

Agenda Item # 67

Distribution
County Board
Financial and Administrative
Services
Accounts Payable
Court Administration
Sheriff

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

COUNTY BOARD, LAKE COUNTY, ILLINOIS

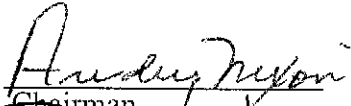
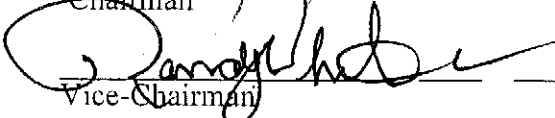
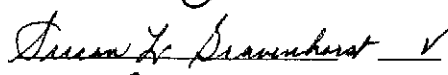
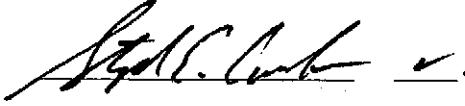
ADJOURNED REGULAR SEPTEMBER A.D., 2006 SESSION

NOVEMBER 14, A.D., 2006

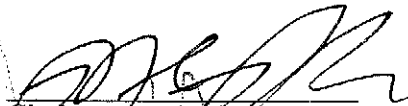
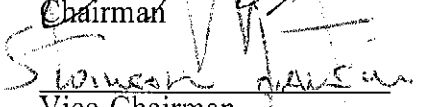
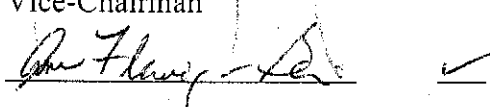
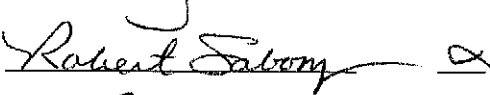

MADAM CHAIRMAN AND MEMBERS OF THE COUNTY BOARD:

Your Law and Judicial Committee and Financial and Administrative Committee present herewith a Joint Resolution authorizing the Chairman of the Board to enter into a one-year extension of the lease for the Lakehurst Branch Court with SDC Waukegan Venture, LLC in the amount estimated not-to-exceed \$150,000.00 per year based on a year-end reconciliation of actual expenses in accordance with the terms and conditions of the lease agreement charging the costs thereof to 101-1220010-72510-044-000-000-00000; and request its adoption.

Respectfully submitted,

	Aye	Nay
Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		
Vice-Chairman		
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	

Law and Judicial Committee		

	Aye	Nay
Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		
Vice-Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	

Financial & Administrative Committee	<input checked="" type="checkbox"/>	

RESOLUTION

WHEREAS, Lake County entered into an lease agreement for its Lakehurst Branch Traffic Court in 1994; and

WHEREAS, there is a need to extend the current lease while a new court facility is being developed; and

WHEREAS, the lease will be extended at the rate of \$12,500.00 per month; and

NOW, THEREFORE, BE IT RESOLVED, by this County Board of Lake County, Illinois, that the Chairman of the Board is hereby authorized to enter into a one-year lease extension with SDC Waukegan Venture, LLC for the purpose of providing continued space for the Lakehurst Branch Court facility LLC in the amount estimated not-to-exceed \$150,000.00 per year based on a year-end reconciliation of actual expenses, in accordance with the terms and conditions of the lease agreement charging the costs thereof to 101-1220010-72510-044-000-000-00000; and request its adoption.

DATED, at WAUKEGAN, LAKE COUNTY, ILLINOIS, on this 14th day of November 14 , A.D., 2006.

SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE (the "Second Amendment") is entered into as of this ____ day of November, 2006, by and between **SDC WAUKEGAN VENTURE, LLC** a Delaware limited liability company (the "Landlord"), and the **COUNTY OF LAKE** (the "Tenant").

RECITALS:

WHEREAS, Landlord's predecessor-in-interest and Tenant entered into that certain Lease dated October 7, 1994 (as amended, the "Lease"), whereby Landlord leased to Tenant the premises known as Unit G3 located at Lakehurst Mall in Waukegan, Illinois (the "Premises");

WHEREAS, Landlord and Tenant entered into that certain First Amendment to Lease dated as of November ____, 2003, which among other things, extended the term of the Lease to January 31, 2007; and

