

**AMEND BOARD REPORT 20-0226-OP2
APPROVE LEASE WITH INVESCOMEX I, LLC FOR THE USE OF SPACE
LOCATED AT 4628-36 SOUTH KEDZIE AVENUE FOR COLUMBIA EXPLORERS PRE-K PROGRAM**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve lease agreement with Invescomex I, LLC for use of space at 4628-36 S. Kedzie Avenue, Chicago, Illinois for use by the Columbia Explorers Pre-K program. A written agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event that a written agreement is not executed within 90 days of the date of this amended Board Report.

This June 2020 amended Board Report is necessary to revise the square foot and annual rent amounts.

LANDLORD: Invescomex I, LLC
5503 W. Cermak Rd.
Cicero, IL 60804
Contact: Evelia Rodriguez
Phone: 773.617.1192 / Email: eveliadulce@yahoo.com

LEASED PREMISES: 4628-36 S. Kedzie Ave, consisting of up to 5,000 square feet.

TERM: The term of the lease agreement shall commence no sooner than on March 1, 2020 and shall end on June 30, 2025.

RENEWAL OPTIONS: There shall be two 2-year options to renew, which can be exercised upon mutual agreement of both parties.

USE: To provide Pre-K space for Columbia Explorers Elementary School, located at 4520 S. Kedzie Ave.

RENT: The rent shall be ~~\$26.77~~ \$25 per square foot per year with a three percent (3%) annual increase during the Term, to be paid monthly (i.e., for 5,000 square feet the monthly rent is \$10,416.66 and the annual rent is \$125,000). This rent amount includes real estate taxes, insurance and common area maintenance expenses, including custodial services. The total rent during the initial term is \$755,244.52.

Rent shall be paid monthly as follows:

<u>Lease Year (July 1- June 30 each year with exception of first year which is a 16-month period)</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
<u>March 1, 2020 – June 30, 2021</u>	<u>\$178,466.72</u>	<u>\$11,154.17</u>
<u>July 1, 2021 – June 30, 2022</u>	<u>\$137,865.50</u>	<u>\$11,488.79</u>
<u>July 1, 2022 – June 30, 2023</u>	<u>\$142,001.46</u>	<u>\$11,833.45</u>
<u>July 1, 2024 – June 30, 2024</u>	<u>\$146,261.50</u>	<u>\$12,188.46</u>
<u>July 1, 2024 – June 30, 2025</u>	<u>\$150,649.34</u>	<u>\$12,554.11</u>

UTILITIES, MAINTENANCE AND JANITORIAL: Tenant shall be responsible for utilities (except water, from which CPS is exempt), which shall be separately metered for the Premises. Landlord shall deliver the HVAC equipment, plumbing and electric in good working order at the commencement of the lease. Tenant shall maintain the HVAC equipment, plumbing and electric throughout the term of the lease. Landlord shall be responsible for maintenance and repairs to the roof and the structure of the building and snow plowing.

INSURANCE/INDEMNIFICATION: Any and all insurance/indemnification language shall be negotiated by the General Counsel.

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

AFFIRMATIVE ACTION: Exempt

LSC REVIEW: Not applicable

FINANCIAL: The total not-to-exceed amount to be paid by the Board is \$755,244.52 ~~\$666,666.64~~.

Charge to Real Estate:

March 1, 2020 – June 30, 2020	<u>\$44,616.68</u>	\$41,666.64	FY20
July 1, 2020 - June 30, 2021	<u>\$133,850.04</u>	\$125,000	FY21
July 1, 2021 – June 30, 2022	<u>\$137,865.50</u>	\$125,000	FY22
July 1, 2022 – June 30, 2023	<u>\$142,001.46</u>	\$125,000	FY23
July 1, 2023 – June 30, 2024	<u>\$146,261.50</u>	\$125,000	FY24
July 1, 2024 – June 30, 2025	<u>\$150,649.34</u>	\$125,000	FY25

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:


DocuSigned by:
Arnaldo Rivera
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Arnaldo Rivera
Chief Operating Officer

Approved:

DocuSigned by:
Janice K. Jackson
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Janice K. Jackson
Chief Executive Officer

Approved as to legal form: 

DocuSigned by:
Joseph T. Moriarty
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Joseph T. Moriarty
General Counsel