

ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City is the owner of the real property located at 1713 South Ashland Avenue, Chicago, Illinois (the "Property"); and

WHEREAS, the Board of Trustees of the University of Illinois, a body corporate and politic of the State of Illinois ("Tenant" or "University") and the City are parties to that certain Intergovernmental Agreement (Lease No. 20334) dated as of August 4, 2016 (the "Lease"). The City entered into the Lease pursuant to an ordinance that the City Council of the City (the "City Council") passed on May 18, 2016, which is published in the Journal of the Proceedings of the City Council (the "Journal") for such date at pages 24456 through 24473. The Lease covers certain premises (the "Premises") consisting of approximately 6,400 square feet of clinical and general medical and administrative office space on the first floor of the building at the Property (the "Building"), as more particularly described in the Lease. The term of the Lease expired on December 31, 2022; and

WHEREAS, the University and the City have been working in good faith to mutually execute an amendment to extend the Lease, and the University has been operating and occupying under holdover tenancy since January 1, 2023, pursuant to Section 9.12 (Holding Over) of the Lease; and

WHEREAS, the University received a federal award number CE147035 (the "Grant") from the United States Department of Health and Human Services, Health Resources and Services Administration ("HRSA") dated August 31, 2022, to pay for renovations to expand the Premises to include a dental clinic; and

WHEREAS, the University wishes to extend the term of the Lease for an additional five (5) years and to expand the Premises by approximately 1,066 square feet for a related clinical use; and

WHEREAS, the City Council, pursuant to an ordinance passed on November 1, 2023, and published in the Journal for such date at pages 4672 through 4673, authorized the City's execution of an extension of the term; and

WHEREAS, the University has requested, and the City has agreed, to expand the Premises and allow the University to renovate, or cause to be renovated, the expanded Premises to enable the University to operate a dental clinic on the Premises in order to deliver accessible and affordable dental care to the community, pursuant to the Grant and Section 9.17 (Amendments) of the Lease; and

WHEREAS, the City has agreed to lease to University, and University has agreed to lease from the City, the Premises, so University can renovate and expand the Premises, and continue to provide the above-described services at the Premises, under the terms and conditions set forth herein; **now, therefore,**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. The Commissioner of the Department of Fleet and Facility Management or any successor department (the "Commissioner"), or a designee of the Commissioner, is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a "First Amendment to Intergovernmental Agreement," in substantially the form attached hereto as Exhibit 1, and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the lease, with such changes, deletions and insertions as shall be approved by the persons executing such lease.

SECTION 3. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 4. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall take effect immediately upon its passage and approval.

EXHIBIT 1

Form of First Amendment to Intergovernmental Agreement

[Attached]

**FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT
(LEASE NO. 20334)**

This First Amendment to Intergovernmental Agreement (Lease No. 20334) (this "First Amendment") is entered into as of _____ 2025, between **THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS**, a body corporate and politic of the State of Illinois ("Tenant" or "University"), and the **CITY OF CHICAGO**, an Illinois municipal corporation and home rule unit of government ("Landlord" or "City"). Except for Sections 3 through 7 below, the parties agree that this First Amendment shall be effective retroactive to January 1, 2023 (the "Effective Date").

RECITALS:

a. The University and the City are parties to that certain Intergovernmental Agreement (Lease No. 20334) dated as of August 4, 2016 (the "Lease"). The City entered into the Lease pursuant to an ordinance that the City Council of the City (the "City Council") passed on May 18, 2016, which is published in the Journal of the Proceedings of the City Council (the "Journal") for such date at pages 24456 through 24473. The Lease covers certain premises (the "Premises") consisting of approximately 6,400 square feet of clinical and general medical and administrative office space on the first floor of the building at 1713 South Ashland Avenue, Chicago, Illinois (the "Building"), as more particularly described in the Lease. The Term of the Lease expired on December 31, 2022.

b. The University and the City have been working in good faith to mutually execute an amendment to extend the Lease, and the University has been operating and occupying under holdover tenancy since January 1, 2023, pursuant to Section 9.11 Holding Over of the Lease.

c. The University received a federal award number CE147035 ("Grant") from the United States Department of Health and Human Services, Health Resources and Services Administration ("HRSA") dated August 31, 2022 to pay for renovations to expand the Premises to include a dental clinic.

d. The University wishes to extend the Term of the Lease for an additional five (5) years and to expand the Premises by approximately 1,066 square feet for a related clinical use.

e. The City Council pursuant to an ordinance passed on November 1, 2023, and published in the Journal for such date at pages 4672 through 4673 authorized the City's execution of an extension of the Term.

f. The University has requested, and the City has agreed, to expand the Premises and allow the University to renovate, or cause to be renovated, the expanded Premises to enable the University to operate a dental clinic on the Premises in order to deliver accessible and affordable dental care to the community, pursuant to the Grant and Section 9.17 (Amendments) of the Lease.

g. The City and the University now desire to amend the Lease for these purposes, as more specifically set forth below.

NOW THEREFORE, in consideration of the mutual covenants and agreements of the

parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms. All capitalized terms used in this First Amendment shall have the same meanings given to said terms in the Lease, unless otherwise expressly provided herein.

