

February 24, 2016

**DISPOSITION OF BIDS RECEIVED FOR THE SALE OF PROPERTY
LOCATED AT THE FORMER DRAKE ELEMENTARY SITE, 2722 S. KING DRIVE**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

That the Board request the City of Chicago ("the City") or Public Building Commission ("PBC"), as necessary, convey to Local 134 of the International Brotherhood of Electrical Workers, a labor organization ("Purchaser"), the property located at 2722 S. King Dr. in Chicago, Illinois ("Property") as further described herein. The Offer to Purchase Real Estate contained in the bid solicitation which has been executed by the Purchaser will convert to a contract upon acceptance and execution by the Board. Information pertinent to this agreement is stated below.

LEGAL DESCRIPTION & PIN: See the attached Exhibit A.

BID INFORMATION: In accordance with 105 ILCS 5/34-21, the Property was advertised for sale from December 21, 2015, to January 22, 2016. Bids were received by the Procurement Department by 2:00 p.m. on January 22, 2016, and opened on the same date. The following 5 bids were received:

<u>Bidder</u>	<u>Offer</u>
1. Local 134 of the International Brotherhood of Electrical Workers	\$1,500,000
2. Noah Properties	\$1,100,000
3. JCA Equities	\$1,000,000
4. CMK 2012-3A LLC	\$876,000
5. Community Education Network d/b/a Village Leadership Academy	\$700,000

APPRAISAL: In 2014, a valuation was made for this property indicating a fair market value range as follows:

Appraiser: KMD Valuation Group LLC
Value range: \$800,000-\$975,000

RECOMMENDATION AND USE RESTRICTION: The Property is not needed for school purposes. The Property previously housed Drake Elementary School. The sale of the Property is in the best interests of the Board in accordance with 105 ILCS 5/34-21 (2011).

The City or PBC, as necessary, shall include a restrictive covenant in the deed stating that the site must be used for the following: (1) administrative offices and meeting space; and (2) vocational/trades training and/or mentoring programs. In addition, portions of the Property may also be used for community programming and/or a credit union. The deed for the Property will include this restriction. Title to the Property will revert back to the City of Chicago, in Trust for Use of Schools, as legal title holder of record for the benefit of the Chicago Board of Education ("Board") if this restriction is breached without the prior written approval of the Board's Chief Operating Officer.

The property shall be sold "as is, where is." The valuation and the bids received were reviewed and it is recommended that the following bid be accepted:

Bidder Name: Local 134 of the International Brotherhood of Electrical Workers
Address: 600 W Washington Blvd, Chicago, IL 60661
Contact: Donald Finn / 312-454-1340 / dfinn@local134.org
Grantee Name: Local 134 of the International Brotherhood of Electrical Workers
Offer: \$1,500,000

AUTHORIZATION: Authorize the President and Secretary to execute the Offer to Purchase agreement and to modify the legal description if necessary upon receipt of a title commitment and survey. Authorize the City or PBC, as necessary, to issue a quit claim deed in favor of Local 134 of the International Brotherhood of Electrical Workers. Authorize the General Counsel to take any and all actions required to effectuate this transaction. Authorize the General Counsel and Chief Operating Officer to execute any and all ancillary documents required to administer or effectuate this transaction.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: Proceeds (Purchaser's best and final offer, less closing costs) to be credited to the Capital Asset Fund.

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:



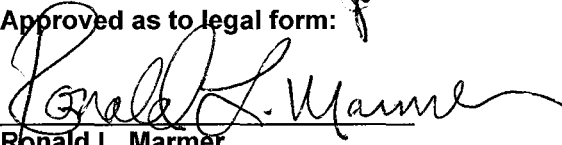
Chief of Capital Improvement

Approved:



Forrest Claypool
Chief Executive Officer

Approved as to legal form:



Ronald L. Marmor
General Counsel

EXHIBIT A
PROPERTY OFFERED FOR SALE
The Board reserves right to make changes as necessary.

Property address: Former Drake Site, 2722 S. Dr. Martin Luther King Jr. Drive, Chicago, Illinois

PINs: 17-27-307-013, 17-27-307-014, 17-27-307-015, 17-27-307-016, 17-27-307-017, 17-27-307-018,
17-27-307-050, 17-27-307-051, 17-27-307-077, 17-27-307-078, 17-27-307-079, 17-27-307-080,
and part of PINs: 17-27-307-012 and 17-27-307-076 (To be divided at Purchaser's expense.)

