



ST. CHARLES
SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title: Recommendation to Approve Lease Extension with Fox Valley Aero Club

Presenter: John Lamb

Please check appropriate box:

	Government Operations	X	Government Services 10.28.13
	Planning & Development		City Council

Estimated Cost:	NA	Budgeted:	YES		NO	
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If NO, please explain how item will be funded:

Executive Summary:

The Fox Valley Aero Club leases approximately eight acres of land from the City located at the Westside Wastewater Treatment Plant. The club has an airfield for remote controlled planes on the property. There has been an existing lease with the group for the past fourteen (14) years. The proposed lease extension is for a period of ten years.

The rent for the first year of the lease extension is \$3,060.00 payable April 1, 2014. The City retains the right to increase the rent on an annual basis upon written prior notice. The rent is based on the agricultural value of the land per acre and the additional cost to the City for having to land apply biosolids off-site that otherwise would be applied on the eight acres.

Attachments: *(please list)*

Notice of Exercise of Right and Option to Renew Lease; Lease Extension

Recommendation / Suggested Action *(briefly explain):*

Recommendation to approve Lease Extension with the Fox Valley Aero Club.

For office use only

Agenda Item Number: 4.g

**NOTICE OF EXERCISE OF RIGHT AND
OPTION TO RENEW LEASE**

To: City of St. Charles
2 E. Main Street
St. Charles, Illinois 60174
Attn: City Administrator

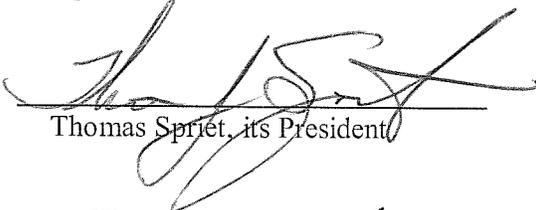
Re: Ground Lease dated April 1, 2004 ("Lease")
Lessor: City of St. Charles, an Illinois municipal corporation
Lessee: Fox Valley Aero Club, an Illinois not-for-profit corporation
Demised Premises: See attached "Legal Description of Demised Premises"
(Commonly known as: 3821 Karl Madsen Drive, St. Charles, IL 60175)

You are hereby notified that, pursuant to Paragraph 3.2 of SECTION THREE (Term and Option to Renew) of the above Lease, the undersigned hereby exercises its right and option to renew the above Lease for an additional term of ten (10) years at a rental set forth in said Lease.

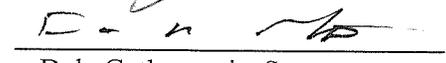
Dated: 09-12-2013

Fox Valley Aero Club, an Illinois not-for-profit corporation

By: _____


Thomas Spriet, its President

Attest: _____


Dale Gathman, its Secretary

The undersigned acknowledges receipt of the above Notice of Exercise of Right and Option to Renew Lease.

Date: _____

City Administrator of the City of St. Charles

Legal Description of Demised Premises

THAT PART OF THE SOUTHWEST QUARTER OF SECTION 31, IN TOWNSHIP 40 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN AND THE SOUTHEAST QUARTER OF SECTION 36, IN TOWNSHIP 40 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED BY COMMENCING AT THE SOUTHWEST CORNER OF A TRACT OF LAND CONVEYED TO THE CITY OF ST CHARLES BY QUIT CLAIM DEED RECORDED NOVEMBER 30, 1993 AS DOCUMENT NO. 93K095347 IN THE OFFICE OF THE KANE COUNTY RECORDER; THENCE N00°05'20.8"E 867.28 FEET; THENCE N82°55'33.4" W FOR 1168.03 FEET TO A POINT OF BEGINNING; THENCE CONTINUING N82°55'33.4" W FOR 1239.64 FEET; THENCE S07°04'26.7" W FOR 275 FEET; THENCE S82°55'33.3" E FOR 1274.05 FEET; THENCE N00°05'20.8" W FOR 277.17 FEET TO THE POINT OF BEGINNING, IN THE CITY OF ST. CHARLES, KANE COUNTY, ILLINOIS.

