

**APPROVE MONTH-TO-MONTH RENEWAL OF LEASE AGREEMENT WITH 850 W. JACKSON
FOR LEASE OF SPACE FOR THE OFFICE OF THE INSPECTOR GENERAL**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a month-to-month lease agreement with 850 W. Jackson L.L.C. for lease of space located at 850 W. Jackson Blvd. for use by the Office of the Inspector General. A written lease agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written lease agreement is not executed within 90 days of the date of this Board Report.

LANDLORD: 850 W. Jackson L.L.C. c/o Marc Realty
55 E. Jackson Blvd., Suite 500
Chicago, IL 60604
Contact: Chris Jakubowski
Phone: (312) 876-1300

TENANT: Board of Education of the City of Chicago

PREMISES: 850 W. Jackson Blvd., Suite 500, consisting of approximately 10,167 rentable square feet.

USE: Office space for the Office of the Inspector General.

ORIGINAL TERM: The original lease (authorized by Board Report 05-0928-OP1) was for a term commencing February 1, 2006, and ending January 31, 2011, which was subsequently renewed (authorized 11-0126-OP2) for a term commencing February 1, 2011, and ending July 31, 2012.

RENEWAL TERM: The term of the renewal shall be for a period commencing August 1, 2012, and continuing thereafter on a month-to-month basis, but not exceeding a period of one year.

BASE RENT: The base rent during the month-to-month term shall be \$15,445 per month (for a maximum of \$185,340 for the one year period).

ADDITIONAL RENT: Tenant shall be responsible for its proportionate share of increases in the Building's operating expenses (which are estimated to be \$638 per month/\$7,656 per year) and real estate taxes over a 2005 base year (which are estimated to be \$863 per month/\$10,356 per year). In addition, Landlord shall continue to provide the Board with 15 parking spaces at the rate of \$180 per space, per month (\$2,700 total per month).

OTHER TERMS AND CONDITIONS: All other terms and conditions of the lease shall remain the same.

INSURANCE/INDEMNIFICATION: The General Counsel shall negotiate all insurance and indemnification provisions in the Lease.

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

Not to exceed \$206,052 (\$185,340 base rent + \$7,656 operating expenses + \$10,356 + \$2,700 parking)
Budget Classification: 10320-115-57705-252801-2013

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.

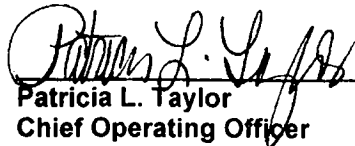
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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



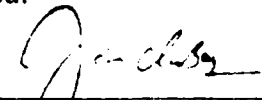
Patricia L. Taylor
Chief Operating Officer

Within Appropriation:



David G. Watkins
Chief Financial Officer

Approved:



Jean-Claude Brizard
Chief Executive Officer

Approved as to legal form:



Patrick J. Rocks
General Counsel