



DATE: November 2, 2020

MEMO TO: Jessica Vealitzek, Chair
Operations Committee

Terry Wilke, Chair
Finance Committee

FROM: James E. Ballowe
Director of Revenue Facilities

RECOMMENDATION: Recommend approval of a Resolution approving a License Agreement with the College of Lake County (the “College”) for the occupation and use of the Brae Loch Golf Club Clubhouse (the “Building”) in Grayslake.

STRATEGIC DIRECTION SUPPORTED: Organizational Sustainability

FINANCIAL DATA: The College of Lake County will pay the sum of \$1.00 per month for a term of 20 years, with three possible renewals of 10 years each. The College will also provide food and beverage services to golfers with the District receiving 10% of the gross revenue from all sales of liquor, beer, and other beverages from the golf snack bar and beverage carts. In addition, the College shall bear the costs of all utilities for, upkeep of, and improvements to the interior (except for such costs specifically attributable to the pro shop) and exterior of the Building and any maintenance or replacement of any equipment or infrastructure associated with the Building.

BACKGROUND: In August 2020, staff received policy direction from the Operations Committee to enter into negotiations with the College on a potential agreement to allow the College to use the Brae Loch Clubhouse to (i) operate its Culinary Arts Program, (ii) operate its Prairie Restaurant currently located on the College campus, and (iii) provide food and beverage services to Brae Loch golfers.

District staff and Corporate Counsel have negotiated the License Agreement attached to the attached Resolution, which would (i) grant the College use of the Building for their Culinary Arts Program, Prairie Restaurant, and banquet services operations, (ii) reserve a small space for the District to continue operating its golf course pro shop, and (iii) require the College to take over the snack bar operations and on-course beverage cart services provided for golf customers. The License Agreement would also allow for the College, at its cost and subject to District approval, to make improvements to the Building to fit its needs. The College will also be responsible for all costs associated with the operation, maintenance, repair, and replacement of the entire Building envelope.

REVIEW BY OTHERS: Executive Director, Chief Operations Officer, Director of Finance, Corporate Counsel.

**LAKE COUNTY FOREST PRESERVE DISTRICT
LAKE COUNTY, ILLINOIS**

**A RESOLUTION APPROVING A LICENSE AGREEMENT WITH THE COLLEGE OF LAKE
COUNTY FOR USE OF THE BRAE LOCH CLUBHOUSE**

WHEREAS, the Lake County Forest Preserve District (the “District”) owns property on Route 45, in Grayslake, Illinois, that is commonly known as Brae Loch Golf Club and is operated by the District as a public golf course (the “Golf Course”); and

WHEREAS, the Golf Course includes the Brae Loch Golf Club Clubhouse (the “Building”); and

WHEREAS, the District and the College of Lake County (the “College”) desire to enter into a license agreement to (i) allow the College to use the Building to operate its Culinary Arts Program, including operation of the College’s Prairie Restaurant and banquet services, (ii) reserve to the District space for its continued operation of the Golf Course pro shop, and (iii) require the College to provide snack bar operations and on-course beverage cart services to the District’s customers golfing at the Golf Course; and

WHEREAS, pursuant to Section 6 of the Downstate Forest Preserve Act, 70 ILCS 805/6, the District is authorized to issue licenses for any public service, subject to such terms and conditions as may be determined by the District; and

WHEREAS, pursuant to Article VII, Section 10 of the Illinois Constitution of 1970, and Section 3 of the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/3, units of local government, such as the District and the College, in any manner not prohibited by law or ordinance, may (i) contract or otherwise associate among themselves to obtain or share services and to exercise, combine, or transfer any power or function and (ii) jointly exercise any power, privilege, function, or authority conferred upon them by law; and

WHEREAS, it is in the best interest of the District to enter into a license agreement with the College for use of the Building in substantially the form attached hereto (the “License Agreement”);

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Lake County Forest Preserve District, Lake County, Illinois, **THAT**:

Section 1: Recitals. The recitals set forth above are incorporated as part of this Resolution by this reference.

Section 2: Approval of License Agreement. The License Agreement is hereby approved, in substantially the form attached hereto.

Section 3: Execution of License Agreement. The Executive Director and Secretary of the District are hereby authorized and directed to execute and attest to the License Agreement on behalf of the District.

Section 4: Effective Date. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this _____ day of _____, 2020

AYES:

NAYS:

APPROVED this _____ day of _____, 2020

Angelo D. Kyle, President
Lake County Forest Preserve District

ATTEST:

Julie Gragnani, Secretary
Lake County Forest Preserve District
Exhibit No. _____

**LAKE COUNTY FOREST PRESERVE DISTRICT
BUILDING USE AND MANAGEMENT LICENSE AGREEMENT**

This Building Use and Management License Agreement (this "Agreement") is made as of the ____ day of _____, 2020 (the "Effective Date") and is by and between the **LAKE COUNTY FOREST PRESERVE DISTRICT**, an Illinois unit of local government and a political subdivision, organized and existing under the Downstate Forest Preserve District Act, 70 ILCS 805/0.001 *et seq.*, with its principal office located at 1899 West Winchester Road, Libertyville, Illinois 60048 (the "District"), and **COMMUNITY COLLEGE DISTRICT NO. 532**, Lake County, an Illinois community college district organized pursuant to the provisions of 110 ILCS 805/3-1 *et. seq.* ("the College of Lake County") (the "Licensee").

NOW, THEREFORE, in consideration of the recitals and the mutual covenants and agreements set forth below, the parties do hereby agree as follows:

SECTION 1. RECITALS.

A. The District holds fee simple title to that certain parcel of land commonly known as the Brae Loch Golf Club and is generally depicted on Exhibit A attached to and, by this reference, made a part of this Agreement (the "Subject Property").

