

**AUTHORIZATION TO PAY FINAL JUST COMPENSATION AWARD TO
CONSOLIDATE FEE SIMPLE TITLE TO 125 S. CLARK STREET
BOARD OF EDUCATION CENTRAL OFFICE BUILDING**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize payment of a final just compensation award of \$900,000 to acquire clear title to 125 S. Clark Street, the location of the Board of Education's Central Office Building. Information pertinent to the acquisition is as follows:

OWNER: Continental Assurance Company ("CNA")

PROPERTY: Leased fee interest in a 16,476 square foot lot improved with a portion of the BOE Central Office Building at 125 S. Clark Street. The land has 87 feet of frontage on Clark Street and 135 feet on Adams Street. The Board of Education has a sublease for the next 99 years at \$60,000 per year. CNA is the owner of the property subject to the lease. When the Board acquires CNA's interest in the property, the lease and sublease will terminate and the Board will have clear title to the whole property P.I.N: 17-16-212-018.

FINAL AWARD: \$900,000

BASIS: Settlement based upon following appraisals:

BOE's Appraisals:

Pat McGarr	\$567,000
Kelly, Real Estate Analysis Corp.	\$750,000

Owner's Appraisal:

Richard Roddewig	\$1,350,000
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PURPOSE/USE: To acquire the leased fee interest in a portion of the Board of Education's Central Office Building property, to fully consolidate title in the Board of Education, and to eliminate future rental payments and the obligation to pay real estate taxes.

AUTHORIZATION: Such other conditions as deemed necessary by the Attorney for the Board. Authorize the Comptroller to issue check in the amount of \$900,000 payable to the Cook County Treasurer as final just compensation.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: Charge to Operations Department: \$900,000
Budget Classification No: 0645-410-000-9311-5710
Fiscal Year: 2004
Source of Funds: Capital Funds

GENERAL CONDITIONS:

Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILSC 5/34-13.1, the Inspector General of the Board of Trustees 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 ILSC 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 July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), 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:



Sean P. Murphy
Chief Operating Officer

Within Appropriation:



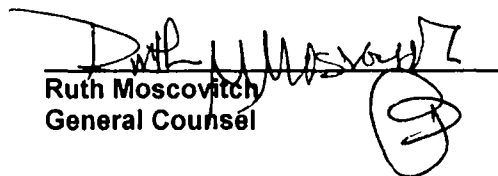
John Maiorca
Chief Financial Officer

Approved:



Arne Duncan
Chief Executive Officer

Approved:



Ruth Moscovitch
General Counsel