

ORDINANCE NO. 011-101

AN ORDINANCE AUTHORIZING A
LEASE OF RETAIL CONCESSION
SPACE LOCATED AT 1358 WEST
MORSE STREET, CHICAGO,
ILLINOIS (RED LINE)

WHEREAS, The Authority's Morse Station on the Red Line contains approximately 175 square feet of retail concession space available for lease; and

WHEREAS, The Authority has contracted with Jones Lang LaSalle Americas Inc. ("JLL"), to lease this space; and

WHEREAS, Through extensive marketing and competitive negotiations, JLL has identified First Equity Group Concessions, LLC, owned by Tim Gallagher and Tom Lowe, as a viable tenant for the space ("Tenant"); and

WHEREAS, The primary use of the space will be for the operation of a convenience store; and

WHEREAS, The parties negotiated a ten (10) year lease with two five year options to be exercised at the Authority's sole discretion with an escalating rent schedule; and

WHEREAS, The Tenant will be responsible for all applicable taxes and utility fees; and

WHEREAS, The Tenant will indemnify the Authority for its use of the leased space; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. The Chairman of the Transit Board of the Chicago Transit Authority, or his designee, is authorized to enter into a retail lease agreement with First Equity Group Concessions, LLC ("Tenant"), for retail space at 1358 West Morse Street, Chicago, Illinois.

SECTION 2. The lease has a term of ten (10) years with two five year options to be exercised at the Authority's sole discretion and an initial annual rate of Thirty-Seven Dollars and Seventy-One Cents (\$37.71) per square foot with 3% annual increases after 36 months; requires indemnification of the Authority; and contains such other terms and conditions as are substantially in conformance with Exhibit A hereto. Tenant will sublease the retail space to SA Morse Inc., owned by Faisal Poonja, but at all times shall remain liable for payment and performance under the lease.

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SECTION 3. This ordinance shall be in full force and effect upon from and after its passage.

APPROVED:

PASSED:

Chairman

September 14, 2011

Assistant Secretary

September 14, 2011