

**AMEND BOARD REPORT 02-0626-OP02**  
**APPROVE EXERCISING THE OPTION TO EXTEND THE MASTER  
 LEASE AGREEMENT WITH THE CATHOLIC BISHOP OF CHICAGO**

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

Approve exercising the option to extend the master lease agreement with The Catholic Bishop of Chicago. A written extension 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 amended Board Report. Information pertinent to this lease agreement is stated below. The current schools, square footage, base rent and additional rent are identified on Exhibit A attached hereto.

This amended Board Report is necessary to change the information regarding schools covered by this lease on exhibit A and to reflect the final negotiated rates for janitorial services, gas and electric.

**LANDLORD:** Catholic Bishop of Chicago  
 c/o Archdiocese of Chicago  
 P.O. Box 1979  
 Contact Person: Thomas Brennan  
 Chicago, IL 60690-1979  
 Phone: (312) 751-7218

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

**PREMISES:** During the renewal term, the Landlord shall lease the Board The Archdiocese school sites, which will be specified on Corrected Exhibit A to the Lease Renewal Document.

**USE:** To relieve overcrowding and provide temporary classroom space.

**ORIGINAL LEASE AGREEMENT:** The Original master Lease Agreement (authorized by Board report 00-0823-OP1) is for a term commencing August 1, 1999 and ending June 30, 2002, with the Board having the option to renew the lease for one additional 3-year term, subject to Landlord's consent. Landlord has consented to the extension.

**RENEWAL TERM:** The term of the lease shall be extended for a period commencing July 1, 2002 and ending June 30, 2005.

**BASE RENT:** The Base Rent for the first year of the extended term is \$4.80 per square foot. The Base Rent for the second year of the extended term is \$4.94 per square foot. The Base Rent for the third year of the extended term is \$5.09 per square foot.

**ADDITIONAL RENT:** Janitorial costs initially shall be ~~\$.75~~ \$.85 per square foot and shall increase 3% each year after the 1st year of the renewal term. Initial utility costs shall be \$.65 per square foot for electricity and \$.50 per square foot for gas. These rates shall be adjusted on July 1<sup>st</sup> of each year of the lease renewal to reflect the actual costs incurred.

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

**AFFIRMATIVE ACTION:** Exempt.

**LSC REVIEW:** Local School Counsel is not applicable to this report

**FINANCIAL:** Charge to Operations ~~\$3,850,000~~ \$3,568,906  
 Budget Classification: 0944-552-000-6000-5480

Fiscal Year: 2003  
 Source of Funds: Citywide Rent Funds

**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.

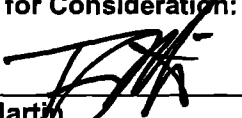
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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



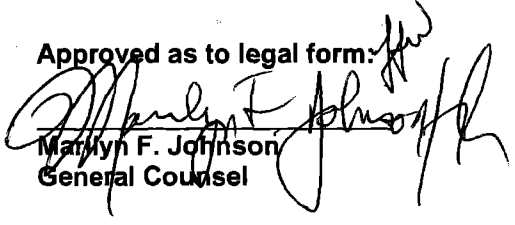
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**



Kenneth C. Gotsch  
Chief Fiscal Officer

**Approved as to legal form:**



Marilyn F. Johnson  
General Counsel

6/27/02 (N.J.)

