

October 26, 2011

**APPROVE THE RENEWAL OF THE LEASE AGREEMENT WITH KEE NAM CHANG d/b/a SUE'S HALLMARK FOR RENTAL OF SPACE AT 125 SOUTH CLARK STREET**

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

Approve the renewal of the lease agreement with Kee Nam Chang d/b/a Sue's Hallmark for rental space at 125 S. Clark Street, 1<sup>st</sup> Floor, Suite A10. A written lease agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written renewal agreement is not executed within 90 days of the date of this Board Report.

<b>TENANT:</b>	Kee Nam Chang d/b/a Sue's Hallmark 125 S. Clark, Suite A-10 Chicago, IL 60602 Contact: Kee Nam Chang Phone: (630) 309-1943/(630) 341-1943	Alternate Address: 9645 Pacific Court Burr Ridge, Illinois 60521
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**LANDLORD:** Board of Education of the City of Chicago

**PREMISES:** 125 South Clark Street, 1<sup>st</sup> Floor, Suite A10 (Adams Street and Adams Street lobby frontage) consisting of 2,785 useable square feet.

**USE:** To be used by Kee Nam Chang d/b/a Sue's Hallmark as a retail store concentrating in the sale of greeting cards and related items.

**RENEWAL TERM:** The lease agreement shall be renewed on a month-to-month basis.

**ORIGINAL LEASE AGREEMENT:** The original lease (authorized by Board Report 01-1024-OPI) is for a term commencing November 1, 2001, and ending October 31, 2011.

**EARLY TERMINATION:** Effective January 1, 2012, either party shall have the right to terminate the lease, for any or no reason whatsoever, upon a minimum of thirty (30) days prior written notice to the other party.

**BASE RENT:** The Base Rent for the renewal term shall be as follows:

<u>Term</u>	<u>Rent per square foot</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
Month-to-Month	\$25.85	\$72,000.00	\$6,000.00

**ADDITIONAL RENT:** None.

**ADDITIONAL TERMS AND CONDITIONS:** Except as specifically modified herein, all other terms and conditions of the lease shall remain in full force and effect.

**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 Chief Operating Officer to execute all ancillary documents required to administer or effectuate this lease agreement.

**AFFIRMATIVE ACTION:** Exempt.

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

**FINANCIAL:** Credit to the 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 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.

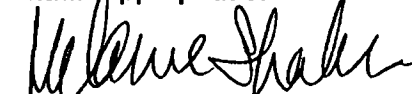
Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

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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**Patricia L. Taylor**  
**Chief Operating Officer**

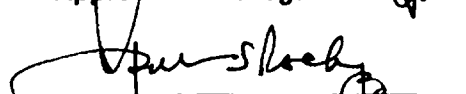
**Within Appropriation:**

  
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**Melanie A. Shaker**  
**Interim Chief Financial Officer**

**Approved:**

  
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**Jean-Claude Brizard**  
**Chief Executive Officer**

**Approved as to legal form:**

  
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**Patrick J. Rocks**  
**General Counsel**