

July 27, 2016

**APPROVE ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT  
WITH THE COUNTY OF COOK FOR THE LEASE OF THE HANSON PARK FIELDHOUSE SITE  
LOCATED AT APPROXIMATELY 5501 W. FULLERTON AVENUE AND  
AUTHORIZE PUBLIC BUILDING COMMISSION TO CONVEY TITLE TO THE  
HANSON PARK PROPERTY TO THE CITY OF CHICAGO IN TRUST FOR USE OF SCHOOLS**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into an Intergovernmental Agreement (IGA) with the County of Cook (County) for the lease of the Hanson Park Fieldhouse site located at approximately 5501 W. Fullerton Avenue, Chicago, Illinois, to be used by the County for the construction and operation of a new public health and medical clinic. A written IGA regarding the lease of the Hanson Park Fieldhouse site is currently being negotiated. No leasehold estate shall be created prior to the execution of the written IGA. This report is also to authorize and direct the Public Building Commission (PBC) to convey to the Board, the Hanson Park Property. The authority granted herein shall automatically rescind in the event the IGA is not executed within 90 days of the date of this Board Report. Information pertinent to this IGA is stated below.

**TENANT:** The County of Cook  
69 W. Washington Street, Suite 3000  
Chicago, IL 60602  
Contact Person: Jessica Caffrey, Director of Real Estate Management  
Phone: 312-603-0329

**LANDLORD:** Board of Education of the City of Chicago

**LEASED PREMISES:** The premises to be leased to the County shall consist of the Hanson Park Fieldhouse site on the south side of Fullerton Avenue between Hanson Elementary School and Hanson Park Stadium (the "Leased Premises"); all being subject to a survey which will be attached to the IGA. The Leased Premises is approximately 1.47 acres. The final location and dimensions of the Leased Premises shall be mutually agreed to in the IGA.

**TRANSFER OF TITLE:** The PBC holds title to the Hanson Park Property for the Board's benefit. The Board has the right and authority to direct and does so direct the PBC to convey the Hanson Park Property described on Exhibit A, including the Leased Premises to the City of Chicago (the "City") to be held in Trust for the Board.

**TERM:** The term of the lease agreement shall commence on the date the agreement is fully executed and shall end 50 years thereafter, with the parties having two (2) options to extend for periods of five (5) years each.

**USE:** The Tenant shall have the right to demolish the fieldhouse and construct and operate a new public health and medical clinic (Medical Clinic). The Leased Premises may not be used for any other purpose without written approval from the Landlord.

**RENT:** The rent for the Term of the Lease shall be \$1.00 per annum for so long as Tenant provides medical and health services to the public, including CPS students and employees and their families.

**RELATED EXPENSES:** The Tenant shall be responsible for any and all costs and expenses of any kind related to the Leased Premises, including, but not limited to, real estate taxes, environmental matters, demolition, construction, all operating expenses such as utilities, telecommunications, janitorial, garbage collection, and snow removal, and all routine and structural repairs and maintenance related to any buildings or structures on the Leased Premises.

**ASSIGNMENT/SUB-LEASE:** The Tenant shall have the right, with Landlord's prior written approval, to assign or sub-lease the Leased Premises to any healthcare provider licensed in the State of Illinois.

**RIGHT OF ENTRY:** Pending the execution of the IGA, Landlord shall grant Tenant, its contractors and/or designees, the right to enter upon and occupy the Leased Premises and perform all rights Tenant will have under the IGA, all at the sole cost and risk of Tenant.

**TENANT IMPROVEMENTS:** Tenant shall have the right, at its sole cost and expense, to demolish the existing Hanson Park Fieldhouse and construct a new building which will be a public health and medical clinic. Such renovation must begin within 2 years of the commencement date of the IGA. In the event such renovation or construction has not started within this time frame, this IGA shall terminate and be of no further force or effect. The plans and specifications for such demolition and construction shall be subject to prior written Board approval. Tenant may also make other improvements to the Leased Premises, including the parking area, all such improvements being subject to prior written Board approval.

**OWNERSHIP OF IMPROVEMENTS UPON THE LEASED PREMISES:** At the termination of the IGA/Lease due to expiration of the Term or termination of the IGA due to default or breach by the Tenant, the improvements upon the Leased Premises shall become the sole property of the Landlord and Tenant shall cease to have any ownership rights or leasehold rights in the Premises.

**INSURANCE/INDEMNIFICATION:** Tenant shall provide adequate insurance at all times as specified in the Lease Agreement. Indemnification language shall be negotiated by the General Counsel.

**ENVIRONMENTAL:** The Premises shall be leased and tendered to Tenant in "As Is" condition. Tenant shall be responsible for any and all environmental conditions associated with the Leased Premises and shall comply with all environmental laws regarding same.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written IGA. Authorize the President and Secretary to execute the IGA. Authorize the General Counsel to execute all ancillary documents required to administer or effectuate this IGA including any and all Right of Entry Agreements and the transfer of title to the City of Chicago in Trust for Use of Schools for the benefit of the Board. Authorize the PBC to convey by Quit Claim Deed the property described on Exhibit A to the City of Chicago in Trust for Use of Schools. In all instances where necessary and as so directed by the General Counsel, the Board hereby authorizes the PBC and the City to execute any and all documents to effect these transactions.

**AFFIRMATIVE ACTION:** Exempt.

**LSC REVIEW:** Local School Council approval is not applicable to this report.

**FINANCIAL:** Credit Rent to the General Fund.

**GENERAL CONDITIONS:**

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

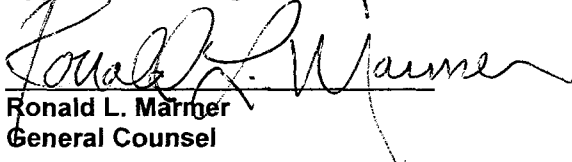
**Approved for Consideration:**

  
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Mary DeRuntz  
Chief of Capital Improvement

**Approved:**

  
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Forrest Claypool  
Chief Executive Officer

**Approved as to legal form:** *cpm*

  
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Ronald L. Manner  
General Counsel

**EXHIBIT "A"**

**HANSON PARK**

**THE WEST HALF OF THE NORTH WEST QUARTER OF SECTION 33, TOWNSHIP 40 NORTH,  
RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS (EXCEPT  
RAILROAD AND EXCEPT PARTS TAKEN FOR STREETS.)**

PIN: 13-33-100-002-0000