

DIXON PUBLIC SCHOOLS #170

"A Place to Grow"

www.dps170.org

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Dixon, Illinois 61021

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Margo Empen, Superintendent
Doug Stansford, Asst. Superintendent
Marc Campbell, Business Manager

Date: June 20, 2025

To: Board of Education Members

From: Margo Empen, Superintendent & Marc Campbell, Chief School Business Official

RE: Lee County Special Education Association - Lease Agreement for 2025/2026

Attached please find a copy of the Lee County Special Education Association Indenture of Lease Agreement for the 2025/2026 school year. The FY 25 amount was \$18,300.00 and it is the intent to have the lease arrangement remain at that amount for this FY 26 fiscal year.

It is my recommendation that the Board of Education authorize the District to enter into a lease agreement for 2025/2026 in the amount of \$18,300.00 per year at their June 2025 Board meeting.

cc: Corena Steinmeyer
Michelle Dewey
Kristin Long

Dixon Public Schools, in cooperation with the community, will provide students with a comprehensive educational program that produces well-educated, self-sufficient, and involved citizens.

INDENTURE OF LEASE

THIS INDENTURE OF LEASE, entered into, in duplicate, this 1st day of July, 2025, by and between DIXON PUBLIC SCHOOL DISTRICT NO. 170, Dixon, Illinois, hereinafter referred to as Landlord, and LEE COUNTY SPECIAL EDUCATION ASSOCIATION, hereinafter referred to as Tenant, WITNESSETH:

It is covenanted and agreed by and between the parties hereto as follows, to-wit:

1. PREMISES. The Landlord, for and in consideration of the rents hereinafter reserved and of the covenants and agreements of the Tenant hereinafter contained has demise and lease unto the Tenant for the term hereinafter set forth, that portion of the real estate and office facility owned by Landlord located at 1335 Franklin Grove Road and more particularly described and outlined on Exhibit A which is attached hereto and made a part hereof. Additionally, Tenant may use, at no cost, the area commonly known as the "board room" for any and all meetings acceptable to Landlord provided this use does not interfere with any scheduled activities of the Landlord.

2. TERM.

(A) Tenant shall have and hold the demised premises described in Article I hereof together with all improvements thereon and all rights, privileges, easements and appurtenances thereunto attached and belonging, for and during a term of 12 months commencing July 1, 2025 and terminating June 30, 2026.

(B) In the event that either Landlord or Tenant wishes to terminate or not renew this lease at the end of the original term, or the original term as extended, written notice shall be given the other party 60 days in advance of the end of the original term, or the original term as previously extended if such is the case. All such extensions shall be for one lease year and shall be upon all the terms, covenants, and agreements contained in this Indenture of Lease. Should no notice of termination be given within 60 days of the end of the original term, or the original term extended, the lease shall automatically be renewed for an additional lease year.

3. RENT.

(A) TERM. Tenant covenants commencing on the rent commencement date to pay to Landlord at such place as may be designated in writing from Landlord to the Tenant from time to time for the term, rent in the amount of \$18,300.00 payable in 12 equal (\$1,525.00) monthly installments, each installment payable in advance on or before the commencement date of the lease and on or before the monthly anniversary of said commencement date, subject to the adjustment provisions hereinafter set out.

4. USE OF DEMISED PREMISES. The demised premises shall be used as administrative and support personnel offices only and for no other purpose.

5. CARE OF PREMISES. Tenant covenants and agrees that it will not use or occupy said demised premises or any part thereof for the term of this lease or any extension

thereof in such hazardous manner that any building or improvement thereon of which said demised premises are a part will not be insurable by responsible insurance companies against loss or damage by fire, extended coverage and broad perils for the fair insurable value thereof. Tenant further agrees that upon the expiration or termination of this lease or any extension thereof in any manner it will surrender immediate possession of said demised premises to Landlord in good condition, loss by fire not caused by Tenant, tornado, act of God, or other unavoidable casualty and ordinary wear excepted, and that it will deliver the keys to said demised premises at the place where the rent reserved herein is payable.

