

January 26, 2005

**APPROVE ENTERING INTO A LEASE RENEWAL AND AMENDMENT AGREEMENT WITH
KIDWATCH PLUS, INC. FOR USE OF SPACE AT THURGOOD MARSHALL ELEMENTARY SCHOOL**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a lease renewal and amendment agreement with Kidwatch Plus, Inc., as tenant, for rental of a portion of the Thurgood Marshall Elementary School located at 3901 N. Ridgeway Avenue. A written lease renewal and amendment agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written lease renewal and amendment agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this lease renewal and amendment agreement is stated below.

TENANT: Kidwatch Plus, Inc.
3901 North Ridgeway Avenue
Chicago, IL 60618
Contact: Jeanne Prete, Director
Phone: 773/539-5431

LANDLORD: Board of Education of the City of Chicago

PREMISES: Tenant shall continue to occupy a portion of the Thurgood Marshall Elementary School, 3901 N. Ridgeway Avenue consisting of 9,947 square feet of space on the first floor, which includes use of one parking space in the parking lot. The lease shall be amended to indicate rooms 101, 102, 103, 104, 108, 110, 106, a library and kitchen are included in the original 9,947 square feet of the Premises.

USE: The lease shall be amended to show that Kidwatch Plus shall provide specialized educational programs for children ages 6 weeks to 12 years of age; infant toddler care, all day kindergarten, summer camp, preschool and after school care, Monday through Friday from 7:00 a.m. to 6:15 p.m.

ORIGINAL LEASE AGREEMENT: The original Lease Agreement (authorized by Board Report 96-1023-OP10) is for a term commencing July 1, 1997 and ending June 30, 2000. The lease was renewed for a term commencing July 1, 2000 and ending June 30, 2005 (authorized by Board Report 00-0628-OP8).

RENEWAL TERM: The renewal term of the lease shall be ten years, commencing July 1, 2005 and ending June 30, 2015.

RENT: Rent for the ten-year renewal term is as follows:

Term	Monthly Rent	Annual Rent
7/1/05 to 6/30/06	\$8,013.85	\$96,166.20
7/1/06 to 6/30/07	\$8,334.40	\$100,012.85
7/1/07 to 6/30/08	\$8,667.78	\$104,013.36
7/1/08 to 6/30/09	\$9,014.49	\$108,173.90
7/1/09 to 6/30/10	\$9,375.07	\$112,500.85
7/1/10 to 6/30/11	\$9,750.07	\$117,000.89
7/1/11 to 6/30/12	\$10,140.08	\$121,680.92
7/1/12 to 6/30/13	\$10,545.68	\$126,548.16
7/1/13 to 6/30/14	\$10,967.51	\$131,610.09
7/1/14 to 6/30/15	\$11,406.21	\$136,874.49
TOTALS		\$1,154,581.70

MAINTENANCE & OPERATIONS: The Board shall continue to provide heat, electric, normal maintenance and janitorial services.

INSURANCE/INDEMNIFICATION: Tenant shall continue to comply with the insurance provisions contained in the Lease.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written lease renewal agreement. Authorize the President and Secretary to execute the lease renewal agreement. Authorize the General Counsel to execute any ancillary documents related to this Lease.

AFFIRMATIVE ACTION: Exempt.

LSC REVIEW: This action was approved by the LSC for Thurgood Marshall Elementary School on August 11, 2004.

FINANCIAL: Rental income to be credited to Thurgood Marshall Elementary School.

GENERAL CONDITIONS:

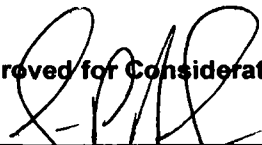
Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel 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.

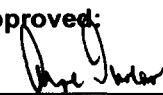
Indebtedness - The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), 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:


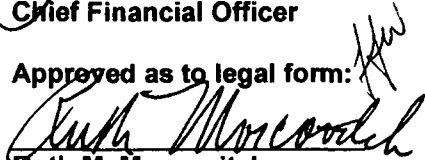
Sean P. Murphy
Chief Operating Officer

Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


John Maiorca
Chief Financial Officer

Approved as to legal form:


Ruth M. Moscovitch
General Counsel