PARCEL 1:

THAT PART OF LOTS 2 THROUGH 6 BOTH INCLUSIVE, IN H. Mc AULEY'S SUBDIVISION OF BLOCK 84 IN CANAL TRUSTEE'S SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING WEST OF THE WEST LINE OF SOUTH SOUTH PARKWAY, AS WIDENED, BY CONDEMNATION PROCEEDINGS IN CIRCUIT COURT CASE NO. B 74323 C, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

A TRACT OF LAND IN THE SOUTH WEST QUARTER OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE NORTH LINE OF EAST 29TH STREET, SAID POINT BEING THE SOUTH WEST CORNER OF LOT 10 IN THE ASSESSOR'S DIVISION OF THE EAST HALF OF BLOCK 90 IN THE CANAL TRUSTEE'S SUBDIVISION OF THE WEST HALF OF SECTION 27 AFORESAID; THENCE NORTH ALONG THE EAST LINE OF SOUTH CALUMET AVENUE TO THE NORTH WEST CORNER OF LOT 16 IN BLOCK 1 IN LAFLIN AND SMITH'S SUBDIVISION OF BLOCK 85 IN CANAL TRUSTEE'S SUBDIVISION AFORESAID; THENCE EAST ALONG THE NORTH LINE OF SAID LOT AND ITS EXTENSION TO A POINT ON THE CENTER LINE OF THE VACATED 20 FOOT ALLEY IN SAID BLOCK 1; THENCE NORTH ALONG SAID CENTER LINE TO THE POINT OF INTERSECTION WITH THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 4.0 FEET OF LOT 7 IN BLOCK 1; THENCE EAST ALONG SAID NORTH LINE TO THE WEST LINE OF SOUTH SOUTH PARKWAY AS WIDENED BY CONDEMNATION PROCEEDINGS IN CIRCUIT COURT CASE NO. B 74323 C; THENCE SOUTH ALONG SAID WEST LINE TO A POINT ON THE NORTH LINE OF EAST 29TH STREET, BEING ALSO THE SOUTH LINE OF LOT 7 IN THE ASSESSOR'S DIVISION OF THE EAST HALF OF BLOCK 90 AFORESAID; THENCE WEST ALONG SAID NORTH LINE OF EAST 29TH STREET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOTS 2 THROUGH 6, BOTH INCLUSIVE, 11 AND 12 IN H. Mc AULEY'S SUBDIVISION OF BLOCK 84 IN CANAL TRUSTEE'S SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING WEST OF THE WEST LINE OF SOUTH SOUTH PARKWAY, AS WIDENED, BY CONDEMNATION PROCEEDINGS IN CIRCUIT COURT CASE NO. B 74323 C;

ALSO:

LOTS 1 THROUGH 7, INCLUSIVE, IN BURLEY'S SUBDIVISION OF LOTS 7, 8, 9 AND 10 IN H. Mc AULEY'S SUBDIVISION OF BLOCK 84 IN CANAL TRUSTEE'S SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN;

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ALSO:

LOT 1 (EXCEPT THE NORTH 16 FEET THEREOF), AND LOTS 2 THROUGH 24, INCLUSIVE, IN BLOCK 1 IN LAFLIN AND SMITH'S SUBDIVISION OF BLOCK 85 IN CANAL TRUSTEE'S SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING WEST OF THE WEST LINE OF SOUTH SOUTH PARKWAY, AS WIDENED, BY CONDEMNATION PROCEEDINGS IN CIRCUIT COURT CASE NO. B 74323 C;

ALSO:

LOTS 1 THROUGH 5, INCLUSIVE, AND LOT 7 LYING WEST OF THE WEST LINE OF SOUTH SOUTH PARKWAY, AS WIDENED, BY CONDEMNATION PROCEEDINGS IN CIRCUIT COURT CASE NO. B 74323 C, AND LOTS 8, 9, 10, AND 12 THROUGH 15, INCLUSIVE, (EXCEPT THOSE PARTS THEREOF OPENED AS PUBLIC ALLEY BY DOCUMENT RECORDED NOVEMBER 5, 1910 AS DOCUMENT NO. 4657500) IN ASSESSOR'S DIVISION OF THE EAST HALF OF BLOCK 90 IN CANAL TRUSTEE'S SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN;

