

**SCHOOL BUILDING LEASE AGREEMENT**

**BETWEEN**

**BOARD OF EDUCATION  
HARVEY SCHOOL DISTRICT 152  
("SCHOOL DISTRICT"), as Lessor**

**ECHO (EXCEPTIONAL CHILDREN  
HAVE OPPORTUNITIES) JOINT  
AGREEMENT ("ECHO"), a joint agreement  
of public school districts, as Lessee**

**Recitals**

WHEREAS the School District, as Lessor, desires to lease to ECHO, as Lessee (collectively referred to as "the Parties") certain school premises described in this Lease Agreement, which the School District has determined are unnecessary for its school purposes for the length of the term of this Lease Agreement, and pursuant to 5/10-22.11 of the Illinois School Code (105 ILCS 5/10-22.11) the parties have authority to enter into the Lease Agreement;

WHEREAS the School District, as Lessor, and ECHO, as Lessee, agree to enter into this this Lease Agreement ("Lease"), made this \_\_\_\_ day of \_\_\_\_\_, 2018, for the purpose of leasing the School District property to ECHO for educational purposes, as further set forth below:

**TERMS AND CONDITIONS OF LEASE AGREEMENT**

**1. Premises.** The School District hereby leases to ECHO, and ECHO hereby leases from the School District, the premises (hereinafter referred to as the "Premises") as described on the attached "Schedule A" and commonly known as Sandburg School, located at 14500 Myrtle, Harvey, IL, comprised of approximately 38,357 gross square feet, together with all present and future easements, additions, improvements and other rights appurtenant thereto, subject to the covenants, terms, provisions and conditions of this Lease. The use of the term "Premises" within this Lease specifically includes the Sandburg School (hereinafter referred to separately as "School Building") thereon and refers to the entire property known as the Sandburg School, including common areas and grounds at the property address.

**2. Permitted Use.** ECHO shall use and occupy the Premises solely for the operation of a school for special education students as well as related programs and services (hereinafter referred to as "Permitted Use"). ECHO shall not use and occupy the Premises for other purposes without the prior written consent of the School District.

**3. Term and Occupancy.** The term of this Lease shall be for 2 year (hereinafter referred to as the "Term") and shall commence on July 1, 2018, (hereinafter referred to as the "Commencement Date") and shall expire on June 30, 2020 (hereinafter referred to as the "Termination Date").

**4. Termination.**

- (a) Either party may terminate this Lease due to the other parties' breach of this Lease by providing written notice specifying the basis for the terminating party's claim of breach and giving the non-terminating party thirty (30) days to cure said alleged breach. If the non-terminating party remains in breach after the aforementioned thirty (30) day period to cure, the terminating party may terminate this Lease by providing written notice of termination, which shall be effective immediately.
- (b) Either party may terminate this Lease effective as of June 30 of any calendar year for any reason whatsoever or for no reason by providing the other party at least one hundred and eighty (180) days written notice.

5. **Rent.** In consideration for the right to use the Premises and for other rights granted in this Lease, ECHO shall pay the School District as follows:

- (a) The term “Lease Year” shall mean a 12-month period commencing with July 1 and ending June 30.
- (b) The “base rental amount” for the first Lease Year shall be \$198,689.
- (c) Each year, the Parties shall calculate and determine the “rental increase factor.” The “rental increase factor” shall be based on the annual Consumer Price Index, as defined in the Property Tax Extension Limitation Law (35 ILCS 200/18-185) as determined for the preceding year, ending December 31. The rental increase factor shall not be lower than 1% and shall not exceed 3% of the base rental amount in the immediately preceding year.
- (d) Commencing on the first anniversary of the Commencement Date, the base rental amount shall increase by a percentage equal to the sum of the “rental increase factors” as determined for each preceding Lease Year.
- (e) The School District shall calculate the new rental amount due each Lease Year (July 1 – June 30) based on the “rental increase factor” and shall send notice to ECHO with the calculations setting forth the new rental amounts. ECHO shall pay the School District its rental payments in two equal rent payments, the first of which will be due on November 30 and the second of which will be due on May 31 of the applicable lease year. The School District shall be required to send ECHO an invoice for the applicable rent payment at least fourteen (14) days in advance of the date that ECHO’s rent payment is due.

6. **Utilities.** ECHO shall pay when due to the applicable utility company or private contractor all charges for gas, heat, air conditioning, electric, telephone or communication service, scavenger and janitorial and all other utility services used by ECHO in or supplied to the Premises.

