

**APPROVE ENTERING INTO A LEASE AGREEMENT WITH
LEARN CHARTER SCHOOL FOR USE OF
THE CHALMERS SCHOOL BUILDING AT 2745 W. ROOSEVELT**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a lease agreement with LEARN Charter School, as tenant, for rental of a portion of the Chalmers School located at 2745 W. Roosevelt. 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: LEARN Charter School
1132 S. Homan
Chicago, IL 606
Contact: Greg White, Executive Director
Phone: 773-826-6330

LANDLORD: Board of Education of the City of Chicago Public School

PREMISES: Tenant shall share the land and building located at 2745 W. Roosevelt (Chalmers School) with a Chicago Public School, as more fully identified in a Shared Usage Agreement to be attached to the Lease.

USE: Tenant shall use the Premises to operate a charter school campus and related educational and community programs, and for no other purpose. Tenant shall have unrestricted access to the Premises.

TERM: The lease term shall commence on July 16, 2008, and shall end July 15, 2011; however, this lease shall automatically terminate on any such date as the Charter School Agreement is terminated.

RENT: \$1.00 per year.

MAINTENANCE & OPERATIONS: The Board shall be responsible for and shall pay operating expenses because the Tenant is in a shared facility with a traditional Chicago Public School. The Board shall deduct from the "per pupil allocation" made by the Board to the Tenant the cost of providing such operating expenses (the "Facilities Deduction"). For the 2008-2009 school year, the Facilities Deduction shall be \$930.00 per elementary student and \$1,351.00 per high school student and will be subject to increase as the Board's costs increase. The Facilities Deduction will be taken from the Tenant's first and fourth quarterly per pupil allocation payment.

INSURANCE/INDEMNIFICATION: Insurance and indemnification provisions 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 Chief Operating Officer to determine the allocation of responsibility of various maintenance and other services and to execute any and all ancillary documents related to this Lease.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: Rent payable to the General Fund.

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.

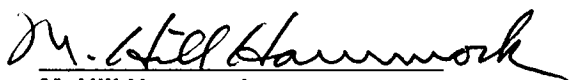
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

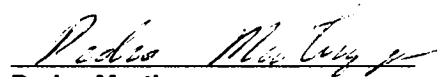
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



**M. Hill Hammock
Chief Operating Officer**

Within Appropriation:



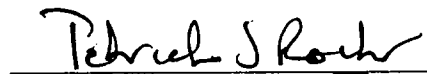
**Pedro Martinez
Chief Financial Officer**

Approved:



**Arne Duncan
Chief Executive Officer**

Approved as to legal form: 



**Patrick J. Rocks
General Counsel**