

AMEND BOARD REPORT 04-0922-0P7
**APPROVE ENTERING INTO A LEASE AGREEMENT WITH THE ARCHITECTURE, CONSTRUCTION
AND ENGINEERING TECHNICAL CHARTER SCHOOL FOR USE OF 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.

This amendment is necessary to expand the Premises being occupied by the Tenant. A written amendment to the Lease Agreement is required. The authority granted herein shall automatically rescind in the event a written amendment to the Lease Agreement is not executed within 90 days of the date of this amended Board Report.

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. As of January 2006, Tenant's Premises expanded to the entire building and grounds.

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 and amendment. Authorize the President and Secretary to execute the lease agreement. Authorize the General Counsel to execute any ancillary documents related to this Lease and amendment.

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 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.

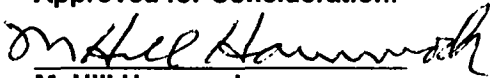
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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

Indebtedness – The Board’s Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

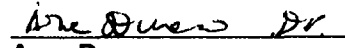
Ethics – The Board’s Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:


M. Hill Hammock
Chief Operating Officer

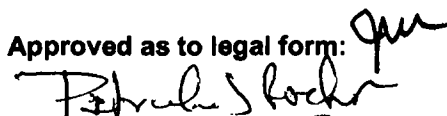
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Pedro Martinez
Chief Financial Officer

Approved as to legal form:


Patrick J. Rocks
General Counsel