

## OFFICE OF THE ILLINOIS STATE TREASURER MICHAEL W. FRERICHS

## EMERGENCY PROCUREMENT AFFIDAVIT OF JIM UNDERWOOD

I, Jim Underwood, Chief Procurement Officer ("CPO"), being duly sworn upon oath, state that I have personal knowledge of the facts set forth herein, state as follows:

- 1. My name is Jim Underwood. I am employed by the Office of the Illinois State Treasurer ("Treasurer") as CPO.
- 2. The name of the contractor involved with this emergency procurement is The Chicago Title Land Trust Number 3506294.
- 3. The amount expended will be a monthly rent of \$53,164.90.
- 4. The term of the contract will be month-to-month, beginning July 1, 2019. The Treasurer anticipates terminating this lease extension during State fiscal year 2020.
- 5. With regard to the nature of the contract, this is an extension of the Treasurer's existing lease of the premises known and described as Suite 305 (consisting of 7,445 square feet), Suite 401 (consisting of 25,117 square feet), and an area of the basement (consisting of 3,482 square feet) of rentable office space in the Illinois Business Center located at 400 West Monroe Street in the City of Springfield.
- 6. The conditions and circumstances requiring the emergency procurement are as follows:

An emergency procurement of the lease extension at 400 W. Monroe, Springfield, Illinois, is required in accordance with Section 1400.2030(a)(3) of the Office of the Treasurer Procurement Rules ("Rules"), "to prevent or minimize serious disruption in the operation of the Treasurer's office," 44 Ill. Adm. Code 1400.2030(a)(3). As explained below, serious disruption of the operation of the Treasurer's Office would occur absent this lease extension.

As way of background, the Treasurer prepared legislation during session in 2018 (Senate Bill 2921, "SB2921") seeking to authorize the purchase of real estate in Springfield, Illinois, for office space. Despite passing with overwhelming bipartisan majorities in both chambers of the General Assembly, SB2921 was amendatorily vetoed by the Governor.

State Capitol Room 219 Springfield, 1L 62706 Phone: (217) 782-2211 Fax: (217) 785-2777 TTY: (866) 877-6013 James R. Thompson Center 100 West Randolph Street Suite 15-600 Chicago, IL 60601 Phone: (312) 814-1700 Fax: (312) 814-5930

Illinois Business Center 400 West Monroe Street Suite 401 Springfield, 1L 62704 Phone: (217) 782-6540 Fax: (217) 524-3822 Myers Building One West Old State Capitol Plaza Suite 400 Springfield, 1L 62701 Phones (217) 785-6998 Faxs (217) 557-9365 TTV, (966) 977 6013 This veto was entered August 28, 2018, 89 days after both houses passed SB2921. At that point, there was insufficient time to publicly solicit, prepare for occupancy, and ultimately move staff and operations into a new location prior to the June 30, 2019 expiration of the existing lease, which will, at that point, have been in place for ten years.

In a further effort toward cost savings, OST then began evaluating the possibility of acquiring other real estate in Springfield, Illinois for office space, at a nominal cost. In this process, OST located a building that it has the opportunity to acquire. As a result, OST seeks similar legislation during the current legislative session, Senate Bill 1932 ("SB1932"), that would authorize OST to acquire such real property. Having secured bipartisan support of SB1932, OST anticipates approval of the legislation, at which time OST will move operations into a facility it owns.

Absent this extension, OST would need to locate a new office space<sup>1</sup>, move its 80 employees to the new space, and set up all related technology and infrastructure. As noted above, all these efforts would be for a limited duration due to the anticipated acquisition of real estate by OST, which will house all of the Treasurer's Springfield staff. Thus, absent this extension, the staff in the Monroe office would be required to move twice in a short period and both moves would require significant costs and efforts to move staff and set up and prepare a new site for occupancy. In order to avoid such undue disruption of the operations of the Treasurer's Office, this emergency procurement is required. *See* 44 Ill. Adm. Code 1400.2030(a)(3). By entering into this lease extension OST is taking the "action [that] is needed to prevent or minimize serious disruption in the operation of the Treasurer's office."

**IN WITNESS WHEREOF**, I have executed this Emergency Procurement Affidavit on May 13,

2019. Jim Underwood, Chief Procurement Officer STATE OF ILLINOIS ) ) SS.

COUNTY OF SANGAMON )

OFFICIAL SEAL KATHALEEN G. PAINTER Notary Public - State of Illinois My Commission Expires 5/15/2020

The foregoing Emergency Procurement Affidavit was acknowledged before me on May 13, 2019, by Jim Underwood, Chief Procurement Officer.

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<sup>&</sup>lt;sup>1</sup> Because this lease extension will allow OST to continue to utilize its current office space rather than make multiple large moves and prepare a new space for mere temporary occupancy, the property for which the lease is being extended also represents "specialized space available at only one location," an exception to the general request for information process for procuring leases, 44 III. Adm. Code 1400.2040(a)(4).