

June 27, 2018

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

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

That the Board request the Public Building Commission of Chicago ("PBC") and/or the City of Chicago ("City"), as necessary, convey to the Amalgamated Transit Union Local 241 ("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 April 5, 2018 through May 14, 2018. Bids were received by the Procurement Department by 2:00 p.m. on May 14, 2018 and opened on the same date. Two bids for the Property were received. One bid was disqualified because it did not meet the \$50,000 minimum bid price. Purchaser's best and final offer is:

Bidder	Initial Offer	Best and Final Offer
Catherine Brown d/b/a D'Tycoon	\$5,000	Disqualified
Amalgamated Transit Union Local 241	\$65,000	\$65,000

APPRAISAL: The Board obtained a disposition value appraisal of the Property as of April, 2018. The appraiser's value 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 the use of 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 and environmental condition.

The PBC and/or City shall include a restrictive covenant in the deed prohibiting the Property from being used as a K-12 charter school. 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 Operations or Administrative Officer's prior written approval. The Grantee must obtain a Certificate of Occupancy from the City of Chicago within four (4) years of the date of the deed.

The appraisal and bids received were reviewed and it is recommended that the following bid be accepted:

Bidder Name: Amalgamated Transit Union Local 241
Address: 1613 S. Michigan Avenue Chicago, IL. 60616
Contact: John Lanahan lanahan.john@gmail.com
Grantee: Amalgamated Transit Union Local 241

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.

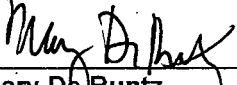
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

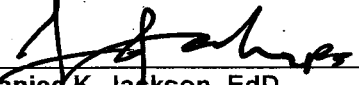
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



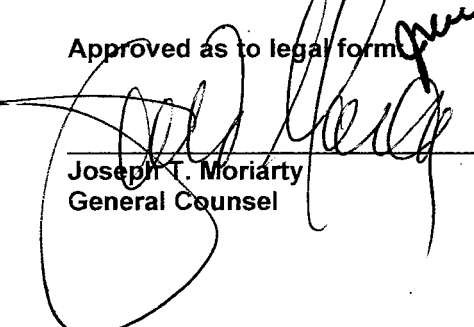
Mary DeRuntz
Deputy Chief of Capital Planning & Construction

Approved:



Janice K. Jackson, EdD.
Chief Executive Officer

Approved as to legal form



Joseph T. Moriarty
General Counsel

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 LINE 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. Parcel 1 is subject to a reverter to the Chicago Park District in the event 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

GRANTEE MUST OBTAIN A CERTIFICATE OF OCCUPANCY FROM THE CITY OF CHCAGO WITHIN FOUR YEARS OF THE DATE OF THE DEED.