

February 22, 2012

AMEND BOARD REPORT 11-0824-OP2
**AUTHORIZE (1) ENTERING INTO A JOINT AGREEMENT WITH THE CITY OF CHICAGO,
 THE CHICAGO PARK DISTRICT, THE CHICAGO CUBS AND THE WOOD FOUNDATION
 FOR THE CONSTRUCTION OF A BASEBALL FIELD
 AND A USE AGREEMENT WITH THE PARK DISTRICT FOR USE OF THE FIELD, AND
 (2) ENTERING INTO RECIPROCAL LEASE AGREEMENT WITH DEVRY UNIVERSITY**

THE CHIEF EXECUTIVE OFFICER REQUESTS THE FOLLOWING ACTION:

Approve entering into the two related agreements described below. The written agreements are currently being negotiated. Information pertinent to the agreements is stated below.

This February 2012 amendment is necessary to (i) change the estimated project cost, (ii) change the financial contributions of the Board, the Chicago Park District, the Chicago Cubs and the City toward the project, and (iii) clarify that the Board shall have the right to keep all revenue earned from CPS events.

1. JOINT AGREEMENT FOR CONSTRUCTION AND USE AGREEMENT. A joint agreement for construction will be entered into between the Board, the City of Chicago ("the City"), the Chicago Park District ("the CPD"), the Chicago Cubs Baseball Club ("the Cubs") and the Kerry and Sarah Wood Foundation ("the Foundation"). The Board, the City, the CPD and the Foundation have agreed to contribute funding to construct a new turf baseball field on a designated area of approximately five acres depicted on the attached Exhibit A. The area ("the Premises") is made up of land owned by the Board, the CPD and DeVry University ("DeVry"), and is located to the east of North Rockwell Street and the southwest of Lane Tech High School, 2501 West Addison Street. The Board shall lease the property owned by DeVry and the lease agreement will permit the Board to use such property for a portion of the baseball field. A shared use agreement will be entered into between the Board and the CPD for the Board to have priority use of the field.

PARTIES/DONORS:

Chicago Board of Education
 125 South Clark Street
 Chicago, IL 60603
 Attn: Chief Operating Officer
 Phone: (773) 553-2900

City of Chicago
 121 North LaSalle Street, #200
 Chicago, IL 60602
 Attn: Ald. Ameya Pawar
 Phone: (312) 744-0446

Chicago Park District
 541 North Fairbanks Court
 Chicago, IL 60611
 Attn: Chief Operating Officer
 Phone: (312) 742-7529

Chicago Cubs Baseball Club, LLC
 1060 West Addison Street
 Chicago, IL 60613
 Attn: Vice President – Community Affairs
 Phone: (773) 404-2827

Kerry and Sarah Wood Foundation
 c/o Chicago Cubs Baseball Club, LLC
 1060 West Addison Street
 Chicago, IL 60613
 Attn: Vice President – Community Affairs
 Phone: (773) 404-2827

FINANCIAL CONTRIBUTIONS, MAINTENANCE AND UTILITIES: The Cubs shall be responsible for the construction of the field, which is estimated to cost \$5.5 million. The Board and the CPD shall approve all plans prior to construction. Contributions shall be made as follows: (i) the Board shall contribute ~~\$750,000~~ 4 million; (ii) the City, through Alderman Ameya Pawar, shall contribute up to \$1.25 million with TIF funding; (iii) the CPD shall contribute ~~\$500,000~~ 4 million; (iv) the Cubs, through their charities and their construction firm, shall contribute \$1.575 million; and (v) the Foundation shall contribute \$1 million. The Board's ~~\$4 million~~ \$750,000 contribution shall be paid to the CPD as consideration for the shared use of the field; the CPD shall then pay a total of \$1.252 million (~~\$750,000~~ 4 million from the Board and ~~\$500,000~~ 4 million from the CPD) to the Cubs or the Cubs' designee for the construction of the field. The CPD shall be responsible for the maintenance of the Premises and paying for all utility service for the Premises, including water, electricity, sewer and garbage. The Premises is exempt from property taxes.

PREMISES: Approximately 5 acres located to the east of North Rockwell Street and the southwest of Lane Tech High School, located at 2501 West Addison Street. The Premises is depicted on the attached Exhibit A.

USE: The Board shall have priority use of the Premises during school hours and during after-school practices and school sporting events. The CPD shall be responsible for scheduling the use of the Premises by the CPD and the community during such times when the Board does not have priority use.

