

**AUTHORIZATION TO PAY JUST COMPENSATION AWARD TO ACQUIRE
THE PROPERTY AT THE NORTHEAST CORNER OF 77TH STREET AND HOMAN FOR THE
CONSTRUCTION OF A NEW SOUTHWEST AREA HIGH SCHOOL**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the payment of a final just compensation award of \$10,500,000 to acquire 37.1 acres of land at the northeast corner of 77th Street and Homan for the construction of a new Southwest Area High School and to authorize the General Counsel to negotiate a Stipulation and Agreed Final Judgment Order to complete condemnation proceedings.

Information pertinent to the acquisition is as follows:

OWNER: Kraft Global Foods, Inc.
Corporate Real Estate Department
Three Lakes Drive, 2C-NF335
Northfield, IL. 60093

DESCRIPTION: 37.1 acres of vacant land zoned PMD #13 in the Ashburn Community. The parcel is bounded by Homan Avenue on the west, 77th Street on the south, Kedzie Avenue on the east and the Belt Railway Tracks (75th Street) on the north. The property is vacant except for a concrete pad to be removed by Kraft as part of the settlement. The common address for the Property is 7600 S. Kedzie. The legal description for the property is attached as Exhibit A. PIN: 19-26-405-001.

FINAL AWARD: \$10,500,000 \$6.50 per square foot of land – clean with an NFR and the concrete slab removed. A minimum of \$1,700,000 will be retained in escrow to insure Kraft obtains the NFR Letters and removes the concrete slab on site.

BASIS:

<u>Board of Education:</u>	
Gibbons and Gibbons Value for 37.1 Acres (Appraisal does not include cost of obtaining the Residential NFR or removing the concrete slab on site)	\$8,100,000
<u>Owner:</u>	
LaSalle Appraisal Group, Inc. : (Appraisal does not include cost of obtaining the Residential NFR or removing the concrete slab on site)	\$16,770,000

PURPOSE/USE: To acquire property for the new Southwest Side High School

AUTHORIZATION: Authorize the Comptroller to issue a check in the amount of \$10,500,000 payable to the Cook County Treasurer as final just compensation for the Property, and Authorize the General Counsel or his designee to negotiate and include relevant terms and conditions in the Stipulation and Agreed Final Judgment Order as he deems necessary, including a hold harmless agreement relating to environmental liability after the Board acquires and takes possession of the Property.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL:

Charge to Operations Department:	\$10,500,000
Budget Classification No:	46611-478-54105-009538- 000000-2008
Fiscal Year:	2008/2009
Source of Funds:	Capital Improvement

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.

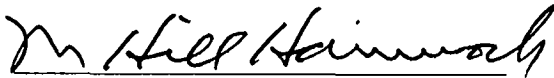
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their 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 June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

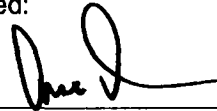
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



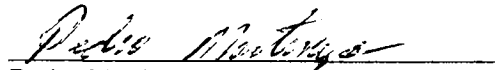
M. Hill Hammock
Chief Operating Officer

Approved:



Arne Duncan
Chief Executive Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to Legal Form: 



Patrick J. Rocks General Counsel

LEGAL DESCRIPTION:

THE NORTHEAST ¼ OF THE SOUTHEAST ¼ OF SECTION 26, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, EXCEPT THAT PART OF SAID LAND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF THE NORTHEAST ¼ OF THE SOUTHEAST ¼ AND THE EAST LINE OF SECTION 26 AFORESAID; THENCE WEST ALONG THE SOUTH LINE OF THE NORTHEAST ¼ OF THE SOUTHEAST ¼, A DISTANCE OF 50 FEET TO A POINT; THENCE NORTH ALONG A LINE PARALLEL TO THE EAST LINE OF SECTION 26, AFORESAID, A DISTANCE OF 466.83 FEET TO A POINT; THENCE WEST ALONG A LINE PARALLEL TO THE SOUTH LINE OF THE NORTHEAST ¼ OF THE SOUTHEAST ¼ AFORESAID, A DISTANCE OF 30 FEET TO A POINT; THENCE NORTH ALONG A LINE PARALLEL TO THE EAST LINE OF SECTION 26 AFORESAID, A DISTANCE OF 861.17 FEET TO A POINT ON THE EAST AND WEST QUARTER LINE OF SECTION 26 AFORESAID, THENCE A DISTANCE OF 80 FEET TO A POINT ON THE EAST LINE OF SECTION 26 AFORESAID; THENCE SOUTH ALONG THE EAST LINE OF SECTION 26 AFORESAID, TO THE POINT OF BEGINNING, CONDEMNED FOR THE WIDENING OF KEDZIE AVENUE ON A PETITION FILED SEPTEMBER 3, 1936, BY THE COUNTY OF COOK OF THE STATE OF ILLINOIS IN CASE NUMBER 36C10081 CIRCUIT COURT OF COOK COUNTY ILLINOIS AND EXCEPT THE SOUTH 33 FEET OF THE NORTHEAST ¼ OF THE SOUTHEAST ¼ OF SECTION 26, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN TO BE DEDICATED FOR THE WIDENING OF 77TH STREET FROM KEDZIE AVENUE ON THE EAST TO HOMAN AVENUE ON THE WEST AND THE SOUTH 481.87 FEET OF THE WEST 33 FEET OF THE NORTHEAST ¼ OF THE SOUTHEAST ¼ OF SECTION 26, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN TO BE DEDICATED FOR THE WIDENING OF HOMAN AVENUE FROM 77TH STREET ON THE SOUTH TO 76TH PLACE ON THE WEST.

SAID PARCEL IS APPROXIMATELY 37.1 ACRES

COMMON ADDRESS:

7600 S. KEDZIE CHICAGO, ILLINOIS

COMMON ADDRESS/BOUNDARIES:

HOMAN AVENUE ON THE WEST; 77TH STREET ON THE SOUTH; KEDZIE AVENUE ON THE EAST; CHICAGO & WESTERN INDIANA RAILROAD COMPANY RAILROAD RIGHT OF WAY (75TH STREET IF EXTENDED) ON THE NORTH.

PERMANENT INDEX NOS.:

19-26-405-001-0000 (WHOLE 37.1 ACRE TRACT EXCEPT THE SOUTH 33 FEET TO BE DEDICATED FOR THE WIDENING OF 77TH STREET FROM KEDZIE TO HOMAN AVENUE AND THE SOUTH 481.87 FEET OF THE WEST 33 FEET TO BE DEDICATED FOR THE WIDENING OF HOMAN AVENUE FROM 77TH STREET TO 76TH PLACE)