B. The Subject Property includes an existing building owned by the District, commonly known as "Brae Loch Clubhouse and Banquet Facility," located at 33600 Route 45, Grayslake, Illinois 60030, and which is generally depicted on Exhibit A (the "Building", and, the Building, excluding the golf pro shop, as hereinafter identified, the "Licensed Premises").

C. Subject to the terms and conditions of this Agreement, Licensee desires to manage, maintain and use the Licensed Premises for the Use (as hereinafter defined).

D. The District desires to license the Licensed Premises to Licensee so that Licensee may use the Licensed Premises for the Use, all in accordance with this Agreement.

SECTION 2. LICENSE GRANTED; TERM. The District hereby grants to Licensee, and Licensee hereby accepts from the District, a license for the use of the Licensed Premises (the "License") for a term of twenty (20) years, beginning _____, 2021 (the "Commencement Date") and ending at 11:59 p.m. on December 31, 2041 (the "Initial Term"), and for any "Renewal Period" defined in, and exercised by Licensee pursuant to, Section 13 (the Initial Term and any Renewal Period are, collectively, the "Term").

SECTION 3. LICENSE FEE.

A. License Fee. For each month during the Term (a "Month") Licensee shall pay to the District a license fee (a "Monthly Fee") of \$1.00 along with 10% of all Gross Receipts (as hereinafter defined). Licensee shall pay the Monthly Fee not later than the fifteenth (15th) day following the end of the Month (a "Payment Date"). Licensee shall send all Monthly Fees to the District address identified in Section 27.

B. Gross Receipts; Records and Accounts; Audit.

a. Gross Receipts Defined. Except as otherwise provided herein, "Gross Receipts" includes (i) all money, cash, consideration, receipts, assets, gross charges, sales, fees and commissions received, made, or earned from all golf snack bar and course beverage cart liquor, beer and beverage sales (collectively, "Sales"). There shall be no deduction from Gross Receipts of any overhead or expense of operation such as, but without limitation to, salaries, wages, depreciation, cost of goods,

advertising, interest, debt amortization, collection, credit card and bad debt charges, and insurance. Gross Receipts shall not include (i) state sales tax collected from the consumer (regardless of whether the amount thereof is stated to the consumer as a separate charge) and paid periodically by Licensee to a governmental agency, accompanied by a tax return or statement; provided, however, that the amount of such taxes shall be shown on the books, records, and accounts elsewhere herein required to be maintained; (ii) gratuities; (iii) Sales, the proceeds of which are refunded; (iv) promotions or discounts or (v) direct fees paid by a customer to the Licensee for the sole purpose of allowing Licensee to make arrangements for a third party to provide a service or amenity to such customer, if Licensee is required to pay such fees over to such third party, which services or amenities may include without limitation entertainment; rental of tables, chairs, linens, or outdoor tents; valet service; security personnel; and certificates or policies of insurance for persons other than Licensee.

b. Monthly Reports and Quarterly Accounting. Licensee shall deliver to the District with its Monthly Fee a true and correct report of all Gross Receipts for the Month for which the Monthly Fee is being made, showing separately the Gross Receipts from each part of the Concession operated under this Agreement (a "Monthly Fee").

c. Records and Accounts. Licensee shall create, and keep at its principal place of business, true and complete books, accounts, and other records of all financial transactions relating to the Gross Receipts for at least three years after their creation and after the last entry therein. The records must be supported by documents from which the original entry of the transaction was made, including sales slips, cash receipt machine records, and purchase invoices. Licensee's principal place of business is 19351 W. Washington Street, Grayslake, Illinois 60030. Licensee shall notify the District of any change thereof.

d. Inspection of Records. Licensee shall make all books, records, and accounts of every kind or nature kept by Licensee relating to the Gross Receipts and Monthly Fees, and shall cause Licensee's third-party vendor (to the extent approved by the District as hereinafter provided) to make all books, records, and accounts of every kind or nature kept by it relating to the Gross Receipts and Monthly Fees, available for inspection or audit by the District, its agents or employees, upon request. The location of such inspection or audit may, in Licensee's discretion, take place at a reasonable time and location (such as Licensee's accountant's offices).

e. Audit. The District shall have the right to audit, at no cost to Licensee except as hereinafter provided, any or all such books, records, and accounts for the purpose of verifying the accuracy of Monthly Fees required to be paid to the District. The cost, based on hourly rates, of the District's audit shall be borne by Licensee if such audit confirms that a ten percent (10%) or greater payment is due to the District than was paid or reported by Licensee for the period covered by the audit; provided however, that Licensee's share of such cost shall not exceed the amount of such underpayment. Within ten (10) days after the District's audit report is furnished to Licensee or ten (10) days after the parties have completed any conference concerning the audit, Licensee shall pay to the District the full amount of any underpayment demonstrated by such audit. If any audit conducted by the District shows that Licensee has paid more than the amounts due to the District, the District shall reimburse Licensee for such overpayment, without interest. The District shall reimburse the Licensee within the same time periods listed for Licensee. If Licensee conducts an audit showing that it has underpaid the District, it shall pay to the District the full amount of any underpayment. For purposes of this Section 6, copies of the results of an inspection and/or audit conducted by one party shall be provided to the other party within a reasonable time following the inspection or audit.

C. Late Payment Penalties. If any Monthly Fee is not paid on a Payment Date, Licensee shall pay to the District an additional fee equal to one percent (1%) of the Monthly Fee due as an administrative processing charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs the District will incur by reason of late payment by Licensee. Acceptance of any late charge shall not constitute a waiver of Licensee's default with respect to any overdue amount or prevent the District from exercising any of the other rights and remedies available to it.

SECTION 4. USE OF THE LICENSED PREMISES.

