

August 24, 2023

**AUTHORIZE EXTENSION OF THE LEASE AGREEMENT WITH
4600 S. KEDZIE LLC FOR THE USE OF
SPACE AT 4600 SOUTH KEDZIE AVENUE**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the extension of the lease agreement with 4600 S. Kedzie, LLC, to permit the continued use of space located at 4600 South Kedzie Avenue by Columbia Explorers Academy as a high school prep center. A written lease extension is currently being negotiated. The authority granted herein shall automatically rescind in the event a written lease extension is not executed within 90 days of this Board Report. Information pertinent to this lease extension agreement is stated below.

LANDLORD: 4600 S. Kedzie, LLC
17 N. State St, Suite 1770
Chicago, IL 60602
Contact: Lana Bradaric
Phone: 312-578-9900

TENANT: Board of Education of the City of Chicago

PREMISES: An approximately 11,800 square foot building located at 4600 South Kedzie Avenue, Chicago, Illinois.

USE: High School prep center for Columbia Explorers Academy

ORIGINAL LEASE AGREEMENT: The original lease agreement (authorized by Board Report 07-1024-OP2) was for a term commencing August 1, 2008, and ending July 31, 2023. The lease was amended (authorized by Board Report 08-1217-OP1) to extend the end date of the term to December 31, 2023.

EXTENSION TERM: The lease shall be extended for a term which shall commence on January 1, 2024, and continue through June 30, 2026.

BASE RENT: Annual base rent for the extension term shall be payable in equal monthly installments according to the following schedule:

Period beginning	Period ending	Monthly base rent	Total for Period
1/1/2024	12/31/2024	\$30,886.33	\$370,635.98
1/1/2025	12/31/2025	\$31,812.92	\$381,755.06
1/1/2026	6/30/2026	\$32,767.31	\$196,603.86

ADDITIONAL RENT: Tenant shall continue to reimburse the landlord for real estate taxes for the premises, with tenant's share estimated to be \$22,000.00 for the first year of the extension term, which may be adjusted to reflect the actual real estate taxes incurred. Tenant is also responsible for reimbursing the landlord for operating expenses.

UTILITIES: Tenant shall continue to be responsible for all utilities, which are directly metered to tenant.

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

Authorize the Chief Operating Officer or Director of Real Estate, or their designees, to execute any and all ancillary documents required to administer or effectuate the lease extension.

AFFIRMATIVE ACTION: Exempt

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

FINANCIAL: Total not-to-exceed amount to be paid by the Board for the 2.5 year term is \$1,028,995.00.

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.

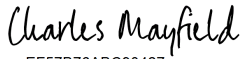
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

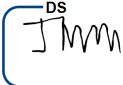
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).


Approved for Consideration:

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Charles E. Mayfield
Chief Operating Officer

Approved:

DocuSigned by:

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Pedro Martinez
Chief Executive Officer

Approved as to legal form: 

DocuSigned by:

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Ruchi Verma
General Counsel