

**APPROVE ENTERING INTO AN EXTENSION/AMENDMENT OF THE LEASE AGREEMENT WITH COLE TAYLOR BANK, NOT PERSONALLY, BUT SOLELY AS TRUSTEE FOR LEASE OF SUITE 1300 AT 310 S. MICHIGAN**

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

Approve entering into an extension/amendment of the lease agreement with Cole Taylor Bank, not personally, but solely as Trustee under Trust Agreement dated December 28, 2001 and known as Trust Number 01-9303 for lease of suite 1300 at 310 S. Michigan for use by the Office of the Inspector General. A written extension/amendment agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written extension/amendment agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this lease extension is stated below.

**LANDLORD:** Cole Taylor Bank, as Trustee  
c/o Metropolitan Properties of Chicago LLC, as agent  
310 S. Michigan Avenue  
Chicago, IL 60604  
Contact Person: Property Manager  
Phone: 312-922-0860

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

**PREMISES:** 310 S. Michigan Avenue, Suite 1300, consisting of approximately 11,027 rentable square feet after surrender of a 4,425 sq ft portion of the original premises.

**USE:** Office space for the Office of the Inspector General.

**ORIGINAL LEASE:** The original lease agreement (authorized by Board Report #99-1027-OP05) is for a term commencing February 1, 1999 and ending January 31, 2004. Under the original lease, the Base Rent for the period ending January 31, 2004 is \$18.83 per square foot.

**EXTENSION TERM:** The term of the Lease Agreement shall be extended for a period commencing February 1, 2004 and ending January 31, 2006.

**GROSS RENT:** The gross rent during the extension term shall be as follows:

Period	Annual Base Rent	Monthly Base Rent	Annual Rate per Square Foot
2/1/04-1/31/05	\$213,923.80	\$17,826.98	\$19.40
2/1/05-1/31/06	\$213,923.80	\$17,826.98	\$19.40

All Rent shall be payable in accordance with the terms of the original Lease.

**ADDITIONAL RENT:** None. This is a gross lease.

**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's agreement. Authorize the General Counsel to execute any and all ancillary documents required to administer or effectuate the Lease Agreement.

**AFFIRMATIVE ACTION:** Exempt

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

**FINANCIAL:** Charge: \$ 89,134.90 Fiscal Year 2004  
Budget Classification: 0011-210-000-1007-5480

**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.

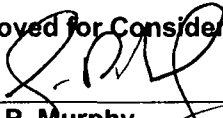
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

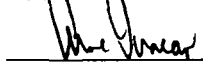
Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:**

  
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Sean P. Murphy  
Chief Operating Officer

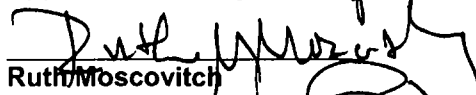
**Approved:**

  
\_\_\_\_\_  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
\_\_\_\_\_  
John Maiorca  
Chief Financial Officer

**Approved as to legal form:**

  
\_\_\_\_\_  
Ruth Moscovitch  
General Counsel