A. Use; Licensee's General Rights. The District hereby grants Licensee an exclusive license and concession within the Licensed Premises pursuant to which Licensee shall operate for the following uses and services (collectively, the "Use"): providing food and beverage services to support banquet rentals, operate the golf snack bar providing food and beverages for on-site and takeaway, provide on course beverage cart sales, and provide the programs, products and services required of its culinary program, including but not limited to operating the Prairie Restaurant and offering culinary training, and, at Licensee's option, provide banquet services. The Licensee will take over complete operation of the Licensed Premises and be 100% responsible for all operating expenses, Building improvements, equipment replacements and repairs, and all maintenance of the facility and its amenities. Notwithstanding the foregoing to the contrary, Licensee may use the Licensed Premises only for purposes that further and are consistent with Licensee's mission, which is to provide services, programs, and activities within the Licensed Premises that provide career training and community education purposes to the people of Lake County as well as provide food and beverage services to support banquet rentals, golf snack bar and on course beverage cart sales ("Licensee's Mission").

B. District's General Rights; Golf Pro Shop. The District will be able to maintain a small presence in the Building for operation of its golf pro shop, in the location depicted on Exhibit B attached hereto, at no cost to the District; provided that the District shall demise such golf pro shop within the Building at its expense and shall pay all costs attributable to its phone and POS system requirements. The golf pro shop shall not be deemed to be part of the Licensed Premises.

C. Hours of Operation. Licensee may use the Licensed Premises during hours of operation that have been approved in advance and in writing by the District's Executive Director, which approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing to the contrary, Licensee shall be obligated to provide food and beverage services to golfers by way of the golf snack bar and on course beverage cart sales during the golf season between the hours of 9:00 A.M. and 7:00 P.M. on days when golfing is permitted on the Subject Property; provided, however, that such hours shall be subject to adjustments for seasons, weather and necessity based on player volume, as mutually determined by the District and Licensee in good faith. The golf season shall be from May 1 to October 31. Licensee shall not be required to provide food and beverage services on days when it is prevented from doing so due to acts of God, pandemics, epidemics, or other widespread health impairments, government advisements or orders, such as government-imposed travel and movement restrictions or border closings, acts of terrorism, man-made or natural disasters, widespread material shortages, or other similar causes beyond the reasonable control of Licensee.

D. Licensee's Staff. Licensee shall maintain a staff that is adequate to operate the Licensed Premises and administer Licensee's Mission in a professional, efficient, courteous, and orderly manner. Licensee shall require its staff to conform to all applicable current and future District rules, regulations, and requirements.

E. Signage and Advertising. Licensee shall design, install, and maintain any signage on or within the Licensed Premises or on the Subject Property that identifies the Licensed Premises as being operated by

Licensee. The location and design of such signs shall be mutually agreed upon by the parties. Any and all advertising, promotional material, and notices related to the operation of the Licensed Premises by Licensee shall be the responsibility of the Licensee. If Licensee requests that the District fabricate, install, or remove signs or banners that further Licensee's Mission, the District may do so, at its discretion, and upon the proper approvals stated above. In such cases, Licensee shall pay, upon receipt of an invoice therefor, the cost of any materials and the value of any staff time associated with the fabrication, installation and/or removal of the signs or banners.

F. Prohibited Uses. Licensee shall not permit the Licensed Premises to be used for any unlawful purpose or in any manner that will unreasonably disturb visitors to the Licensed Premises or the Subject Property or other members of the public.

G. Use of District Property Outside Licensed Premises. Licensee shall not use District property outside the Licensed Premises for programs or events or in any other manner, except (i) to the extent allowed by the District for use by the general public or (ii) pursuant to a permit or separate license issued by the District. Licensee shall also coordinate with District staff for the scheduling of banquets and other events during golf season in order to accommodate golf customer parking. The dates and timing of such banquets and events shall be subject to the District's prior written approval, such approval not to be unreasonably withheld or delayed.

H. Service of Liquor. Licensee shall distribute, sell, serve, and furnish alcoholic beverages within the Licensed Premises in accordance with all applicable state and local laws, including any laws requiring Licensee to obtain a liquor license. Licensee shall not allow liquor to be served, distributed, sold, or furnished on the Licensed Premises by any third party, except pursuant to a User Agreement as set forth in Section 22.

SECTION 5. CONDITION OF BUILDING. Licensee has inspected the Licensed Premises prior to signing this Agreement and accepts the Licensed Premises in "as is" condition. The District hereby expressly makes no warranty as to the habitability of the Licensed Premises, or any other express or implied warranties as to any other conditions, which may or may not exist on the Licensed Premises.

SECTION 6. UTILITIES AND SERVICES. Licensee shall be responsible for obtaining, contracting and paying for 100% of installation and service charges for (i) natural gas, water, electric; (ii) garbage collection/recycling, sewer lift station maintenance, for the Building; and (iii) all other services not identified in this Section 6 associated with the occupancy, operation and use of the Licensed Premises. The District shall obtain fire alarm monitoring and testing services and obtain from the contractor for such services an invoice that itemizes separately the charges for the Building, including all installation costs. Licensee shall reimburse the District for the amount of such itemized charges within ten (10) days after receipt of an invoice showing such itemized charges. Licensee shall be responsible for security alarm monitoring and testing services for the Building.

SECTION 7. INITIAL IMPROVEMENTS; RENOVATION AND IMPROVEMENTS TO BUILDING AND GROUNDS; LIENS.

