

May 25, 2016

**APPROVE RENEWAL OF INTERGOVERNMENTAL AGREEMENT WITH CITY COLLEGES  
FOR USE OF THE BUILDING LOCATED AT 3400 N AUSTIN AVE**

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

Approve renewal of the Intergovernmental Agreement ("IGA") with the Board of Trustees of Community College District No. 508 ("City Colleges") for use of the building and premises located at 3400 North Austin Avenue in Chicago. A written agreement extending and amending the IGA is currently being negotiated. The authority granted herein shall automatically rescind in the event that a written agreement is not executed within 120 days of the date of this Board Report.

**OWNER:** Board of Trustees of Community College District No. 508  
226 West Jackson Boulevard  
Chicago, Illinois 60606  
Contacts: Diane Minor, Vice Chancellor, (312) 553-2636, [dminor1@ccc.edu](mailto:dminor1@ccc.edu)  
and Dina Leiler, Director Auxiliary Services, (773) 481-8612, [dleiler@ccc.edu](mailto:dleiler@ccc.edu)

**PREMISES:** 3400 N Austin Ave, including the entire building, parking lots (2), and athletic field area.

**ORIGINAL TERM:** The original term commenced on July 1, 2011, and ends on June 30, 2016 (authorized by Board Report 11-0622-OP9).

**RENEWAL TERM:** The term of the renewal shall commence on July 1, 2016, and end on June 30, 2021.

**USE:** The Premises shall be used for educational programming by Chicago Academy Elementary and High Schools. A portion of the Premises may be shared with City Colleges for educational programming, provided that such use does not conflict with CPS' school hours or use.

**FEES:** The Board will pay \$718,750.00 for July 1, 2016 to June 30, 2017, payable in equal monthly installments of \$59,895.83. Commencing July 1, 2017, the fee will increase yearly by 3% on July 1<sup>st</sup>.

<b>Fiscal Year</b>	<b>Annual</b>	<b>Monthly</b>
2016-2017	\$718,750.00	\$59,895.83
2017-2018	\$740,312.50	\$61,692.70
2018-2019	\$762,521.87	\$63,543.48
2019-2020	\$785,397.53	\$65,449.94
2020-2021	\$808,959.45	\$67,413.28

**UTILITIES, MAINTENANCE AND REPAIRS:** CPS shall be responsible for its proportionate share of utilities associated with its use of the Premises. City Colleges shall pay its proportionate share of utilities for its use of the Premises. CPS shall also be responsible for regular maintenance and repairs to the Premises, including landscaping, garbage removal and custodial and engineer services. City Colleges shall be responsible for all major structural elements of the Premises, including but not limited to the roof, HVAC systems and plumbing.

**RIGHT OF FIRST REFUSAL:** City Colleges grants CPS the exclusive right of first refusal and first option to purchase the Premises. City Colleges must provide notice to CPS prior to offering or accepting an offer to sell Property to another party.

**REAL ESTATE TAXES:** The Property is currently exempt from real estate taxes. The General Counsel is hereby authorized to contest and appeal any action to tax the Property or the Board's use of the property. In the event the Property or the Board's use becomes taxable after all appeals have been taken and failed, the Board authorizes the payment of the real estate taxes in addition to the fees below.

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

**OTHER TERMS AND CONDITIONS:** All other terms and conditions of the original IGA shall remain the same.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize either the Chief Operating Officer, Chief Facilities Officer, or Chief of Capital Improvement to execute any and all ancillary documents required to administer or effectuate the agreement.

**AFFIRMATIVE ACTION:** Exempt

**LSC REVIEW:** Not applicable

**FINANCIAL:** Total not-to-exceed amount to be paid by the Board for the 5-year term is \$3,815,941.35.

Charge to: Real Estate

<b>Fiscal Year</b>	<b>Annual</b>	<b>Budget Classification</b>
2016-2017	\$718,750.00	
2017-2018	\$740,312.50	
2018-2019	\$762,521.87	
2019-2020	\$785,397.53	
2020-2021	\$808,959.45	

Source of Funds: Rent, Contingency

**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).

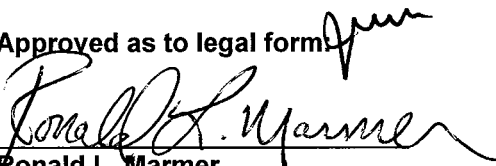
**Approved for Consideration:**

  
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Mary DeRuntz  
Chief of Capital Improvement

**Approved:**

  
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Forrest Claypool  
Chief Executive Officer

**Approved as to legal form**

  
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Ronald L. Marmer  
General Counsel