

April 23, 2014

**AUTHORIZE THE RENEWAL OF THE LEASE AGREEMENT WITH IVER JOHNSON
AT 4207-09 W IRVING PARK RD FOR USE BY BELDING PRE-K**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a renewal lease with Iver Johnson for space located at 4207-09 W Irving Park Rd for use by Early Childhood, for Belding Elementary Pre-K. 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: Iver Johnson
5304 N. Milwaukee
Chicago, IL 60630
Contact: Iver Johnson
Phone: 773.510.2774
Email: iver2@me.com

TENANT: Board of Education of the City of Chicago

PREMISES: The building at 4207-09 W Irving Park Rd (4,600 square feet). Use of the parking lot adjacent to the building is also included.

USE: Pre-K classrooms for Belding Elementary School.

ORIGINAL TERM: The original term (authorized by Board Report 03-0527-OP1) was for a term commencing August 1, 2002 and ending July 31, 2005. The lease was subsequently renewed (authorized by COO Report 05-0505-COO33) for a term commencing August 1, 2005 and ending July 31, 2006. The lease was subsequently renewed (authorized by Board Report 06-0125-OP1) for a term commencing August 1, 2006 and ending July 31, 2009. The lease was subsequently renewed (authorized by Board Report 09-0422-OP4) for a term commencing August 1, 2009 and ending July 31, 2014.

RENEWAL TERM: The term of the lease agreement shall commence on August 1, 2014 and ends June 30, 2019.

TERMINATION: CPS shall have the right to terminate the lease upon 60 days notice.

BASE RENT: The base rent shall be \$68,770.40 annually (\$14.95 psf) for the 4-year and 11-month renewal term.

ADDITIONAL RENT: CPS shall reimburse Landlord for the taxes. Taxes are estimated at \$20,000 per year.

MAINTENANCE: CPS is responsible for all normal maintenance and janitorial services for the Premises.

UTILITIES: CPS shall be responsible for all utilities.

INSURANCE/DEMNIFICATION: 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 license agreement. Authorize the President and Secretary to execute the license agreement. Authorize the Chief Facilities Officer to execute any and all ancillary documents related to the license agreement.

AFFIRMATIVE ACTION: Exempt

LSC REVIEW: Not applicable

FINANCIAL: The total amount to be paid by the Board for the 5-year term is **\$443,850**

Charge to Unit 11910, Fund 230 or 362:

FY15-FY19	\$88,770*
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*Amount includes estimated tax

FY15 – FY19 funding is contingent upon budget appropriation and approval.

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:



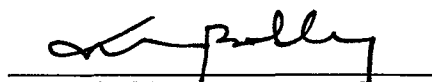
Patricia L. Taylor
Chief Facilities Officer

Approved:



Barbara Byrd-Bennett
Chief Executive Officer

Approved as to legal form: 



James Bebley
General Counsel