A. Initial Improvements. Licensee desires to perform certain improvements to the Licensed Premises to prepare same for Licensee's Use (the "Initial Improvements"). The Initial Improvements shall be performed by a licensed contractor approved by the District (which approval shall not be unreasonably withheld or delayed) in a good and workmanlike manner, in accordance with all applicable statutes, ordinances, regulations and codes, including those governing the handling, care and removal of any materials involved in or affected by such work, and in accordance with plans approved in writing by the District. Licensee or its contractors shall procure Builder's Risk insurance whenever appropriate in amounts and with companies satisfactory to the District and shall save the District and the District's beneficiaries

and agents harmless and indemnified from all injury, loss, claims or damage to any person or property occasioned by or growing out of such work. Licensee agrees to submit to the District a floor plan showing the proposed layout of the Licensed Premises, including the location of any interior wall partitions, the location of Licensee's trade fixtures and an outline description of all Initial Improvements Licensee proposes to perform, including any plumbing, mechanical, electrical, structural or architectural work. Within a reasonable time following the District's receipt of such plans, the District shall either approve the plans as submitted or conditionally approve the plans by noting required revisions thereon. The District's notes shall be incorporated by reference into and be deemed to modify the plans as though originally set forth therein. In addition to revising the plans, the District may require Licensee to prepare and submit additional plans for approval if the nature and scope of the Initial Improvements includes plumbing, mechanical, electrical, structural or architectural work, in which event Licensee shall, within forty-five (45) days thereafter, deliver such plans to the District certified by a licensed registered architect or licensed registered professional engineer, in such detail as the District may require, in compliance with this Agreement and all applicable statutes, ordinances, regulations and codes. As soon as reasonably possible thereafter, the District shall either approve such additional plans as submitted or conditionally approve such additional plans by noting required revisions thereon, which shall be incorporated by reference into and be deemed to modify such additional plans as though originally set forth therein. Following approval of all of Licensee's plans for the Initial Improvements, Licensee shall cause the Initial Improvements to be performed in accordance with this Section 7.A and Section 7.B below, all at Licensee's expense.

B. Alterations Generally. Licensee is responsible for all desired renovations and improvements to the Building at its sole cost. Except as expressly provided in Section 7.A, Licensee shall make no structural improvements, alterations, or repairs to the Licensed Premises including, but not limited to, structural carpentry, electrical, or masonry work without the prior, express, written approval by the District's Executive Director for any such improvements ("Approved Work"). In the event any such structural work in or to said Licensed Premises are deemed necessary or desirable by Licensee, Licensee will submit plans and specifications to the District for review. Notwithstanding the foregoing to the contrary, the District shall not unreasonably withhold or delay its consent to improvements to the Licensed Premises which are strictly cosmetic in nature, and do not affect the structure or systems of the Building, and do not require a permit. Any improvements, alterations, and additions, shall become the property of the District.

C. Mechanics' Liens. Licensee shall not suffer any mechanic's lien to be filed against the Licensed Premises or the Subject Property by reason of any work, labor, services or materials performed at or furnished to the Licensed Premises, to Licensee, or to anyone holding the Licensed Premises through or under the Licensee. If any such mechanic's lien shall at any time be filed, Licensee shall forthwith cause the same to be discharged of record by payment or order of a court of competent jurisdiction or otherwise, but Licensee shall have the right to contest any and all such liens.

SECTION 8. EQUIPMENT AND SUPPLIES. For operation of the Licensed Premises, the District shall allow Licensee to use the following existing equipment at the Licensed Premises in its "as is" condition: HVAC Equipment, one walk in cooler, one kitchen exhaust hood, one three-compartment stainless steel sink, two bars which include sinks, shelves and storage in the "Banquet Area" and "Snack Bar Area," and chairs for the "Banquet Area," "Snack Bar Area" and "Patio" (collectively, the "District Equipment".) Not later than ninety (90) days following the Commencement Date, Licensee shall notify the District if Licensee does not intend to use any of the District Equipment which are not fixtures of the Licensed Premises. Following such notice, District shall remove such unwanted District Equipment from the Licensed Premises at the District's expense. All other equipment and supplies necessary or desirable to successfully operate, including, but not limited to: uniforms, tableware, glassware, flatware, kitchen supplies, paper goods, disposables, linen, laundry, kitchen equipment, computers and computer-related hardware and software, telephone hardware/system, and point-of-sale system (collectively, the "Licensee Equipment") shall be provided, installed, owned, maintained, and replaced by the Licensee. All District Equipment and Licensee

Equipment shall be maintained in good condition, repaired and replaced (with replacements of equal or better quality) if necessary by Licensee. Licensee Equipment that does not become attached to or a part of the facilities or Licensed Property shall remain the property of the Licensee.

SECTION 9. MAINTENANCE OF THE BUILDING AND GROUNDS.

- A. Licensee's Maintenance Work; District's Remedy. Licensee shall at its sole expense, in accordance with all applicable federal, state and local laws, ordinances, rules and regulations (collectively, "Laws") repair and maintain (i) the interior and exterior areas of the Licensed Premises in a good, clean, orderly, operable and healthful condition, which maintenance will include without limitation cleaning and supplying restrooms, cleaning floors and carpets, washing windows, and maintaining painted, stained and wall-papered surfaces in good condition; (ii) provide annual inspection and preventative maintenance of HVAC and sewer systems by a qualified contractor or service provider; (iii) provide annual inspection, recharging and certification of fire extinguishers, both hand held and kitchen hood systems; (iv) provide rodent and pest control; (v) maintain the outdoor service areas by picking up litter and maintaining the outdoor equipment; and (vi) clean and remove snow from the Licensed Premises' entry ways and parking lot ("Licensee's Maintenance Work"). Licensee shall also (i) repair, as necessary (a) the structural elements of the Building (a "Structural Element"), such as the roof, the foundation, and the exterior walls; and (b) the Building's exterior, including the Building's window frames, doors, porches, and steps; and (ii) as necessary, paint the exterior of the Building ("Licensee's Structural Work".) In addition to the District's rights under Section 15.A, if Licensee fails to properly commence performance of Licensee's Maintenance Work or Licensee's Structural Work within ten (10) business days after written notice from the District, the District may (but shall in no event be obligated to) perform such Licensee's Maintenance Work or Licensee's Structural Work, as the case may be, and Licensee shall reimburse the District in full for the cost thereof (including both out of pocket costs and the value of any District staff time) within thirty (30) days after Licensee receives an invoice for such costs from the District. Licensee shall not make, permit or allow any additions or improvements to or alterations of the Licensed Premises, except for Approved Work as specified in Section 7 above. Once commenced, Licensee shall diligently pursue such Licensee's Maintenance Work or Licensee's Structural Work to completion. If any one item of Licensee's Structural Work reasonably estimated to cost in excess of \$25,000.00 is required to be performed with five (5) years or fewer remaining in the then current Term, Licensee shall have the option of either performing such work or terminating this Agreement by written notice to the District.
- B. Delivery of Licensed Premises upon Expiration. At the expiration of the Term, or the earlier termination of this Agreement, Licensee shall deliver the Licensed Premises to the District in a condition that is as good as or better than the condition of the Licensed Premises as of the Effective Date, ordinary wear and tear excepted.
- C. District's Repair Work. The District shall maintain the Grounds, by mowing the grass areas and maintaining the vegetation around the Building.

