RATIFICATION OF LEASE EXTENSION AGREEMENT BETWEEN ILLINOIS INSTITUTE OF TECHNOLOGY AND CHICAGO HOUSING AUTHORITY

Presenter: Darlena Burnett, Deputy Chief Fleet and Facilities Management

Recommendation:
The Chief Executive Officer recommends that the Board of Commissioners of the Chicago Housing Authority ratify the prior execution of Lease Extension Agreement between Illinois Institute of Technology and Chicago Housing Authority (CHA) for an additional four-month term commencing June 1, 2020 through September 30, 2020. All other terms of the lease shall remain in full force and effect during the extension period and are made a part of the lease extension.

Funding
MTW

Compliance
Not applicable

Background
CHA’s lease for the current location of the HCV South Office commenced June 1, 2014 through May 31, 2017 for an initial three (3) year base contract for an amount of $1,130,645.

In May 2017, the CHA Board of Commissioners approved a proposed new lease agreement for a one-year base term from June 1, 2017 through May 31, 2018 with two (2) one-year extension options.

Contract Summary:

<table>
<thead>
<tr>
<th>Term</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-year Base Contract</td>
<td>6/1/14-5/31/17</td>
<td>$1,130,646</td>
</tr>
<tr>
<td>Historical Lease Terms</td>
<td></td>
<td></td>
</tr>
<tr>
<td>One Year Base</td>
<td>6/1/17-5/31/18</td>
<td>$399,085</td>
</tr>
<tr>
<td>Option Year 1</td>
<td>6/1/18-5/31/19</td>
<td>$411,097</td>
</tr>
<tr>
<td>Option Year 2</td>
<td>6/1/19-5/31/20</td>
<td>$423,464</td>
</tr>
<tr>
<td>Contingency</td>
<td>6/1/17-5/31/20</td>
<td>$200,000</td>
</tr>
<tr>
<td>Lease Extension</td>
<td>6/1/20-9/30/20</td>
<td>$141,155</td>
</tr>
</tbody>
</table>

Aggregate Amount: 2014-2020 $2,705,447
The lease extension was requested to allow sufficient time to relocate the HCV South Office from the current location to their new location at the Overton Building.

The HCV Department believes this Lease extension was necessary to ensure the continuation of the program operations and provide consistent services. The HCV South Office is expected to relocate to the Overton Building located at 3617-3625 South State Street, Chicago, Illinois and be under a new lease by October 1, 2020.

Illinois Institute of Technology agreed to extend the existing lease with CHA from June 1, 2020 through September 30, 2020 with all other terms of the lease remaining in effect during this extension period and are made a part of the lease extension.

The requested action in this item complies with all applicable federal, state and local laws and Chicago Housing Authority board policies.

Respectfully Submitted:

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Tracey Scott
Chief Executive Officer
RESOLUTION NO. 2020-CHA-

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated July 21, 2020, entitled “Ratification of Lease Extension Agreement between Illinois Institute of Technology and Chicago Housing Authority”.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners hereby ratifies the execution of a lease extension agreement for Contract No. 11465 with Illinois Institute of Technology extending the Lease term commencing June 1, 2020 through September 30, 2020, with all other terms of the Lease remaining in full force and effect. The monthly rent to be paid during the lease extension period is $35,289 for a total amount not-to-exceed $141,155 during the four-month extension period.

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Angela Hurlock
Chairperson
Chicago Housing Authority