



ST. CHARLES
SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title: Recommendation to accept the Lease Agreement with BMO Harris Bank, N. A. (Parking Lot "B")

Presenter: Mark Koenen

Please check appropriate box:

<input type="checkbox"/>	Government Operations	<input type="checkbox"/>	Government Services 04.23.12
<input type="checkbox"/>	Planning & Development	<input type="checkbox"/>	City Council
<input type="checkbox"/>	Public Hearing	<input type="checkbox"/>	

Estimated Cost: N/A Budgeted: YES NO

If NO, please explain how item will be funded:

Executive Summary:

The City and BMO Harris Bank, N. A. have worked together for years to provide parking in the downtown. This Lease Agreement extends the lease for parking (66 spaces) at the northwest corner of 2nd Ave and Illinois Ave for ten years. Terms of the lease are generally unchanged from prior agreements. Please recall Lot B ownership is shared between BMO Harris and the city.

Attachments: *(please list)*

Lease Agreement

Recommendation / Suggested Action *(briefly explain):*

Staff recommends approval of a Resolution authorizing the execution of a Lease Agreement with BMO Harris Bank, N.A.

For office use only: *Agenda Item Number: 5.g*

DRAFT
BMO HARRIS BANK, N.A.
LEASE AGREEMENT

This Agreement is entered into this _____ day of _____, 2012, between the City of St. Charles, Illinois (CITY), whose business address is 2 East Main Street, St. Charles, Illinois, 60174, and BMO Harris Bank, N.A., a National Banking Association.

WHEREAS, BMO Harris owns the following described property (hereinafter designated as Parcel A as shown in Exhibit 1 which is attached hereto and made a part hereof):

Parcel A:

Lot 7 (except the westerly 5 feet of the northerly 25 feet thereof) and Lot 8 in Block 10 of the Original Town of St. Charles, in the City of St. Charles, Kane County, Illinois.

WHEREAS, the City owns the following described property (hereinafter designated as Parcels B and C, as shown in Exhibit 1):

Parcel B:

Lot 1 and Lot 2 (except the West five (5) feet of said Lot 2) in Block 10 of the Original Town of St. Charles, in the City of St. Charles, St. Charles Township, Kane County, Illinois.

Parcel C:

Lot 5 and Lot 6 (except the northerly 25 feet thereof, and the portion of said Lot 5 dedicated for public right of way) in Block 10 of the Original Town of St. Charles, in the City of St. Charles, Kane County, Illinois.

NOW, THEREFORE, in consideration of the mutual promises and agreements of the parties hereinafter set forth, it is agreed as follows:

1. The parties agree that this Lease Agreement shall supersede a certain lease agreement dated April 30, 2002, between the parties hereto covering the property described herein.
2. BMO Harris hereby leases to City for parking and access purposes Parcel A, and City hereby leases to BMO Harris for parking and access purposes Parcels B and C, pursuant to the terms hereof.
3. This Lease Agreement shall commence as of the date of this Agreement and shall continue through April 30, 2022, unless otherwise terminated earlier pursuant to the terms hereof. This Lease Agreement shall be subject to termination by either party at any time upon thirty (30) days' written notice. The party receiving said notice shall, within thirty (30) days of receipt of same, vacate the premises being leased by it.
4. BMO Harris shall have the exclusive right to use of the designated parking spaces shown in Exhibit 1, for the purpose of access and employee parking between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, and between the hours of 8:00 a.m. and

12:00 p.m. (noon) on Saturday, except when any of such days shall fall on a BMO Harris holiday. CITY agrees to assure availability of said parking for BMO Harris employees at the days and hours indicated by posting appropriate signs on the lot and by enforcing the CITY Ordinances relative thereto. The CITY shall have the right to relocate the designated parking spaces upon providing written notice and a revised map to BMO Harris.

5. Subject to BMO Harris' use as described in Paragraph 4 above, the CITY shall have the unrestricted right to use all of Parcels A, B and C for parking and access purposes. Said right shall include the ability to provide parking on a public, no fee basis, to charge a fee for parking, or to lease parking spaces under the conditions and terms as CITY shall decide.

6. At its own expense, CITY shall improve, to its usual and customary standards, said Parcels A, B and C for parking purposes, including surfacing, sidewalks, curbs and gutters, curb cuts, striping, signs for said parking facilities, and lighting. All improvements on Parcel A shall remain the property of BMO Harris after the termination of this Lease.

7. CITY shall, at its own costs, provide sweeping and snow plowing for said Parcels A, B and C, along with the lighting and power supply for said Parcels.

8. BMO Harris agrees to remain responsible for any and all real estate taxes due in connection with Parcel A.

9. Except as provided for by law, BMO Harris shall hold CITY harmless in connection with any claims resulting from the operations of Parcels A, B and C for the benefit of BMO Harris access and employee parking.

10. Except for BMO Harris negligence or willful misconduct, CITY shall hold BMO Harris harmless in connection with any and all claims resulting from the operation of Parcels A, B and C for public parking.

11. BMO Harris hereby grants to CITY the first right of refusal, during the term of this Lease, to purchase Parcel A, together with all improvements thereon, upon substantially the same terms and conditions as contained in any offer received by BMO Harris. If BMO Harris receives an offer to purchase that it intends to accept, it shall give the CITY written notice thereof. Upon receipt of said notice, the City shall have twenty five (25) days to provide BMO Harris a written notice of its intent to purchase Parcel A. If this Agreement is terminated prior to April 30, 2022, this right of first refusal shall survive for a period of one (1) year following such termination.

