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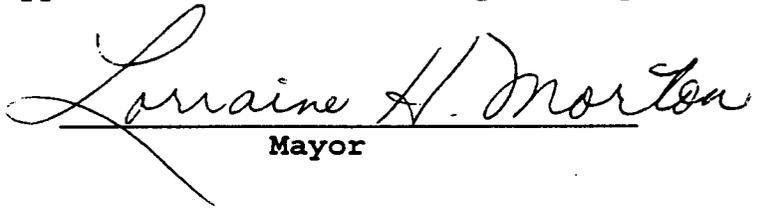
A RESOLUTION

AUTHORIZING THE CITY MANAGER TO SIGN
LEASE EXTENSION FOR
425 DEMPSTER STREET

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK
COUNTY, ILLINOIS:

SECTION 1: That the City Manager of the City of Evanston
is hereby authorized to sign the Lease Extension for 425 Dempster
Street between the Chiaravalle Montessori School and the City of
Evanston. Said Lease Extension is marked as Exhibit A attached
hereto and incorporated herein by reference.

SECTION 2: This Resolution shall be in full force and
effect following its passage and approval in the manner required by
law.



Mayor

ATTEST:



City Clerk

Adopted: November 12, 1994

L E A S E

Date of Lease:	Term of Lease: 10 years	Term Rent:
	BEGINNING	payable in
	August 1, 1985	quarterly
		installments on
	ENDING	the first day of
	July 31, 1995	August,
		November,
		February and
		May, each
		equal to one-
		fourth of
		the annual rate
		of \$11,000.00
		per year.

Location of Building and Premises: 425 Dempster Street, Evanston, Illinois.

The "Premises" is the property shown in Exhibit A hereto and located at the corner of Dempster Street and Hinman Avenue in Evanston, Illinois. The "Building" is the building located on the Premises at the date hereof.

Purposes for Use of Building:

(i) educational purposes including but not limited to private or public pre-school and elementary school programs, religious educational programs, training of teachers, counseling, arts and crafts programs, and day care activities; (ii) community programs, including but not limited to school theatrical performances, musical programs, film presentations, conferences and seminars and meetings; (iii) recreational and sports programs in the gymnasium and other appropriate facilities; and (iv) other uses incidental or accessory to the foregoing uses.

LESSEE

Name: Chiaravalle Montessori School,
an Illinois not-for-profit
corporation

Address: 425 Dempster Street
Evanston, Illinois

LESSOR

Name: City of Evanston
Illinois, a
municipal cor-
poration

Address: 2100 Ridge Ave.
Evanston, Illinois

In consideration of the mutual covenants and agreements herein stated, Lessor, hereby leases to Lessee and Lessee hereby leases from Lessor solely for the above purposes the Building designated above and that portion of the Premises on which the building is situated, together with the appurtenances thereto (collectively the "Leased Property"), for the above term, and Lessor grants to Lessee a license for use of the remainder of the Premises during such lease term.

RENT

1. Lessee shall pay Lessor or Lessor's agent as rent for the Leased Property and for the grant of the aforesaid license the sum stated above, on the terms stated above, in installments in advance, until termination of this lease, at Lessor's address stated above or such other address as Lessor may designate in writing. It is the intention of the parties that

the above rent shall be paid to the Lessor absolutely net in that the Lessee shall pay the cost of all maintenance and repairs and all operating expenses, including heat, subject only to the exceptions and exclusions hereinafter stated.

CONDITION
AND UP-
KEEP OF
PREMISES

2. To the best of its knowledge, Lessee has received the Building in good order and repair except for the existence of asbestos-containing materials, and acknowledges that no representations as to the condition and repair of the Building have been made by Lessor or its agent prior to or at the execution of this lease that are not herein expressed. Lessee will keep the Building in good repair, and upon the termination of this lease, in any way, will yield up the Building to Lessor, in the same condition and repair, damage or loss by fire and other casualties and ordinary wear excepted, and will deliver the keys therefor at the place of payment of said rent; provided, however, that in the event Lessee cancels this lease pursuant to Paragraph 8 hereof, Lessee shall not be required to make repairs in connection with yielding up the Building to Lessor. The Lessor will keep the exterior grounds, including without limitation, sidewalks, and the playground area, in a clean and healthful condition during the term of this lease at Lessor's expense, and will remove the snow and ice from the sidewalks surrounding the Premises. The Lessor represents that the Building, at the commencement of this lease term, is in compliance with all provisions of the City Code of Evanston.