2. Extension of Term. Section 2.1 (Term) of the Lease is hereby replaced in its entirety by the following: "The term of this IGA (the "Term") shall begin on the Commencement Date and shall end on December 31, 2027, unless sooner terminated as set forth in this IGA."

3. Expansion of Premises. The Premises are hereby expanded to include approximately 1,066 additional square feet, as shown on the pink-highlighted area of the floor plan attached hereto as Exhibit A-1 (the "Expansion Area"). From and after the Effective Date of this First Amendment, all references in the Lease to the "Premises" shall mean collectively the original 6,400 square feet and the Expansion Area.

4. Use of the Premises. The first sentence of Section 4.5 (Use of the Premises) is hereby replaced in its entirety by the following: "Tenant shall use the Premises only as a medical or dental clinic."

5. Hazardous Substances. The first sentence of Section 8.7 (Hazardous Substances) is hereby replaced in its entirety by the following: "Tenant shall not use or store any Hazardous Substances (defined below) on the Premises, except those routinely found in a medical or dental clinic."

6. Calculation of Operating Costs. The third and fourth sentences of Section 3.3(a) are hereby replaced in their entirety by the following: "The Building's total square footage is approximately 13,968 square feet and Tenant's leasehold is approximately 7,466 square feet, which comprises 53.5% of the Building's total square footage. 'Operating Costs' shall be based on Tenant's 53.5% Proportionate Use."

7. Required Grant Terms.

- a. Tenant agrees not to sublease, assign, or otherwise transfer the Expansion Area, or use the Expansion Area for a non-award-related purpose(s) without the prior written approval from HRSA (at any time during the term of the Lease, whether or not award support has ended);
- b. Landlord will inform HRSA of any default by the Tenant under the Lease;
- c. HRSA shall have 60 days from the date of receipt of the Landlord's notice of default in which to attempt to eliminate the default, and that the Landlord will delay exercising remedies until the end of the 60-day period;
- d. HRSA may intervene to ensure that the default is eliminated by the Tenant, or another recipient named by HRSA;
- e. Landlord shall accept payment of money or performance of any other obligation by the HRSA's designee, for the Tenant, as if such payment of money or performance had been made by the Tenant; and

- f. In the event that the Tenant defaults, HRSA will terminate the award, or the Tenant will vacate the Expansion Area before the end of the Lease Term. HRSA shall have the right to designate a replacement for the Tenant for the balance of the Lease Term, subject to approval by the Landlord, which will not be withheld except for good reason.

Tenant warrants and represents to Landlord that neither the Grant nor any applicable statutes, rules or regulations obligate Landlord or Tenant to record a notice of federal interest ("NFI") against all or any part of the Building or the property commonly known as 1713 South Ashland Avenue, Chicago, Illinois (the "Property"). Tenant shall not record an NFI or any other encumbrance against all or any part of the Building or the Property, without Landlord's prior written consent.

8. Integration of First Amendment and Lease. The Lease and this First Amendment shall be deemed to be, for all purposes, one instrument. Any and all references to the Lease hereinafter shall include this First Amendment. In the event of any conflict between the terms and provisions of this First Amendment and the terms and provisions of the Lease, the terms and provisions of this First Amendment shall, in all instances, control and prevail.

9. Ratification. Except as modified by this First Amendment, all of the terms and provisions of the Lease are hereby ratified and confirmed and the parties agree that the provisions contained therein are in full force and effect, as amended hereby, as of the date hereof.

10. Counterparts. This First Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

11. Entire Agreement. The Lease, as modified by this First Amendment, embodies the entire agreement and understanding between the parties and supersedes any prior oral or written agreements with respect to the matters stated herein.

(Signature Page Follows)

IN WITNESS WHEREOF, the City and the University have executed this First Amendment as of the date first set forth above.

CITY OF CHICAGO, an Illinois municipal corporation

By: _____
Julie Hernandez-Tomlin
Commissioner
Department of Fleet and Facility Management

Approved by:

