

January 24, 2018

**DISPOSITION OF BIDS RECEIVED FOR THE SALE OF PROPERTY
COMMONLY KNOWN AS 8407 S. KERFOOT AVENUE
(FORMER GARRETT A. MORGAN ELEMENTARY SCHOOL)**

THE ACTING CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

That the Board request the Public Building Commission of Chicago ("PBC") and the City of Chicago ("City"), as necessary, convey to the Pilgrim Baptist Church of South Chicago, Inc., an Illinois Not For Profit Corporation ("Purchaser"), the former Garrett A. Morgan Elementary School site at 8407 S. Kerfoot Avenue, 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 August 17, 2017 through September 28, 2017. Bids were received by the Procurement Department by 2:00 p.m. on September 28, 2017, and opened on the same date. Two bids for the Property were received. Best and Final Offers were requested from both bidders:

Bidder	Initial Offer	Best and Final Offer
Catherine Brown d/b/a D'Tycoon	\$5,000	\$5,000
Pilgrim Baptist Church of South Chicago, Inc.	\$55,000	\$55,000

APPRAISAL: The Board obtained a disposition value appraisal of the Property as of September 1, 2017. The appraiser's value also considered the restrictive covenant and reverter described below to be included in the deed and the reverter in the Park District's deed to the Board, which restricts use of a part of the Property to instructional or educational purposes.

Appraiser: KMD Valuation Group, LLC
Disposition Value: \$50,000 - \$100,000

RECOMMENDATION: The Property is not needed for school purposes. The Property previously housed the Garrett A. Morgan Elementary School which closed in 2013. The sale of the Property is in the best interests of the Board in accordance with 105 ILCS 5/34-21. The Property shall be sold "as is, where is." The deed shall provide the Board, the PBC and City shall be released and discharged from any and all future responsibility and liability relating to the Property's physical, structural and environmental condition.

The PBC and City, shall include a restrictive covenant in the deed prohibiting the Property from being used as a K-12 charter school and requiring the Grantee to obtain a Certificate of Occupancy from the City of Chicago within three (3) years of the date of the deed. 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 Board if this restriction is breached without the Board's Chief Operating or Administrative Officer's prior written approval. The appraisal and bids received were reviewed and it is recommended that the following bid be accepted:

Bidder Name: Pilgrim Baptist Church of South Chicago Inc. an Illinois Not-for-Profit Corporation
Address: 3235 E. 91st Street Chicago, IL 60617
Contact: Chandra J. Smith 773-374-3388 pilgrimofsouthchicago@gmail.com
Grantee: Pilgrim Baptist Church of South Chicago Inc. an Illinois Not-for-Profit Corporation

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 PBC and City to issue deeds in favor of Purchaser. Authorize the General Counsel to take any and all actions required to effectuate this transaction. Authorize the General Counsel, the Chief Operating Officer and the Chief Administrative 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.

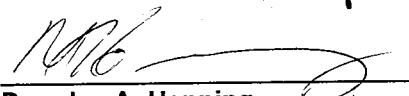
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



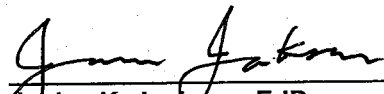
Mary De Runtz
Deputy Chief of Capital Planning
& Construction

Approved as to legal form 



Douglas A. Henning
Acting General Counsel

Approved:



Janice K. Jackson, EdD
Acting Chief Executive Officer

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

Property Addresses for Former Morgan Elementary School, 8407 S. Kerfoot Avenue (School Building), 8363 S. Kerfoot Avenue and 501 W. 84th Street (Adjacent Vacant Land) Chicago, IL 60620

PARCEL 1:

LOTS 34 TO 67, INCLUSIVE, AND THE SOUTH 9 FEET OF LOT 33, IN BIRKHOFF'S ADDITION TO AUBURN PARK IN SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY ILLINOIS, AND VACATED ALLEYS.

VACATED ALLEYS ALSO DESCRIBED AS FOLLOWS:

ALL OF THE TWO NORTHEASTERLY-SOUTHEASTERLY 16 FOOT VACATED ALLEYS ADJOINING LOTS 41-46 BOTH INCLUSIVE, AND ADJOINING LOTS 47 TO 52, BOTH INCLUSIVE, TOGETHER WITH ALL THAT PART OF THE NORTHWESTERLY-SOUTHWESTERLY 16 FOOT PUBLIC ALLEY LYING SOUTHWESTERLY OF AND ADJOINING THE SOUTHWESTERLY LINE OF LOTS 33 TO 41 BOTH INCLUSIVE AND THE SOUTHWESTERLY LINE OF LOT 46 AND SAID SOUTHWESTERLY LINE EXTENDED NORTHWESTERLY, LYING NORTHEASTERLY OF AND ADJOINING THE NORTHEASTERLY LINE OF LOTS 52 TO 62, BOTH INCLUSIVE, AND LYING SOUTHWESTERLY OF THE NORTHWESTERLY 16 FEET OF SAID LOT 33 EXTENDED TO LOT 63, ALL IN BIRKHOFF'S ADDITION, AFORESAID

PINs: 20-33-301-061, 20-33-301-063 and 20-33-301-064

PARCEL 2:

LOT 68 AND THE SOUTH HALF OF LOT 69 BIRKHOFF'S ADDITION TO AUBURN PARK IN THE SOUTHWEST 1/4 OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN.

PIN: 20-33-301-023-0000

PARCEL 3

LOTS 92 TO 97, BOTH INCLUSIVE, ALL IN SAID SUTHERLAND'S SUBDIVISION OF PART OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN.

PIN: 20-33-304-007-0000

**Note: Birkhoff Avenue east of the Property is a closed street and not owned by the Board. Birkhoff Avenue is not a part of this bid solicitation or sale. Part of Parcel 1 is subject to a reverter to the Chicago Park District in the event that portion of Parcel 1 is not used for recreational or instructional purposes.*

USE RESTRICTION:

THE PROPERTY MAY NOT BE USED AS A K-12 CHARTER SCHOOL.

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 BOARD IF THIS RESTRICTION IS BREACHED WITHOUT THE PRIOR WRITTEN APPROVAL OF THE BOARD'S CHIEF OPERATING OFFICER OR CHIEF ADMINISTRATIVE OFFICER OR, GRANTEE FAILS TO OBTAIN A CERTIFICATE OF OCCUPANCY FROM THE CITY OF CHCAGO FOR THE PROPERTY WITHIN THREE YEARS OF THE DATE OF THE DEED.