7. **Insurance.**

- (a) At all times subsequent to the Commencement Date or the date of ECHO taking possession of the Premises, whichever is earlier, ECHO shall, at its expense, maintain:
  - (i) Comprehensive general public liability insurance against claims for personal injury, property damage or death occurring in connection with the Premises, with limits of liability not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for all occurrences within each policy year. The School District shall be added as an additional insured on this policy on a primary, non-contributory basis. This provision shall survive expiration of this agreement; and
  - (ii) State Worker’s Compensation Insurance in the statutorily mandated limits.
- (b) School District shall maintain property and casualty insurance sufficient to cover the Premises and any ECHO’s personal property that is located on the Premises for losses caused by the conditions of the Premises and Common Areas, or by acts and omissions of the School District and its employees that cause loss to ECHO, its employees, or students.
- (c) With respect to the policies referred to in subsections (a) and (b) the Parties are required to procure and maintain hereunder, each such policy shall contain an agreement or endorsement that it will not be canceled by the insurer without at least thirty (30) days prior written notice to any party listed as an additional insured; and not less than ten (10) days prior to the expiration date of such policy, the insured party will furnish the other party with a new policy or certificate therefor or a renewal thereof, in substitution of the expiring policy. Further, neither party will take any action or make any omission, whether upon the Premises or otherwise, which would result in voiding the obligation of the insurer under such policy of insurance; and both parties shall provide the other party with evidence of such insurance at least five (5) days prior to the Commencement Date of this Lease.

**8. Indemnification.** ECHO shall indemnify, defend and hold harmless ~~ECHO~~ the School District, its members of the board of education, board members individually, administrators, employees, agents, representatives, and volunteers, and their successors and assigns, and each of them (collectively “School District Indemnitees”) from any and all claims, demands, causes of action, losses, liabilities, costs, expenses, penalties, and damages, including reasonable attorney’s fees and court costs, whether in contract or tort, statutory or otherwise, which one or more of the School District Indemnitees have incurred, to the extent arising from: (a) any damage to any personal property or any injury to any person occurring in, on or about the Premises or Common Areas to the extent such injury or damage shall be caused by or arise from any actual or alleged act, neglect, fault, or omission by ECHO its agents, servants, or employees to meet any standards imposed by any duty with respect to the injury or damage; (b) the School District’s failure to comply with any and all governmental laws, ordinances, or regulations, applicable to the condition of the Premises or Common Areas or their occupancy; and (c) any breach or default on the part of ECHO in the performance of any covenant or agreement to be performed by ECHO pursuant this Lease.

School District shall indemnify, defend and hold harmless ECHO, its member boards of education, board members individually, administrators, employees, agents, representatives, and volunteers, and their successors and assigns, and each of them (collectively “ECHO Indemnitees”) from any and all claims, demands, causes of action, losses, liabilities, costs, expenses, penalties, and damages, including reasonable attorney’s fees and court costs, whether in contract or tort, statutory or otherwise, which one or more of the ECHO Indemnitees have incurred, to the extent arising from: (a) any damage to any personal property or any injury to any person occurring in, on or about the Premises or Common Areas to the extent such injury or damage shall be caused by or arise from any actual or alleged act, neglect, fault, or omission by the School District, its agents, servants, or employees to meet any standards imposed by any duty with respect to the injury or damage; (b) the School District’s failure to comply with any and all governmental laws, ordinances, or regulations, applicable to the condition of the Premises or Common Areas or their occupancy; and (c) any breach or default on the part of the School District in the performance of any covenant or agreement to be performed by the School District pursuant this Lease.

The provisions of this section shall not be construed to require either party to indemnify any party for or against such party’s own negligence or to require any indemnification which would make the provisions of this section void or unenforceable. In the event any provision contained in this section or elsewhere in the Lease shall be deemed void or unenforceable, it shall not thereby invalidate or be construed to invalidate any other provision contained in this section or elsewhere in the contract documents, all of which shall remain in full force and effect. The obligations of School District and ECHO pursuant to this section are not to be construed to negate or reduce any other right or obligation of indemnification which would otherwise exist as to any party or person described in this section. School District’s and ECHO’s obligation to indemnify pursuant to this section shall survive the termination of this Lease.

**9. Alterations.**

- (a) ECHO shall not make any alterations or additions to the Premises or any fixture thereon without the prior written consent of the School District. The School District’s consent shall not be unreasonably withheld. The consent may further be conditioned on the alterations or additions being removed at the termination of this Lease and the previous condition of the Premises being restored to the same condition prior to the alterations or additions. Said work shall be performed at rates required by the terms of the Prevailing Wage Act (820 ILCS 130/0.01, *et. seq.*) and in compliance with any and all other applicable laws, regulations, and ordinances.
- (b) All additions and alterations shall be installed in a good, workmanlike manner and shall comply with all insurance requirements applicable to the Building and with all ordinances, statues and regulations of all governmental bodies, departments or agencies having jurisdiction over the Building, in particular the Americans with Disabilities Act, and the Illinois Life Safety Code.

