

APPROVE ENTERING INTO AN AGREEMENT WITH M&L MANAGEMENT, INC. FOR PROPERTY MANAGEMENT SERVICES

FOR F

ON:

THE COUNSEL TO THE BOARD OF TRUSTEES APPROVES THE FOLLOWING DECISION:

Property Council, Inc., (the "Vendor") has submitted a proposal to provide property management services for the 125 South Clark Building ("the Building") at a cost not to exceed \$516,000 per year, plus expenses, for a two year contract period. Vendor was selected pursuant to a duly advertised Request for Proposals (Specification No. 01-250284A). A written agreement for Consultant's services is currently being prepared, which will be executed by the Board of Trustees and the Vendor within 90 days of the execution of this Board Resolution. Information on this matter has been reviewed by the Board of Trustees.

SPECIFICATION NO.: 01-250284-AManagement, Inc.
Avenue, Suite 40020 North Michigan
Chicago, IL 60602
William J. Vail
312-456-7000
Vendor #44266Operations
16th Floor**USER:**Department of Operations
125 South Clark –
Chicago, IL 60603Contact Person: Rebecca Wrospan
Phone: (773) 553-2909

SCOPE OF SERVICES: To provide property management services including maintenance and operations of the Building as follows:

Management Services

- 1) Supervise, and oversee all administration and operation of the Building;
- 2) Hire, supervise and oversee the building engineers;
- 3) Provide full financial accounting and reporting of all revenues and expenses for the building;
- 4) Manage and coordinate all maintenance and repair work;
- 5) Manage and coordinate relations with property occupants, including administration of leases, communication with occupants, recording of rent collections, and provision of responsive occupant services;
- 6) As directed by U.S., administer interface with and coordinate the performance of services by vendors who have contracts with ODS for the building.

12) Develop and maintain a database containing all the information and records regarding facility regulatory compliance:

13) Advise the Board on an ongoing basis as to building code compliance, environmental contamination and the Americans with Disabilities Act (ADA) compliance.

14) Cooperate with the Board's leasing agent and Real Estate Department with respect to all marketing and leasing efforts.

15) Assist the Board in maintaining the Property in accordance with industry standards.

16) Maintain Property accounts per appropriate industry standards.

17) Pay CPS for rent, operating, tax, Build-out and other expenses as needed and timely.

18) Manage building recycling program in accordance with the City of Chicago ordinance.

Portfolio Management

1) Monitor lease renewals and options.

2) Give timely notification and advice regarding lease renewal timelines or the exercise of lease options.

3) Analyze, benchmark and supply market data to support proposed leasing transactions and recommendations.

4) Make recommendations for reduction of CPS occupied space or increase of CPS occupied space.

Marketing

1) Promote the Building with an emphasis on its unique features and benefits.

2) Assist in the preparation of marketing materials.

Auditing

1) As requested, compose audit reports on selected operations for the Board, determining and identifying any discrepancies.

2) Provide monthly reports on the status of assignments, including project timelines and action plans.

ACCOUNTABILITY: U.S. Equities will provide full financial accountability and reporting of income and expenses of the Building and prepare the annual operating and capital expenditure budget relating to the property management agreement.

DELIVERABLES:

expenses:

Building under the PMA.

OUTCOMES: The services of U.S. Equities under the Property Management Agreement will enable the Building to operate on a day-to-day basis.

COMPENSATION: Vendor shall be paid in accordance with the rates set forth in the contract, not exceeding the amount of \$516,000.00 for the term of the contract.

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Operating Officer to execute all ancillary documents required to administer or effectuate this agreement.

22% Black; 10% Hispanic; 2% Asian; and 6% WBE.

W: Local School Council approval is not applicable to this report.

LSC REVIEW

: Charge to Operations: \$258,000

Fiscal Year: FY03

FINANCIAL

Budget Classification: 0045 552 000 4402 5410 **Source of Funds: 552**

Leasing Commission shall b

be paid from rental income.

GENERAL CONDITIONS