

AMEND BOARD REPORT 01-0725-OP7
APPROVE ENTERING INTO A LEASE AGREEMENT WITH HOLY TRINITY GREEK
ORTHODOX CHURCH AND SOCRATES GREEK-AMERICAN SCHOOL
FOR USE OF SPACE LOCATED AT 6041 W. DIVERSEY AVENUE

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a lease agreement with Holy Trinity Greek Orthodox Church and Socrates Greek-American School, located at 6041 W. Diversey Avenue for use by Mary Lyons School. A written lease agreement 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 lease agreement is stated below. This amended Board Report is necessary to revise the Premises, early termination right, the rent, and the operation and maintenance terms of the lease.

LANDLORD: Holy Trinity Greek Orthodox Church and
 Socrates Greek-American School
 6041 W. Diversey Avenue
 Chicago, IL 60639
 Contact Person: Vasilios A. Karahalios
 Phone: (773) 230-7111
 (773) 775-3200

TENANT: Board of Education of the City of Chicago

PREMISES: The address of the leased facility is 6041 W. Diversey Avenue, consisting of Fourteen (14) classrooms, offices, library, lunchroom and gym on a shared basis and use of the two (2) parking lots. Ingress and egress from the parking lots are on Meade and McVicker.

USE: To relieve overcrowding at Mary Lyons School. Premises shall be used Monday through Friday from 7:00 a.m. to 4:00 p.m.

TERM: The term of this lease agreement shall commence on August 1, 2001 and shall end ~~January 31, 2011~~ July 31, 2011.

EARLY TERMINATION RIGHT: Except during the first five (5) years of the term (unless the Board's Contingent Liability Policy is applicable), either party shall have the right to terminate the agreement upon ninety (90) days prior written notice to the other party.

RENT: The annual rent for the initial term of the lease shall be \$192,000, payable in monthly installments of \$16,000. Every two (2) years, the parties shall negotiate in good faith whether the Rent should be increased or decreased to reflect current market conditions. If the parties fail to agree, the Rent shall not change.

INSURANCE: The Board shall provide for liability insurance under its self-insured coverage.

OPERATION & MAINTENANCE: The Board shall reimburse landlord for the actual costs of electricity and heat. The Board shall provide janitorial services including snowplowing and normal maintenance ~~Monday through Friday, when the facility is in use by the Board~~ and the Board shall maintain the separate HVAC system for the gym and lunchroom.

IMPROVEMENTS: The Board shall have the right to make improvements to the premises, if necessary, with the consent of the Landlord.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written lease agreement. Authorize the President and Secretary to execute the lease agreement. Authorize the General Counsel to execute all ancillary documents required to administer or effectuate this lease agreement.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: Charge to Operations: \$192,000
 Budget Classification: 0944-552-000-6000-5480

Fiscal Year: 2002
 Source of Funds: Citywide Rent

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.

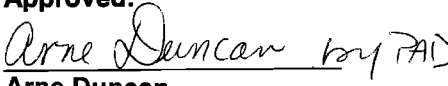
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



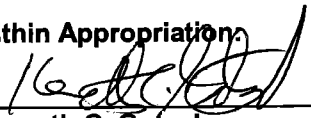
Timothy Martin
Chief Operating Officer

Approved:



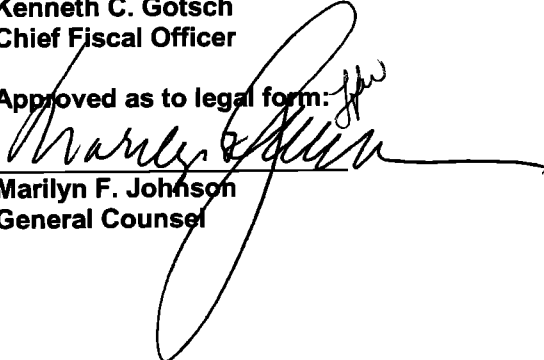
Arne Duncan
Chief Executive Officer

Within Appropriation:



Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:



Marilyn F. Johnson
General Counsel