SECTION 10. HAZARDOUS MATERIALS. Licensee (i) shall comply with all Laws that prohibit, restrict, or regulate any material defined therein as a hazardous, radioactive, toxic or carcinogenic material, substance, pollutant, or contaminant (collectively, "Hazardous Materials") in the use of the Licensed Premises; and (ii) shall not, and shall not permit any person to, handle, bury, store, retain, refine, produce, spill, allow to seep, leak, escape or leach, pump, pour, emit, empty, discharge, inject, dump, transfer or otherwise dispose of or deal with Hazardous Materials in, on, under, or about the Licensed Premises.

SECTION 11. LIMITATION OF LIABILITY. The District shall not be liable or responsible for any damage arising from or related to (i) Licensee's failure to properly perform Licensee's Maintenance Work;

(ii) the Systems, or any defect, failure,, or other condition of a System; (iii) water, snow or ice being upon or coming through the roof, skylight, trap door or otherwise; or (iv) acts, omissions, or neglect of owners or occupants of adjacent or contiguous property.

SECTION 12. INSURANCE. Licensee shall maintain, at all times during the Term, the insurance coverages and minimum limits set forth in this Section 12. All insurance policies shall be issued from insurance companies holding at least an “A5” or better rating as rated by A.M. Best Company. All policies shall name the District as an additional insured.

A. Worker’s Compensation and Employer’s Liability. Licensee shall maintain workers’ compensation and employer’s liability insurance with limits of not less than:

- (1) Worker’s Compensation: Statutory
- (2) Employer’s Liability:
 - a. \$1,000,000 - injury per occurrence
 - b. \$ 500,000 - disease per employee
 - c. \$ 500,000 - disease policy limit

Such insurance shall evidence that coverage applies in the State of Illinois.

B. Comprehensive General Liability: Licensee shall maintain comprehensive general liability (“CGL”) insurance with limits of not less than:

- (1) General Aggregate: \$2,000,000
- (2) Bodily Injury:
 - a. \$ 2,000,000 - per person
 - b. \$ 2,000,000 - per occurrence
- (3) Property Damage:
 - a. \$ 2,000,000 - per occurrence
 - b. \$ 2,000,000 - aggregate
- (4) Other Coverages:
 - Premises/Operations
 - Independent Contractors
 - Personal Injury (with Employment Exclusion deleted)
 - Broad Form Property Damage Endorsement
 - Blanket Contractual Liability (must expressly cover all indemnity provisions of the contract)
 - Bodily Injury and Property Damage “X”, “C”, and “U” exclusions shall be deleted

All employees shall be included as insureds. If such CGL insurance contains a general aggregate limit, it shall apply separately to this Agreement, with coverage written on an “occurrence” basis.

C. Dram Shop Insurance. This insurance shall be kept in force at any time that Licensee serves liquor or allows liquor to be served or consumed on the Licensed Premises and shall have the limits required by statute.

D. Umbrella Policy. The required coverages may be in any combination of primary, excess and umbrella policies. Any excess or umbrella policy must provide excess coverage of underlying insurance on a following-form basis such that when any loss covered by the primary policy exceeds

the limits under the primary policy, the excess or umbrella policy becomes effective to cover such loss.

- E. Personal Property. Personal property insurance with "Special Form Causes of Loss" coverage adequate to cover the replacement cost of all of Licensee's stock in trade, fixtures, furniture, furnishings, floor coverings and equipment in the Licensed Premises, with a deductible not exceeding \$1,000.00 per occurrence and with the insurer's waiver of any coinsurance provisions.
- F. Evidence of Insurance. Licensee shall, within ten (10) days after execution and delivery of this Agreement by Licensee and, thereafter, within ten (10) days after receipt of a request from the District, furnish the District with certificates of insurance acceptable to the District and, if requested by the District, applicable policy endorsements executed by a duly-authorized representative of each insurer, evidencing compliance with the insurance requirements of this Section 12.

The District shall be responsible for maintaining property insurance covering damage to or destruction of the Subject Property, including the Licensed Premises (but specifically excluding Licensee's personal property, equipment and contents).

SECTION 13. RENEWAL. If Licensee (i) has substantially complied with its obligations under this Agreement during the Term; and (ii) is not in Default of this Agreement under Section 15.A below, Licensee may renew the Term, upon the terms and conditions contained herein, for three (3) additional periods (each, a "Renewal Period") of ten (10) years each by providing the District with written notice of such intent not less than twelve (12) months before expiration of the Term. If Licensee fails to timely provide the District with such written notice, then Licensee will have no renewal rights, the parties acknowledging that time is of the essence with respect to Licensee's delivery of such notice.