LESSEE
NOT TO
MISUSE,
SUBLET,
ASSIGN-
MENT

3. Lessee shall not allow the Building to be used for any purpose other than that hereinbefore specified, assign this lease or sublet the Building or Leased Property or any part thereof (except for temporary subleases for purposes hereinbefore specified and except for the purchase option set forth in Paragraph 25 hereof), without in each case the prior written consent of Lessor; provided, however, that Lessor's consent shall not be unreasonably denied or delayed. Lessee shall not voluntarily permit any transfer by operation of law of any interest in the Leased Property and shall not permit the Leased Property to be used for any unlawful purpose or for any purpose that would unduly increase the hazard of fire to the Building. Lessee shall not allow any signs, cards or placards to be placed or posted on the exterior of the Building, except signs identifying Lessee's (and any sublessee's or licensee's) operations and such other signs, cards or placards as Lessor may approve in writing. Lessee shall not make any structural alterations of or additions to the Building except with Lessor's written consent, and all alterations and additions (except trade fixtures of Lessee and any sublessees) shall remain for the benefit of Lessor unless otherwise provided in the consent aforesaid.

MEC-
HANIC'S
LIEN

4. Lessee shall not permit any mechanic's lien or liens to be placed upon the Leased Property or the Building during the term hereof, and in the event of the filing of any such lien Lessee will promptly pay same, provided that in the case any such lien or liens are filed Lessee may bond such lien or liens, provide title insurance coverage against such lien or

liens, or provide other security to Lessor during a good faith contest of the same. If default in payment thereof shall continue for thirty (30) days after written notice thereof from Lessor to the Lessee, and Lessee has not bonded, provided title insurance coverage or provided other security, the Lessor shall have the right and privilege at Lessor's option of paying the same or any portion thereof without inquiry as to the validity thereof, and any amounts so paid, including expenses and interest, shall be so much additional indebtedness hereunder due from Lessee to Lessor and shall be repaid to Lessor immediately on rendition of a bill therefor.

5. Lessee shall, during the entire term hereof, keep in full force and effect a Comprehensive General Liability policy with respect to the leased premises and the business operated by Lessee and any subtenants of Lessee in the leased premises, in which bodily injury limits shall be not less than \$1 million aggregate per person and per accident, and in which the property damage limits shall not be less than \$100,000.

If available at reasonable rates, Lessee shall also insure the following indemnity provisions, and such agreement shall be clearly recited in the body of the Certificate of Insurance:

*RGS/GMW
by BJP*

INSURANCE
AND
INDEMNITY
FOR
ACCIDENTS

"Lessee covenants and agrees that it will protect and save and keep owner/lessor forever harmless and indemnified against and from any penalty or damages or charges imposed for any violation of the laws or ordinances, or as a result of accidents or other occurrences, whether occasioned by neglect of owner/lessor or those holding under lessee."

In the event of any conflict between the language of the insurance policy(s) and the above-recited indemnity provisions, the indemnity provision shall govern.

Lessee shall furnish copies of the Certificate of Insurance with the lessor/owner named as an additional insured with an insurance company acceptable to the lessor/owner at the commencement of the lease and each year thereafter of the insurance term. Lessee shall furnish, where requested, a certified copy of the policy(s) to the Lessor. The policy(s) shall provide, in the event the insurance should be changed or cancelled, such change or cancellation shall not be effective until thirty (30) days after the Lessor has received written notice from the insurance company(s). An insurance company having less than a B+ Policyholder's Rating by the Alfred M. Best Company will not be considered acceptable.