As used herein, the term "demised premises" also refers to the real property above described and to any improvements now or hereafter located thereon from time to time during the term of this lease.

LEASE EXTENSION AGREEMENT

This Lease Extension Agreement is made this 4th day of November, 2013, by and between The City of St. Charles, an Illinois Municipal Corporation (“Lessor”), and The Fox Valley Aero Club, an Illinois Not-For-Profit Corporation (“Lessee”). The Lessor and Lessee are collectively referred to as “Parties”.

WHEREAS, Lessor and Lessee are currently Parties to a Ground Lease dated April 1, 2004, for certain property located at the Southwest corner of Route 38 and Peck Road, in the City of St. Charles, Kane County, Illinois, (the “Subject Property”) which is legally described on Exhibit “B” which is attached to the Ground Lease and made a part hereof, and a map or survey of which is attached to the Ground Lease as Exhibit “C” and made a part hereof; and

WHEREAS, Section 3.2 of the Ground Lease grants to the Lessee the right and option to renew the Ground Lease for an additional term of ten (10) years beginning on April 1, 2014 provided that the Lessee provides the Lessor with written notice of the exercise of the option to renew not less than one hundred eighty (180) days prior to the termination date of the initial term of the Ground Lease; and

WHEREAS, Lessee has provided Lessor with written notice of the exercise of the option to renew the Lease; and

WHEREAS, Section 4.2 of the Ground Lease provides that the Lessor reserves the right to increase the rent beginning on April 1, 2014, and on the first day of April of each successive year thereafter;

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

1. **Lease Extension:** The Ground Lease is hereby extended for a period of ten (10) years beginning on April 1, 2014 and ending on March 31, 2024. The rent amount for the first year of the extended lease shall be in the amount of Three Thousand Sixty and no/100 Dollars (\$3,060.00) payable on April 1, 2014, and a like sum on the first day of April of each consecutive year thereafter until the end of the extended term, provided however that Lessor retains the right to increase the rent amount upon prior written notice to Lessee beginning on April 1, 2015 and on the first day of April of each successive year thereafter, to the then fair market rental value of similar situated unimproved land used for agricultural crop purposes.
2. **Notices:** All notices, demands and other writings necessary under this Lease shall be made in writing and deemed to have been given and served on the date of mailing the same by certified mail, return receipt requested, or on the date served by personal service, to the parties at the following addresses (or such other addresses as the parties may designate from time to time):

Lessor: City of St. Charles
2 E. Main Street
St. Charles, Illinois 60174
Attn: City Administrator

With a copy to: John M. McGuirk
Hoscheit, McGuirk, McCracken & Cuscaden, P.C.
1001 East Main Street, Suite G
St. Charles, IL 60174

Lessee: The Fox Valley Aero Club
c/o Register Agent- - Mr. Thomas J. Spriet
108 South 11th Street
St. Charles, IL 60174

3. **Incorporation**: All other terms and conditions of the Lease are hereby re-stated and re-affirmed, and by executing this Lease Extension Agreement, the Parties reaffirm their rights and obligations thereunder, except as modified by this Lease Extension Agreement. In the event of conflict between the terms of the Lease and this Lease Extension Agreement, the terms of this Lease Extension Agreement shall control.

[REST OF PAGE INTENTIONALLY BLANK – SIGNATURES TO FOLLOW]

WHEREFORE, the parties hereto have set their hands and seals as of the date first written above.

LESSOR:

City of St. Charles,
an Illinois Municipal Corporation

By: _____
Raymond Rogina, Mayor

Attest: _____
Nancy Garrison, City Clerk

LESSEE:

The Fox Valley Aero Club,
An Illinois Not-For-Profit Corporation

By: _____
Its President

Attest: _____
Its Secretary