RATIFYA LEASE RENEWAL AGREEMENT WITH CRYSTAL CREEK DEVELOPMENT, LTD
FOR THE USE OF SPACE AT 1210-22 NORTH KEDZIE

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify a lease renewal agreement with Crystal Creek Development, LTD for use of space at 1210-22 North Kedzie Avenue. A written lease renewal 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 renewal agreement is stated below.

LANDLORD: Crystal Creek Development, LTD
3423 North Leavitt
Chicago, IL 60618
Contact Person: Pete Koulogeorge
Phone: (773) 620-7098

TENANT: Board of Education of the City of Chicago

PREMISES: 1210-22 North Kedzie

USE: Continued placement of modular units for educational purposes.

ORIGINAL LEASE: The original lease is for a 3-year term commencing September 1, 1999 and ending August 31, 2002, at a rent of $26,000 per year payable on September 1st of each year. In addition, the Board pays for all real estate taxes in excess of the real estate taxes for 1999 and public liability insurance up to $2500 per year.

RENEWAL TERM: This lease shall be renewed for a term commencing September 1, 2002 and ending August 31, 2003. Under no circumstances shall the term of the lease be further renewed or extended.

RENT: The rent during the Renewal Term shall be $29,263 payable, in advance, upon execution of the renewal agreement.

ZONING: The Premises are currently zoned R4. The Board will facilitate a meeting with the Alderman of the Ward to return the zoning of the Premises back to R5.

REAL ESTATE TAXES AFTER TERMINATION OF LEASE: If the Landlord files for an assessment of the premises on a vacant basis, the Board shall be liable for the excess real estate over the base year for a period of time up to 18 months after the termination of the lease.

ADDITIONAL RENT: The Board shall pay public liability insurance costs not to exceed $3000 per year (instead of $2500 per year) and continue to pay real estate taxes in excess of the Real Estate taxes for base year 1999.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written renewal agreement. Authorize the President and Secretary to execute the renewal agreement.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: Charge to Munoz-Marin School: Fiscal Year: 2003
Budget Classification: 6640-552-000-6000-5480 - $32,263.00

GENERAL CONDITIONS:
Inspector General – Each party to the agreements 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 agreements 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 agreements.

Ethics – The Board 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 agreements.

Contingent Liability – The agreements 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).
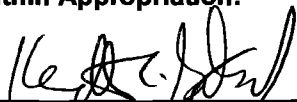
Approved for Consideration:
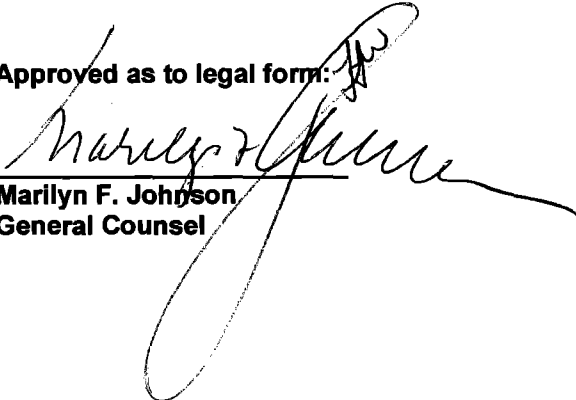
Timothy Martin
Chief Operating Officer

Approved:

Arne Duncan
Chief Executive Officer

Within Appropriation:

Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:

Marilyn F. Johnson
General Counsel