



Legislation Details (With Text)

File #: 2021-0641 **Version:** 0 **Name:** University of Chicago Medicine / 9650 Parking Deck Agreement

Type: MOTION **Status:** PASSED

File created: 8/30/2021 **In control:** Board of Trustees

On agenda: 9/7/2021 **Final action:** 9/7/2021

Title: University of Chicago Medicine / 9650 Parking Deck Agreement

Code sections:

Attachments: 1. Agreement, 2. Signed Agreement

Date	Ver.	Action By	Action	Result
9/7/2021	0	Board of Trustees		
8/30/2021	0	Village Manager	INTRODUCED TO BOARD	

Title
University of Chicago Medicine / 9650 Parking Deck Agreement

History
The Village and the University of Chicago Medicine Center (“UCMC”) entered into a ground lease in 2015 for the parcel located at 14290 S. LaGrange Road, pursuant to which UCMC constructed a multi-story Center for Advanced Care at that location. The ground lease agreement required the Village to construct a multi-level parking deck, two (2) public streets, sidewalks, and landscaping to serve the UCMC facility with funds from the Village’s Triangle Tax Increment Financing District. It also required the parties to enter into a maintenance agreement for the parking structure, adjoining roadways, landscaping etc.

To date, the predominate user of the structured parking has been UCMC. UCMC maintains a higher level standard for its facilities (designated Premium Health Care Service Level 1), and it was always anticipated that UCMC would therefore manage the day to day operation of the 9650 Parking Deck and that the costs associated therewith would be apportioned in accordance to the use of the facility and surrounding environs. These tasks include plowing, deicing, snow removal, power washing, sweeping, landscape, litter control, and routine inspection of the facility. The Village maintains the responsibility for the capital repairs and replacement costs of the facility. Each respective task identified herein has been assigned an equitable percentage cost share based upon allocation of facilities and resources, as outlined in the agreement.

The attached multi-year agreement details the specific task lists and cost split for the aforementioned items. In short, the Village is now responsible for a \$171,049.90 true-up, which costs cover the documented expenses for the period from 2016 to current. Following the true-up payment, starting on the fourth quarter 2021, the Village would be responsible for expenses at a flat rate of \$21,709.75 per quarter (\$89,839.00 per year), with the amount being adjusted each year of the five (5) year term, by the then current CPI-U figure, beginning in the first quarter of 2022.

To protect both parties from outlier snow years, the agreement calls out the average annual snowfall, as measured at the closest NOAA weather station, and applies a second quarter adjustment (up or down) for any season where snow totals are ten (10) inches greater, or less than, the annual snowfall average at a rate of \$1,521.44 per inch outside of that ten (10) inch buffer margin.

The agreement would automatically renew every five (5) years, unless there is a mutual agreement to terminate, subject to the parties gathering prior to each renewal to reset the quarterly payments based upon then current rates for the described services.

Financial Impact

The agreement incorporates a one-time true-up payment covering the years from the opening of the 9650 parking garage to present at \$171,049.90 and payment of \$21,709.75 quarterly thereafter for the aforementioned services, subject to an annual CPI-U adjustment and the annual snow adjustment.

Recommended Action/Motion (BOT)

I move to approve a parking facilities maintenance agreement with the University of Chicago Medical Center for the parking garage located at 9650 W. 143rd Street;

And,

To authorize the Village Manager to execute the agreement, subject to Village Attorney review.