

**APPROVE ENTERING INTO A LICENSE AGREEMENT WITH SPORTS MONSTER CORPORATION  
FOR USE OF THE WALT DISNEY MAGNET SCHOOL GYM AND DINING ROOM**

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

Approve entering into a license agreement with Sports Monster Corporation for the use of the Walt Disney Magnet School gym and dining room, 4140 North Marine Drive. A written license agreement for such use is currently being negotiated. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

**LICENSEE:** Sports Monster Corporation  
4237 North Western Avenue  
Chicago, IL 60618  
Contact: Bart Fitzpatrick  
Phone: (773) 866-2955 x1

**PREMISES:** Walt Disney Magnet School (Gym and Dining room)  
4140 North Marine Drive  
Contact: Dr. Kathy Hagstrom  
Phone: (773) 534-5840

**LICENSOR:** Board of Education of the City of Chicago

**TERM:** The term of this License Agreement shall commence on September 1, 2001 and shall end August 31, 2004. This License agreement shall have one (1) option to renew for a 2-year period.

**EARLY TERMINATION RIGHT:** The Board shall have the right to terminate this License Agreement upon 60 days' prior written notice.

**USE:** The above Premises shall be used by Licensee on Mondays through Thursdays from 6:30 p.m. to 10:30 p.m., and Sundays from 8:00a.m. thru 12:00 noon for the purpose of running a sports program.

**LICENSE FEE:** The license fee shall be \$90.00 per hour Mondays through Thursdays and \$95.00 per hour on Sundays payable monthly. The License fee shall increase to \$120.00 per hour for years 2 and 3 of the license term. The license fee for the option years will be \$160.00 per hour.

**OPERATION & MAINTENANCE:** The Board will be responsible for normal maintenance of the space. Licensee shall be responsible for maintenance and cleaning of the facility while in use.

**INSURANCE:** Licensee will name the Board of Education as an additional named insured under its Comprehensive General Liability Policy. Coverage limits are \$1,000,000 for a combined single limit for both bodily injury and property damage. Licensee will provide a Certificate of Insurance to the Board, with the provision that there will be no cancellation unless the Board receives 30 days prior written notice.

**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 Operating Office to exercise the option to renew this License Agreement.

**AFFIRMATIVE ACTION:** Exempt.

**LSC REVIEW:** This action was approved by the LSC for Walt Disney Magnet School on July 12, 2001.

**FINANCIAL:** Income to be credited to the Walt Disney Magnet 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.

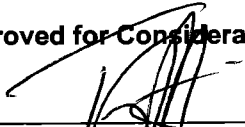
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their 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.

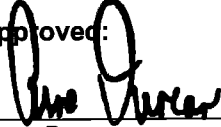
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



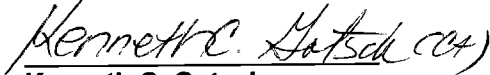
Timothy Martin  
Chief Operating Officer

Approved:



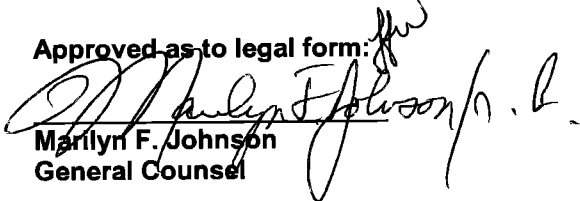
Arne Duncan  
Chief Executive Officer

Within Appropriation:



Kenneth C. Gotsch  
Chief Fiscal Officer

Approved as to legal form:



Marilyn F. Johnson  
General Counsel