

APPROVE ENTERING INTO A LEASE RENEWAL AGREEMENT WITH NORTHWESTERN UNIVERSITY SETTLEMENT ASSOCIATION FOR USE OF THE GYMNASIUM AT 1400 W. AUGUSTA BLVD.

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a lease renewal agreement with Northwestern University Settlement Association for use of the gymnasium at 1400 West Augusta Blvd. A lease renewal agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a lease renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

LANDLORD: Northwestern University Settlement Association
1400 West Augusta Blvd.
Contact Person: Ron Manderschied
Phone: 773-278-7471
Vendor #31814

TENANT: Board of Education of the City of Chicago
125 S. Clark Street – 16th Floor
Chicago, IL 60603
Contact: Urie Clark, Director, Real Estate
Phone: (773) 553-2950

PREMISES: Allison Gymnasium, 1400 West Augusta Blvd.

ORIGINAL LEASE: The original lease is for a period commencing September 1, 2001 and ending June 30, 2002 (authorized by Board Report 01-0627-OP6) as extended for a term commencing September 1, 2002 and ending June 30, 2003 (authorized by Board Report 02-0828-OP07), and as further extended for a term commencing September 1, 2003 and ending June 30, 2004 (authorized by Board Report 03-0625-OP03).

RENEWAL TERM: The term of this lease shall be for a term commencing on September 1, 2004 and ending June 30, 2005. The parties acknowledge that no rent payments are due for the months of July and August 2004.

USE: The Peabody School does not have a gymnasium and has been using the Allison gymnasium since the school was opened. Peabody School shall have use of the gymnasium from 10:15 a.m. to 2:30 p.m. each school day, for school functions in the evenings, and for special events on a pre-scheduled basis.

RENT: During the term of this lease, tenant shall pay rent in the amount of \$96.39 per day (not to exceed 180 days per school year/\$17,350.20), plus \$2,677.50 for floor maintenance totaling \$20,027.70 for the 10-month period.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the lease renewal agreement. Authorize the President and Secretary to execute the lease renewal agreement.

LSC REVIEW: LSC approval is not applicable to this report.

FINANCIAL: Charge to Peabody School: \$20,027.70
Budget Classification: 5330-552-000-6000-5480

Fiscal Year: 2005

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:



Sean P. Murphy
Chief Operating Officer

Approved:



Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Fiscal Officer

Approved as to legal form:



Ruth Moscovitch
General Counsel