**10. Notices.** Any notice required or permitted by this Lease shall be served on the parties at the following addresses:

School District:

Harvey SD 152  
16001 South Lincoln Avenue  
Harvey, Illinois 60426

ECHO:

ECHO Joint Agreement  
ATTN: Dr. Lea Anne Frost  
350 West 154<sup>th</sup> Street

Attn: Superintendent of Schools

South Holland, IL 60473  
Leanne.frost@echoja.org

With a copy to:

Christopher L. Petrarca  
Hauser, Izzo, Petrarca,  
Gleason & Stillman, LLC  
1414 W. 22<sup>nd</sup> Street – St. 200  
Oak Brook, IL 60523

With a copy to:

Todd K. Hayden  
Robbins, Schwartz, Lifton, Nicholas & Taylor, Ltd.  
631 E. Boughton Rd., Suite 200  
Bolingbrook, IL 60440

Any notice shall be delivered by personal service or by United States mail, postage prepaid, addressed as stated above, or by email to the address reflected above. Notice shall be deemed effective at the time of personal delivery or of mailing of the document.

**11. Condition and Upkeep of Premises.**

- (a) ECHO has examined and knows the condition of the Premises and has received the same in good order and repair, subject to any latent defects. ECHO will keep the Premises in good repair, and will keep the Premises in a clean and healthful condition according to the applicable municipal ordinances and the direction of the proper public officers during the term of this Lease at ECHO's expense. Upon the termination of this Lease in any way, ECHO will yield up the Premises to the School District, in good condition and repair, ordinary wear and tear excepted, and will deliver the keys therefor at the place of payment of rent.
- (b) School District acknowledges that it has a duty to maintain the Premises, including the School Building, to ensure that the Premises remain a viable learning environment for ECHO and its students.
- (c) School District shall make all repairs and capital improvements necessary to keep the Premises a viable learning environment. The School District shall make all repairs and/or capital improvements within a commercially reasonable period after receiving a request from ECHO requesting a repair or capital improvement to the Premises to keep said properties a viable learning environment. In any event, the School District shall provide ECHO with a written plan and schedule for completion of the repairs and/or capital improvement within forty-five (45) days from ECHO's request for a repair or capital improvement. If the School District disagrees that the repair or capital improvement is necessary for the Premises, or disagrees with the scope of the necessary repair or capital improvement, the School District shall provide ECHO with a written explanation of the basis for its beliefs. The School District and ECHO agree to meet in good faith to address any disputes as to the necessity of any repairs or capital improvements.
- (d) School District shall be responsible for and agrees to maintain, and repair or replace as necessary, the structural components of the School Building (including but not limited to the roof, exterior façade, HVAC, electrical, plumbing, fire protection, and security systems) in good order and repair at School District's expense.
- (e) School District shall provide exterior maintenance and upkeep of the Premises including lawn and landscaping care and snow removal, and shall be responsible for the maintenance and upkeep of the heating and ventilation system.
- (f) ECHO shall provide for interior cleaning and maintenance of the School Building.
- (g) Notwithstanding anything to the contrary in this Lease, ECHO and the School District shall meet in good faith to institute such policies, programs, and measures as may be reasonable and necessary or desirable for the conservation or preservation of energy or energy-related services, or as may be required to comply with any applicable law.
- (h) The entrances to the School Building and Premises shall be locked at times as determined by

ECHO, and ECHO shall be given a key. ECHO shall not distribute the key to other third parties and shall be responsible for the security of the building and Premises.

12. **Environmental Restrictions.** ECHO shall not cause or permit any Hazardous Substances to be brought or remain upon, keep, used, discharged, leaked and emitted in or about, or treated, at the Premises or the School Building. As used in this Lease, "Hazardous Substances" means any hazardous substance, material, matter or waste that is or becomes during the Term regulated by governmental restriction or requirement. "Hazardous Substances" shall not include substances which are used or consumed in the ordinary course of a business similar to ECHO's as permitted pursuant to this Lease (e.g. photocopy toner and cleaning supplies), and shall not include any substances which were located in the premises or incorporated into the structure at the time ECHO takes possession.

