

**APPROVE A LEASE AGREEMENT WITH
CHICAGO KOREAN-AMERICAN CHAMBER OF COMMERCE
FOR RENTAL OF SPACE LOCATED AT 3256 WEST BRYN MAWR**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve a lease agreement with Chicago Korean-American Chamber of Commerce for rental of space located at 3256 West Bryn Mawr for the Peterson Pre-K program. 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 is stated below.

LANDLORD: Chicago Korean-American Chamber of Commerce
5601 N. Spaulding Avenue
Chicago, IL 60659
Contact Person: Ray Kim
Phone: 773-583-1700

TENANT: Board of Education of the City of Chicago

PREMISES: 3256 West Bryn Mawr, Chicago, Illinois, consisting of 1,600 sq. ft. of space, including one washroom facility, with a private entrance and rear exit.

USE: To house a State Pre-Kindergarten Program for Peterson Elementary School located at 5510 N. Christiana Avenue.

TERM: The term of this lease agreement shall commence on July 1, 2006, and shall end June 30, 2009.

RENT: The Board shall pay the following rent:

<u>Year</u>	<u>Monthly Fee</u>	<u>Annual License Fee</u>
7/1/06-6/30/07	\$1,584.28	\$19,011.36
7/1/07-6/30/08	\$1,631.81	\$19,581.72
7/1/08-6/30/09	\$1,680.76	\$20,169.12

ADDITIONAL RENT: The Board shall pay the Licensor for the actual real estate taxes on the Premises, which are currently \$5,619.48 per year, payable in equal monthly installments, to be adjusted to reflect actual taxes.

UTILITIES: The Board shall be responsible for all utility services.

MAINTENANCE: The Board shall keep the Premises in good order and repair including windows, doors, heating, electrical, plumbing and HVAC. The Landlord shall keep the foundations, roof and structural portions of the walls of the Premises in good order and repair.

JANITORIAL: The Board shall be responsible for all janitorial services.

RELATED EXPENSES: There are no related expenses as the Board is currently occupying these Premises under a previous lease agreement.

INSURANCE/INDEMNIFICATION: Insurance and indemnifications requirements shall be negotiated by the General Counsel.

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: \$24,630.84 Fiscal Year: 2007
Budget Classification: 0643-552-000-6000-5480

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.

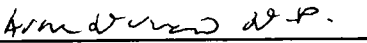
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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.

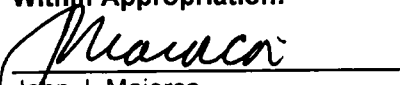
Approved for Consideration:


Sean P. Murphy
Chief Operating Officer


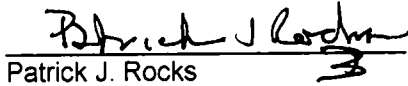
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


John J. Maiorca
Chief Financial Officer

Approved as to legal form:



Patrick J. Rocks
General Counsel