

**AMEND BOARD REPORT 09-0527-OP3**  
**RATIFY ENTERING INTO A SCHOOL FOOD SERVICES AGREEMENT AND APPROVE ENTERING INTO A LEASE AGREEMENT WITH NOBLE NETWORK OF CHARTER SCHOOLS FOR LEASE OF A PORTION OF THE CREGIER SCHOOL BUILDING, 2040 WEST ADAMS**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into a lease agreement with Noble Network of Charter Schools for lease of a portion of the Cregier School Building, 2040 West Adams. A written lease agreement is currently being negotiated. Possession of the Premises will not be granted to the Charter School until the lease agreement is fully executed. 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.

This amended Board Report is necessary to amend the Lease to include a School Food Services Agreement as an exhibit to the Lease and to ratify entering into the School Food Services Agreement. An amendment to the Lease and a Food Services Agreement are currently being negotiated. The authority granted herein shall automatically rescind in the event both documents are not executed with 90 days of the date of this amended Board Report.

**TENANT:** Noble Network of Charter Schools  
1010 N, Noble Street  
Chicago, IL 60622  
Contact: Michael Milkie, Superintendent  
Phone: 773-862-1449

**LANDLORD:** Board of Education of the City of Chicago

**PREMISES:** The Premises shall consist of a portion of the building located at 2040 West Adams (Cregier School) to be determined by a Memorandum of Sharing Agreement that shall be made a part of the Lease. As of July 1, 2012, Tenant shall be entitled to the use of the entire building and grounds. The Board approved Tenant's occupancy of this site on March 25, 2009, pursuant to Board Report 09-0325-EX14; therefore, this possession of a CPS facility by a Charter School is in compliance with the notice provision contained in the Charter School Capital and Facility Budget policy.

**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 such date as the Lease agreement is fully executed, but no earlier than July 1, 2009, and shall end June 30, 2014. The term of the School Food Services Agreement shall be from September 8, 2009 to June 30, 2012. This lease and the School Food Services Agreement shall automatically terminate on any such date as the Charter School Agreement is terminated.

**RENT:** \$1.00 per year.

**OPERATING EXPENSES:** In the event Tenant is the sole occupant of the Premises, the Tenant shall have the option to procure various operating services (Operating Services) from the Landlord in accordance with Landlord's current established procedures and rates. This election shall be made prior to the execution of the lease and will be incorporated into the lease. Tenant shall be bound by the selection for a one year pilot period. At the end of such one year pilot period, Tenant may change its procurement of Operating Services from the Landlord. Thereafter, Tenant shall be bound by its selection of Operating Services for a 3-year period. In the event Tenant shares the Premises at any time with a Chicago Public School, the Tenant will automatically receive all of Landlord's Operating Services and shall pay for such Operating Services pursuant to current established procedures and rates. In the event Tenant shares the Premises at any time with another charter school, both charter schools must make the same election regarding the procurement of Operating Services from the Landlord.

**FOOD SERVICES AGREEMENT:** The Cregier School Building is a facility shared by a CPS school Best Practices High School, and a charter school operated by Tenant. Noble Network of Charter Schools is recognized as a food services authority by ISBE. ISBE only permits one food service authority per location and the parties have agreed that the Noble Network of Charter Schools will provide food service at the Cregier School Building and, thus, will be responsible for providing food service to the students attending Best Practices High School during such time as the facility is shared with Best Practices High School. The Board shall pay Nobel Network of Charter Schools for the food services it is providing to the students of Best Practices High School in accordance with the terms of the School Food Services Agreement. Nobel Network of Charter schools shall not be entitled to receive any additional monies for such food services beyond the amount set forth in the School Food Services Agreement.

**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 the Lease amendment, and the School Food Services Agreement. Authorize the President and Secretary to execute the lease agreement, the Lease amendment, and the School Food Services Agreement. Authorize the President and Secretary to determine the allocation of responsibility of various maintenance and other services and to execute any and all ancillary documents related to this Lease as amended, and the School Food Services Agreement.

**AFFIRMATIVE ACTION:** Exempt.

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

**FINANCIAL:** Rent payable to the General Fund.  
For School Food Services Agreement: Charge to: Nutrition Support Services for actual meals served  
Budget Classification: 12050-312-53205-256009-000000-2010

**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.

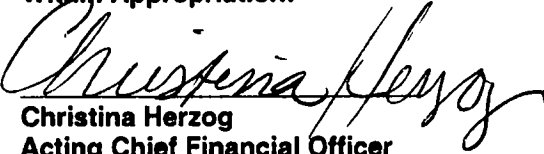
Ethics – The Board’s Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:**

  
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**Patricia L. Taylor**  
**Chief Facilities Officer**


**Within Appropriation:**

  
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**Christina Herzog**  
**Acting Chief Financial Officer**

**Approved:**

  
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**Ron Huberman**  
**Chief Executive Officer**

**Approved as to legal form:** 

  
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**Patrick J. Rocks**  
**General Counsel**