

ORDINANCE NO. 007-154

AN ORDINANCE AUTHORIZING THE
LEASE OF CERTAIN CTA PROPERTY
LOCATED IMMEDIATELY ADJACENT TO
1552-1554 NORTH MILWAUKEE
AVENUE, CHICAGO, ILLINOIS (BLUE
LINE)

WHEREAS, The Chicago Transit Authority ("Authority") owns certain right-of-way property along the O'Hare Branch of the Blue Line located immediately adjacent to 1552-1554 North Milwaukee Avenue, Chicago, Illinois; and

WHEREAS, The Authority's property includes a rectangular lot with dimensions of 25 feet x 50 feet (1,250 square feet), which is legally described on Exhibit A and depicted on Exhibit B ("Property"); and

WHEREAS, The owner of the property at 1552-1554 North Milwaukee Avenue, 1552 Milwaukee LLC ("Developer") is converting the building located immediately adjacent to the Authority's Property into a condominium and retail development; and

WHEREAS, In conjunction with this residential development project, the Developer has requested permission to lease the Authority's Property for vehicle parking; and

WHEREAS, Staff has negotiated a lease agreement with the Developer for use of the Authority's Property for parking of up to five vehicles for a term of twenty years, commencing approximately January 1, 2008, with an option for a single 10-year extension; and

WHEREAS, The lease agreement will have an initial annual rent of \$5,100, based upon a real estate appraisal of the Property, with subsequent annual adjustments based upon the Consumer Price Index and further subject to reappraisal for the eleventh lease year and for the option term; and

WHEREAS, The Authority will retain the right of access to the Property as necessary for transit and operations purposes and the right to terminate the lease agreement on 180 days' notice; and

WHEREAS, The Developer will be required to provide the Authority with appropriate insurance coverage and indemnification during the term of the lease agreement; and

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WHEREAS, The Developer, at its cost, will install a drip pan system, drainage, paving, separately-metered lighting and other improvements to the Property as may be required by City of Chicago ordinances and regulations; and

WHEREAS, Section 54.3-5 of the Authority's Regulations Governing Purchase and Sales Transactions provides that competitive bidding is not required in circumstances where the Chicago Transit Board finds it to be disadvantageous; now therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. Based upon the facts presented, the Chicago Transit Board finds competitive bidding to be disadvantageous.

SECTION 2. That the Chairman of the Chicago Transit Board, or her designee, is hereby authorized to execute a lease agreement between the Authority, as Landlord, and 1552 Milwaukee LLC, as Tenant, for a parcel of property located immediately adjacent to 1552-1554 North Milwaukee Avenue, Chicago, Illinois, legally described on Exhibit A and depicted on Exhibit B, attached hereto, for use by the Tenant, its contractors and future residential owners and tenants for parking of up to five vehicles.

SECTION 3. That said lease agreement shall extend for a term of 20 years, commencing approximately January 1, 2008, with one 10-year option term, for the initial annual rental amount of five thousand one hundred dollars (\$5,100), subject to annual adjustments based upon the Consumer Price Index and further subject to reappraisal for the eleventh lease year and for the option term. The lease will also provide the Authority with a 180-day termination provision, require that the Tenant provide the Authority with appropriate insurance coverage and indemnification, and include such other terms that are substantially in conformance with those contained in the lease agreement, attached hereto as Exhibit C.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

Assistant Secretary

December 12, 2007

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