

AMEND BOARD REPORT 04-0623-OP1
**APPROVE ENTERING INTO A LEASE AGREEMENT WITH NEW HOPE LUTHERAN CHURCH FOR
USE OF SPACE AT 6416 S. WASHTENAW**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a lease agreement with New Hope Lutheran Church for use of space at 6416 S. Washtenaw. A written lease agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this lease agreement is stated below.

This amended Board Report is necessary to reflect that the Board will be incurring expenditures for the repair of the roof of the Premises.

LANDLORD: New Hope Lutheran Church
6416 S. Washtenaw
Chicago, IL 60629
Contact: Pastor Paul Anderson
Phone: 773/776-7816

TENANT: Board of Education of the City of Chicago

PREMISES: 6416 S. Washtenaw
Two (2) Offices, and Classrooms 22, 23,24,31,32 and 33 (exclusive use)
Parking Lot, Gymnasium, Cafeteria, Storage (shared use)

USE: To relieve overcrowding at Fairfield Elementary School, Mondays through Fridays 7:00 am through 7:00 pm.

TERM: The term of this lease agreement shall commence on July 1, 2004 and shall end June 30, 2007. The Board shall have two (2) options to renew this lease agreement for periods of one (1) year each.

EARLY TERMINATION RIGHT: At any time after June 30, 2007, either party may terminate the Lease upon the delivery of ninety (90) days prior written notice to the other party.

RENT: The annual rent for the first year of the lease shall be \$92,000.00, payable in monthly installments of \$7,666.67, with annual increases of three (3%) percent on the anniversary date of each subsequent year of the lease.

REPAIRS: The Board shall reimburse Landlord in the sum of \$20,000 for repairs to the roof of the Premises.

MAINTENANCE: Landlord shall be responsible for all maintenance, utilities, and snow removal at the premises. Landlord will provide one full-time and one part-time maintenance person per day.

INSURANCE/INDEMNIFICATION: The Board shall provide for liability insurance under its self-insured coverage.

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 all ancillary documents required to administer or effectuate this lease agreement.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL:	Charge to Fairfield School: \$92,000.00	Fiscal Year: 2005
	Budget Classification: 4660-0643 -552-000-6000-5480	
	Charge to Operations: \$20,000	Fiscal Year: 2005
	<u>Budget Classification: 4660-445-000-9453-5400</u>	

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.

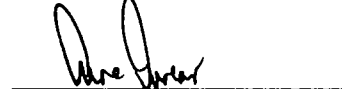
Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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 Financial Officer

Approved as to legal form: 


 Ruth M. Moscovitch
 General Counsel