12. This Lease Agreement, or a memorandum thereof referencing the right of first refusal granted above, shall be recorded against Parcel A in the Kane County Recorder's Office.

13. All notices in connection with this Agreement shall be delivered personally to or be mailed to parties as follows:

If to BMO Harris: BMO Harris Bank, N.A.
Corporate Real Estate
111 W. Monroe Street – Floor 21W
Chicago, IL 60603
ATTN: Lease Administration

If to CITY: City Administrator
 City of St. Charles
 2 East Main Street
 St. Charles, IL 60174

IN WITNESS WHEREOF, BMO Harris Bank, N.A., has caused this Agreement to be executed by its President and attested by its Secretary, and THE CITY OF ST. CHARLES, Kane and DuPage Counties, Illinois, has caused this Agreement to be executed by its Mayor and attested by its City Clerk, all as of the date first above written.

BMO Harris Bank, N.A.

President

ATTEST

City of St. Charles, Kane and DuPage
Counties, Illinois

Donald P. DeWitte, Mayor

ATTEST

Nancy Garrison, City Clerk

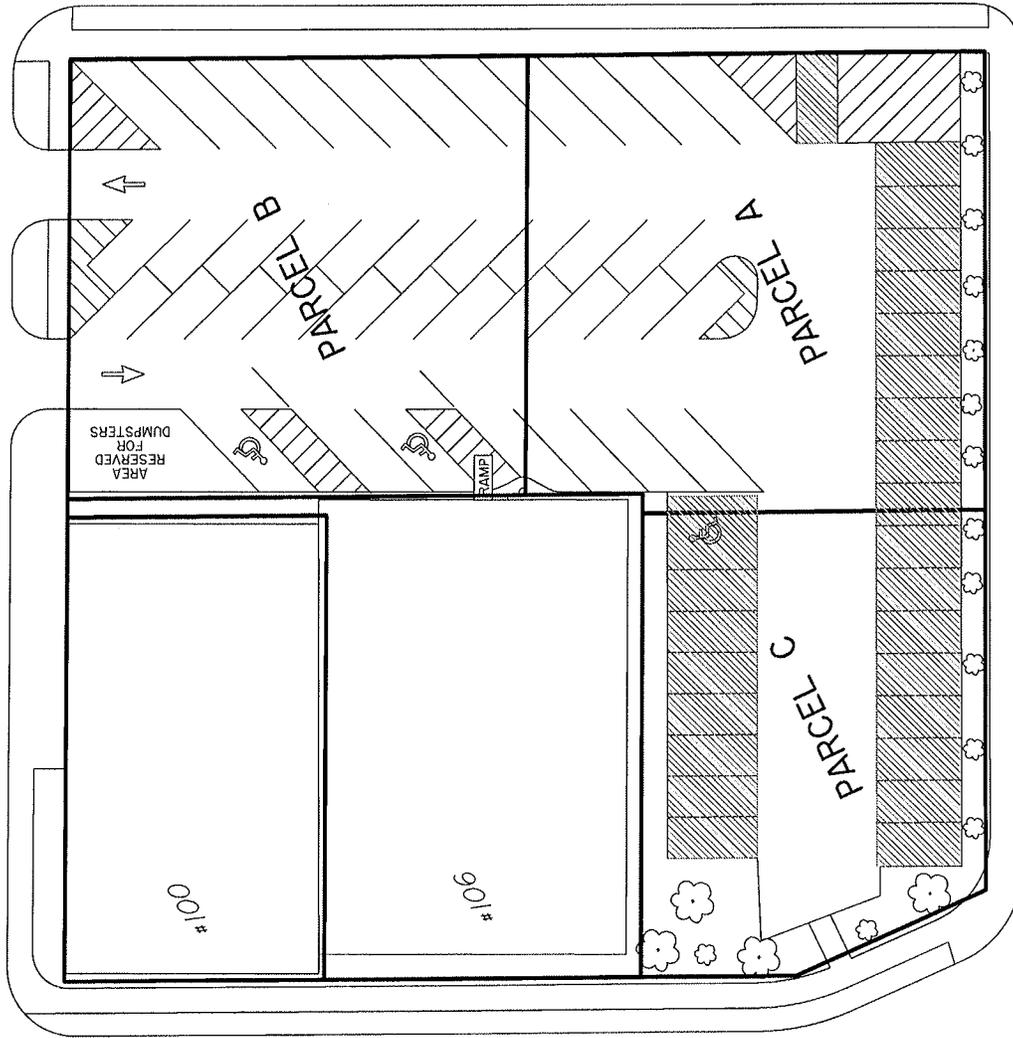
PARCEL A:
OWNED BY BMO HARRIS BANK, N.A.

PARCEL B:
OWNED BY CITY OF ST. CHARLES

PARCEL C:
OWNED BY CITY OF ST. CHARLES

 RESERVED/LEASED PARKING STALLS

WALNUT AVE.



SOUTH RIVERSIDE AVE.

SOUTH 2nd AVE.

ILLINOIS AVE.

DATE: FEBRUARY 22, 2012

SCALE  FEET

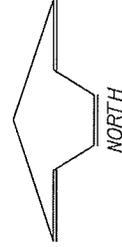


EXHIBIT I