

**AMEND BOARD REPORT 06-0322-OP2**  
**APPROVE THE RENEWAL OF THE LEASE AGREEMENT WITH**  
**JOHN GALT SOLUTIONS, INC. 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 John Galt Solutions, Inc. for rental of space at 125 South Clark Street consisting of 6,587 rentable square feet on the 19<sup>th</sup> Floor (Suite 1950). A letter agreement has been executed by the Tenant agreeing to a month-to-month renewal of the original lease agreement at the rental rate stated below. No further documentation is required. 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.

This amendment is necessary to revise the lease term, the base rent and the additional rent.

**TENANT:** John Galt Solutions, Inc.  
 125 South Clark Street, Suite 1950  
 Chicago, IL 60603  
 Contact Person: Annemarie Omrod

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

**PREMISES:** 6,587 rentable square feet on the 19<sup>th</sup> Floor, Suite 1950, 125 S. Clark Street, Chicago, Illinois.

**USE:** Office space for Tenant's software consulting firm.

**RENEWAL TERM:** By mutual consent of the parties, the lease agreement shall be renewed on a month-to-month basis, with either party having the right to terminate the lease at the end of any calendar month with 30 days written notice for a term commencing April 1, 2006 and ending March 31, 2008.

**ORIGINAL LEASE AGREEMENT:** The original Lease (authorized by Board Report 01-1024-OP5) is for a term commencing April 1, 2001 and ending March 31, 2006.

**BASE GROSS RENT:** Base Gross Rent for the month-to-month renewal term shall be as follows:

<u>Term</u>	<u>Rent per square foot</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
<del>4/1/06—3/31/07</del>	\$20.14	\$132,662.18	\$11,055.18
<del>4/1/07—3/31/08</del>	\$20.74	<del>\$136,614.38</del>	<del>\$11,384.53</del>

~~**ADDITIONAL RENT:** Tenant shall also pay for electricity at the monthly rate of \$668.58 for the period 4/1/06—3/31/07 (based upon the monthly rate of \$0.1015 per square foot) and shall pay electricity at the monthly rate of \$688.34 for the period 4/1/07—3/31/08 (based upon the monthly rate of \$0.1045 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.

~~**UPGRADES TO COMMON AREA:** As an incentive to Tenant to renew this Lease, the Board has agreed to replace the carpeting in the elevator lobby on the 19<sup>th</sup> floor and to re-finish or replace the stall doors in the men's washroom on the 19<sup>th</sup> floor to eliminate any and all graffiti. All costs related to such improvements are included in the 05/06 fiscal year operations and management budget for the 125 South Clark Street Building.~~

~~**AUTHORIZATION:** Authorize the General Council to include other relevant terms and conditions in the written lease renewal agreement. Authorize the Director of Real Estate President and Secretary to execute the lease renewal letter 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.

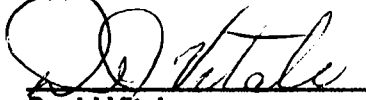
**Conflicts** – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of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

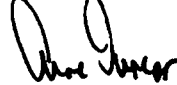
**Contingent Liability** – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

**Approved for Consideration:**



**David Vitale**  
Chief Operating Officer

**Approved:**



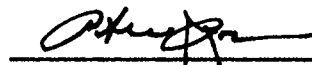

**Arne Duncan**  
Chief Executive Officer

**Within Appropriation:**



**John Maiorca**  
Chief Financial Officer

**Approved as to legal form.**



**Patrick J. Rocks**  
General Counsel