TERM: The joint agreement and shared use agreement shall have a term of 50 years, commencing on the date of execution.

CONCESSIONS/TICKETS: The Board shall have the right to control and operate all ticket sales and field concessions during the Board's priority use and shall receive any and all payments due or which shall become due during that time. The CPD shall have the right to control and operate all ticket sales and field concessions during such times when the Board does not have priority use and the CPD is responsible for the scheduling of events.

NAMING RIGHTS: The Cubs shall have the right to name the Premises, which will be known as the "Kerry Wood Field at Cubs Stadium-" or something similar.

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 joint agreement and shared use agreement. Authorize the President and Secretary to execute the joint agreement and shared use agreement. Authorize the Chief Operating Officer to execute any and all ancillary documents related to the joint agreement and shared use agreement.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: The Board will contribute \$750,000 ~~1 million.~~

Source of funds: FY12 Capital Budget

Budget lines: 68040-483-56310-320008-000000-2012

2. RECIPROCAL LEASE AGREEMENT WITH DEVRY UNIVERSITY. The Board and DeVry have agreed to lease certain property to each other as depicted on the attached Exhibit A. The Board shall lease approximately 43,435 square feet of land to DeVry, and DeVry shall lease approximately 70,000 square feet of land to the Board.

LANDLORD:
(for 43,435 sq. ft.) Chicago Board of Education
125 South Clark Street
Chicago, IL 60613
Attn: Chief Operating Officer
Phone: (773) 553-2900

LANDLORD:
(for 70,000 sq. ft.) DeVry University
3005 Highland Parkway
Downers Grove, IL 60515
Attn: Dir. of Real Estate
Phone: (630) 515-3000

TENANT:
(for 43,435 sq. ft.) DeVry University
3005 Highland Parkway
Downers Grove, IL 60515
Attn: Dir. of Real Estate
Phone: (630) 515-3000

TENANT:
(for 70,000 sq. ft.) Chicago Board of Education
125 South Clark Street
Chicago, IL 60613
Attn: Chief Operating Officer
Phone: (773) 553-2900

PREMISES: The Board shall lease approximately 43,435 square feet of land to DeVry as depicted on the attached Exhibit A. DeVry shall lease approximately 70,000 square feet of land to the Board as depicted on the attached Exhibit A.

USE: DeVry shall use the approximately 43,435 square feet of land leased from the Board for a parking lot. The Board shall use the approximately 70,000 square feet of land leased from DeVry as part of the baseball field to be constructed by the Cubs pursuant to the joint agreement for construction.

TERM: Each lease shall have a term of 50 years, commencing the date of execution and expiring on the same date as the joint agreement and shared use agreement.

RENT: The rent to be paid by each of the Board and DeVry shall be \$1.00 for the entire term.

TAXES, UTILITIES AND MAINTENANCE: The properties lease by each of the Board and DeVry are exempt from property taxes. DeVry shall be responsible for the following with regard to the property leased from the Board: (i) construction of the parking lot; (ii) maintenance of the parking lot; and (iii) any utility costs incurred during the term DeVry leases the property from the Board. With regard to the property leased by the Board from DeVry, the Board shall have the right to allow the Cubs to construct a portion of a baseball field on the property leased from DeVry pursuant to the joint agreement for construction.

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 Reciprocal Lease Agreement. Authorize the President and Secretary to execute the Reciprocal Lease Agreement. Authorize the Chief Operating Officer to execute any and all ancillary documents related to the Reciprocal Lease Agreement.

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

FINANCIAL: The Board shall pay \$1.00 in rent to DeVry for the lease term.

Source of funds: FY12 Operations Budget line: 68040-115-56310-320008-000000-2012 (rent)

GENERAL CONDITIONS:

Inspector General – Each party to the agreements 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.

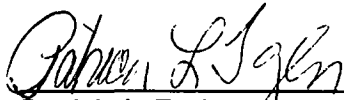
Conflicts – The agreements shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

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 agreements.

