

**APPROVE NEW LEASE AGREEMENT WITH ONE NORTH DEARBORN PROPERTIES, LLC
FOR CPS' HEADQUARTERS OFFICE**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a lease agreement with One North Dearborn Properties, LLC for CPS' headquarters office. A written lease agreement is currently being negotiated. The authority granted herein shall automatically ~~revoke~~ ~~in the event a written agreement is not executed within 90 days of the date of this Board Report~~

*The Board shall only pay rent on 162,064 RSF of the 182,334 RSF of the Premises. Rent shall be paid on 40,000 RSF of the 60,270 RSF of the lower level (with 20,270 RSF rent free for 15 years).

RENT ABATEMENT: At \$1.40 per sq. ft. for 15 years from 10/1/07 to 9/30/22. For the period

shall be free of all rent considerations, including operating expenses.

OPERATING EXPENSES AND TAXES: Operating expenses and real estate taxes are included in the gross

FINANCIAL:

Total Projected Costs for 15-Year Term (Base Rent, Operating Expenses and Taxes)	
Base Rent	\$76,775,096
Less Gross Rental Abatement	(\$6,000,771)
Plus Projected Operating Expenses & Real Estate Tax Increases	\$6,571,943

FY15-24 Fund: TBD
Department Name: Operations
Department Parent Unit Number: 11910
FY14: \$1,574,660
Total Costs: \$77,346,268

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.

The Board's Indebtedness Policy, adopted June 28, 1996 (06-0006 BOE), as amended from

time to time, shall be incorporated into and made a part of the agreement.

The Board's Policy on the Employment of Former Board Members, adopted June 28, 1996 (06-0006 BOE), as amended from