CPS SCHOOL FISCAL YEAR	PARISH NAME	Square Footage	Monthly Base Rent at \$4.80	Monthly Janitorial at \$0.85	Monthly Electric at \$0.65	Monthly Heat at \$0.50	Monthly Rent	Annual Rent	Annual Base Rent at \$4.80	Annual Janitorial at \$0.85	Annual Electric at \$0.65	Annual Heat at \$0.50	Annual Rent	1/3 of Annual Base Rent
Burnham	St. Kevin	12,077	\$4,830.80	\$10,351.15	\$5,988.18	\$5,988.18	\$5,988.18	\$71,858.15	\$71,858.15	\$71,858.15	\$71,858.15	\$71,858.15	\$71,858.15	\$19,323.20
Clay	St. Columba	9,820	\$3,928.00	\$8,511.92	\$4,091.17	\$4,091.17	\$4,091.17	\$48,883.00	\$47,136.00	\$4,970.00	\$6,383.00	\$4,970.00	\$8,428.00	\$15,712.00
Clinton Branch	St. Timothy	25,484	\$10,193.60	\$1,380.38	\$1,061.83	\$1,061.83	\$1,061.83	\$14,440.83	\$122,323.20	\$21,661.40	\$16,564.60	\$12,742.00	\$173,291.20	\$40,774.40
Divis	St. Pancratius	21,170	\$8,468.00	\$3,755.58	\$2,924.24	\$2,924.24	\$2,924.24	\$34,963.58	\$101,816.00	\$45,067.00	\$35,090.90	\$26,993.00	\$289,563.00	\$84,832.00
Dawes School	St. Dennis	53,020	\$21,208.00	\$1,772.53	\$1,355.47	\$1,042.67	\$1,042.67	\$12,180.27	\$259,132.80	\$21,270.40	\$16,265.60	\$12,612.00	\$321,216.70	\$40,036.40
Field Annex (Lunt Ave.)	St. Jerome	53,986	\$21,594.40	\$1,772.53	\$1,355.47	\$1,042.67	\$1,042.67	\$12,180.27	\$259,132.80	\$21,270.40	\$16,265.60	\$12,612.00	\$321,216.70	\$40,036.40
Gallistel Elementary	St. Francis de Sales	25,024	\$10,009.60	\$1,772.53	\$1,355.47	\$1,042.67	\$1,042.67	\$12,180.27	\$259,132.80	\$21,270.40	\$16,265.60	\$12,612.00	\$321,216.70	\$40,036.40
Green	St. Maurice	14,293	\$5,717.20	\$774.20	\$595.54	\$426.00	\$426.00	\$885,043.36	\$88,606.40	\$9,290.45	\$7,146.50	\$5,043.36	\$89,523.20	\$18,356.40
Hedges Middle Branch	St. Michael the Arch.	10,224	\$4,089.60	\$724.20	\$553.80	\$426.00	\$426.00	\$68,523.20	\$49,075.20	\$8,690.40	\$6,645.60	\$5,112.00	\$69,523.20	\$18,356.40
Las Casas Occup. H.S.	Jesus Our Brother	33,724	\$13,488.60	\$1,333.80	\$1,026.00	\$1,405.17	\$1,405.17	\$14,894.77	\$161,875.20	\$18,005.60	\$12,312.00	\$12,312.00	\$145,512.80	\$39,388.40
Lewis Branch	St. Peter Canisius	24,624	\$9,848.60	\$2,957.93	\$2,275.33	\$2,275.33	\$2,275.33	\$27,076.47	\$262,118.40	\$35,495.20	\$27,304.00	\$27,304.00	\$324,917.60	\$87,372.80
Marquette Branch	St. Rita	54,608	\$21,843.20	\$4,021.20	\$3,215.88	\$3,215.88	\$3,215.88	\$38,254.40	\$48,254.40	\$38,590.50	\$38,590.50	\$38,590.50	\$48,254.40	\$16,084.80
McKay Branch	St. Adrian	10,053	\$4,021.20	\$26,963.88	\$5,683.20	\$68,198.40	\$68,198.40	\$82,566.50	\$284,976.00	\$38,590.50	\$38,590.50	\$38,590.50	\$48,254.40	\$16,084.80