6. Lessor shall not be liable for any damage occasioned by failure to keep the Building in repair, nor for any damage done or occasioned by or from plumbing, gas, water, sprinkler, steam or other pipes or sewage or the bursting, leaking or running of any pipes, tank or plumbing fixtures, in, above, upon or about the Building, nor for any damage occasioned by water,

LIA-
BILITY
OF
LESSOR

snow or ice being upon or coming through the roof, skylights, trap door or otherwise, nor for any damages arising from acts or neglect of any owners or occupants of adjacent or contiguous property. Lessor shall indemnify and save and keep harmless the Lessee against any and all loss, cost, damage or expense arising out of or from any accident or occurrence on the exterior grounds or arising from Lessor's failure to remove snow from the exterior grounds provided that the Lessor shall not be liable for any loss, cost, damage or expense arising out of or from any accident or occurrence incurred during or as a result of Lessee's (or sublessee's) sponsored activity. Lessor shall be liable for any damage to the windows on the north exposure of the Building so long as the metal protection guards remain in place thereon. The Lessee shall be liable for all other damage to the Building whether caused by Lessee, any sublessees or any known or unknown third parties.

7. Lessor and Lessee agree that this is an absolutely net lease in that the Lessee shall pay the costs of all maintenance and repairs and all operating expenses. Accordingly, Lessee agrees to pay all charges for gas, electric and water service used, rented or supplied upon or in connection with the Building throughout the term of this lease.
- UTILI-
TIES
8. Except as provided in Paragraph 2 hereof, the Lessee covenants throughout the terms of the lease, at its sole cost and expense to take good care of the Building and all fixtures located therein, and to keep the same in good order and condition, except only for wear and tear incident to the ordinary use of the Building for the purposes permitted in this lease, and shall, subject to said exception, promptly at the Lessee's own cost and expense make all necessary repairs, interior and exterior, structural and nonstructural, ordinary as well as extraordinary, foreseen as well as unforeseen. When used in this Paragraph, the term "repairs" shall include replacements or renewals when necessary, and all such repairs made by the Lessee shall to the extent feasible be equal in quality to the original work. In a lease year in which the cost of a repair or repairs which are necessary in Lessee's reasonable judgment exceeds or would exceed, in the aggregate, \$15,000, the Lessee may, at its option, cancel the lease upon at least 120 days written notice of such intent to cancel.
- REPAIRS
AND
MAIN-
TENANCE
9. During weekdays between 9:00 A.M. and 5:00 P.M., after reasonable notice, Lessee will allow Lessor free access to the Building for the purpose of examining the same, or to make any needful repairs or alterations thereof which Lessor may see fit to make and will allow to have placed upon the Building at all times notice of "For Sale" and during the last 6 months of the lease term notice of "To Rent," and will not interfere with the same.
- ACCESS
TO
PREMISES
10. If Lessee shall, in breach of this lease, abandon or vacate the Leased Property, or if Lessee's right to occupy the Leased Property be terminated by Lessor by reason of Lessee's breach of any of the covenants herein, the same may be re-let by Lessor for such
- ABANDON-
MENT AND
RELET-
TING

rent and upon such terms as Lessor may deem fit; and if a sufficient sum shall not thus be realized monthly after a diligent effort is made by Lessor to so re-let the Leased property, after paying the expenses of such re-letting and collecting to satisfy the rent hereby reserved, Lessee agrees to satisfy and pay all deficiency monthly during the remaining period of this lease.

HOLDING
OVER

11. Lessee shall, at the termination of this lease by lapse of time or otherwise, yield up immediate possession to Lessor, and failing so to do, will pay as liquidated damages, for the whole time such possession is withheld, the sum of Two Hundred Dollars (\$200.00) per day; but the provisions of this Paragraph shall not be held as a waiver by Lessor of any right of re-entry as hereinafter set forth; nor shall the receipt of said rent or any part thereof, or any other act in apparent affirmation of tenancy, operate as a waiver of the right to forfeit this lease and the term hereby granted for the period still unexpired, for a breach of any of the covenants herein.

