

April 26, 2017

**DISPOSITION OF BIDS RECEIVED FOR THE SALE OF PROERTY LOCATED AT 410 N.
MONTICELLO (FORMER LAURA WARD 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 Home Start, LLC, for Turnstone Development Corporation NFP, an Illinois not-for-profit corporation ("Purchaser"), the former Laura Ward School site at 410 N. Monticello, 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: See the attached Exhibit A.

BID INFORMATION: In accordance with 105 ILCS 5/34-21, the Property was advertised for sale from January 12, 2017, through March 13, 2017. Bids were received by the Procurement Department by 2:00 p.m. on March 13, 2017, and opened on the same date. Two (2) bids were received for the Property from the following bidders.

<u>Bidder</u>	<u>Offer</u>
1. Turnstone Development Corp.	\$10,000.00
2. Art & Housing Collaborative	\$0

APPRAISAL: In January 2017, a valuation of the Property was made for the benefit of the Board, which indicated a value as follows:

Appraiser: KMD Valuation Group, LLC
Market Value Estimate: \$5,000 to \$15,000

RECOMMENDATION: The Property is not needed for school purposes. The Property previously housed Laura Ward 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 Property was damaged and the cost of demolition is substantial. The Purchaser will demolish the existing structure and redevelop the Property with affordable housing. 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 all or a portion of the former Laura Ward School site be used for one of the following purposes identified in the Community Repurposing process:

- Affordable Housing;
- Veteran's Housing;
- Business/Live Work Units as Described in Section 17-9-0103.1 of the City of Chicago Zoning Ordinance;
- Early Childhood Education and Programming;
- Senior Citizens Services and Programming;
- Workforce Development Services and Programming Incorporating Job Readiness Employment and Vocational Training; and
- Small Business Incubator Development Center.

In addition, the Grantee must obtain a Certificate of Occupancy from the City of Chicago for at least one of the uses listed above within three 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's prior written approval. The Property shall be sold "as is, where is."

The appraisal and the bid received were reviewed and it is recommended that the following bid be accepted:

Name: Turnstone Development Corporation NFP
Address: 10 S. LaSalle Street, Suite 3510, Chicago, Illinois 60603
Contact: William Schneider/312 453-0615, bschneider@turnstonedev.org
Offer: **\$10,000**

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 or the City to issue a deed in favor of Purchaser's designee, Home Start, LLC. Authorize the General Counsel to take any and all actions required to effectuate this transaction. Authorize the General Counsel and Chief Operating 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:

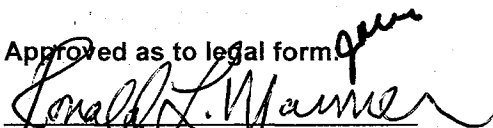


Mary De Runtz
Deputy Chief Facilities Officer



Forrest Claypool
Chief Executive Officer

Approved as to legal form.



Ronald L. Marmer

EXHIBIT A

**THE PROPERTY
Former Laura Ward Elementary School Site**

The Board reserves the right to make changes as necessary to clarify or correct property information.

Property address: 410 N. Monticello Avenue, Chicago, Illinois 60624

PIN: 16-11-132-043, 16-11-132-044, 16-11-133-012

Legal Description:

PARCEL 1:

THE SOUTH HALF OF LOT 12 AND LOTS 13 TO 23, INCLUSIVE, IN VAN WYCK'S SUBDIVISION OF BLOCK 15 IN W.J. MORTON'S SUBDIVISION OF THE EAST HALF OF THE NORTH WEST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN; ALSO

PARCEL 2

PART OF LOT 11(EXCEPT THAT PART OPENED FOR PUBLIC ALLEY) AND LOTS 12 TO 18, INCLUSIVE, IN VAN BEZEY'S SUBDIVISION OF LOTS 24 TO 41, INCLUSIVE, OF VAN WYCK'S SUBDIVISION OF BLOCK 15 IN W.J. MORTON'S SUBDIVISION OF THE EAST HALF OF THE NORTH WEST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN;

ALSO PARCEL 3

PART OF LOT 6 (EXCEPT THAT PART OPENED FOR PUBLIC ALLEY) AND LOTS 7, 8 AND LOT 9 (EXCEPT THAT PART OF LOT 9 TAKEN OR USED FOR STREET) IN ELIZABETH HOWELL'S SUBDIVISION OF PART OF BLOCK 16 IN W.J. MORTON'S SUBDIVISION OF THE EAST HALF OF THE NORTH WEST QUARTER OF SECTION 11 TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS.

USE RESTRICTION:

ALL OF A PORTION OF THE FORMER WARD SCHOOL SITE MUST BE USED FOR ONE OF THE FOLLOWING PURPOSES WHICH INCORPORATES LOCAL COMMUNITY PARTNERSHIPS:

- (1.) AFFORDABLE HOUSING;
- (2.) VETERAN'S HOUSING;
- (3.) BUSINESS/LIVE WORK UNITS AS DESCRIBED IN SECTION 17-9-0103.1 OF THE CITY OF CHICAGO ZONING ORDINANCE;
- (4.) EARLY CHILDHOOD EDUCATION AND PROGRAMMING;
- (5.) SENIOR CITIZEN SERVICES AND PROGRAMMING;
- (6.) WORKFORCE DEVELOPMENT SERVICES AND PROGRAMMING INCORPORATING JOB READINESS, EMPLOYMENT AND VOCATIONAL TRAINING; AND
- (7.) SMALL BUSINESS INCUBATOR DEVELOPMENT CENTER

IN ADDITION: THE SITE MAY NOT BE USED AS A K-12 SCHOOL.

THE DEED FOR THE PROPERTY 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 PRIOR WRITTEN APPROVAL OF THE BOARD'S CHIEF OPERATING OFFICER OR, GRANTEE FAILS TO OBTAIN A CERTIFICATE OF OCCUPANCY FROM THE CITY OF CHICAGO FOR AT LEAST ONE OF THE USES LISTED ABOVE WITHIN THREE YEARS OF THE DATE OF THE DEED.