6. REPAIRS AND MAINTENANCE.

Landlord shall throughout the term of this lease and any extension thereof at its own cost and expense provide the ordinary repair to the interior and exterior of the demised premises except those repairs necessitated by damage caused by any act, omission or negligence of Tenant or its employees or agents, which shall be the responsibility of the Tenant. Landlord shall be responsible for daily janitorial and maintenance services.

Landlord agrees to maintain and repair the parking lot, sidewalks and service drives in and about the premises, including lighting, light poles, striping, patching, snow removal, cleaning and drainage, as appropriate.

7. ALTERATIONS. Tenant shall not make any alterations in or additions to the interior or exterior of the demised premises nor make any contract therefor without first securing Landlord's written consent. Tenant shall deliver to Landlord the plans and specifications and furnishing indemnification against all liens, costs, damages and expenses, as may be reasonably required by Landlord. All alterations, additions, improvements and fixtures other than Tenant's trade fixtures which may be made or installed by either Landlord or Tenant on the demised premises shall be the property of the Landlord and shall remain upon and be surrendered with the demised premises as a part thereof without disturbance, molestation or injury at the termination of the term of this lease whether by the lapse of time or otherwise, all without compensation or credit to Tenant.

8. ASSIGNMENT AND SUB-LEASE. Tenant may not assign this lease without the prior written consent of the Landlord.

9. TRADE FIXTURES. Trade fixtures, equipment, furniture and furnishings, except floor covering, that may have been or may be installed by Tenant in demised premises shall not become a part thereof whether affixed or annexed or not, but Tenant shall at its own cost and expense repair any and all damage to demised premises resulting from or caused by the removal thereof from the demised premises. Any floor coverings shall be considered to be a part of the premises and shall not be removed except in the case of replacement by equivalent or better floor covering acceptable to the Landlord. Tenant shall provide all furniture, equipment and materials necessary for the operation of the leased premises including telephone service.

10. ADDITIONAL INSURANCE.

(A) Tenant agrees to carry and pay for its own expense such insurance as may be necessary to indemnify the Landlord as to claims which might be asserted against the demised premises or the owners thereof by reason of the Tenant's use thereof, all as hereinafter provided.

(B) Tenant does agree to carry and to pay for public liability insurance in an amount not less than \$100,000 to any one person or \$300,000 on any one accident. The original policy or policies or certificates therefor issued by the insured shall be furnished by Tenant to Landlord bearing the notation evidencing the payment of premiums or accompanied by other evidences of payment of the premiums satisfactory to Landlord. Landlord shall carry and pay for insurance against fire and extended coverage risks on the building proper during the term of the lease. Tenant shall be responsible for insurance covering the contents of the leased portion of the premises and shall be solely responsible for any loss which may occur to these contents

(C) Not less than 10 days prior to the expiration of any such policy or policies, evidence of the renewal of such policy or policies, or a new certificate, together with evidence of the payment of premiums for the renewal period or new policy, as the case may be, shall be delivered to Landlord. All such insurance shall contain an agreement by the insurance company that the policy or policies will not be canceled, or the average changed, without 10 days prior written notice to Landlord.

(D) Tenant, its successors and assigns, does agree to carry Workmen's Compensation Insurance as may be required to cover liability to employees as imposed by the statutes of any state or municipality or by reason of any federal regulation.

(E) The policies or certificates of insurance shall also designate as assureds, Landlord, Landlord's mortgagee, Landlord's beneficiaries, and Tenant, as their interest may appear.

11. UTILITIES. Landlord agrees to pay and discharge as the same become due all water and sewer rents or rates and charges for gas, electric current, and similar utility services which shall during the term of this lease be levied, assessed, charged or imposed upon or against the demised premises and furnish all heat and air conditioning and pay the cost thereof necessary to the heating and cooling of said premises.