ALSO:

LOTS 1 AND 2 IN COUNTY CLERK'S DIVISION OF LOT 11 AND 16 FEET SOUTH OF AND ADJACENT IN ASSESSOR'S DIVISION OF THE EAST HALF OF BLOCK 90 IN CANAL TRUSTEE'S SUBDIVISION OF THE WEST HALF OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 10, 1878 AS DOCUMENT NO. 175731;

ALSO:

THOSE PARTS OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN OPENED AND WIDENED FOR ALLEY BY ORDINANCE RECORDED NOVEMBER 5, 1910 AS DOCUMENT NO. 4657500, VACATED BY ORDINANCE RECORDED APRIL 14, 1961 AS DOCUMENT NO. 18135686 AND VACATED BY ORDINANCE RECORDED JANUARY 6, 1964 AS DOCUMENT NO. 19015198, BOUNDED ON THE WEST BY SOUTH CALUMET AVENUE, BOUNDED ON THE SOUTH BY EAST 29TH STREET, BOUNDED ON THE EAST BY THE WEST LINE OF SOUTH SOUTH PARKWAY, AS WIDENED, BY CONDEMNATION PROCEEDINGS IN CIRCUIT COURT CASE NO. B 74323 C, AND BOUNDED ON THE NORTH BY THE NORTH LINE AND THE WESTERLY EXTENSION THEREOF OF LOT 2 IN H. Mc AULEY'S SUBDIVISION, OPENED AND WIDENED FOR ALLEY BY ORDINANCE RECORDED NOVEMBER 5, 1910 AS DOCUMENT NO. 4657500, VACATED BY ORDINANCE RECORDED APRIL 14, 1961 AS DOCUMENT NO. 18135686 AND VACATED BY ORDINANCE RECORDED JANUARY 6, 1964 AS DOCUMENT NO. 19015198, ALL IN COOK COUNTY, ILLINOIS.

EXCEPT THAT PART OF PARCELS 1 THROUGH 3 ABOVE, INCLUSIVE, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 12 IN H. Mc AULEY'S SUBDIVISION; THENCE NORTH 88 DEGREES 38 MINUTES 20 SECONDS EAST ALONG THE NORTH LINE OF SAID LOT 12 A DISTANCE OF 178.32 FEET TO THE WEST LINE OF A PUBLIC ALLEY OPENED AND WIDENED BY ORDINANCE RECORDED NOVEMBER 5, 1910 AS DOCUMENT NO. 4657500; THENCE SOUTH 01 DEGREE 34 MINUTES 55 SECONDS EAST ALONG SAID WEST LINE 10.61 FEET TO THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 2 IN H. Mc AULEY'S SUBDIVISION; THENCE NORTH 88 DEGREES 30 MINUTES 49 SECONDS EAST ALONG THE NORTH LINE AND THE WESTERLY EXTENSION THEREOF OF SAID LOT 2 A DISTANCE OF 65.87 FEET TO THE WEST LINE OF SOUTH SOUTH PARKWAY, AS WIDENED, BY CONDEMNATION PROCEEDINGS IN CIRCUIT COURT CASE NO. B 74323 C; THENCE SOUTH 01 DEGREE 35 MINUTES 24 SECONDS EAST ALONG SAID WEST LINE 115.44 FEET; THENCE SOUTH 88 DEGREES 22 MINUTES 00 SECONDS WEST 112.54 FEET; THENCE SOUTH 01 DEGREE 35 MINUTES 15 SECONDS EAST 16.23 FEET; THENCE SOUTH 88 DEGREES 24 MINUTES 45 SECONDS WEST 13.49 FEET; THENCE SOUTH

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01 DEGREE 35 MINUTES 15 SECONDS EAST 4.99 FEET; THENCE SOUTH 88 DEGREES 24 MINUTES 45 SECONDS WEST 118.18 FEET TO THE EAST LINE OF SOUTH CALUMET AVENUE; THENCE NORTH 01 DEGREE 34 MINUTES 45 SECONDS WEST ALONG SAID EAST LINE 148.17 FEET TO THE PLACE OF BEGINNING.