

**APPROVE THE RENEWAL OF THE LEASE AGREEMENT WITH  
MENTAL HEALTH ASSOCIATION OF GREATER CHICAGO  
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 Mental Health Association of Greater Chicago for rental of space at 125 South Clark Street consisting of 751 rentable square feet on the 18<sup>th</sup> Floor (Suite 1820). 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:** Mental Health Association of Greater Chicago  
125 South Clark Street, Suite 1820  
Chicago, IL 60603  
Contact Person: Martha Schriver

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

**PREMISES:** 751 rentable square feet on the 18<sup>th</sup> Floor, Suite 1820, 125 S. Clark Street, Chicago, Illinois.

**USE:** Office space for Tenant's not-for-profit social service agency.

**RENEWAL TERM:** By mutual consent of the parties, the lease agreement shall be renewed for a term commencing May 1, 2006 and ending April 30, 2009, with Tenant having the option to renew the lease for an additional 2-year term at the rent stated below.

**ORIGINAL LEASE AGREEMENT:** The original Lease (authorized by Board Report 01-0523-OP3) is for a term commencing May 1, 2001 and ending April 30, 2006.

**BASE RENT:** Base Rent for the renewal term shall be as follows:

<u>Term</u>	<u>Rent per square foot</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
5/1/06 – 4/30/07	\$18.00	\$13,518.00	\$1,126.50
5/1/07 – 4/30/08	\$18.54	\$13,923.54	\$1,160.30
5/1/08 – 4/30/09	\$19.10	\$14,344.10	\$1,195.34

Base rent for the renewal term 5/1/09 – 4/30/10 shall be \$19.66 per square foot and for the term 5/1/10 – 4/30/11 shall be \$20.25 per square foot.

**ADDITIONAL RENT:** Tenant shall also pay for electricity at the annual rate of \$916.22 for the period 5/1/06 – 4/30/07 (based upon the annual rate of \$1.22 per square foot) and shall pay electricity at the annual rate of \$938.75 for the period 5/1/07 – 4/30/08 (based upon the annual rate of \$1.25 per square foot), and shall pay for electricity at the annual rate of \$968.79 for the period 5/1/08 – 4/30/09 (based upon the annual rate of \$1.29 per square foot). Electricity charge for the renewal term 5/1/09 – 4/30/10 shall be \$1.33 per square foot and for the term 5/1/10 – 4/30/11 shall be \$1.37 per square foot.

**ADDITIONAL TERMS AND CONDITIONS:** Except as specifically modified herein, all other terms and conditions of the Lease shall remain in full force and effect.

**CREDIT FOR OVERPAYMENT OF RENT:** The parties acknowledge that Tenant has overpaid rent for the original term of the lease in the total amount of \$28,334.86, due to a miscalculation of the square footage of Suite 1820 (square footage stated in original lease is 1,008; actual square footage is 751). Tenant has agreed to accept payment of this credit over a 24-month period resulting in a reduction of Tenant's Monthly Base Rent and Additional Rent in the amount of \$1,180.62.

**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.

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

**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.

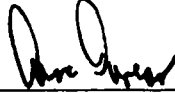
Ethics – The Board’s Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:**


  
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Sean P. Murphy  
Chief Operating Officer

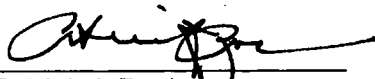
**Approved:**

  
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Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

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

**Approved as to legal form:** 

  
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Patrick J. Rocks  
General Counsel