

**REAFFIRM BOARD REPORT 11-0727-OP4
AUTHORIZE ENTERING INTO A LEASE AGREEMENT
WITH THE CHICAGO PARK DISTRICT FOR GATELY STADIUM**

THE CHIEF EXECUTIVE OFFICER REQUESTS THE FOLLOWING ACTION:

Approve entering into a Lease Agreement with the Chicago Park District for Gately Stadium located in Gately Park in Chicago, Illinois. A written Lease Agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written agreement is not fully executed within 90 days of the date of this Board Report. Information pertinent to the Lease is stated below.

LANDLORD: Chicago Park District
541 North Fairbanks Court
Chicago, IL 60611
Contact: Gia Biagi
Phone: (312) 742-7529
E-mail: gia.biagi@chicagoparkdistrict.com

TENANT: Board of Education of the City of Chicago

PREMISES: Gately Stadium, located within Gately Park, at 810 East 103rd Street, Chicago, Illinois 60628.

USE: The Premises to be used for athletic and recreational events.

ORIGINAL LEASE: The original lease agreement (authorized by Board Report 86-0910-RE1 and amended by 87-0812-RE14) is for a term that commenced September 1, 1986, and ends August 31, 2011.

NEW LEASE TERM: The term of the new lease agreement shall be for 25 years, commencing on September 1, 2011, and ending August 31, 2036.

RENT: \$1.00 per year.

CAPITAL IMPROVEMENTS TO BE MADE BY THE BOARD: The Board shall have the right to make additions, alterations or improvements to the Premises at its own expense, so long as such additions, alterations or improvements are consistent with the use of the Premises and the lease. The following stadium improvements by CPS are in process as approved under the FY2011 Capital Improvement Budget in the amount of \$4,000,000:

- a. Replace turf field
- b. Replace asphalt apron around the field with a concrete apron
- c. Replace concrete sidewalk
- d. Replace fencing
- e. Replace 10% of bleacher seating
- f. Replace both the press box and coaches box with new prefabricated units
- g. Masonry/tuckpointing work
- h. Paint structural steel
- i. Interior work to build out unisex bathroom
- j. Electrical renovations beneath bleachers for safety requirements

TAXES AND UTILITIES: The Premises is exempt from property taxes. In the event property taxes are levied against the Premises, the Board shall pay such taxes assessed against the Premises during the term of the lease. The Board shall also pay all utility charges incurred on the Premises for gas and

electricity during the term of the lease, excluding those utilities that are separately metered for the Chicago Park District's sole use.

CONCESSIONS: The Board shall have the exclusive right to control and operate all stadium concessions and shall receive any and all payments due or which shall become due.

MAINTENANCE, REPAIR AND INSURANCE: The Board shall keep the Premises in good condition, maintain and repair the Premises as necessary and return the Premises to the Chicago Park District in good condition (excepting normal wear and tear) at the end of the lease term. The Chicago Park District shall be responsible for maintenance, repairs and other expenses of the areas of Gately Park not subject to the lease.

INSURANCE/INDEMNIFICATION: Insurance and indemnification provisions shall be negotiated by the General Counsel.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the Lease Agreement. Authorize the Chief Operating Officer to execute any and all ancillary documents related to the lease.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: The estimated annual utility costs are \$12,000.00.

Source of funds: Operations

Budget lines: 11880-230-53115-254002-000000-2012 (electric)
 11880-230-53120-254002-000000-2012 (gas)

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 May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

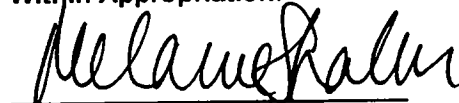
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:




Patricia L. Taylor
Chief Operating Officer

Within Appropriation:



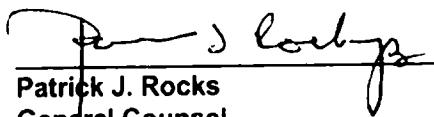
Melanie A. Shaker
Interim Chief Financial Officer

Approved:



Jean-Claude Brizard
Chief Executive Officer

Approved as to legal form: 



Patrick J. Rocks
General Counsel