

APPROVE ENTERING INTO A LEASE AGREEMENT WITH THE ARCHITECTURE, CONSTRUCTION AND ENGINEERING TECHNICAL CHARTER SCHOOL FOR USE OF A PORTION OF THE SCHOOL BUILDING LOCATED AT 5410 SOUTH STATE STREET

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a lease agreement with the Architecture, Construction and Engineering Technical Charter School, as tenant, for rental of a portion of the school building located at 5410 South State Street. A written lease agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written lease agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this lease agreement is stated below.

TENANT: Architecture, Construction and Engineering Technical Charter School
5410 S. State Street
Chicago, IL 60609
Contact Person: Geri Harston, Executive Director
Phone: 312-880-0261

LANDLORD: Board of Education of the City of Chicago

PREMISES: The first floor of the building located at 5410 South State Street, Chicago, IL 60609.

USE: Tenant shall use the Premises to operate the Architecture, Construction and Engineering Technical Charter School and related educational and community programs, and for no other purpose. Tenant shall have unrestricted access to the Premises prior to the commencement of the lease for purposes of evaluation and construction.

TERM: The lease term shall commence on September 1, 2004 and shall end August 31, 2014; however, this lease shall automatically terminate on any such date as the Charter School Agreement for the Tenant is terminated.

RENT: Tenant shall pay Landlord the sum of One Dollar per annum for the use of the Premises for the entire term of this Lease.

MAINTENANCE & OPERATIONS: The Tenant shall be responsible and pay for heat, electric, normal maintenance, trash removal, general security and janitorial services. The Landlord shall be responsible for capital expenses.

INSURANCE & INDEMNIFICATION: Landlord and Tenant agree to maintain general liability, property damage, workers' compensation and employer's liability insurance in sufficient amounts for the purpose of this Lease.

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 any ancillary documents related to this Lease.

AFFIRMATIVE ACTION: Exempt.

LSC REVIEW: LSC approval is not applicable to this action.

FINANCIAL: Credit income to General Fund.

GENERAL CONDITIONS:

Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILSC 5/34-13.1, the Inspector General of the Board of Trustees 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.

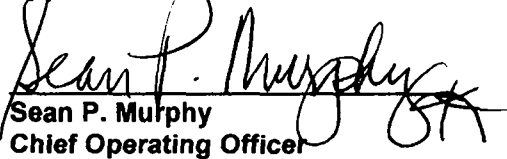
Conflicts: The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILSC 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

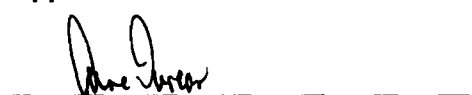
Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:



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