

ORDINANCE NO. 018-36

AN ORDINANCE AUTHORIZING A
LEASE OF RETAIL SPACE AND
LICENSE AGREEMENTS FOR
BASEMENT SPACE AND ADJACENT
PROPERTY LOCATED AT 4620
NORTH BROADWAY STREET,
CHICAGO, ILLINOIS (RED LINE)

WHEREAS, The Authority owns property located at 4620 North Broadway Street, Chicago, Illinois, known as the Gerber Building, which contains approximately 13,239 square feet of retail space available for lease; and

WHEREAS, The Authority has contracted with Jones Lang LaSalle Americas Inc. ("JLL") to lease this space; and

WHEREAS, Through extensive marketing and competitive negotiations, JLL has identified Chicago Cooperative as a viable tenant for the space ("Tenant"); and

WHEREAS, The primary use of the space will be for the operation of a grocery co-op; and

WHEREAS, The parties negotiated a ten (10) year lease with two five (5) year renewal options and with an escalating rent schedule; and

WHEREAS, The parties also negotiated a license agreement for the basement space at 4620 North Broadway Street and a license agreement for the area under the elevated structure to the west of 4620 North Broadway Street, for terms concurrent with the lease; and

WHEREAS, The Tenant will be responsible for all utility fees; and

WHEREAS, The Tenant will indemnify the Authority for its use of the leased space and licensed areas, and the Authority will indemnify the Tenant for liability or damages related to certain pre-existing environmental conditions; now, therefore:

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

SECTION 1. The Chairman of the Chicago Transit Board, or his designee, is authorized to enter into a retail lease agreement and license agreements with Chicago Cooperative for retail concession space, basement space, and adjacent property located at 4620 North Broadway Street, Chicago, Illinois.

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SECTION 2. The lease has a term of ten (10) years with two five (5) year renewal options, an initial annual rent of Two Hundred Thirty-Eight Thousand Three Hundred Two Dollars (\$238,302.00) with three percent (3%) annual increases, requires that the Tenant indemnify the Authority for the Tenant's use of the leased space and licensed areas, requires that the Authority indemnify the Tenant for liability or damages related to certain pre-existing environmental conditions, provides for rent abatement during build-out and in the event leasehold taxes exceed certain thresholds, and contains such other terms as are substantially in conformance with the Concession Lease Agreement Between Chicago Transit Authority and Chicago Cooperative attached as Exhibit A hereto.

SECTION 3. The Chairman of the Chicago Transit Board, or his designee, is authorized to enter into license agreements with Chicago Cooperative for limited use of the basement of the property at 4620 North Broadway Street, which requires Chicago Cooperative to pay the Authority One Dollar (\$1.00), and for the area under the elevated structure immediately west of 4620 North Broadway Street, which requires Chicago Cooperative to pay the Authority Eighteen Thousand Dollars (\$18,000.00) per year after an abatement period during build-out. The license agreements are attached hereto as Exhibits G and H to the Concession Lease Agreement.

SECTION 4. The Chairman, or his designee, is further authorized to take such actions and execute such documents as may be necessary to implement the objectives of this ordinance.

SECTION 5. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

Assistant Secretary

May 9, 2018

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