision or action with respect to this Agreement.

8.2 <u>Duty to Comply with Governmental Ethics Ordinance</u>. Licensor and Licensee 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 <u>Holding Over</u>. Any holding over by Licensee shall be construed to be a License from month to month only beginning on January 1, 2019. 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 Licensor to Licensee 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 Licensee as follows:

City of Chicago Department of Public Health 333 South State Street, 2nd Floor Chicago, Illinois 60605

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

or at such other place as Licensee may from time to time designate by written notice to Licensor and to Licensee at the Premises. All notices, demands, and requests by Licensee to Licensor 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 Licensor as follows:

County of Cook
Bureau of Economic Development
Real Estate Management Division
69 West Washington Street, Room 3000
Chicago, Illinois 60602
Attention: Director

or at such other place as Licensor may from time to time designate by written notice to Licensee. Any notice, demand or request which shall be served upon Licensor by Licensee, or upon

Licensee by Licensor, 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 <u>Partial Invalidity</u>. 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 <u>Governing Law.</u> This Agreement shall be construed and be enforceable in accordance with the laws of the State of Illinois without reference to its conflicts of laws principles. Licensor waives any objection to the venue of any action filed in any court situated in the jurisdiction in which the Premises are located.
- 10.4 <u>Entire Agreement</u>. 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 <u>Captions and Section Numbers</u>. 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 <u>Binding Effect of Agreement</u>. 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 <u>Time is of the Essence</u>. 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 <u>Authorization to Execute Agreement</u>. The parties executing this Agreement hereby represent and warrant that they are the duly authorized and acting representatives of Licensor and Licensee respectively and that by their execution of this Agreement, it became the binding obligation of Licensor and Licensee respectively, subject to no contingencies or conditions except as specifically provided herein.
- 10.10 <u>Termination of Agreement</u>. Licensee and Licensor shall have the right to terminate this Agreement in its entirety for any reason without prepayment or penalty by providing the other party with sixty (60) days prior written notice any time after the Effective Date.

- 10.11 <u>Force Majeure</u>. 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 Amendments. From time to time, the parties hereto may administratively amend this Agreement with respect to any provisions reasonably related to Licensee's use of the Premises and/or Licensor's administration of this Agreement. Provided, however, that 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 Licensor and Licensee. 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 provisions of this Agreement shall otherwise remain in full force and effect.
- 10.13 Access to Exam Rooms. In providing counseling and monitoring services to detained individuals, Licensee shall be permitted access to exam rooms and other common areas within the Cermak Health Services Building.
- 10.14 <u>Relocation</u>. Licensor has the right to designate Licensee's location within the Cermak Health Services Building. Licensee further covenants and agrees, at its sole expense, to locate or relocate its facilities and property to such other place or places as may be designated by Licensor upon written notice thereof by Licensor to Licensee. Licensor is constructing a new Residential Treatment Unit facility within the Cook County Correctional Facility Complex. Upon completion of the new Residential Treatment Unit facility, Licensor may elect to relocate Licensee from the Premises to comparable space within the new Residential Treatment Unit facility. In the event of such relocation, Licensee's space within the new Residential Treatment Unit facility shall become the Premises for purposes of this Agreement.
- 10.15 <u>Licensee Default</u>. Licensee must adhere to all provisions of this Agreement. Failure of Licensee to adhere to all provisions of this Agreement will result in default. In the event of such default, Licensor will notify Licensee in writing as to the circumstances giving rise to such default. Upon written receipt of such notice, Licensee must cure such default within ten (10) days. If Licensee does not cure such default within ten (10) days, Licensor may cancel this Agreement with thirty (30) days written notice.
- 10.16 No Other Rights. This Agreement does not give Licensee any other right with respect to the Premises. Any rights not specifically granted to Licensee by and through this document are reserved exclusively to Licensor. Execution of this Agreement does not obligate Licensor in any manner and Licensor shall not undertake any additional duties or services.

SECTION 11. ADDITIONAL RESPONSIBILITIES OF LICENSOR

- 11.1 <u>Air-Conditioning</u>. In providing air-conditioning for the Cermak Health Services Building, Licensor shall provide air-conditioning for the Premises.
- 11.2 <u>Heat</u>. In providing heat for the Cermak Health Services Building, Licensor shall provide heat for the Premises.

SECTION 12. ADDITIONAL RESPONSIBILITIES OF LICENSEE

- 12.1 <u>Inspection</u>. Licensee has inspected the Premises and all related areas and grounds and that Licensee is satisfied with the physical condition thereof. Licensee accepts the Premises and all related areas and grounds in "as-is" condition.
- 12.2 <u>Licensing and Permits</u>. For any activity which Licensee desires to conduct on the Premises in which a license or permit is required, said license or permit must be obtained by Licensee prior to using the Premises for such activity. Failure to obtain and maintain a required license or permit shall constitute a breach of the terms of this Agreement.
 - 12.3 Upkeep. Licensee shall keep the Premises in a clean and presentable condition.
- 12.4 <u>Security</u>. Licensee shall secure all of Licensee's records, equipment, and furniture within the Premises.
- 12.5 <u>Illegal Activity</u>. Licensee, or any of its agents or employees, shall not perform or permit any practice that is injurious to the Premises, is illegal, or increases the rate of insurance on the Premises.
- 12.6 <u>Hazardous Materials</u>. Licensee shall keep out of Premises materials which cause a fire hazard or safety hazard. Licensee shall comply with reasonable requirements of Licensor's fire insurance carrier.
- 12.7 <u>Repairs for Negligence, Vandalism, or Misuse</u>. Licensee shall assume responsibility for any repairs to the Premises necessitated by the negligence, vandalism, or misuse of the Premises or equipment therein by Licensee's employees, agents, or contractors.
- 12.8 <u>No Alcohol</u>. Licensee agrees that no alcoholic beverages or illegal drugs of any kind or nature shall be sold, given away or consumed on the Premises.
- 12.9 <u>Non-Discrimination</u>. Licensee agrees that Licensee shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in the use or occupancy of the Premises or any part thereof. Licensee shall not use the Premises for any religious activities.
- 12.10 <u>Rules</u>. Licensee shall comply with all rules and regulations including, but not limited to, all security requirements, which may be or may become applicable to the Premises, the Cermak Health Services Building, or the Cook County Correctional Facility Complex.

12.11 <u>Condition on Surrender</u>. Upon the termination or cancellation of this Agreement, Licensee shall surrender the Premises to the Licensor in a comparable or better condition to the condition of the Premises at the beginning of this Agreement, with normal wear and tear taken into consideration. Upon the termination of this Agreement, Licensee shall remove all of Licensee's records, equipment, and furniture from the Premises.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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

LICENSO	<u>DR</u> :
	OF COOK, Body Politic and Corporate of the State of Illinois
	By:
	President, Cook County Board of Commissioners
	County Clerk
	County Comptroller
	IERIFF OF COOK COUNTY omas J. Dart
Ву:	Theresa I Deed
	Thomas J. Dart

LICENSEE:

CITY OF CHICAGO,

an Illinois municipal corporation and home rule unit of government

DEPARTMENT OF FLEET AND FACILITY MANAGEMENT

By:Commissioner				
DEPARTMENT OF PUBLIC HEALTH				
By:				
• –	Commissioner			
	APPROVED AS TO FORM AND LEGALITY: DEPARTMENT OF LAW			
	By: Deputy Corporation Counsel Real Estate Division			

2750 South California Avenue Chicago Department of Public Health Lease No. 10082

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