

June 24, 2015

AMEND BOARD REPORT 00-0927-OP2
APPROVE ENTERING INTO A GROUND LEASE AGREEMENT WITH MOODY BIBLE INSTITUTE

THE INTERIM CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a ground lease agreement with Moody Bible Institute for the open space located directly south of the Walter Payton High School. A written lease agreement is currently being negotiated. The Tenant shall not take possession of the premises nor shall any leasehold estate be created prior to the execution of the written lease agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this lease agreement is stated below.

This June 2015 amendment is necessary to provide the terms of early termination of the agreement.

TENANT: Moody Bible Institute
820 N. LaSalle St.
Chicago, IL 60610
Attn: Vice President of Operations

LANDLORD: Board of Education of the City of Chicago

PREMISES: The open space located directly South of the Walter Payton High School at the northwest corner of Oak Street and Wells Street, Chicago, IL.

USE: The Premises will be used by the students of Walter Payton High School and Moody Bible Institute for educational and recreational purposes. The parties shall agree on a schedule of usage.

TERM: The term of this lease agreement shall commence on January 1, 2001 and shall end December 31, 2025. This lease agreement shall provide Moody with the option to renew for the lease an additional 25 years.

RENT: As and for consideration and rent for the Premises, Moody's shall (i) maintain the Premises in a good condition, at its own expense throughout the term of the lease; (ii) contribute \$500,000 to the Board for the improvements on the Premises; and (iii) grant to the Board the right to use, at no charge, certain of its facilities for the students of Walter Payton High School, including, but not limited to, their indoor swimming pool, tennis courts, and auditorium.

IMPROVEMENTS TO PREMISES: The Board shall cause improvements to be made to the Premises (including an athletic field and running track). Moody's shall contribute \$500,000.00 toward these improvements.

EARLY TERMINATION: Upon mutual agreement of the parties, this agreement may be terminated as of a date on or before July 1, 2015. Upon such termination, CPS shall reimburse Moody a proportional amount of the initial contribution paid at the commencement of the lease term in the amount of \$300,000.

MAINTENANCE: Moody's shall maintain the Premises in clean and wholesome manner consistent with the standards of other facilities in the area maintained by Moody's and shall provide all day-to-day maintenance services.

INSURANCE/INDEMNIFICATION: Each party shall maintain appropriate insurance at its own expense.

15-0624-OP4

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 General Counsel to execute all ancillary documents required to administer or effectuate this lease agreement.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: Credit income to General Fund.

Payment of the early termination reimbursement is as follows:

FY16 Fund: 484

Department Name: Department of Facilities

Department Parent Unit Number: 11800

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.

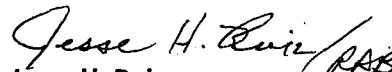
Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

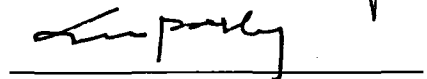
Approved for Consideration:


Patricia L. Taylor
Chief Facilities Officer

Approved:


Jesse H. Ruiz
Interim Chief Executive Officer

Approved as to legal form 


James Bebley
General Counsel