



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Text

File #: 16-5054, **Version:** 1

PROPOSED LEASE AMENDMENT

Department: Department of Real Estate Management

Request: Approve a Third Amendment to Lease

Landlord: County of Cook

Tenant: RML Health Providers Limited Partnership, dba RML Specialty Hospital

Location: 5601 South County Line Road, Hinsdale, Illinois 60521

Term/Extension Period: The term will be extended for five years, to expire 5/31/2022

Space Occupied: 149,285 Square feet

Monthly Rent: 6/1/2017- 5/31/2018 -Monthly \$111,981.17 / Annually \$1,343,774.00

Operating Expenses: In addition to the base rent, the Tenant pays directly all costs of maintaining and operating the facility and the grounds.

Fiscal Impact: Revenue Generating

Accounts: N/A

Option to Renew: Tenant shall have the option to renew the lease for six five year renewal periods, on the same terms and conditions.

Escalation: Base rent is increased each year by an amount equal to the increase in the CPI, with a minimum increase of 3% and a maximum increase of 4%, which protects the Landlord from changes in the marketplace. For the 5th and 6th option periods, the rent will adjust to fair market rent.

Termination: N/A

Utilities Included: No, Tenant pays for all utilities

Summary: On 7/24/2007, pursuant to Public Act 094-1050 and Resolution of the Board of Commissioners approved 6/19/2007, the County of Cook succeeded to the interests of the Suburban Tuberculosis District in properties, including property at 5601 South County Line Road, Hinsdale, Illinois. This property is leased to RML Health Providers Limited Partnership, (dba) RML Specialty Hospital, under a lease dated 4/18/1997 and previously amended 3/2/2010.

The current lease term expires 5/31/2017. The Tenant has provided its written notice of their intent to exercise their right and option to further extend the term for five years, with three remaining five-year options to renew. In order to provide flexibility in financing major capital improvements to the facility the Tenant has requested that the lease be amended to allow additional options to renew.

RML Specialty Hospital will continue to utilize the premises for treatment of long term complex hospital patients who are critically and chronically ill. The medical offices located within the subject property will continue to be used by RML Specialty Hospital staff exclusively for treatment of those patients confined to the hospital and for no other purpose.

This item has been submitted to the CCHHS Board for approval at its next available meeting.

Approval is recommended.