

**APPROVE THE RENEWAL OF THE LEASE AGREEMENT WITH  
ACTOR'S EQUITY ASSOCIATION FOR RENTAL OF SPACE AT 125 SOUTH CLARK STREET**

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

Approve the renewal of the lease agreement with Actor's Equity Association for rental of space at 125 South Clark Street consisting of 1,300 rentable square feet on the 15<sup>th</sup> floor (Suite 1522). A written renewal agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this lease renewal agreement is stated below.

**TENANT:** Actor's Equity Association  
125 S. Clark Street, Suite 1500  
Chicago, IL 60603  
Contact Person: Steve DiPaola  
Phone: (212) 869-8530

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

**PREMISES:** 1,300 rentable square feet on the 15<sup>th</sup> floor (Suite 1522)

**USE:** Multi-use and audition space.

**RENEWAL TERM:** By mutual consent of the parties, the lease agreement shall be renewed for a term commencing June 1, 2005 and ending May 31, 2010.

**ORIGINAL LEASE AGREEMENT:** The original Office Lease (authorized by Board Report 03-0423-OP03) is for a term commencing June 1, 2003 and ending May 31, 2005.

**FIXED MINIMUM RENT:** The fixed minimum rent (which is a gross amount including taxes, operating expenses, common area electricity and water) is as follows:

<u>Date</u>	<u>Annual Fixed Minimum Rent</u>	<u>Monthly Fixed Minimum Rent</u>
6/1/05 – 5/31/06	\$24,700.00	\$2,058.33
6/1/06 – 5/31/07	25,506.00	2,125.50
6/1/07 – 5/31/08	26,273.00	2,189.42
6/1/08 – 5/31/09	27,066.00	2,255.50
6/1/09 – 5/31/10	27,872.00	2,322.67

The Fixed Minimum Rent as of June 1, 2005, is calculated at the rate of \$19.00 per rentable square foot which represents a 4.37% increase over the current Fixed Minimum Rent. Each year thereafter, the Fixed Minimum Rent will increase by approximately 3% over the then current Fixed Minimum Rent.

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

**AFFIRMATIVE ACTION:** Exempt.

**FINANCIAL:** Credit to the General Fund.

**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.

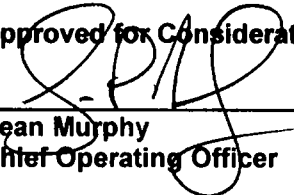
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

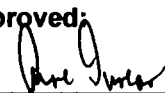
Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:**

  
Sean Murphy  
Chief Operating Officer

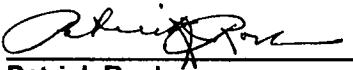
**Approved:**

  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
John Maiorca  
Chief Financial Officer

**Approved as to legal form:** 

  
Patrick Rocks  
General Counsel