SECTION 14. HOLDING OVER. If Licensee retains possession of the Licensed Premises or any part thereof after the date upon which the Term expired or this Agreement otherwise terminated (the "Expiration Date"), the District shall send to Licensee, at the District's option, within thirty (30) days after the Expiration Date, either (i) a notice or other writing stating the District's intention to recover possession of the Licensed Premises under the Illinois Forcible Entry and Detainer laws (735 ILCS 5/9-101, *et seq.*), any successor or applicable statutes, or any applicable common law doctrine (an "Eviction Notice") or (ii) a written notice (a "Holdover Notice") that such holding over constitutes either (a) an extension of the Term for ten (10) years, during which, each year Licensee shall pay a Base License Fee equal to 110% of the Base License Fee payable as of the Expiration Date (b) an extension of the Term for one (1) year, and from year to year thereafter, during which, each year Licensee shall pay (I) a Base License Fee equal to 125% of the Base License Fee payable as of the Expiration Date or (c) an extension of the Term on a month-to-month basis, during which, each month Licensee shall pay (I) a Base License Fee equal to 150% of the Base License Fee payable as of the Expiration Date. If the District does not timely serve an Eviction Notice or a Holdover Notice, then the District will be deemed to have sent a Holdover Notice selecting an extension of the Term on a month-to-month basis, with License Fees payable as set forth above.

SECTION 15. TERMINATION.

A. District's Right to Terminate for Default. If, at any time during the Term (i) Licensee fails to comply with or fulfill any of the terms or conditions of this Agreement, including without limitation failure to complete any of its obligations or failure at any time to timely pay any License Fee or other amounts due to the District under this Agreement (each, a "Default"); and (ii) Licensee fails to remedy such Default

within 30 days after receiving written notice thereof, then the District shall have the right, but not the obligation, to terminate this Agreement.

B. Licensee's Right to Terminate. Licensee shall have the right to terminate this Agreement at any time by providing the District with a one (1) year written notice of termination.

C. Casualty. If the Building is damaged by fire or any other casualty, the District, at its expense, shall promptly repair the damage and restore the Building to the condition that existed immediately prior to the fire or other casualty, except as hereinafter provided (such repairs, "Casualty Repairs"); provided, however, that the Casualty Repairs shall not include, and the District shall have no obligation to repair or restore, any or Licensee's improvements, fixtures, equipment or personal property. However, if the Building is damaged by fire or any other casualty to an extent that the Casualty Repairs would cost fifty percent (50%) or more of the value of the Building as determined by the District in its commercially reasonable judgment, or in the event that the time estimated to perform the Casualty Repairs exceeds one (1) year from the date of the fire or other casualty, as determined by the District in its commercially reasonable judgment, the District or Licensee may elect to terminate this Agreement upon giving notice of such election in writing to the other party within sixty (60) days after the occurrence of the fire or casualty causing the damage, whereupon this Agreement shall terminate and shall be of no further force or effect. If this Agreement is terminated pursuant to this Section 15, all rights granted to Licensee hereunder shall immediately revert to the District, and the District shall immediately upon such termination have the full right to use the Licensed Premises in any manner whatsoever."

D. Reversion of Rights. If this Agreement is terminated pursuant to this Section 15, all rights granted to Licensee hereunder shall immediately revert to the District, and the District shall immediately upon such termination have the full right to use the Licensed Premises in any manner whatsoever. Licensee shall have the right to remove any non-fixtures from the Licensed Premises prior to any effective termination date.

SECTION 16. INDEMNIFICATION. Except to the extent attributable to the negligence or intentional acts or omissions of the District or its commissioners, officers, agents, or employees, Licensee shall hold harmless, indemnify and defend the District, its commissioners, officers, agents, attorneys and employees against any and all losses, expenses, claims, costs, causes and damages, including without limitation litigation costs and attorneys' fees, on account of any personal injuries or death or damages to property either (i) occurring within the Licensed Premises, or (ii) arising from, occurring, growing out of, incident to, or resulting directly or indirectly from the Licensee's negligent, reckless or intentional misconduct (collectively, "Claims"), including without limitation, Claims related to Section 10 above or otherwise related to Laws concerning Hazardous Materials. The obligations of Licensee pursuant to this Section 16 shall not be limited by the amounts of any insurance provided by Licensee, including the insurance provided pursuant to Section 12 of this Agreement.

Except to the extent attributable to the negligence or intentional acts or omissions of Licensee or its Board members, officers, agents, or employees, the District shall hold harmless, indemnify and defend Licensee, its Board members, officers, agents, attorneys and employees against any and all losses, expenses, claims, costs, causes and damages, including without limitation litigation costs and attorneys' fees, on account of any third party claims for any personal injuries or death or damages to property occurring in areas of the Subject Property to the extent attributable to the District's negligent, reckless or intentional misconduct. The obligations of District pursuant to this Section 16 shall not be limited by the amounts of any insurance provided by District.

SECTION 17. PROPERTY TAXES.

A. Obtaining Exemptions. The District and Licensee shall take all action to obtain, establish and maintain exemptions ("Exemptions") from all ad valorem and other property taxes that may be levied

against the Licensed Premises, the License, or the Subject Property (“Property Taxes”). Without limiting the preceding sentence, the District, with Licensee's assistance and participation, will annually submit necessary reports to appropriate tax assessors and any other appropriate governmental agency or official (collectively, the “Assessor”) as required to establish that the Licensed Premises, the License, and the Subject Property are entitled to Exemptions.

B. Licensee’s Obligation to Pay Property Taxes. If the Assessor determines that the Licensed Premises, the License, or the Subject Property are not entitled to Exemptions, then Licensee shall pay all Property Taxes and any retroactive charges, interest, or penalties due as a result of late payment (“Other Tax Charges”).

C. Licensee’s Right to Terminate. Within thirty (30) days after Licensee first receives notice that the Assessor has determined that the Licensed Premises, License, or Subject Property are not entitled to Exemptions, Licensee may terminate this Agreement by providing the District with (i) a written notice identifying the effective date of termination, which shall be no later than ninety (90) days after Licensee first receives such notice of the Assessor’s determination, (ii) payment in full of all Property Taxes and Other Tax Charges that are then due and owing according to tax bills received by the District or Licensee, and (iii) 110% of the parties’ good faith estimate of any additional Property Taxes and Other Tax Charges that will be due and owing for any portion of the Term prior to the effective date of termination (an “Estimated Tax Payment”). After all Property Taxes and Other Tax Charges are due and owing, according to tax bills received by the District or Licensee, the parties will work cooperatively in good faith to make such payments to each other as are necessary to ensure that (i) Licensee has paid the actual amount of Property Taxes and Other Tax Charges, as determined by the tax bills and (ii) the District has been made whole by Licensee for any Property Taxes and Other Tax Charges that it has paid.

