

**AUTHORIZATION TO PAY COMPENSATION FOR RELEASE
OF RESTRICTIVE COVENANT RELATING TO THE PURCHASE AND OPENING
OF NOTRE DAME HIGH SCHOOL FOR GIRLS**

THE CHIEF OPERATING OFFICER REPORTS THE FOLLOWING DECISION:

On October 28, 2009, the Board approved Board Report No. 09-1028-OP5, authorizing the acquisition of Notre Dame High School for Girls commonly known as 3000-3058 N. Mango Avenue, Chicago, Illinois for \$8,735,000. As part of the negotiations, the Seller required a Restrictive Covenant preventing the Property from being operated as an elementary or high school until January 1, 2011 ("Restrictive Covenant"). This Board Report authorizes the payment of \$250,000 to release the Restrictive Covenant. This will allow the Property to be opened as a public elementary school in September, 2010. Information pertinent to this Board Report is stated as follows:

PROPERTY: Former Notre Dame High School for Girls
3000-3058 N. Mango Avenue
Chicago, Illinois
74,276 square foot site improved with a 160,685 square foot school and convent

SELLER: St. Mary's Educational Institute at Cincinnati, a religious corporation of Ohio
also known as Sisters of Notre Dame de Namur, Ohio Province

PURCHASER: City of Chicago, In Trust for the Use of Schools on behalf of the Board of
Education of the City of Chicago

PURCHASE PRICE: \$8,735,000 plus \$250,000 for release of Restrictive Covenant. \$8,735,000 was
paid on December 15, 2009.

USE: To relieve overcrowding at the following elementary schools: Reinberg, Schubert
and Falconer.

RESTRICTION ON USE: None. Restrictive Covenant to be released upon payment of \$250,000.

AUTHORIZATION: Authorize the General Counsel and/or the Chief Operating Officer to execute any
and all documents relating to the release of the Restrictive Covenant and to open
the new school in September, 2010. Authorize the Chief Financial Officer or her
designee to issue a check for \$250,000 to the Archdiocese of Chicago.

FINANCIAL: Charge to Operations: \$250,000 FY09/10.
Budget Classification: 22691-477-54105-253533-000000-2010
Source of Funds: Capital

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:



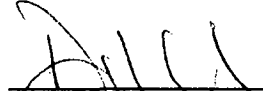
Patricia L. Taylor
Chief Operating Officer

Approved:



Ron Huberman
Chief Executive Officer

Within Appropriation:



Diana S. Ferguson
Chief Financial Officer

Approved as to legal form: *DJR*



Patrick J. Rocks
General Counsel