

APPROVE ENTERING INTO A LEASE RENEWAL AGREEMENT WITH IMPERIAL REALTY COMPANY, AS AGENT FOR THE BENEFICIARIES OF CHICAGO TITLE LAND TRUST COMPANY, SUCCESSOR TRUSTEE TO LASALLE BANK N.A., UNDER TRUST NUMBER 4612-HP FOR THE LEASE OF SPACE AT 4632, 4634 AND 4638 W. DIVERSEY

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a lease renewal agreement with Imperial Realty Company, as agent for the beneficiaries of Chicago Title Land Trust Company, successor trustee to LaSalle Bank N.A., under Trust No 4612-HP for lease of space at 4632,4634 and 4638 West Diversey, Chicago, Illinois for use by Schubert, Barry and Falconer State Pre-K programs. 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 renewal is stated below.

LANDLORD: Imperial Realty Company, as agent for the beneficiaries of Chicago Title Land Trust Company, successor trustee to LaSalle Bank N.A., under Trust No. 4612-HP
4747 W. Peterson Avenue
Chicago, IL 60646
Contact Person: Robert Kiairmont
Phone: 773-736-4100 ext. 16

TENANT: Board of Education of the City of Chicago

PREMISES: 4632, 4634 and 4638 W. Diversey, Chicago, Illinois, consisting of approximately 14,200 rentable square feet and the right to use the common areas of the shopping center, of which the premises is a part.

USE: State Pre-K program for Schubert, Barry and Falconer Schools.

ORIGINAL LEASE: The original lease agreement (authorized by Board Report 06-0222-OP1) is for a term commencing July 1, 2006 and ending June 30, 2009.

RENEWAL TERM: The term of the Lease Agreement shall be extended for a period commencing July 1, 2009 and ending June 30, 2014.

BASE RENT: The base rent during the Renewal Term shall be as follows:

<u>Period</u>	<u>Monthly Base Rent</u>	<u>Annual Base Rent</u>	<u>Annual Rent per Square Foot</u>
7/1/09-6/30/10	\$18,614	\$223,368	\$15.73
7/1/10-6/30/11	\$18,986	\$227,832	\$16.04
7/1/11-6/30/12	\$19,366	\$232,392	\$16.37
7/1/12-6/30/13	\$19,753	\$237,036	\$16.69
7/1/13-6/30/14	\$20,148	\$241,776	\$17.03

ADDITIONAL RENT: Tenant shall be responsible for the payment of its share of common area maintenance of the property and its share of real estate taxes on the property. For the first year of the renewal term, these expenses are estimated to be \$75,000.

OTHER TERMS AND CONDITIONS: Except as expressly amended herein, all other terms and conditions of the original lease agreement shall remain in full force and effect.

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

AFFIRMATIVE ACTION: Exempt

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

FINANCIAL: Base Rent & Additional Rent: \$298,368 FY10
Budget Classification: 11385-115-57705-254904-376619-2009

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 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

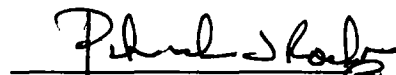
Approved:


Ron Huberman
Chief Executive Officer

Within Appropriation:


Pedro Martinez
Chief Financial Officer

Approved as to legal form: 


Patrick J. Rocks
General Counsel