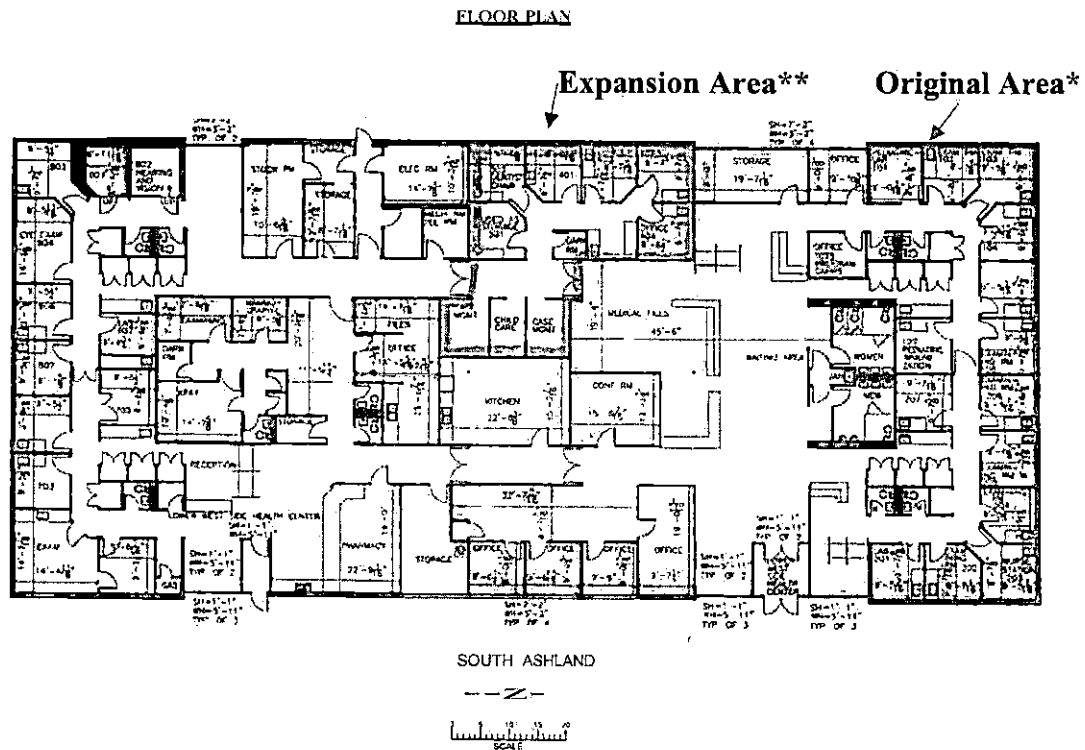
Dr. Olusimbo Ige
Commissioner
Department of Public Health

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS, a body corporate and politic of the State of Illinois

By: _____
Paul N. Ellinger, Comptroller

EXHIBIT A-1

DEPICTION OF EXPANSION AREA



* original 6,400 square feet

**additional 1,066 square feet of "Expansion Area"

HSG



OFFICE OF THE MAYOR
CITY OF CHICAGO

BRANDON JOHNSON
MAYOR

May 21, 2025

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith an ordinance authorizing the execution of an amended intergovernmental agreement with the Board of Trustees of the University of Illinois for use of the property located at 1713 South Ashland Avenue.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to be "BJ", with a long horizontal line extending to the right.

Mayor



CITY OF CHICAGO



COMMITTEE ON HOUSING & REAL ESTATE

CITY COUNCIL

CITY HALL - 3RD FLOOR

121 NORTH LASALLE STREET

CHICAGO, ILLINOIS 60602

ALDERMAN BYRON SIGCHO-LÓPEZ
CHAIRMAN

PHONE: 312-744-0584

13 JUNE 2025

TO THE PRESIDENT AND MEMBERS OF CITY COUNCIL:

Your Committee on Housing and Real Estate for which a meeting was held on June 11th, 2025 was referred an ordinance from the Department of Fleet and Facility Management for the first amendment to intergovernmental agreement with Board of Trustees of University of Illinois for five-year extension of lease for administrative and health facilities, allowing expansion space for federal grant-funded dental clinic at 1713 S Ashland Ave. (25th Ward)

(O2025-0017522)

Having the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed communication transmitted herewith.

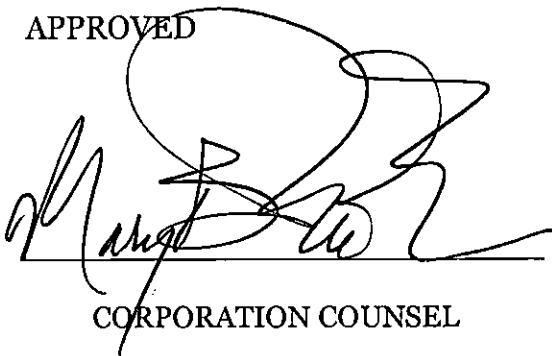
The recommendation was Passed by the same roll call as was used to determine quorum in Committee.

Sincerely,

A handwritten signature in black ink that reads "Byron Sigcho-López".

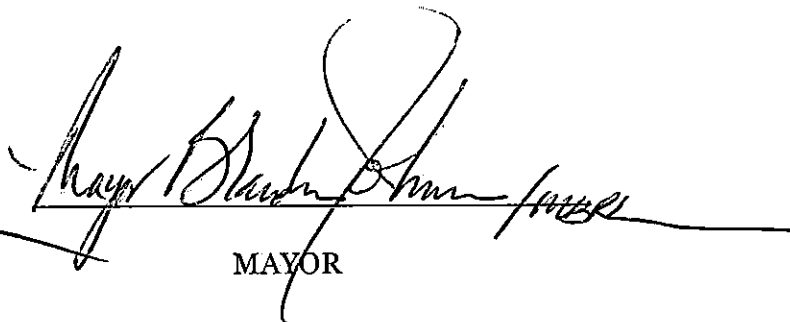
Byron Sigcho-López
Chairman, Committee on Housing & Real Estate

APPROVED



CORPORATION COUNSEL

APPROVED



MAYOR

DATED:

June 23, 2025

DATED:

June 23, 2025