

**RATIFY A LEASE AGREEMENT WITH THE UNIVERSITY OF  
CHICAGO CHARTER SCHOOL CORPORATION FOR USE OF SPACE AT  
THE SHAKESPEARE SCHOOL BUILDING AT 1119 EAST 46<sup>TH</sup> STREET**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Ratify a lease agreement with The University of Chicago Charter School Corporation, as tenant, for rental of a portion of the Shakespeare School located at 1119 East 46<sup>th</sup> Street. A written lease agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written lease agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this lease agreement is stated below.

**TENANT:** The University of Chicago Charter School Corporation  
c/o The University of Chicago  
5801 South Ellis Avenue  
Chicago, IL 60637  
Contact: Henry Webber, Vice President for Community Affairs  
Phone: 773/702-3627

**LANDLORD:** Board of Education of the City of Chicago

**PREMISES:** Tenant shall occupy a portion of the Shakespeare School, 1119 East 46<sup>th</sup> Street, consisting of that section of the Building commonly called the 1953 building, a computer room known as Room No. B-104, and certain shared common areas as more fully defined in the lease agreement. The Landlord shall occupy the remainder of the Building and operate the Ariel Community Academy.

**USE:** Tenant shall use the Premises to operate the North Kenwood/Oakland Charter School and related educational and community programs, and for no other purpose. Tenant shall have unrestricted access to the Premises, except for the shared common facilities. A basic usage schedule for shared common facilities shall be mutually created and agreed upon between the principals of the North Kenwood/Oakland Charter School and Ariel Community Academy by May 1<sup>st</sup> of each academic year.

**TERM:** The lease term commenced on August 17, 2000, and shall end June 30, 2003; however, this lease shall automatically terminate on any such date as the Charter School Agreement is terminated. In the event that the Charter School Agreement for North Kenwood/Oakland Charter School is renewed, this Lease shall automatically renew at the end of the term and shall continue for a term to run concurrently with the term of tenant's Charter School Agreement renewal.

**RENT:** In lieu of rental payments for the Premises, Tenant shall make an annual payment directly to the University of Chicago to be used by the University of Chicago exclusively to support the University of Chicago assistance programs in nearby Chicago public elementary and high schools. The University of Chicago shall provide the Board with its written acknowledgement and agreement to so use such funds. This support payment shall be in the amount of \$99,000 for the 2000-2001 academic year and increase to \$126,632 in the 2001-2002 academic year. Thereafter, the payment will be based on the 2001-2002 figure, adjusted annually for inflation of 3%. The Chief Education Officer of the Board and the Vice President for Community Affairs will meet annually to develop a plan for the use of these funds. Tenant shall provide the Board with written evidence showing this monetary transfer on an annual basis.

**MAINTENANCE & OPERATIONS:** The Landlord shall provide heat, electric, normal maintenance, trash removal, general security and janitorial services.

**INSURANCE/INDEMNIFICATION:** Landlord and Tenant are each self-insured and agree to maintain general liability, property damage, workers' compensation, and employer's liability insurance in sufficient amounts for the purpose of this Lease.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written lease agreement. Authorize the President and Secretary to execute the lease agreement. Authorize the General Counsel to execute any ancillary documents related to this Lease.

**AFFIRMATIVE ACTION:** Exempt.

**LSC REVIEW:** LSC approval is not applicable to this action.

**FINANCIAL:** No direct income to the Board.

**GENERAL CONDITIONS:**

Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members During the one year period following expiration or other termination of their terms of office.

Indebtedness - The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

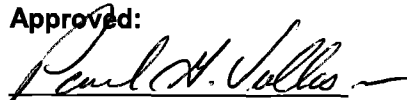
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

**Approved for Consideration:**



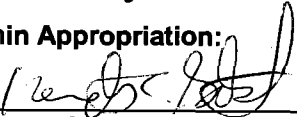
Timothy Martin  
Chief Operating Officer

**Approved:**



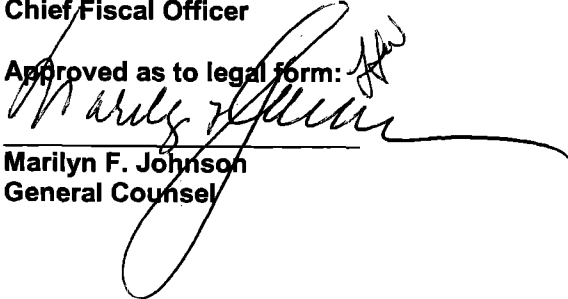
Paul G. Vallas  
Chief Executive Officer

**Within Appropriation:**



Kenneth C. Gotsch  
Chief Fiscal Officer

**Approved as to legal form:**



Marilyn F. Johnson  
General Counsel