McNair Academic Center	O.L.H. of Christians	59,370	\$23,748.00	\$5,683.20	\$3,215.88	\$3,215.88	\$3,215.88	\$38,254.40	\$48,254.40	\$38,590.50	\$38,590.50	\$38,590.50	\$48,254.40	\$16,084.80
Mitchell Branch	Holy Rosary	14,208	\$5,683.20	\$1,424.81	\$1,196.88	\$1,196.88	\$1,196.88	\$14,242.81	\$170,913.75	\$18,671.25	\$14,362.50	\$14,362.50	\$170,913.75	\$45,960.00
Rally Branch	St. Wenceslaus	28,726	\$11,480.00	\$1,653.09	\$1,302.38	\$1,302.38	\$1,302.38	\$17,712.30	\$212,547.60	\$26,568.45	\$20,317.05	\$15,628.50	\$212,547.60	\$60,011.20
Route De Duprey	St. Filippa	31,257	\$12,502.80	\$2,214.04	\$1,693.34	\$1,457.79	\$1,457.79	\$18,493.90	\$159,672.00	\$20,801.95	\$16,001.50	\$16,001.50	\$197,926.75	\$53,224.00
Seward Branch	Holy Cross	26,913	\$10,765.20	\$1,906.34	\$1,457.79	\$1,386.04	\$1,386.04	\$16,493.90	\$159,672.00	\$20,801.95	\$16,001.50	\$16,001.50	\$197,926.75	\$53,224.00
Shields	Imm. Conception - 44th	33,285	\$13,306.00	\$1,601.65	\$1,333.46	\$1,333.46	\$1,333.46	\$15,868.15	\$150,201.80	\$20,339.80	\$20,339.80	\$20,339.80	\$170,541.40	\$50,067.20
Nightengale/Rainberg	St. Clara de Montalco	32,003	\$12,801.20	\$1,733.50	\$1,333.46	\$1,333.46	\$1,333.46	\$15,868.15	\$150,201.80	\$20,339.80	\$20,339.80	\$20,339.80	\$170,541.40	\$50,067.20
Schubert/Carson	St. James	31,292	\$12,516.80	\$1,694.98	\$1,333.46	\$1,333.46	\$1,333.46	\$15,868.15	\$150,201.80	\$20,339.80	\$20,339.80	\$20,339.80	\$170,541.40	\$50,067.20
<b>SUB-TOTAL</b>		<b>605,140</b>	<b>\$242,056.00</b>	<b>\$12,177.81</b>	<b>\$25,818.94</b>	<b>\$17,334.46</b>	<b>\$297,187.20</b>	<b>\$3,586,246.46</b>	<b>\$2,904,672.00</b>	<b>\$146,133.70</b>	<b>\$307,427.25</b>	<b>\$191,151.50</b>	<b>\$3,549,384.45</b>	<b>\$988,224.00</b>
Gallistel Elementary	St. Frances de Sales (hall/gym)	4,704	\$1,144.64	\$203.84	\$156.80	\$121.52	\$121.52	\$1,626.80	\$13,735.68	\$2,446.08	\$1,861.60	\$1,458.24	\$19,521.60	\$4,578.56
<b>GRAND TOTAL</b>		<b>609,844</b>	<b>\$243,200.64</b>	<b>\$12,381.65</b>	<b>\$25,775.74</b>	<b>\$17,455.98</b>	<b>\$298,614.00</b>	<b>\$3,589,768.05</b>	<b>\$2,918,407.68</b>	<b>\$148,579.78</b>	<b>\$309,308.85</b>	<b>\$192,609.74</b>	<b>\$3,558,906.05</b>	<b>\$972,802.56</b>
Burscoe	St. Martin de Porres	5,427 per sq. ft.												

St. Frances de Sales rate increases by 61% of the master base rate  
 Base rate per sq. ft. \$2.92  
 Electric rate per sq. ft. \$0.40  
 Heat rate per sq. ft. \$0.31  
 Janitorial rate per sq. ft. \$0.52  
 \$4.15

St Martin de Porres Base Rate \$5.47 (SF to be confirmed)  
 I. C. 44TH - Gas & Elec. Should be separate  
 Read Finelli to confirm - CBOE

CORRECTED EXHIBIT A