13. **Sublet of Premises and Assignment of Lease.** ECHO will not sublet the Premises or any part thereof, nor assign this Lease without the prior written consent of the School District which shall not be unreasonably withheld. The School District will not assign this Lease to any third-party or permit any transfer by operation of law of any interest in the Premises without the prior written consent of ECHO which shall not be unreasonably withheld.

14. **Access to Premises.** ECHO shall allow the School District to access the Premises for the purpose of making any needed repairs.

15. **Successors.** This Lease and all covenants and agreements herein contained shall be binding upon, apply, and inure to the respective successors and assigns of all Parties to this Lease.

16. **Nonwaiver.** No waiver by either Party of any provision of this Lease shall be implied by any failure of either party to enforce any remedy on account of the violation of such provision, even if such violation be continued or repeated subsequently.

17. **Surrender of Possession.** Upon the expiration of the Term, whether by lapse of time or otherwise, ECHO shall surrender the Premises to the School District in as good a condition as at the date of occupancy by ECHO, ordinary wear and tear excepted. At the termination of this Lease, all fixtures shall be relinquished to the School District in good condition, ordinary wear and tear excepted, and ECHO shall surrender all keys to the Premises and shall make known to the School District the combination for all locks on safes, cabinets and vaults. On or before the termination of the Lease, ECHO shall remove its office furniture, trade fixtures, office equipment and all other items of ECHO's personal property on the Premises.

18. **Hold Over.** ECHO shall not make any claim to title of the Premises against the interest of the School District. If ECHO holds the Premises after the termination of the Lease without the School District's approval, a tenancy from month to month shall be thereby created at a rental of the then current monthly base rental amount, payable on the first of each month. This holding over shall not result in a renewal or an extension of this Lease, and the month-to-month tenancy may be terminated at any time by either party giving thirty (30) days' written notice. All other terms and conditions of this Lease shall remain in force during any month-to-month tenancy.

19. **Applicable Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Illinois. Any dispute arising between the parties concerning this Lease and the duties imposed hereunder shall be brought in the Circuit Court of Cook County, Illinois.

20. **Integration.** This Lease constitutes the complete and integrated agreement between the Parties regarding the subject matter contained herein. All prior representations, negotiations, promises and understandings with respect to the subject matters of this Lease are void to the extent not contained in this Lease. This Lease may only be amended, modified, supplemented, or terminated by the written agreement of the Parties.

21. **Prohibition Against Recording.** Neither this Lease nor any memorandum, affidavit, or other writing with respect thereto shall be recorded by ECHO or anyone acting through, under or on behalf of ECHO and the recording hereof in violation of this provision shall be a default hereunder.

22. **Captions.** The captions of sections and subsections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such sections or subsections.

23. **Relationship Between the Parties.** Nothing contained in this Lease shall be deemed or construed by the Parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venture

or any other association between ECHO and the School District, it being expressly understood and agreed that neither the method of computation of Rent nor any act of the parties hereto shall be deemed to create a relationship between ECHO and the School District other than the relationship of lessor and lessee.

**24. Partial Invalidity.** If any term, section, subsection, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease (or the application of such term, section, subsection, provision or condition to persons or circumstances other than those in respect of which it is invalid or unenforceable) shall not be affected thereby, and each and every other term, section, subsection, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

**25. Counterparts.** This Lease may be executed in counterparts, and when both counterparts have been executed and exchanged pursuant to the Notice requirements in Section 10, this Lease shall be binding as if the parties had signed and exchanged the same originals.

**For the Lessee:**

ECHO (Exceptional Children Have Opportunities) Joint Agreement

By: \_\_\_\_\_

Attest: \_\_\_\_\_

Date: \_\_\_\_\_

**For the Lessor:**

BOARD OF EDUCATION  
HARVEY SCHOOL DISTRICT 152

By: \_\_\_\_\_  
President, Board of Education

Attest: \_\_\_\_\_  
Secretary, Board of Education

Date: \_\_\_\_\_

# **SCHEDULE A TO LEASE AGREEMENT**

Pursuant to the School Building Lease Agreement between HARVEY SCHOOL DISTRICT 152 and ECHO, School District hereby leases the following Premises to the School District:

[DESCRIPTION OF THE LEASED PREMISES OR PLAN VIEW SCHMATIC DEPICTING THE LEASED PREMISES]

<b># of Classrooms</b>	<b>School</b>	<b>Address of School</b>	<b>Total Lease Amount</b>
Sandburg School – entire building	Sandburg School	14500 Myrtle, Harvey, IL 60426	38,357 gross square feet X <b>\$5.18/sq ft = \$198,689</b>