12. INSPECTION BY LANDLORD. The Landlord or its agents may have free access to said premises at all reasonable times and under reasonable restrictions for the purpose of examining the same or of inspecting the use by the Tenant of the same or to see if the terms of this lease or extension thereof are being observed by the Tenant and the Landlord at any time within 90 days before the expiration thereof may enter upon said premises and affix to the exterior of the same the ordinary and usual sign or signs for the sale or re-letting of said premises; and the Tenant will not remove said sign or signs and will permit all persons having written authority therefor from the Landlord to view said premises at all reasonable hours.

13. FIRE OR OTHER CASUALTY. If during the term of this lease the demised premises should be damaged or destroyed by reason of fire, casualty or any other cause so as to be rendered wholly or partially tenantable then Landlord shall promptly repair, rebuild and restore the demised premises to the condition it was in preceding the fire or other casualty or other cause, such repairing, rebuilding and restoration to be subject to and in conformance with all municipal and other governmental regulations, ordinances laws, rules, permits and requirements existing at the time of such repairing, rebuilding and restoration. Landlord shall complete the repairs and restoration with the rent payable by Tenant shall be abated in proportion to the extent Tenant shall be reasonably unable to conduct its business from the demised premises.

If the building shall be reason of such fire or other casualty be damaged in excess of (50%) of its replacement value, Landlord shall have the option of terminating this lease by delivering written notice thereof to Tenant within 60 days from the date of such fire or other casualty, and this lease and the terms hereof shall thereupon terminate.

14. EMINENT DOMAIN. Should the entire area of the demised premises, or such portion thereof as to materially interfere with or curtail the Tenant's operation of its business, be acquired or taken by condemnation by any public or quasi-public authority or under the power of eminent domain, this lease shall be terminated and of no further force or effect from and after the effective date of such taking. Landlord and Tenant shall be under no further obligation to each other, save that Landlord shall return to Tenant any unearned rental paid in advance. It is specifically understood and agreed that Tenant shall have no interest in nor shall it share in any condemnation award received by the Landlord for the premises herein demised, except however, that the Landlord shall not be entitled to any portion of the award made to Tenant for loss of business and for cost of removal of its personal property.

15. DEFAULT. It is further covenanted and agreed that during the term of this lease or any extension thereof that the Landlord shall have the right to declare a default and termination of the lease and recover possession of the premises if:

(A) A default shall occur and give unto the Landlord the right to declare the lease terminated and recover possession of the premises upon giving notice as hereinafter provided upon the happening of any one of the following:

1. Tenant shall fail to pay said rent as required by Article 4.
2. Tenant shall neglect or fail to perform or observe any of the covenants contained in this lease upon its part to be performed or observed within the period of time required.

(B) Upon the happening of any of the events referred to in the aforementioned paragraph (A) constituting a default under the terms of this lease, and if the Landlord shall give notice thereof in writing to the Tenant and the default shall continue for 10 days after the giving of said notice, then the Landlord may declare a forfeiture of said lease and take possession of the premises all as hereinafter provided.

(C) A default shall occur and give unto the Landlord the right to declare an immediate forfeiture of the lease without further notice to the Tenant upon the happening of any one of the following:

1. Tenant shall make an assignment for the benefit of creditors;
2. Tenant shall be adjudicated a bankrupt or a petition be filed for the extension of time of payment, composition, adjustment, modification, settlement or satisfaction of the liabilities of Tenant or to which any property of Tenant be subject or the involuntary reorganization (other than a reorganization not involving the liabilities of Tenant) or involuntary liquidation of Tenant;
3. A receiver be appointed for the property of Tenant by reason of the insolvency or alleged insolvency of Tenant, and such receiver be not discharged within 90 days thereafter;

4. Tenant shall abandon or vacate the premises.

(D) Upon the happening of any of the events referred to in the aforesaid paragraph

(C) constituting a default, the lease shall be deemed breached and at the option of the Landlord this lease may be terminated and the Landlord take possession of the premises as hereinafter provided.

