

May 26, 2010

AUTHORIZE THE PUBLIC BUILDING COMMISSION OF CHICAGO TO PURCHASE THE PROPERTY AT 4800 S. HOYNE FOR THE CONSTRUCTION OF A NEW BACK OF THE YARDS HIGH SCHOOL

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

On November 14, 2007, the Board adopted Resolution Number 07-1114-RS6 requesting the Public Building Commission ("PBC") to acquire for the Chicago Board of Education approximately 3.85 acres of property at the southwest corner of 48th Street and Hoyne Street ("Property") for the construction of a new high school for the Back of the Yards Community. On April 22, 2009, the Board adopted Resolution Number 09-0422-RS13 requesting the PBC to undertake the design and construction of a new Back of the Yards High School on the Property. The PBC filed condemnation on behalf of the Board to acquire the Property described below and has negotiated a condemnation settlement with the owners of the Property for \$3,295,000 plus \$1,205,000 for moving and relocating the owners' equipment and inventory. The purpose of this Board Report is to authorize the PBC to acquire the Property for \$3,295,000 plus \$1,205,000 for the owners' relocation and moving expenses in accordance with the Federal Uniform Relocation Act. The authorization granted herein will automatically rescind in the event the settlement agreement and final judgment order are not executed and entered within 120 days of this Board Report. Information pertinent to the acquisition is as follows:

OWNERS: Marina and Antonio Alvarez
d/b/a 4800 S. Hoyne Corporation
and Roll & Roll Steel Fabrication, Inc.
4800 S. Hoyne Street
Chicago, Illinois 60609-4028

PROPERTY: 167,792 square feet or 3.5 acres of land zoned M2-2 and B3-1 in the New City Back of The Yards Community. The Property is currently improved with an 85,000 square foot industrial building. The owners of the Property operate as Roll & Roll Metal Fabricators, which custom builds and repairs stainless steel products for meat and food industries, restaurants and grocery stores in Chicago.

PIN: 207-07-107-029, -034, and -036

USE: For the construction of a new Back of the Yards High School

PURCHASER: Public Building Commission of Chicago for the Chicago Board of Education

PURCHASE PRICE (Final Award): \$3,295,000 (\$38.76/SF) for the Property, plus \$1,205,000 for relocation and moving expenses as determined under the Uniform Relocation Act

APPRAISALS: Gibbons & Gibbons, \$2,987,500 or \$35.14 per square foot.
Real Estate Analysis, \$3,060,000 or \$36.00 per square foot.
KMD Valuation, \$3,100,000 or \$36.50 per square foot.
MaRous & Company, \$3,950,000 or \$46.47 per square foot.

SETTLEMENT: \$3,295,000 for Property and \$1,205,000 for relocation and moving expenses

DUE DILIGENCE: PBC and the Board have performed Phase I and Phase II environmental testing on the site.

INDEMNIFICATION: Authorize the General Counsel to negotiate and approve an indemnification provision in the Stipulation and Agreed Final Judgment Order as may be necessary.

- AUTHORIZATION:**
1. Authorize the PBC to proceed with the acquisition of the Property by condemnation proceedings on behalf of the Board of Education.
 2. Authorize the General Counsel or his designee to negotiate and include other relevant terms and conditions in the Stipulation and Final Judgment Order as he deems necessary.
 3. Authorize the General Counsel to execute all ancillary documents required to complete the land acquisition.
 4. Authorize the Comptroller to issue a check to the PBC for a total of \$4,500,000 for the acquisition of the Property and the payment of the owners' relocation and moving expenses as required under the Uniform Relocation Act.

AFFIRMATIVE ACTION: Exempt.

LSC REVIEW: None. Local School Council is not applicable to this report.

FINANCIAL:
Charge to Operations Department: \$4,500,000
Budget Classification No.: 46551-476-54105-253533-000000-2010
Fiscal Year: 2009/2010
Source of Funds: MSAC Phase 2 Bond Proceeds

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.

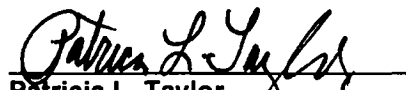
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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



Patricia L. Taylor
Chief Operating Officer

Approved:



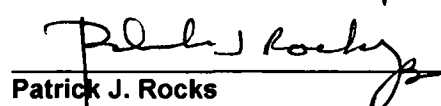
Ron Huberman
Chief Executive Officer

Within Appropriation:



Diana S. Ferguson
Chief Financial Officer

Approved as to legal form: 



Patrick J. Rocks
General Counsel

EXHIBIT A

PARCEL 1

LOT 1, (EXCEPT THAT PART THERE OF DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 1, THENCE WEST ALONG THE NORTH LINE OF SAID LOT 1 A DISTANCE OF 500.02 FEET TO THE NORTHWEST CORNER OF SAID LOT 1; THENCE SOUTH 00 DEGREES 14 MINUTES EAST A DISTANCE OF 29.87 FEET; THENCE SOUTH 29 DEGREES 49 MINUTES EAST A DISTANCE OF 41.31 FEET; THENCE SOUTH 37 DEGREES 33 MINUTES EAST A DISTANCE OF 49.44 FEET; THENCE SOUTH 50 DEGREES 23 MINUTES EAST A DISTANCE OF 23.65 FEET; THENCE EAST ALONG A LINE 120 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID LOT 1 A DISTANCE OF 431.50 FEET TO THE EAST LINE OF SAID LOT 1, THENCE NORTH 00 DEGREES 14 MINUTES WEST ALONG THE EAST LINE OF SAID LOT 1 TO THE PLACE OF BEGINNING), IN THE CONSOLIDATION OF PART OF BLOCKS 14 AND 19 IN STONE AND WHITNEY'S SUBDIVISION OF PART OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MARCH 12, 1920 AS DOCUMENT NUMBER 6 559 690 IN COOK COUNTY, ILLINOIS.

PARCEL 2

LOT 2 (EXCEPT THE SOUTH 155.65 FEET THEREOF) IN CONSOLIDATION OF PART OF BLOCKS 14 AND 19 IN STONE AND WHITNEY'S SUBDIVISION OF PART OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO PLAY RECORDED MARCH 12, 1920 AS DOCUMENT NUMBER 6 559 690 IN COOK COUNTY, ILLINOIS.

STREET ADDRESS: 4800 S. HOYNE AVENUE, CHICAGO, ILLINOIS

**PINS: 20-07-107-029
20-07-107-034
20-07-107-036**