EXTRA
FIRE
HAZARD

12. There shall not be allowed, kept or used in the Building any flammable or explosive liquids or materials except such as may be necessary for use or customary in the operations of the Lessee, and in such case any such substances shall be delivered and stored in amount, and used, in accordance with the rules of the applicable Board of Underwriters and statutes and ordinances now or hereafter in force.

RE-ENTRY

13. If default be made in the payment of the above rent, or any part thereof, or in any of the covenants herein contained to be kept by the Lessee, then after 60 days written notice it shall be lawful for Lessor at any time thereafter at its election, to declare said term ended, and to re-enter the Building or Leased Property or any part thereof, and to remove Lessee, or any persons occupying the same, without prejudice to any remedies which might otherwise be used for arrears of rent, and Lessor shall have at all times the right to distrain for rent due, and shall have a valid and first lien (except to the extent that purchase money security interests may exist in favor of third parties) upon all personal property which Lessee now owns, or may hereafter acquire, or have an interest in, whether exempt by law or not, as security for payment of the rent herein reserved. Notwithstanding the foregoing in the event Lessee shall breach or fail to observe any covenant herein contained and such breach or failure cannot in the exercise of reasonable diligence be cured within said 60 day period then Lessee shall not be in default hereunder as a result thereof if it commences a cure within said period and prosecutes such cure to completion.

LANDLORD
TENANT
ORDIN-
ANCE

14. Lessor's rights and remedies hereunder shall be subject to all ordinances of the City of Evanston and other governmental bodies having jurisdiction over the Premises governing landlord-tenant relations regardless of any exclusion contained in such ordinances for the benefit of Lessor or any common law exclusion of governmental landlords.

15. In case the Building shall be rendered substantially untenable by fire or other casualty, and is not rendered tenantable within 120 days thereafter, either Lessor or Lessee may, at its option, terminate this lease within 130 days of the casualty by written notice to the other. If this lease is terminated as above provided then the termination shall be effective as of the date of the casualty. If this lease is not terminated after such a casualty, rent shall abate on a ratable basis for the period until the repair and restoration work is completed.
- FIRE AND CASUALTY
16. Lessee shall pay and discharge all reasonable costs, attorney's fees and expenses that may be incurred by Lessor in enforcing the covenants and agreements of this lease where Lessee shall be determined to have breached the same and failed to cure the same within the period permitted by this lease.
- PAYMENT OF FEES
17. The Lessor shall cooperate in resolving traffic and parking problems arising from the use of the Premises and Building.
- TRAFFIC & PARKING
18. The attached schedule (schedule 1) consists of equipment and furnishings leased as part of the Leased Property.
- PERSON-ALTY
19. If the Board of Directors of Lessee shall at any time elect to discontinue the operation of its school or materially decrease the size thereof, the Lessee may terminate this lease upon at least 90 days written notice to Lessor.
- DISCONTINUANCE OF SCHOOL
20. Lessor hereby grants Lessee, Lessee's employees, licensees and invitees, any sublessees and its employees, licensees and invitees a license to use the Premises (other than the Leased Property) during the term of this lease in a manner incidental to the use of the Building, including a license to use the playground facilities for play activities and the paths, walkways and sidewalks for access to the Building. Lessor agrees to meet with the Lessee at least semiannually to determine the usage of the playground facilities. Said usage shall be consistent with the recreational needs of the residents of the City of Evanston and the license herein granted to Lessee. In the event the Lessor and Lessee cannot agree on said usage, the determination of the Lessor shall be final.
- LICENSE
21. Lessee's liability hereunder shall be enforceable only against Lessee's assets and not against its officers, directors, employees or members.
- LIA-BILITY
22. Wherever in this lease Lessor's consent or approval is required on any matter such consent or approval shall be granted or denied on a reasonable basis and with reasonable promptness.
- REASON-ABLENESS
23. Nothing contained in this Lease, including but not limited to Paragraphs 2, 7 and 8 hereof, shall obligate Lessee or Lessor to take corrective action with respect to asbestos-containing materials in, on or around the Building and Premises.
- ASBESTOS