D. Survival. The obligations and rights contained in this Section 17 shall survive the expiration of the Term or earlier termination of this Agreement.

SECTION 18. ENTRY. The District, including its commissioners, officers, agents, attorneys and employees, may at any reasonable time enter the Licensed Premises to inspect the Building to ensure compliance with this Agreement, provided that the District shall use commercially reasonable efforts to minimize disruption interference with Licensee’s operations or events during any such entry and inspection, to the extent practicable under the circumstances. The District shall provide written notice to Licensee in advance of any proposed entry, except in the case of an emergency.

SECTION 19. KEYS AND LOCKS. Licensee shall not change, alter or replace any locks on the Building without prior written approval from the District’s Executive Director, such approval not to be unreasonably withheld or delayed. Any locks installed, and any keys, means or devices to operate the locks, shall become the property of the District. Licensee shall deliver a duplicate copy of all keys or other means or devices to operate the locks to the District.

SECTION 20. SECURITY SERVICES. The District shall provide ranger police or other security services for the Subject Property that are similar in scope to those provided by the District for other general use forest preserves owned by the District. If the District determines that additional security services are necessary, or if Licensee requests additional security services, then Licensee shall reimburse the District for the cost of such additional services

SECTION 21. TIME OF ESSENCE. Time is of the essence in the performance of all of the obligations of this Agreement.

SECTION 22. ASSIGNMENT; USE BY OTHERS. Licensee shall not, without the prior express written approval of the District, which approval may be withheld in the sole discretion of the District, (i) re-license

the Licensed Premises or any part thereof or (ii) assign this Agreement or any of Licensee's rights or obligations under this Agreement. If Licensee desires to allow another person or entity to use the Licensed Premises for (i) any use that will include the payment to Licensee of a user fee or any other consideration; or (ii) an event, meeting, social gathering, or other similar use, such use may be permitted, but only in accordance with a separate agreement or permit between such user and Licensee in a form approved by Licensee and the District's Executive Director (a "User Agreement"). The District shall permit Licensee to engage its third-party food service vendor to provide golf snack bar services and course beverage cart liquor, beer and beverage sales, subject to a contract in form and content approved by the District, such approval not to be unreasonably withheld or delayed.

SECTION 23. APPLICABLE LAW.

- A. General Requirements. This Agreement shall be interpreted under and governed by the Laws of the State of Illinois, without regard to conflict of law principles.
- B. Work.
 - i. County Building Codes. In accordance with Section 20 of the Downstate Forest Preserve District Act, 70 ILCS 805/20, and District Ordinance No. 2257 enacted pursuant thereto, Licensee shall perform Licensee's Maintenance Work, any Approved Work, and any Major Repair Work that Licensee elects to perform, in accordance with the building codes and regulations of the County of Lake, and not that of any municipality.
 - ii. Prevailing Wage; Public Bonds. If any Licensee's Maintenance Work, Approved Work, Major Repairs, or Casualty Repairs that are performed by Licensee would, if performed by the District, be subject to the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 (the "Prevailing Wage Act") then Licensee shall procure each contract for such covered work in accordance with the Prevailing Wage Act. Without limiting the preceding sentence, Licensee shall notify all bidders for such covered work that they will be required to pay prevailing hourly wages to all laborers, mechanics and other workers for all covered work. If any Licensee's Maintenance Work, Approved Work, Major Repairs, or Casualty Repairs that are performed by Licensee would, if performed by the District, be subject to the Illinois Public Construction Bond Act, 30 ILCS 550/0.01 (the "Bond Act"), then Licensee shall procure each contract for such covered work in accordance with the Bond Act. Without limiting the preceding sentence, Licensee shall require each contractor performing the covered work to obtain and post a completion bond and material and labor payment bond.

SECTION 24. ENFORCEMENT COSTS. In the event either party hereto institutes legal action or proceedings to enforce the obligations of the other party under this Agreement, the non-prevailing party shall reimburse the prevailing party for all reasonable attorney fees and costs incurred in connection therewith.

SECTION 25. ENTIRETY. This Agreement merges and supersedes all prior negotiations, representations and agreements between Licensee and the District and constitutes the entire agreement between the parties as to their respective rights relative to the Licensed Premises. No prior agreement or understanding pertaining to any such matter or activity shall be effective for any purpose.

SECTION 26. SEVERABILITY; WAIVER. If any provision of this Agreement shall be held invalid, the validity of any other provision contained herein that can be given effect without such invalid provision shall not be affected thereby. The waiver of one breach of any term, condition, covenant or obligation of this Agreement shall not be considered to be a waiver of that or any other term, condition, covenant or obligation or of any subsequent breach thereof.

SECTION 27. NOTICES. All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed received by the addressees thereof when delivered in person or by email on a business day at the address set forth below or on the third business day after being deposited in any main or branch United States post office, for delivery at the address set forth below, by properly addressed, postage prepaid, certified or registered mail, return receipt requested.

Notices and communications to the District shall be addressed to, and delivered at, the following address:

Lake County Forest Preserve District
1899 West Winchester Road
Libertyville, IL 60048
ATTN: Executive Director
Email: akovach@lcfpd.org

Notices and communications to the Licensee shall be addressed to, and delivered at, the following address:

Community College District No. 532
College of Lake County
19351 W. Washington Street
Grayslake, IL, 60030
ATTN: Vice President of Business Services and Finance
Email: kgotsch@clcillinois.edu

By notice complying with the requirements of this Section, each party may change the address or addressee or both for all future notices to it, but no notice of a change of address or addressee shall be effective until actually received. This provision will not invalidate any notice that is actually received.

