

**AUTHORIZE PARTICIPATION OF THE CHICAGO PUBLIC SCHOOLS IN THE
GALLERY 37 PROJECT- BLOCK 37 AND APPROVE ENTERING INTO A
LICENSE AGREEMENT WITH FJV JOINT VENTURE**

THE CHIEF FINANCIAL OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the participation of the Chicago Public Schools in the Gallery 37 Project-Block 37 during the period of June 25, 2001 through August 17, 2001, and approve entering into a license and indemnification agreement with FJV Venture for the use of Block 37 site.

DESCRIPTION OF PROGRAM: Gallery 37 is a job training and art education program. Gallery 37 opens on State Street on June 25, 2001, and will provide approximately 650 Chicago high school students with on-the-job training in the visual, performing, and literary arts. Student workshops will be in session beginning Monday, June 25 to Friday, August 17, 2001. Workshops will be scheduled to run Monday through Friday, 10:00 a.m. to 4:00 p.m., and Saturdays, 10:00 a.m. to 4:00 p.m. Students will learn aesthetic appreciation, acquire technical abilities, and establish essential work skills that they will carry with them for life. Visual arts activities will involve printmaking, silk screening, and other hands-on-activities. Performing and literary arts activities will include music, dance, drama, play writing, photography, and other activities. The mentoring portion of the program involves networking the Chicago Public Schools with the contributions and services of over 50 companies. Over 2,000 people contribute to the Gallery 37 program.

AGREEMENT: The Chicago Public Schools' participation in Gallery 37 is contingent upon the execution of a License and Indemnification Agreement with FJV Joint Venture, the owner of the Block 37 property. The City of Chicago will provide liability insurance with limits of not less than \$10 million in support of this license and indemnification agreement.

LSC REVIEW: Not applicable.

AFFIRMATIVE ACTION STATUS: Not applicable.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the licence and indemnification agreement. Authorize the President and Secretary to execute the license and indemnification agreement.

FINANCIAL: No cost 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 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.

Contract 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).

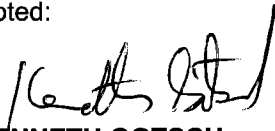
Approve for consideration:


COZETTE BUCKNEY
Chief Education Officer

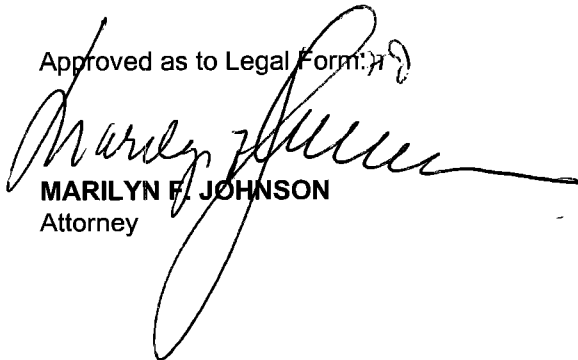
Approved:


PAUL G. VALLAS
Chief Executive Officer

Noted:


KENNETH GOTSCH
Chief Fiscal Officer

Approved as to Legal Form:


MARILYN F. JOHNSON
Attorney