24. Lessee shall have the option to renew this lease upon the same terms and conditions for a period of 5 years upon the following conditions: (a) Lessee shall provide Lessor 6 months written notice of intention to renew; (b) the rent for said 5-year term shall be subject to negotiation; (c) Lessee is in compliance with all terms and conditions of the existing lease and with all terms and conditions of the Memorandum of Understanding dated the date hereof between the parties.
- OPTION TO RENEW
25. During the term of this lease, Lessor hereby grants to Lessee the right of first refusal to purchase the Premises in the event Lessor receives an acceptable offer to purchase such property from any third party (except Community Consolidated School District 65). Lessor shall advise Lessee of said offer to purchase and Lessee shall have the right to purchase such property upon the same terms and conditions as set forth in such acceptable offer to purchase. Lessee shall have 45 days from the date of notice from Lessor within which to notify Lessor that Lessee will exercise such right of first refusal.
- RIGHT OF FIRST REFUSAL TO PURCHASE
26. At the request of either party, a short-form memorandum of this lease shall be recorded by the parties with the appropriate county office.
- RECORDING
27. This lease and all covenants and agreements herein contained shall be binding upon, apply, and inure to the respective successors and assigns of the parties to this lease.
- BINDING NATURE

LESSOR: CITY OF EVANSTON, ILLINOIS
a municipal corporation

By *Debra M. Spivack*
Title *CITY MANAGER*

LESSEE: CHIARAVALLE MONTESSORI SCHOOL,
a not-for-profit corporation

By *Rena Gandoli-Sures*
Title *President, Board of Directors*
By *Georgese M. Wilcox*
Title *Secretary, Board of Directors*

Date: September, 1985

EXHIBIT A

lots 10 through 15 inclusive, in Block 37 in Evanston, in Section 18, Township 41 North, Range 14 East of the Third Principal Meridian in Cook County, Illinois.

SCHEDULE 1

- a. storm and screen doors and windows,
- b. wall to wall, hallway and stair, carpeting,
- c. venetian blinds, curtains, shutters, shades, draperies and all supporting fixtures,
- d. window unit air conditioners, if any,
- e. all furnace and grounds maintenance equipment on site,
- f. intercom system,
- g. kiln.

MEMORANDUM OF UNDERSTANDING

WHEREAS, the City of Evanston (the "City") is the owner of the property commonly known as 425 Dempster, Evanston, Illinois; and

WHEREAS, Chiaravalle Montessori School (hereinafter "CMS") is the Lessee from the City of the 425 Dempster Street property (the "leased premises") under a lease dated ~~March 1,~~ August 1, 1985 (the "Lease"); and

WHEREAS, the City and CMS are aware that asbestos-containing materials have been used in the construction of the building at the leased premises; and

WHEREAS, the General Assembly of the State of Illinois has passed a statute to provide for the identification, containment or removal of such asbestos materials as constitute a significant health hazard (the "Act"); and

WHEREAS, to accomplish any corrective action at the leased premises that may become necessary to comply with the Act or that may be deemed necessary by the Board of CMS, the City has agreed to loan to CMS up to \$100,000 over ten years at 0% interest;

NOW, THEREFORE, in consideration of the mutual promises of the parties hereto as hereinafter set forth, the parties agree as follows:

- A. The City shall loan to CMS a sum not to exceed \$100,000 for a period of ten (10) years at 0% interest per year. The terms and conditions of said loan are set forth in the Promissory Note marked as Exhibit A attached hereto and incorporated herein by reference.
- B. CMS does hereby promise and agree that it shall use the proceeds of said loan for no other purpose than asbestos-related testing, consulting, air monitoring, corrective action, and repair and restoration after corrective action (collectively referred to as the "work") at the leased premises.
- C. CMS does hereby promise and agree that any corrective action it undertakes at the leased premises shall be in accordance with plans and specifications approved by the City in its reasonable discretion.
- D. The proceeds of said loan will be paid to CMS on an

"as-needed" basis during the period March 1, 1985 through and including the later of July 1, 1989 or the deadline for completing corrective action under the Act.

