

**APPROVE CONDEMNATION SETTLEMENT FOR THE ACQUISITION OF
PACIFIC GARDEN MISSION FOR THE EXPANSION OF JONES COLLEGE PREP**

THE GENERAL COUNSEL REPORTS THE FOLLOWING DECISION:

DESCRIPTION: This settlement resolves the pending condemnation action filed by the City of Chicago in Trust for the Use of Schools and the Board of Education to acquire Pacific Garden Mission located 646-56 S. State Street (the "Mission Site") for the purpose of expanding Jones College Prep. The settlement includes the acquisition of the Mission Site and all relocation and moving costs and resolves any and all claims relating to the acquisition of the Mission Site and its relocation. Due to the unique characteristics of the Mission Site and the costs of acquiring a replacement site and relocating the Mission, the limitations in Board Report 96-1023-PO2 shall not apply. The Board will acquire the Mission Site for \$13,000,000 to be paid in several payments commencing in 2005. Upon delivery of possession and control of the Mission Site to the Board, fee simple title will vest in the City of Chicago in Trust for the Use of Schools.

TERMS OF CONDEMNATION SETTLEMENT: Under the settlement of the condemnation action, the Board shall deposit such portions of the \$13,000,000.00 with the Cook County Treasurer or directly to the Pacific Garden Mission in such amounts and at such times as shall be agreed to by the General Counsel.

LSC REVIEW: LSC approval is not applicable to this report.

FINANCIAL: Charge \$13,000,000 to Operations Department
Budget Classification 47021-436-54105-009531-000000
Fiscal Year 2005
Source of Funds: Capital Improvement and Near South TIF District

AUTHORIZATION: Authorize the General Counsel and outside counsel Neal and Leroy, LLC, to negotiate a Stipulation and consent to a Final Judgment Order in the condemnation action and to execute any and all ancillary documents related thereto, including, but not limited to, the acquisition of title insurance for the Mission Site insuring the Board's title to the Mission Site and waiving the bankruptcy exception in the title insurance policy for the payments made pursuant to the Final Judgment Order.

VALUATION: The Board has received appraisals and other valuation estimates for the Mission Site that range from \$5,055,000.00 to \$10,000,000.00 depending on the valuation method which is used and the balance of the \$13,000,000.00 is allocable to the relocation of the Pacific Garden Mission to a new site.

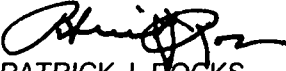
GENERAL CONDITIONS

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 is not 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.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0926-RU3), as amended from time to time, is hereby incorporated into and made part of this agreement.

Approved,


PATRICK J. ROCKS
General Counsel

Within Appropriation:


JOHN MAIORCA
Chief Financial Officer