SECTION 28. LICENSE ONLY GRANTED. This Agreement grants only a license to use the Licensed Premises under the terms and conditions stated above. Nothing in this Agreement shall be construed to convey to Licensee a lease, easement, or any other legal or equitable interest in the Licensed Premises or the Subject Property. If the District breaches this Agreement, then Licensee shall have no right of specific performance against the District.

[SIGNATURE PAGE TO FOLLOW]

The parties have caused this Agreement to be executed on the dates set forth below, but effective as of the Effective Date.

COLLEGE OF LAKE COUNTY

By: _____
Name: _____
Title: _____

Date: _____

WITNESS:

By: _____
Name: _____
Title: _____

Date: _____

LAKE COUNTY FOREST PRESERVE DISTRICT

By: _____
Angelo Kyle
President

Date: _____

ATTEST:

By: _____
Julie Gragnani
Board Secretary

Date: _____

Exhibit A

Page 1

Legend



Subject Property

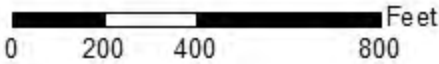


The Building

Lake County Forest Preserve District
1899 W Winchester Rd
Libertyville, Illinois 60048
847-968-3351
www.lcfd.org

Courtesy Copy Only.
Property boundaries indicated are provided
for general location purposes. Wetland
and flood limits shown are approximate and
should not be used to determine setbacks for
structure or as a basis for purchasing property.

Prepared using information from Nearmap
& Lake County Department of Information
and Technology: GIS/Mapping Division
18 North County Street
Waukegan, Illinois 60085-4357
847-377-2373



2020 Air Photo

Map Prepared 29 October 2020



Exhibit A
Page 2

Legend



The Building



The Licensed Premises

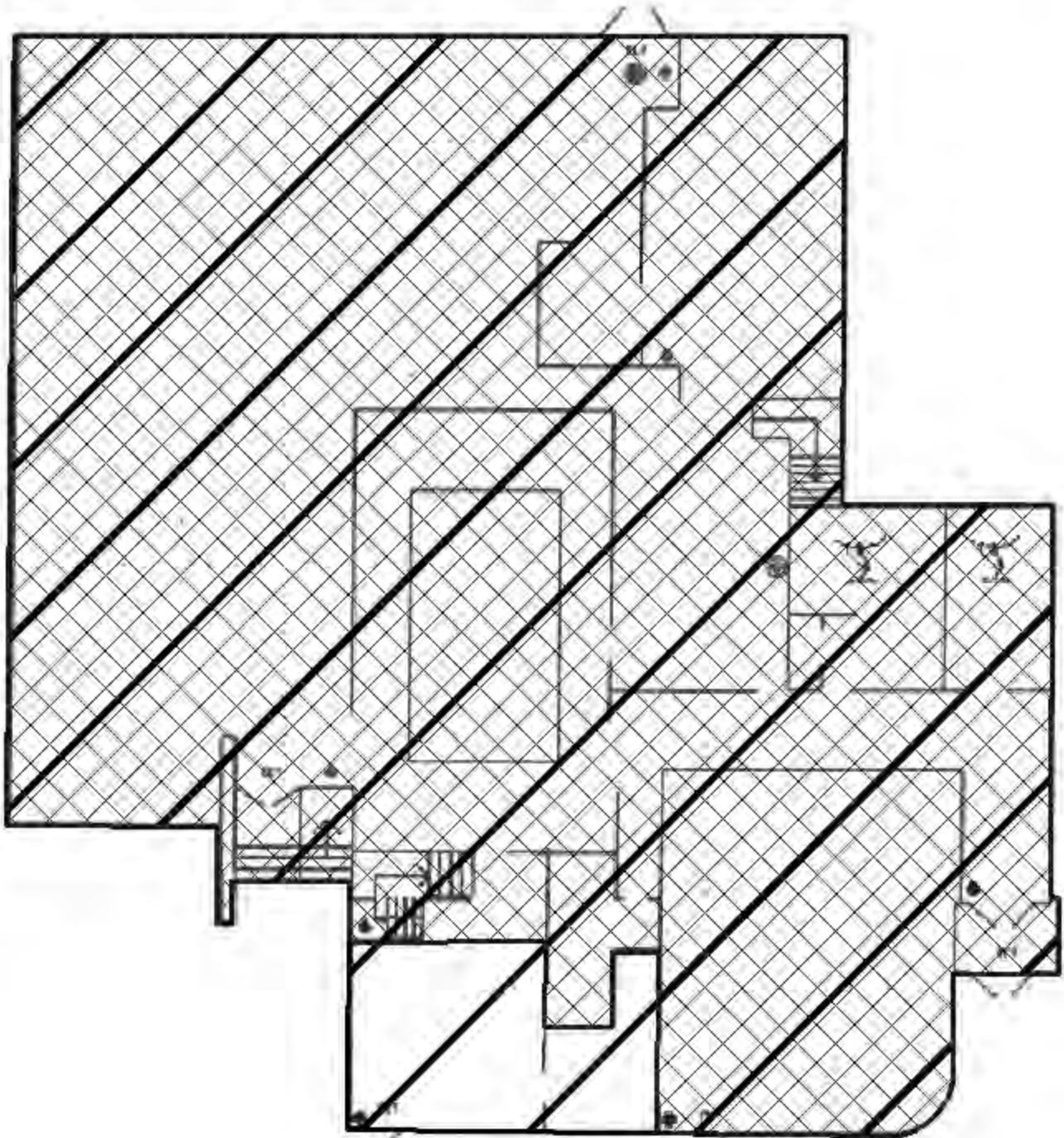


Exhibit B

Legend



Golf Pro Shop

