SECOND AGREEMENT TO RENEW LEASE AGREEMENT FOR SPACE AT 6601 SOUTH KEDZIE, CHICAGO, ILLINOIS

This SECOND AGREEMENT TO RENEW LEASE AGREEMENT ("Second Renewal") is entered into as of July 1, 2014 ("Effective Date"), between the Board of Education of the City of Chicago, a body politic and corporate ("Tenant" or "Board"), and Beth Shalom B'nai Zaken Ethiopian Hebrew Congregation, an Illinois not-for-profit corporation ("Landlord").

RECITALS

- 1. Landlord is the owner of a building including grounds commonly known as 6601 South Kedzie, Chicago, Illinois ("Building").
- 2. Pursuant to that certain Lease Agreement For Space At 6601 South Kedzie, Chicago, Illinois dated as of August 1, 2004 between Landlord and Tenant, Landlord leased to Tenant a portion of the Building (which portion is set forth on Exhibit A attached hereto and made a part hereof), together with ingress and egress thereto and therefrom (collectively, the "Premises") for a term commencing August 1, 2004 and ending June 30, 2009 to be used by Marquette Elementary School to relieve overcrowding ("Original Lease").
- 3. The Original Lease was amended and/or renewed by that certain Agreement To Renew Lease dated as of August 1, 2009 ("First Renewal") between Landlord and Tenant, which provided for a renewal term commencing August 1, 2009 and ending June 30, 2014, and for use by Eberhart School to relieve overcrowding. The Original Lease, as amended by the First Renewal, are collectively referred to hereinafter as the "Lease Agreement".
- 4. Landlord and Tenant desire to renew the Lease Agreement for an additional five (5)-year term on the terms and conditions set forth in this Second Renewal.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by reference and made a part of this Second Renewal as if fully set forth herein; for other good and valuable consideration in hand paid, the receipt and sufficiency of which are hereby acknowledged; and the mutual covenants and conditions contained herein, the parties agree as follows:

- 1. **DEFINED TERMS.** All defined and/or capitalized terms used herein shall have the same meaning as in the Lease Agreement, unless the context clearly requires a different meaning or connotation. The term "Lease" shall mean and shall consist of the Lease Agreement, as amended by this Second Renewal.
- 2. **GRANT/SECOND RENEWAL TERM**. The Lease Agreement is hereby renewed for an additional five (5)-year term, commencing July 1, 2014 and ending June 30, 2019 ("Second Renewal Term"). Landlord hereby leases the Premises to Tenant for the Second Renewal Term upon the terms and conditions set forth herein.

- 3. <u>RENT FOR SECOND RENEWAL TERM.</u> The Base Rent for the Second Renewal Term shall be \$97,980.00 per annum, payable in monthly installments of \$8,165.00. In addition, Tenant shall pay to Landlord the Additional Rent set forth in Paragraph 10.1 hereof.
- 4. <u>USE OF PREMISES</u>. Paragraph 2 of the Original Lease, as amended by the First Renewal, is deleted in its entirety and substituted in lieu thereof as Paragraph 2 is the following language:

<u>USE OF PREMISES</u>. The Premises shall be used for pre-kindergarten classrooms for Barbara Vick Village.

5. **INSURANCE**. The following language is added as Paragraph 8.B(iv) of the Original Lease:

Tenant, its employees, board members, officers, agents, and representatives shall also be named as additional insureds on a primary, non-contributory basis for the policies to be procured by Landlord as listed above in Subparagraphs 8.B(ii) and (iii).

The following language is added as Paragraph 8.G. of the Original Lease:

The above-referenced Certificates shall be deposited with Tenant at the following address:

Chicago Board of Education Bureau of Risk Management 42 W. Madison Street, 2nd Floor Chicago, Illinois 60602 Phone: (773) 553-2244

Fax: (773) 553-3326

Email: riskmanagement@cps.edu

Landlord must register with the insurance certificate monitoring company designated by Tenant stated below, and must maintain a current insurance certificate on file during the term of this Lease, including any extensions or renewals thereof. Landlord must register and pay the initial annual monitoring fee to the insurance certificate monitoring company prior to the commencement of the First Renewal Term. The initial annual monitoring fee is currently Twelve and 00/100 Dollars (\$12.00) per year, but is subject to change.

Each year, Landlord will be notified 30 to 45 days prior to the expiration date of its required insurance coverage (highlighted on its latest submitted insurance certificate on file) that it must submit an updated insurance certificate with the insurance certificate monitoring company. Insurance certificate submissions and related annual fees are required to be made online at the dedicated website established by the certificate monitoring company identified below. Questions on submissions and payment options should be directed to the certificate monitoring company.

Certificate Monitoring Company: Topiary Communications, Inc. 676 N. LaSalle – Suite 230 Chicago, IL 60654 Phone – (312) 494-5709 Email – dans@topiarycomm.net

Website for online registration, insurance certificate submissions and annual fee payments: URL – http://www.cpsvendorcert.com.

6. **INDEMNIFICATION.** The following language is added to Paragraph 16 of the Original Lease as Paragraph 16.C:

The parties agree that no Board member, employee, agent, officer or official of a party shall be personally charged by the other party with any liability or expense under this Lease or be held personally liable under this Lease to the other party.

