

August 22, 2018

**DISPOSITION OF BIDS RECEIVED FOR THE SALE OF PROPERTY LOCATED AT  
1326 S. AVERS AVENUE (FORMER HENSON 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") convey to Single Room Housing Assistance Corporation ("SRHAC"), an Illinois Not-For Profit Corporation ("Purchaser"), the former Henson Elementary School site at 1326 S. Avers 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 AND USE RESTRICTIONS:** 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. One bid was received for the Property from the following bidder:

<u>Bidder</u>	<u>Offer</u>
Single Room Housing Assistance Corp., NFP	\$55,000.00

The Purchaser's proposal is to convert and redevelop the Property with 80 affordable mini studios style apartments for adults, low and very low wage earners, service veterans, single mothers, individuals suffering from physical disabilities and chronic illness. In addition to housing, Purchaser will provide daycare services and offer community access to the gymnasium and select classrooms and other space in the building.

**DISPOSITION APPRAISAL:** A disposition appraisal of the Property was obtained by the Board indicating the disposition value as of April 2018, subject to the restrictive covenant and reverter described below, was:

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

**RECOMMENDATION:** The Property is not needed for school purposes. The Property previously housed the Henson 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 Purchaser's proposal is to redevelop the property with 80 units of affordable housing for adults, low and very low wage earners, service veterans, single mothers and individuals suffering from physical disabilities and chronic illness.

The PBC and/or the City shall include a restrictive covenant in the deed prohibiting the Property from being used as K-12 Charter school and requiring that the Purchaser obtain a certificate of occupancy from the City of Chicago within four (4) years of the date of the deed. The deed to the title 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 Board's Chief Operating Officer or Administrative Officer's prior written approval. 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 appraisal and bid received were reviewed and it is recommended that the following bid be accepted:

Name:	Single Room Housing Assistance Corp., NFP
Address:	501 North Central Avenue, Chicago, Illinois 60644
Contact:	Eric Rubenstein, 312 212-1212, ericrubenstein@srhac.org

Megan Fair, Special Projects Coordinator, 312 212-1212, Ext, 202,  
mfair@srhac.org  
Amount: \$55,000

**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 PBC and/or the City to issue a deed in favor of Purchaser. Authorize the General Counsel to take any and all actions required to effectuate this transaction. Authorize the General Counsel and Chief Operating Officer or Administrative Officer to execute any and all ancillary documents required to administer or effectuate this transaction.

**AFFIRMATIVE ACTION:** Exempt.

**LSC REVIEW:** Is not applicable to this transaction.

**FINANCIAL:** Proceeds (Purchaser's bid price, less closing costs and seller's brokerage fee) 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.

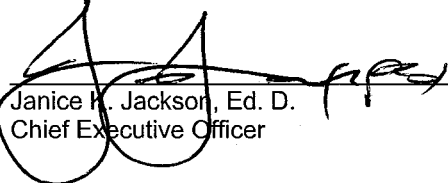
Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

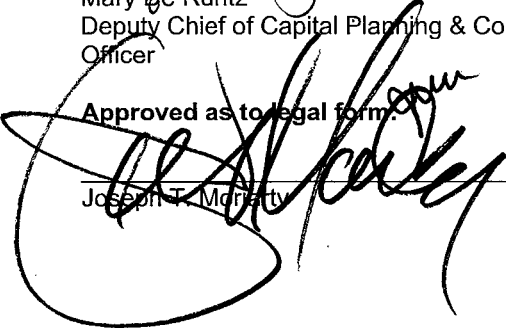
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

**Approved for Consideration:**

**Approved:**

  
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Mary De Runtz  
Deputy Chief of Capital Planning & Construction  
Officer

  
\_\_\_\_\_  
Janice K. Jackson, Ed. D.  
Chief Executive Officer

Approved as to legal form.  
  
\_\_\_\_\_  
Joseph T. Moriarty

**EXHIBIT A**

**PROPERTY OFFERED FOR SALE**

**THE BOARD RESERVES THE RIGHT TO MAKE CHANGES AS NECESSARY.**

**PROPERTY:** FORMER MATTHEW A. HENSON SCHOOL

**ADDRESS:** 1326 S. AVERS AVE. (MAIN SCHOOL BUILDING), 1306 S. AVERS AVE AND 1335 S. SPRINGFIELD AVE. (VACANT LOTS) CHICAGO, ILLINOIS 60623

**PINs:** 16-23-109-001, 16-23-109-032, 16-23-109-042 and 16-23-109-043  
(TITLE HELD BY THE PUBLIC BUILDING COMMISSION OF CHICAGO)

**LEGAL DESCRIPTION:**

LOTS 1 TO 13 INCLUSIVE, LOTS 35 TO 45, INCLUSIVE, AND PARTS OF LOTS 14 AND 46 (EXCEPT THOSE PARTS OPENED FOR PUBLIC ALLEYS) IN BLOCK 6 FRANK WELLS AND COMPANY'S BOULEVARD SUBDIVISION OF THE NORTH WEST QUARTER OF THE NORTH WEST QUARTER OF SECTION 23, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AND VACATED ALLEY.

**PINs:** 16-23-109-022  
(TITLE HELD BY THE CITY OF CHICAGO, IN TRUST FOR THE USE OF SCHOOLS)

**LEGAL DESCRIPTION:**

LOTS 47 AND 48 IN BLOCK 6 IN FRANK WELLS AND COMPANY'S BOULEVARD SUBDIVISION OF THE NORTHWEST 1/4 OF SECTION 23, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN.

**PINs:** 16-23-109-013  
(TITLE HELD BY THE CITY OF CHICAGO, IN TRUST FOR THE USE OF SCHOOLS)

THE SOUTH 7 FEET OF LOT 14 AND THE NORTH 21 FEET OF LOT 15 IN BLOCK 6 IN FRANK WELLS AND COMPANY'S BOULEVARD SUBDIVISION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 23, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**USE RESTRICTION:**

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

THE DEED FOR THE PROPERTY WILL INCLUDE THIS USE 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 OR CHIEF ADMINISTRATIVE OFFICER.

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