The term "as-needed" shall be determined as follows:

1. CMS shall submit to the City of Evanston invoices for work performed on the leased premises.
 2. CMS at the same time as submission of invoices shall submit to the City air-monitoring reports for the work performed.
 3. Any corrective action must be performed in accordance with the plans and specifications approved by the City in its reasonable discretion.
 4. The air-monitoring results must comply with any federal or state environmental protection laws or ordinances of safety for asbestos particulate in schools.
 5. The City shall within thirty (30) days of receipt of invoices and air-monitoring results provide CMS funds in the amount of said invoices.
- E. The City does hereby agree that it will disburse \$27,625 to CMS for work performed at the leased premises prior to March 1, 1985, concurrently with the execution of this Memorandum of Understanding.
- F. In the event the funds disbursed to CMS pursuant to this Memorandum of Understanding total less than \$100,000, the amount of the loan shall abate to the extent of said difference.
- G. The City agrees that in the event that either CMS or the City terminates the Lease under the provisions of Paragraph 15 thereof, CMS' obligation to repay the loan shall cease as to any payments not yet due and payable at the date of termination and the Promissory Note shall be cancelled. The City further agrees that in the event that CMS cancels the Lease pursuant to the provisions of Paragraph 8 thereof, CMS' obligation to repay the loan shall be reduced by an amount equal to: (i) one-tenth of the total amount of the outstanding loan balance, multiplied by (ii) the number of years remaining in the Lease term at the time of such cancellation.
- II. The City shall cooperate with, provide information to and assist CMS in the filing and pursuit of any claim against any third parties (except Community Consolidated School

District 65) for property damage, including without limitation claims involving damages related to corrective action, arising from or in connection with the existence of asbestos in the leased premises. If at any time during or after the term of the Lease the City files or joins any action or claim against any third parties for property damage arising from or in connection with the existence of asbestos in the leased premises or in any other City-owned building, the City shall so notify CMS and permit CMS to join its claim for property damage at no expense to CMS, and the City shall assign to CMS any and all amounts up to the amount of the loan that is recovered from third parties for property damage at the leased premises arising from or in connection with the existence of asbestos.

- I. Neither the City nor CMS admits any obligation to undertake corrective action under the provisions of the Lease or the Act.
- J. The City acknowledges and agrees that CMS' liability under the Promissory Note shall be enforceable only against CMS' assets and not against its officers, directors, employees or members.
- K. CMS agrees to make available to the City, upon the City's written request, a copy of CMS' audited annual financial statements for the year ended at the time of the request, and the City agrees not to disclose to any third parties any information obtained from such financial statements and not otherwise available to the public.

IN WITNESS WHEREOF, the parties hereto have set forth their hands and seals.

CITY OF EVANSTON, ILLINOIS,
a municipal corporation

CHIARAVALLE MONTESSORI SCHOOL,
an Illinois not-for-profit
corporation

By *Dem. Spivack*
Its CITY MANAGER

By *Rick Casale - Durren*
Its President, Board of Directors

Date: September , 1985

LEASE EXTENSION

Between the Chiaravalle Montessori School and
the City of Evanston
425 Dempster Street

For and in consideration of the payment of Eleven Thousand Dollars (\$11,000.00), by the Chiaravalle Montessori School to City of Evanston, the lease (marked as Exhibit A attached hereto and incorporated herein by reference) dated September, 1985 between the City of Evanston and Chiaravalle Montessori School is extended for a period of one (1) year; commencing on the day following the expiration date of the initial term of the lease (July 31, 1995) and expiring on the day preceding the first anniversary of the commencement date of the extension term July 31, 1996.

Dated: _____