Contingent Liability – The agreements 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:



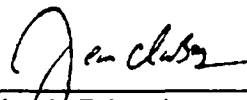
Patricia L. Taylor
Chief Operating Officer

Within Appropriation:



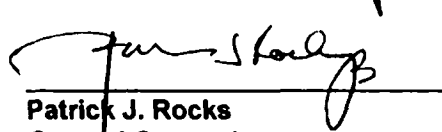
Melanie Shaker David G. Watkins
Interim Chief Financial Officer

Approved:



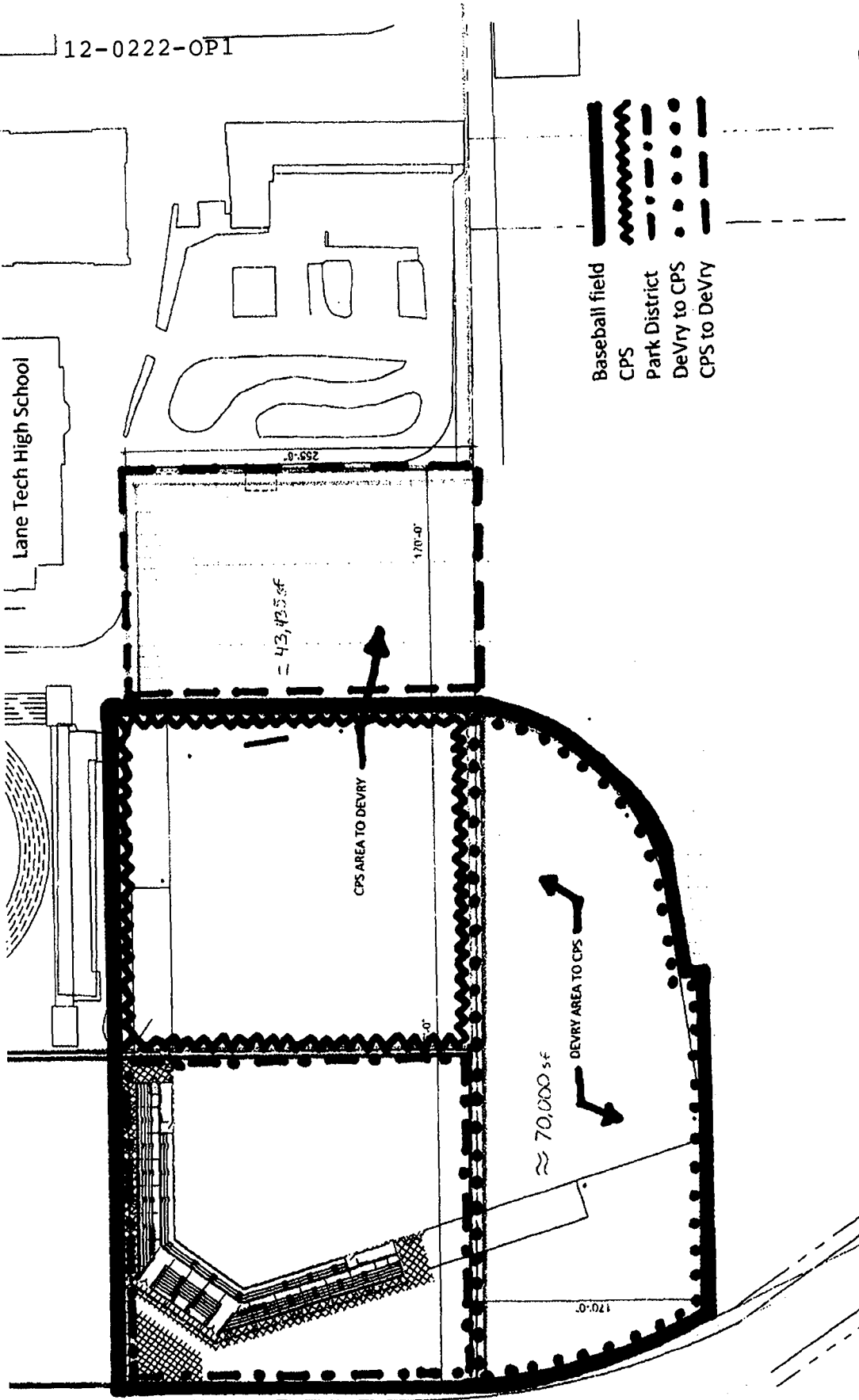
Jean-Claude Brizard
Chief Executive Officer

Approved as to legal form:



Patrick J. Rocks
General Counsel

12-0222-OPI



February 2, 2011
11:58 AM CST

CUBS FIELD AT CLARK PARK
CHICAGO, ILLINOIS

WEISS
Architectural + Planning Group