

APPROVE ENTERING INTO A LEASE AGREEMENT WITH THE CHICAGO PARK DISTRICT FOR THE USE AND MAINTENANCE OF CERTAIN GREEN SPACE TO OPERATE A PARK WITH FEATURES THAT INCLUDE A SYNTHETIC TURF TRACK AND FOOTBALL/SOCCER/LACROSSE FIELD LOCATED AT ORR SCHOOL, INCLUDING YEARLY USAGE OF THE POOL, GYM AND PARKING LOT AT ORR SCHOOL

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a lease agreement with The Chicago Park District (CPD) for the use and maintenance of certain green space to operate a park with features that include a new synthetic turf football/soccer/Lacrosse field and synthetic surface track (Green Space), including yearly usage of the pool, gym and parking lot (Usage Space) located at Orr School (School). A written lease agreement is currently being negotiated. The Tenant shall not take possession of the premises nor shall any leasehold estate be created prior to the execution of the written lease agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 120 days of the date of this Board Report. Information pertinent to this lease agreement is stated below.

TENANT: Chicago Park District
541 North Fairbanks
Chicago, IL 60611
312-742-7529

LANDLORD: Board of Education of the City of Chicago

LEASED PREMISES: The Green Space

USAGE PREMISES: The Usage Space

USE: The Green Space shall be used for athletic purposes appropriate for the premises. The School will have priority use of the Green Space and Usage Space for School activities. The parties shall meet annually, prior to July 1st of each year, to formulate a schedule for use of the Green Space and the Usage Space by each party. CPD may use or sublet (and charge for such subletting) the Green Space any date and time other than the dates and times the School will be using the premises. The School will pick up debris after each time it uses the Green Space. Other than the School's responsibility to pick up debris after its use of the Green Space, CPD will have complete and total responsibility for all maintenance, landscaping, upkeep, cleaning and all other operational/maintenance requirements for the premises including capital repairs and improvements.

LEASE TERM: The term of the lease agreement shall commence on the last date the agreement is signed and shall end twenty (20) years thereafter. The Tenant shall have unlimited options to renew the lease agreement for periods of five (5) years, provided however, that after the initial twenty (20) year term either party shall have the right to terminate the lease upon six (6) months prior written notice.

USAGE TERM: The term of the Usage Space shall commence on the last date the agreement is signed and shall end twelve (12) months thereafter. The Tenant shall have unlimited options to renew the Usage term for periods of one (1) year, provided however, that after the first year either party shall have the right to terminate the usage term upon thirty (30) days prior written notice. In no event shall the expiration or termination of the usage term in any way affect or change the term of the lease.

EARLY TERMINATION RIGHT: Either party may terminate the lease after the expiration of the initial twenty (20) year lease, provided such party gives six months prior written notice to the other party. Either party may terminate the usage term upon thirty (30) days prior written notice.

RENT: The annual rent for the initial term of the lease shall be \$1.00 per annum, payable annually.

IMPROVEMENTS TO PREMISES: CPD shall have the right to change, alter or reconfigure the Green Space only with prior written consent of the Board.

INSURANCE/INDEMNIFICATION: CPD shall be required to obtain and maintain, throughout the term of the License Agreement, insurance as required by the Board.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written lease agreement. Authorize mutual indemnification. Authorize the President and Secretary to execute the lease 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.

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:



**Stephen M. Wilkins
Chief Property Officer**

Within Appropriation:



**Pedro Martinez
Chief Financial Officer**

Approved as to legal form 



**Patrick J. Rocks
General Counsel**