WHEREAS, Landlord and Tenant now desire to extend the term of the Lease for one (1) additional year upon the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Defined Terms. To the extent not otherwise defined herein, all capitalized terms and capitalized phrases used in this Second Amendment shall have the respective meanings ascribed to them in the Lease.
2. Lease Term. The term of this Lease is hereby extended (the "Second Extension") for one (1) additional year from February 1, 2007 through January 31, 2008 (the "Second Extension Term") and, unless sooner terminated or extended as herein contemplated, shall end on January 31, 2008. Tenant's occupancy of the Premises shall be on the same terms and conditions as contained in the Lease, except as modified by the terms hereof. Tenant specifically agrees to the increased rental payments as set forth in Paragraph 3 below.
3. Rent. The Fixed Minimum Rent due and payable monthly by Tenant during the Second Extension Term shall be \$12,500, subject to adjustment as provided in Paragraph 4 below. The Fixed Minimum Rent shall be due and payable on the first day of each month during the Second Extension Term (commencing on February 1, 2007) without any deduction, set-off, abatement or reduction whatsoever.
4. Expenses.
 - (a) Tenant acknowledges that the Second Extension is granted to Tenant as an accommodation and that as a result of such Second Extension, Landlord will incur operating expenses and costs relating to the Premises and the Common Areas that it would not otherwise incur, including without limitation, utility costs and the costs of operating, maintaining, insuring, managing and cleaning the Common Areas. Accordingly, Tenant agrees that it shall be responsible (i) for all operating

costs for the Common Areas and the convenience center during the Second Extension Term, including without limitation, all personnel costs, cleaning and sanitation expenses, costs of utilities, administrative costs, interior maintenance expenses and exterior maintenance expense (collectively, the "Operating Expenses") and (ii) for its proportionate share of real estate taxes affecting the Premises and the Common Areas ("Taxes"). Attached hereto as Exhibit A is an Operating Budget/Forecast for the calendar year 2007 (the "Budget") which shows the estimated costs for various Operating Expenses and the portion of such costs allocated to Tenant. Tenant agrees that it is responsible for the types of costs and expenses as shown on the Budget.

- (b) Within ninety (90) days following the end of the Lease term, Landlord shall prepare a statement itemizing actual Operating Expenses and Taxes during the Second Extension Term, as such may be extended. To the extent that sum of the Operating Expenses and Tenant's proportionate share of Taxes ("Tenant's Actual Share") is less than the sum of the Fixed Minimum Rent payments actually made by Tenant during the Second Extension Term, Landlord shall pay to Tenant the amount by which Tenant's payments exceed Tenant's Actual Share. To the extent that Tenant's Actual Share exceeds the amount of Tenant's payments, then Tenant shall pay such difference to Landlord.

5. Early Termination. Tenant shall have the right to terminate the Lease at any time during the Second Extension Term by giving Landlord ninety (90) days' advance written notice thereof ("Early Termination Notice"). If Tenant shall elect to exercise this right to terminate the Lease, then the term of the Lease shall expire as of the date specified in such Early Termination Notice, which date shall be no sooner than ninety (90) days from the date of such Early Termination Notice.

6. Limited Right to Extend.

- (a) Provided that Tenant is not in default (after written notice and the expiration of any applicable cure period), Tenant shall have the right to extend the Second Extension Term for four successive periods of one month each ("Additional Extension Periods") by giving Landlord written notice at least ninety (90) days prior to the then scheduled expiration date of the Lease. Notwithstanding anything to the contrary, in no event shall the Tenant be permitted to extend the Lease Term beyond May 31, 2008. Tenant's rights, duties and obligations (including its rent obligations) during any Additional Extension Periods shall be the same as during the Second Extension Term, except that Tenant shall pay the monthly Fixed Minimum Rent of \$12,500 plus an additional non-refundable extension premium equal to \$1,500 for the first month's extension, \$2,000 for the second month's premium, \$3,000 for the third month's premium and \$5,000 for the fourth month's premium.
- (b) Tenant shall not have the right to extend the term of the Lease, except as provided in subparagraph 6(a) above.

- (c) The right to extend the term of the Lease is personal to Tenant and may not be exercised by any successor or assign of Tenant or any other third party.
- (d) The right to extend shall terminate and be null and void if Tenant shall default under the terms of the Lease during the Second Extension Term.

7. Confirmation/ Conflict. The terms and provisions of the Lease as modified hereby are hereby ratified, confirmed and adopted by the parties hereto. Except as expressly modified by this Second Amendment, all other terms and provisions of the Lease shall remain in full force and effect. In the event of any conflict between the provisions of this Second Extension Amendment and the provisions of the Lease, the provisions of this Second Amendment shall control.

8. Authorization. The undersigned individual(s) executing this Second Amendment on behalf of each party do hereby represent and warrant to the other that they are each fully empowered and authorized to execute this Second Amendment on behalf of their respective parties.

9. Counterparts. This Second Amendment may be executed in counterparts, each of which shall be deemed an original, but both of which, when taken together shall constitute one agreement.

[SIGNATURE PAGE TO FOLLOW.]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment as of the date first above written.

LANDLORD:

SDC WAUKEGAN VENTURE, LLC,
a Delaware limited liability company

By: _____
Name: Dennis J. Stine
Title: Managing Member

TENANT:

COUNTY OF LAKE
an Illinois governmental entity

By: _____
Name: _____
Title: _____