

ORDINANCE NO. 012-84

AN ORDINANCE AUTHORIZING AN
AMENDMENT TO THE LEASE FOR
PROPERTY LOCATED AT 350 NORTH
ORLEANS, CHICAGO, ILLINOIS

WHEREAS, A lease for 17,520 square feet at 350 North Orleans, Level S-2, Chicago, Illinois ("Lease") was authorized by Ordinance 91-185, dated October 17, 1991; and

WHEREAS, The Lease was executed between the Chicago Transit Authority ("Authority") and LaSalle National Bank as trustee of Trust No. 36223, the current owner's predecessor in interest; and

WHEREAS, Sri Ten West Mart LLC ("Landlord") is the current property owner; and

WHEREAS, The Lease has previously been amended three times: in 1992, 1993 and 2007; and

WHEREAS, The leased space is used to house the Authority's Data Center which is part of Technology Management; and

WHEREAS, The Lease expires on August 31, 2012, but the Authority still has a need for the Data Center and office space for Authority support staff; and

WHEREAS, The Authority, represented by its broker, Jones Lang LaSalle Americas, Inc. ("JLL"), negotiated a three (3) year extension to the Lease with an initial annual base rent of Twenty-four Dollars (\$24.00) per square foot (or \$420,480 per year) and an annual increase of fifty cents (\$.50) per square foot thereafter; and

WHEREAS, The lease includes common area maintenance (CAM) expenses of approximately Eight Thousand Five Hundred Dollars (\$8,500) per month, which includes the Authority's share of building operating expenses and property taxes; and

WHEREAS, Staff recommends amending the Lease to extend it for three additional years, or until August 31, 2015; and

WHEREAS, The amendment to the Lease will provide the Authority with time to evaluate alternative locations to house the Data Center; and

WHEREAS, The Authority will indemnify Landlord for accidents or injuries arising out of the Authority's improvements; now, therefore;

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

SECTION 1. The Chairman of the Transit Board of the Chicago Transit Authority, or his designee, is authorized to enter into a fourth amendment to the Lease with Sri Ten West Mart, LLC for certain real estate located at the S-2 level of 350 North Orleans, Chicago, Illinois, as further described in Exhibit A attached hereto and made a part hereof.

SECTION 2. The fourth amendment to the Lease shall be for 17,520 square feet and a term of three (3) years with an initial annual base rent of Twenty-four Dollars (\$24.00) per square foot or Four Hundred Twenty Thousand Four Hundred Eighty Dollars (\$420,480) per year, with fifty cents (\$0.50) per square feet annual escalations. In addition, the lease includes common area maintenance expenses which are approximately Eight Thousand Five Hundred Dollars (\$8,500) per month.

SECTION 3. The Authority shall indemnify Sri Ten West Mart, LLC for accidents or injuries arising out of the Authority's improvements. All other terms shall be in substantial conformance with Exhibit B, attached hereto.

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

APPROVED:

PASSED:

Chairman

Assistant Secretary

July 18, 2012

July 18, 2012