

APPROVE A LEASE RENEWAL AGREEMENT WITH ESKENAZI, FARRELL & FODOR, P.C. FOR RENTAL OF SPACE AT 125 SOUTH CLARK STREET

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve a lease renewal agreement with Eskenazi, Farrell & Fodor, P.C. for rental of space at 125 South Clark Street, Suite 1822. A written lease renewal agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written lease renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this lease renewal is stated below.

TENANT: Eskenazi, Farrell & Fodor P.C.
125 S. Clark Street, Suite 1822
Chicago, IL 60603
Contact: Walter W. Farrell
Phone: (312) 939-1664 ext. 2

LANDLORD: Board of Education of the City of Chicago

PREMISES: 125 S. Clark, Suite 1822, consisting of approximately 2, 141 rentable square feet.

USE: Office space for the operation of Tenant's engineering firm

ORIGINAL LEASE: The original Lease was for a term commencing February 1, 2000 and ending January 31, 2005 (authorized by Board Report 00-0126-OP6), as extended by that certain Agreement to Renew Lease for a term commencing February 1, 2005 and ending January 31, 2010 (authorized by Board Report 04-1117-OP2).

RENEWAL TERM: The Lease shall be renewed for a term commencing February 1, 2010 and ending January 31, 2015.

RENT: The rent during the Renewal Term shall be as follows:

<u>Term</u>	<u>Monthly Rent</u>	<u>Annual Rent</u>	<u>Rent per Square Foot</u>
2/1/10-1/31/11	\$4,010.81	\$48,129.68	\$22.48
2/1/11-1/31/12	\$4,100.02	\$49,200.18	\$22.98
2/1/12-1/31/13	\$4,189.22	\$50,270.68	\$23.48
2/1/13-1/31/14	\$4,278.43	\$51,341.18	\$23.98
2/1/14-1/31/15	\$4,367.64	\$52,411.68	\$24.48

ADDITIONAL RENT: Tenant shall pay on a monthly basis Additional Rent which represents an electricity rate based on the following rates per square foot over the 5 years of the Renewal Term: \$1.37, \$1.41, \$1.45, \$1.49 and \$1.53.

RENT ABATEMENT: As an incentive to the Tenant to renew this lease, Landlord shall abate the Rent and the Additional Rent for the first two months of the Renewal Term (February and March 2010).

EARLY TERMINATION: Effective August 1, 2010, either party shall have the right to terminate the Lease, for any or no reason whatsoever, upon a minimum of six (6) calendar month's prior written notice to the other party. Accordingly, if notice is given by either party on August 1, 2010, the earliest possible termination date would be January 31, 2011.

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 all ancillary documents required to administer or effectuate this lease renewal agreement.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: Credit Income to General Fund.

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 member 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 Facilities Officer


Approved:


Ron Huberman
Chief Executive Officer

Within Appropriation:


Christina Herzog
Acting Chief Financial Officer

Approved as to legal form: 


Patrick J. Rocks
General Counsel