

8/27/2012

65-R-12

A RESOLUTION

**Authorizing the City Manager to Execute a Lease Agreement
with Erie Family Health Center
for Office Space in the Civic Center, 2100 Ridge Avenue**

WHEREAS, the City of Evanston ("City") owns the real property located at 2100 Ridge Avenue in Evanston, Illinois, improved with the structure commonly known as the Lorraine H. Morton Civic Center; and

WHEREAS, the City Council of the City of Evanston has determined that the best interests of the City would be served by leasing the unused portion of the ground floor of the Civic Center to Erie Family Health Center for use as a federally qualified health center; and

WHEREAS, pursuant to Subsection 1-17-4-1 of the Evanston City Code of 1979, as amended, the City Council may authorize leases of real estate by resolution,

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

SECTION 1: The City Manager is hereby authorized and directed to sign the lease attached hereto as Exhibit A and incorporated herein by reference.

SECTION 2: The City Manager is hereby authorized and directed to negotiate any additional terms and conditions of said lease as he may determine to be in the best interests of the City.

SECTION 3: This resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

Elizabeth B Tisdahl
Elizabeth B. Tisdahl, Mayor

Attest:

Rodney Greene
Rodney Greene, City Clerk

Adopted: September 10, 2012

EXHIBIT A

Lease Between the City and Erie Family Health Center

**LEASE AGREEMENT BETWEEN
THE CITY OF EVANSTON
AND
ERIE FAMILY HEALTH CENTER**

This **Lease Agreement** is made and entered into between the **City of Evanston**, with primary offices located at 2100 Ridge Avenue, Evanston, Illinois 60201, and the **Erie Family Health Center**, with primary offices located at 1701 W. Superior St. 3rd Fl., Chicago, Illinois 60622, (collectively referred to as the "Parties") to outline the Parties' respective intentions in a professional lease agreement.

TERM OF LEASE

September 1, 2012 through December 31, 2013

TERM RENT

\$1.00/ Year

LESSEE

Erie Family Health Center,
an Illinois not-for-profit corporation

LESSOR

City of Evanston,
an Illinois Municipal Corporation

LESSEE ADDRESS

1701 W. Superior St. 3rd FL
Chicago, Illinois 60622

LESSOR ADDRESS

2100 Ridge Avenue
Evanston, Illinois 60201

LOCATION OF PREMISES:

2100 Ridge Avenue, Evanston, Illinois. The ground level of the building in its entirety, except current offices of the Evanston Health Department expressly not including all current occupied offices.

PUPOSE:

To operate the premises as a Federally Qualified Health Center ("FQHC") consistent with the provisions of operations of a FQHC.

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 purpose the portion of the building described above (the "Building"), for the above term.

1. Lessee shall pay Lessor or Lessor's agent as rent for the Leased Property the sum stated above on the annual anniversary date of this lease execution, stated above, 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 (see Section 7).
2. To the best of its knowledge, Lessee has received the Building in good order and repair, 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 therefore at the place of payment of said rent; provided, however, that in the event Lessee cancels this lease pursuant to Section 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 the sidewalk in a clean and healthful condition during the term of this lease at Lessor's expense.

3. Lessee shall not allow the Building to be used for any purpose other than that hereinabove specified, sublet the Building or Leased Property or any part thereof 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 posed on the exterior of the Building, except signs identifying Lessee'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) shall remain for the benefit of Lessor unless otherwise provided in the consent aforesaid.
4. Lessee shall not permit any mechanic's lien or liens to be placed upon 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 in the leased premises, in which bodily injury limits shall be not less than \$2 million aggregate per person and per accident, and in which the property damage limits shall not be less than \$500,000.

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+ Policy holder'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 premises 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, 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. The Lessee shall be liable for all other damage to the Building whether caused by Lessee 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.
8. Except as provided in Section 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 Section, 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, \$25,000 the Lessee may, at its option, cancel the lease upon at least 120 days written notice of such intent to cancel.
9. Lessee will allow Lessor free access to the premises for the purpose of examining or exhibiting the same, and will allow to have placed upon the premises at all times notice for "For Sale" and "To Rent", and will not interfere with the same.

10. 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 Section 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 hereof, 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.
11. 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.
12. 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 30 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 premises 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. 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.
13. 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 Building governing landlord-tenant relations.
14. In case the Building shall be rendered substantially untenable by fire or other casualty, and is not rendered tenable within sixty (60) days thereafter, either Lessor or Lessee may, at its option, terminate this lease within seventy (70) days of the casualty by written notice to the other. If this lease is terminated as provided above, 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.
15. Lessee will 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 arising from Lessee's failure to perform any of its obligations hereunder, and Lessor will pay and discharge any such costs incurred by Lessee

for failure of Lessor to perform its obligations hereunder, and this lease and all covenants and agreements herein shall be binding upon, apply, and inure to their respective heirs, executors, successors, and administrators.

16. Lessee at its own expense shall provide garbage and refuse containers. Such containers and location of same must be approved by the Lessor.
17. Lessor shall provide routine housekeeping services to the Building.
18. Lessee shall have the privilege of conducting special events on the adjoining grounds, providing that the special events do not conflict with other City authorized or sponsored activities. Lessee shall exercise this privilege by submitting that written request to the Lessor at least three (3) business days prior to the date of the proposed special event.
19. 120 days prior to the termination of the term of this lease, Lessee shall provide written notice to the Lessor of its intention to negotiate a new lease.
20. No alcoholic beverages shall be served on the premises without the prior written consent of the Lessor.
21. 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.
22. As this lease constitutes recognition by Lessor of the unique programs, activities and resources of the Lessee, the Lessee may not assign this lease.
23. The Lessor or Lessee may terminate this lease upon three (3) months written notice to the other.
24. This lease is expressly conditioned upon Lessee maintaining its tax-exempt status. Lessee's failure to maintain said status constitutes, at Lessor's option, a material breach for which termination is the remedy. Upon written request, Lessee will provide Lessor evidence of its tax-exempt status. Lessee will give Lessor immediate written notice of any changes in Lessee's tax-exempt status.
25. All notices required or given hereunder shall be given in writing as follows:

To Lessor:

City Manager's Office
City of Evanston
2100 Ridge Avenue
Evanston, Illinois 60201

With a copy to:

Law Department
City of Evanston
2100 Ridge Avenue
Evanston, Illinois 60201

To Lessee:

Erie Family Health Center
Lee Francis, MD
President and CEO
1701 W. Superior St. 3rd FL
Chicago, Illinois 60622

26. The parties may amend this Lease by executing a written instrument of like formality.

Lessor: CITY OF EVANSTON, ILLINOIS, an Illinois municipal corporation

By: _____

Name: _____

Title: _____

Date: _____

Lessee: ERIE FAMILY HEALTH CENTER, an Illinois not-for-profit corporation

By: _____

Name: _____

Title: _____

Date: _____