

APPROVE ENTERING INTO AN AMENDMENT TO THE GROUND LEASE WITH THE OUNCE OF PREVENTION FUND FOR PROPERTY LOCATED AT 5044 SOUTH WABASH AVEUNE

THE CHIEF EXECUTIVE OFFICE REPORTS THE FOLLOWING DECISION:

Approve entering into an amendment to the ground lease (Ground Lease) with the Ounce of Prevention Fund for property located at 5044 South Wabash Avenue, Chicago, Illinois (a portion of Attucks School). A written amendment to the Ground Lease is currently being negotiated. The authority granted herein shall automatically rescind in the event a written amendment is not executed within 90 days of this Board Report. Information pertinent to this amendment is stated below.

TENANT: Ounce of Prevention Fund
33 W. Monroe Street, Suite 2400
Chicago, IL 60603
Contact Person: Sarah Bradley, Chief Operating Office
Phone: 312-922-3863

LANDLORD: Board of Education of the City of Chicago

ORIGINAL LEASE: The original Ground Lease (authorized by Board Report 98-0325-OP4) is for a portion of land located at 5044 South Wabash Avenue (adjacent to the Farren School, now occupied by Attucks School) and is for a term commencing April 1, 1998 and ending March 31, 2097. Pursuant to the terms of the Ground Lease, Tenant constructed and is currently operating an early childhood center on the Premises.

REASONS FOR AMENDING THE GROUND LEASE: To allow Tenant the right to construct an addition to its existing building, the Ground Lease shall be amended as follows:

1. Re-define the Premises (required to maintain Attucks School existing playlot and to provide parking for the school); and
2. Grant approval to Tenant to construct a 1-story addition to its existing building and expand the existing parking lot; and
3. Provide for Tenant to lease back to Landlord a portion of the expanded parking lot for Attucks School use.

PREMISES: Exhibit A (Description of Real Property) of the Ground Lease shall be deleted in its entirety and replaced with Exhibit A attached to this Board Report.

IMPROVEMENTS: Tenant shall be granted the right to construct a 1-story addition to its existing building and expand the existing parking lot substantially in accordance with drawings submitted by Van Weise Associates dated November 23, 2009, which drawings shall be attached to and incorporated into the amendment. All improvements shall be subject to prior written Board approval.

LEASEBACK OF PARKING LOT: Tenant shall leaseback to Landlord a portion of the parking lot located on the Premises consisting of approximately 51 parking spaces and 2 accessible parking spaces. The term of this lease back shall be co-terminus with the Ground Lease. Landlord shall pay Tenant a one-time rental fee of \$300,000 for the use of these spaces for the entire term of the leaseback, such rental fee being due and owing at such time as the expanded parking lot is available for use. The maintenance of the parking lot shall be shared proportionately by the parties.

FUNDING: Tenant shall provide all funding and construction management for the improvements contemplated herein.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written lease amendment. Authorize the President and Secretary to execute the lease amendment. Authorize the General Counsel to execute all ancillary documents required to administer or effectuate this

lease amendment. Authorize the Chief Operating Officer to approve Tenant improvements to the Premises.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: Charge to Real Estate: \$375,000 - FY2010
Budget Classification: 11880-230-57705-254903-000000-2010

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.

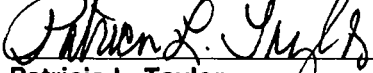
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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


Patricia L. Taylor
Acting Chief Operating Officer

Approved:


Ron Huberman
Chief Executive Officer

Within Appropriation:


Christina Herzog
Acting Chief Financial Officer

Approved as to legal form:

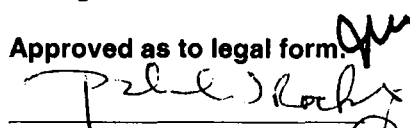

Patrick J. Rocks
General Counsel

EXHIBIT A
(Description of Real Estate)