7. **NOTICES.** Paragraph 19 of the Original Lease is amended to provide that the address to which notices to Tenant are to be addressed is:

To Tenant: Board of Education of the City of Chicago

42 W. Madison Street, 9th Floor

Chicago, Illinois 60602 Attn: Director of Real Estate

With a copy to: Board of Education of the City of Chicago

Law Department

1 N. Dearborn Street, 9th Floor

Chicago, Illinois 60602 Attn: General Counsel

8. <u>INDEBTEDNESS</u>. The language in Paragraph 25 of the Original Lease is hereby deleted in its entirety and substituted in lieu thereof as Paragraph 25 is the following language:

<u>INDEBTEDNESS</u>. Landlord agrees to comply with Tenant's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended June 26, 1996 (96-0626-PO3), and as may be further amended from time to time, and any subsequent policies on or relating to Indebtedness.

9. <u>ETHICS.</u> The language in Paragraph 28 of the Original Lease is hereby deleted in its entirety and substituted in lieu thereof as Paragraph 28 is the following language:

ETHICS. Tenant's Ethics Policy (11-0525-P02), adopted May 25, 2011, as may be amended from time to time, and any subsequent policies on or relating to Ethics, are hereby incorporated herein by reference and made a part of this Lease as if fully set forth herein.

- 10. ADDITIONAL TERMS. The following are added as additional terms to the Lease.
- 10.1. ADDITIONAL RENT. As Additional Rent, commencing July 1, 2014, in each Lease Year and continuing throughout the Second Renewal Term. Tenant shall reimburse Landlord as set forth hereinafter for its proportionate share ("Proportionate Share") of the sums that Landlord owes and pays for gas service to the Building, based upon the total amount that Landlord paid for such service in the prior Lease Year. On an annual basis, commencing as of July 1, 2014, Landlord shall promptly provide Tenant with copies of the respective total paid gas bills paid for the prior Lease Year ("Prior Year's Total Bill"). Tenant's Proportionate Share shall be 82%, based upon a total square footage of the Building of 14,350, with the portion occupied by Tenant constituting 9,316 square feet, and the remainder of the Building constituting 5,034 square feet, the latter of which space is to be prorated equally between Landlord and Tenant for this calculation. Accordingly, Tenant's Proportionate Share is based upon a square footage of 11,833 (9,316 plus 2,517) divided by 14,350, or 82%. In each respective Lease Year in the Second Renewal Term, Tenant shall reimburse Landlord for Tenant's Proportionate Share (82%) of one/twelfth of the total amount of the Prior Year's Total Bill per month in each month that this Lease is in effect; provided however, each such monthly installment shall not exceed \$2,000.00. Such reimbursement shall be paid by Tenant in arrears in monthly installments based upon the most recent Prior Year's Total Bill, prorated for any partial month. Notwithstanding anything to the contrary in this Paragraph 10.1 or elsewhere in this Lease, the amount that Tenant is to reimburse Landlord for such gas service to the Building shall be capped and not exceed the sum of \$24,000.00 in any Lease Year. If it is determined at the end of any Lease Year that the payments made by Tenant for such gas service exceed \$24,000,00 for the preceding Lease Year, the amount of overpayment shall be promptly refunded to Tenant by Landlord.
- 10.2. **TENANT'S RIGHT TO TERMINATE.** Tenant shall have the right to terminate this Lease at any time without cause or penalty upon service of sixty (60) days' notice to Landlord. If notice is so served, this Lease shall terminate sixty (60) days after the effective date of service of the notice.
- 10.3. FREEDOM OF INFORMATION ACT. Landlord acknowledges that this Lease and all related documents are a matter of public record and are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and any other comparable state and federal laws, and are subject to reporting requirements under 105 ILCS 5/34-220. Landlord further acknowledges that this Lease shall be posted on the Board's Internet website at http://www.cps.edu.
- 10.4. NOTICE OF CESSATION OF SNOW REMOVAL. Landlord acknowledges that Tenant has been providing certain snow removal services to the Building and that Tenant has no obligation under this Lease or otherwise to do so. If Tenant in its sole discretion elects to cease providing such snow removal services to the Building, Tenant shall provide reasonable notice to Landlord prior to such cessation of its election to cease providing such snow removal services to the Building.
- 11. OTHER LEASE TERMS. Except as modified or amended herein, all other terms of the Lease Agreement are unchanged and shall remain in full force and effect during the Second

Renewal Term. In the event of any inconsistency between this Second Renewal and the Lease Agreement, the terms of this Second Renewal shall control.

12. <u>COUNTERPARTS AND FACSIMILES</u>. This Second Renewal may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one instrument. A signature delivered by facsimile or electronic means shall be considered binding for both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Second Renewal as of the day and year first written above.

TENANT:

LANDLORD:

BOARD OF EDUCATION OF THE CITY OF CHICAGO

BETH SHALOM B'NAI ZAKEN ETHIOPIAN HEBREW CONGREGATION, An Illinois not-for-profit corporation

David J^UVitale

Attest:

tela M. Delbar 1/21/15

Name:

Estela G. Beltran

Title:

Secretary

Name:

Attest:

Name: Title:

Board Report No.: 14-0423-OP1-1;14-0723-AR 4-32;

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James L. Bebley, General Counsel

EXHIBIT A TO SECOND AGREEMENT TO RENEW LEASE AGREEMENT FOR SPACE AT 6601 SOUTH KEDZIE, CHICAGO, ILLINOIS (Page 1 of 1)

The Building and Grounds at 6601 South Kedzie, Chicago, Illinois consisting of eight (8) classrooms: 400, 401, 402, 403, 404, 405, 407, and 410; dining room area; gymnasium; office; boys' and girls' toilet facilities; and use of the parking lot for staff parking as needed. Total square footage for the foregoing is 9,316 square feet. It is understood and agreed that the dining room area, gymnasium, and one office are in the basement of the Building, one classroom is used as another office, and that the bathrooms are adjacent to the classrooms.