(E) Upon the declaration of a default as provided for in paragraph (B) hereof, or upon the termination of the lease as provided for under paragraph (D) hereof, the Tenant will then quit and surrender the demised premises to the Landlord, and the Tenant shall remain liable as hereinafter provided. In any such event, Landlord may at its option immediately or any time thereafter, enter upon said premises with or without process of law, and take possession thereof, together with any and all buildings and improvements which may have been erected thereon, Tenant waiving any demand for possession thereof. Landlord may at its option at any time and from time to time re-let the demised premises or any part thereof for the account of the Tenant or otherwise and receive and collect the rents therefor, applying the same first to the payment of such expenses that the landlord may have incurred in recovering possession of the premises and putting the same in good order and condition, and all other such expenses, commissions and charges incurred by Landlord in or about re-letting the premises, and then to the fulfillment of the covenants of the Tenant hereunder. Any such re-letting may be for the remainder of the original term, or any extended term (if previously extended by Tenant) or for a longer or shorter period. Landlord shall be entitled, notwithstanding any other provision of this lease, to the extent permitted by law, the amount of damages which Landlord sustains by reason of Tenant's default, including the right to recover the difference between the total rent, taxes and charges which the Landlord is able to obtain in a new lease for the balance of the term and the then present value of the remaining rent to be paid hereunder until the end of the term of the lease.

16. MORTGAGE SUBORDINATION. Tenant agrees that upon the request of Landlord in writing it will subordinate this lease and Tenant's rights and interest hereunder to the lien of any present or future first mortgage placed on any part of the real estate of which the demised premises are a part, irrespective of the time of execution or time of recording of any such mortgage or mortgages, provided that the older of any such mortgage enter into an agreement with Tenant, in recordable form, that in the event of foreclosure or other right asserted under the mortgage by the holder or any assignee thereof, this lease and the rights of Tenant hereunder shall continue in full force and effect and shall not be terminated, amended, modified or disturbed except in accordance with the provisions of this lease.

Tenant agrees that if requested by the holder of any such mortgage, it will be a party to said agreement and will agree in substance that if the mortgagee or any person claiming under the mortgage shall succeed shall succeed to the interest of the Landlord in this lease, it will recognize said mortgagee or person as its Landlord under the terms of this lease. Tenant agrees that it will, upon the request of Landlord, execute, acknowledge and deliver any and all instruments necessary or desirable to give effect to or notice of such subordination. The word "mortgage" as used herein includes mortgages, deeds of trust, or other similar instruments and modifications, consolidations, extensions, renewals, replacements and substitute thereof.

17. WAIVER OF SUBROGATION. Each of Landlord and Tenant hereby releases the other to the extent of its insurance coverage from any and all liability for any loss or damage caused by fire or any of the extended coverage casualties, even if such fire or other casualty shall be brought about by the fault or negligence of the other party, or any persons claiming under it.

18. REMEDIES:

(A) It is mutually covenanted and agreed that this lease is made upon the express condition that this Tenant shall always keep and perform all its covenants and agreements hereunder and make all payments of money herein stipulated to be made, promptly and at the time and in the manner stipulated and limited for such performance and payment, and that accordingly the time so limited for such payments and the performance of such covenants and agreements are, and shall be deemed to be, of the essence of this lease.

(B) No remedy herein or otherwise conferred upon, or reserved to, the Landlord or the Tenant shall be considered exclusive of any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute; and every power and remedy given by this Indenture of Lease to the Landlord or the Tenant may be exercised from time to time and as often as occasion may arise or as may be deemed expedient. No delay or omission of the Landlord or the Tenant to exercise any right or power arising from any default shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein.

19. NOTICES. In the event notice is to be given by either party to the other, it is agreed that such notice may be given at any time by an instrument in writing delivered personally or dispatched by registered or certified mail to the following addresses:

Landlord:

Dixon Public School Dist. #170
President, Board of Education
1335 Franklin Grove Road
Dixon, IL 61021

Tenant:

Lee County Special Education Association
President, Governing Board
1335 Franklin Grove Road
Dixon, IL 61021

With a copy to:

Mr. Marc Campbell, Business Manager
Dixon Public School District #170
1335 Franklin Grove Road
Dixon, IL 61021

With a copy to:

Corena Steinmeyer, Director
Lee County Special Education Association
1335 Franklin Grove Road
Dixon, IL 61021

or as either party may otherwise direct in writing to the other party from time to time.