THAT PART OF LOTS 1 TO 48, BOTH INCLUSIVE, IN BLOCK 3 AND LOTS 5 TO 48, BOTH INCLUSIVE, IN BLOCK 4 IN WILLIAM M DERBY'S SUBDIVISION OF THE SOUTHWEST $\frac{1}{4}$ OF THE NORTHWEST $\frac{1}{4}$ OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND SUB-LOTS 1, 2 AND 3 IN HARRIS AND MC GIMSIE'S RESUBDIVISION OF LOTS 1, 2,3 AND 4 IN BLOCK 4 IN WILLIAM M. DERBY'S SUBDIVISION OF THE SOUTHWEST $\frac{1}{4}$ OF THE NORTHWEST $\frac{1}{4}$ OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH ALL OF THE VACATED NORTH AND SOUTH 20 FOOT ALLEYS LYING BETWEEN THE LOTS IN SAID BLOCKS 3 AND 4 IN WILLIAM M. DERBY'S SUBDIVISION AFORESAID, AND TOGETHER WITH THE VACATED PART OF 50TH STREET LYING BETWEEN SAID BLOCKS 3 AND 4 IN WILLIAM M. DERBY'S SUBDIVISION AND THE VACATED ALLEYS IN SAID BLOCKS, TAKEN AS A TRACT AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH LINE OF VACATED 50TH STREET AND THE EAST LINE OF SOUTH STATE STREET; THENCE SOUTH ALONG SAID EAST LINE OF SOUTH STATE STREET, 16.00 FEET TO THE POINT OF BEGINNING; THENCE EAST AT RIGHT ANGLES TO THE LAST DESCRIBED COURSE, 238.04 FEET; THENCE SOUTH AND PARALLEL TO THE WEST LINE OF SOUTH WABASH AVENUE, 294.97 FEET; THENCE EAST AND PERPENDICULAR TO THE WEST LINE OF SOUTH WABASH AVENUE, 103.36 FEET TO THE WEST LINE OF SOUTH WABASH AVENUE; THENCE SOUTH ALONG SAID WEST LINE OF SOUTH WABASH AVENUE, 238.32 FEET; THENCE WEST AT RIGHT ANGLES TO THE LAST DESCRIBED COURSE, 167.67 FEET; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO THE LAST DESCRIBED LINE HAVING A RADIUS OF 8.00 FEET, DELTA 76 DEGREES 48 MINUTES 52 SECONDS AND AN ARC OF 10.73; THENCE NORTHERLY ALONG A LINE TANGENT TO THE LAST DESCRIBED CURVE, 7.80 FEET; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO THE LAST DESCRIBED LINE HAVING A RADIUS OF 12.00 FEET, DELTA 63 DEGREES 40 MINUTES 24 SECONDS AND AN ARC LENGTH OF 13.34 FEET; THENCE NORTHERLY ALONG A LINE TANGENT TO THE LAST DESCRIBED CURVE 11.90 FEET; THENCE NORTHWESTERLY ALONG A CURVE TANGENT OF THE LAST DESCRIBED COURSE HAVING A RADIUS OF 16.00 FEET, DELTA 64 DEGREES 08 MINUTES 15 SECONDS AND AN ARC LENGTH TO THE LAST 17.91 FEET; THENCE NORTHERLY ALONG A LINE TANGENT OF THE LAST DESCRIBED CURVE, 11.99 FEET; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO THE LAST DESCRIBED LINE HAVING A RADIUS OF 12.00 FEET, DELTA 64 DEGREES 07 MINUTES 04 SECONDS, AND AN ARC LENGTH OF 13.43; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO THE LAST DESCRIBED CURVE, 11.28 FEET; THENCE NORTH ALONG A LINE PARALLEL WITH THE EAST LINE OF THE SOUTH STATE STREET, 148.66 FEET; THENCE WEST AND PERPENDICULAR TO THE EAST LINE OF SOUTH STATE STREET 108.50 FEET TO THE EAST LINE OF SOUTH STATE STREET; THENCE NORTH ALONG THE EAST LINE OF SOUTH STATE STREET, 323.69 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY ILLINOIS.

SAID PARCEL CONTAINING 2.905 ACRES (126,559 SQ.FT.), MORE OR LESS.