

April 23, 2014

**AUTHORIZE THE RENEWAL OF THE LEASE AGREEMENT WITH BETH SHALOM B'NAI ZAKEN
AT 6601 S KEDZIE AVE FOR USE BY BARBARA VICK PRE-K**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a renewal lease with Beth Shalom B'Nai Zaken for space located at 6601 S Kedzie Ave for use by Barbara Vick Pre-K. 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.

LANDLORD: Beth Shalom B'Nai Zaken Ethiopian Hebrew Congregation
6601 S Kedzie Ave
Chicago, IL 60629
Contact: Rabbi Capers C. Funnye, Jr.
Phone: 773.476.2924

TENANT: Board of Education of the City of Chicago

PREMISES: The building and grounds at 6610 S Kedzie Ave consisting of eight classrooms: 400, 401, 402, 403, 404, 405, 407, and 410; dining area, gymnasium, and office (9,316 square feet). Use of the parking lot adjacent to the building is also included.

USE: Pre-k classrooms for Vick Village.

ORIGINAL TERM: The original term (authorized by Board Report 04-0728-OP7) was for a term commencing August 1, 2004 and ending June 30, 2009. The lease was subsequently renewed (authorized by Board Report 09-0422-OP2) for a term commencing August 1, 2009 and ending June 30, 2014.

RENEWAL TERM: The term of the lease agreement shall commence on July 1, 2014 and ends June 30, 2019.

TERMINATION: CPS shall have the right to terminate the lease upon 60 days notice.

BASE RENT: The base rent for the Premises shall be \$97,980 annually (\$10.50 psf) for the 5 year renewal term.

ADDITIONAL RENT: CPS shall reimburse Landlord gas service. Gas is estimated to be \$24,000 per year.

MAINTENANCE: Landlord shall be responsible for all maintenance with the exception of janitorial services, which shall be the responsibility of CPS.

UTILITIES: Landlord shall be responsible for all utilities except for gas, which shall be the responsibility of CPS.

INSURANCE/DEMNIIFICATION: Any and all insurance/indemnification language shall be negotiated by the General Counsel.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written license agreement. Authorize the President and Secretary to execute the license agreement. Authorize the Chief Facilities Officer to execute any and all ancillary documents related to the license agreement.

AFFIRMATIVE ACTION: Exempt

LSC REVIEW: Not applicable

FINANCIAL: The total amount to be paid by the Board for the 5-year term is **\$609,900**

Charge to Unit 11910, Fund 230 or 362:

FY15-FY20	\$121,980*
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*Amounts include estimated gas utility

FY15 – FY20 funding is contingent upon budget appropriation and approval.

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 May 25, 2011 (11-0525-PO2), 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 Facilities Officer

Approved:


Barbara Byrd-Bennett
Chief Executive Officer

Approved as to legal form: 


James Bebley
General Counsel