All notices shall be deemed delivered when delivered personally or two days following deposit in the United States mails in the Continental United States with first class postage and registered or certified fees prepaid except in the event of mail strike in which event proof of actual delivery shall be required.

20. BINDING COVENANTS. It is mutually covenanted and agreed by and between the parties hereto that the covenants in this lease contained shall be covenants running with the land and that each of the covenants, agreements, conditions and provisions of the lease shall wherever applicable extend to and bind or inure to the benefit of (as the case may be) not

only the parties hereto and each of them, but also their respective successors and assigns and wherever in this lease reference is made to any of the parties hereto or to the Landlord or to the Tenant, it shall be held to include and apply wherever and whenever applicable also to the successors and assigns of such parties the same as if in each and every case so expressed.

21. **REGULATIONS.** Tenant, in the performance of its covenants and obligations, under the terms of the Indenture of Lease, shall comply with all municipal and other governmental ordinances, laws, rules, regulations and permits pertaining to the operation of its business at the demised premises.

Landlord, in the performance of its covenants and obligations, under the terms of this Indenture of Lease, shall comply with all municipal and other governmental ordinances, laws, rules, regulations and permits, pertaining to the buildings and other improvements situated on the demised premises, and shall make all structural alterations, improvements or repairs to the same required to be made by Landlord in order to comply therewith.

22. **INTERPRETATION.** In the event any clause, paragraph or provision of this lease should be found to be invalid by reason of any statute, law or judicial decision, then the remainder of the lease shall nevertheless remain in full force and effect the same as if such paragraph or provision had been deleted therefrom.

In the use of pronouns, the singular shall include the plural, and the use of any gender shall include all genders.

23. **LATE PAYMENTS, ATTORNEYS FEES AND COSTS.** Tenant agrees that it will pay any reasonable counsel fees, costs and charges of or in connection with any legal action whether or not suit may have been brought, which fees, costs and charges are reasonably and necessarily incurred by the Landlord in enforcing the covenants, agreements, terms and provisions of this lease or in protecting its interest under this lease, and Tenant agrees to pay Landlord forthwith the amount so paid by Landlord. Said amount shall be considered due and payable within 10 days following delivery of notice and breakdown of such expense to the Tenant. It is further agreed that any payments due the Landlord under this lease and not paid when due, shall bear interest from the due date thereof at the rate of 18% per annum until paid.

24. **INDEMNITY.** Tenant shall indemnify and save Landlord harmless from and against any and all claims, actions, damages, liability and expenses, including attorneys fees, in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon, or at the demised premises or any part thereof, or occasioned wholly or in part by any act or omission by Tenant, Tenant's employees, agents or invitees.

25. **QUIET POSSESSION.** Landlord agrees that when possession of the demised premises shall be delivered to Tenant, the lease-hold interest of Tenant will be free and clear of all tenancies, occupancies, restrictions, violations, liens and encumbrances. Landlord further covenants and represents that Tenant, upon paying the rents reserved herein, and keeping performing, observing and fulfilling the covenants and agreements in this lease contained on the part of the Tenant to be kept, performed, observed and fulfilled, shall and may peaceable and quietly possess, have, hold and enjoy the demised premises and all rights, easements, appurtenances and privileges thereunto belonging or in any way appertaining during the full term

hereby granted and any extensions thereof, without any interruption or disturbance whatever by the Landlord or by anyone claiming by, through, under or against the Landlord.

IN WITNESS WHEREOF, Landlord and Tenant have executed this lease as of the day and year first above written.

TENANT:
LEE COUNTY SPECIAL ED. ASSOC.

LANDLORD:
DIXON UNIT SCHOOL DISTRICT #170

By _____
President, Governing Board

By _____
President, Board of Education

ATTEST:

ATTEST:

Secretary, Governing Board

Secretary, Board of Education