

June 28, 2017

**DISPOSITION OF BIDS RECEIVED FOR THE SALE OF PROERTY LOCATED AT
6950 S. SANGAMON STREET (FORMER DANIEL WENTWORTH 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 Montclare Senior Residences of Wentworth, LLC an Illinois Limited Liability Company ("Purchaser"), the former Daniel Wentworth School site at 6950 S. Sangamon Street, 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 AND USE RESTRICTIONS: 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. One bid was received for the Property from the following bidder:

<u>Bidder</u>	<u>Initial Offer</u>	<u>Best and Final Offer</u>
MR Properties LLC	\$10,000.00	\$100,000

The Purchaser's proposal is to convert and redevelop the Property with 60-80 affordable housing units for seniors ages 62 and older. Community based organizations may use space on the first floor of the building for community functions when available. The Board shall retain the telecom license fee income generated by the Property due or payable in 2017.

APPRAISAL: As of March 1, 2017, a disposition appraisal of the Property was obtained for the Board indicating the "As Is" value of the Property, subject to the restrictive covenant and reverter as described below and on Exhibit A was:

Appraiser:	KMD Valuation Group, LLC
Disposition Value Estimate:	\$100,000 to \$150,000

RECOMMENDATION: The Property is not needed for school purposes. The Property previously housed Wentworth 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 Purchaser's proposal is to redevelop the Property with 60-80 affordable housing units for seniors ages 62 and older and to allow community based organizations to use space on the first floor of the building for community functions when available.

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 the Grantee to obtain a Certificate of Occupancy from the City of Chicago 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 Board shall retain the telecom license fee income generated by the Property due or payable in 2017.

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

Name:	MR Properties, LLC
Address:	701 Lee Street Suite 802 DesPlaines, IL. 60016
Contact:	Phillip Mappa 847-699-6600 pmappa@mrpropertiesllc.com
Grantee:	Montclare Senior Residences of Wentworth, LLC
Amount:	\$100,000

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 Montclare Senior Residences of Wentworth, 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.

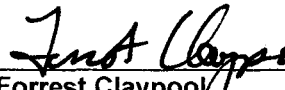
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:




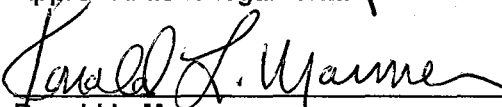
Mary DeRuntz
Deputy Chief Facilities Officer

Approved:



Forrest Claypool
Chief Executive Officer

Approved as to legal form. 



Ronald L. Marmer
General Counsel

**EXHIBIT A
PROPERTY OFFERED FOR SALE**

THE BOARD RESERVES THE RIGHT TO MAKE CHANGES AS NECESSARY.

PROPERTY: FORMER DANIEL WENTWORTH SCHOOL

ADDRESS: 6950 S. SANGAMON ST., CHICAGO, ILLINOIS, 60621

PINs: 20-20-420-007, 20-20-420-008 and 20-20-420-009

LEGAL DESCRIPTION:

(EXCEPTING STREET) THE WEST 297 FEET AND SOUTH 233 FEET OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPTING STREET AND ALLEY); THE NORTH 25 FEET OF THE SOUTH 258 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER IN SECTION 20, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS; LOTS 11 TO 28 IN BLOCK 5 OF MADLUNG & EIDMAN'S SUBDIVISION OF PART OF THE NORTH THREE QUARTERS OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS; AND VACATED ALLEYS.

USE RESTRICTION:

THE PROPERTY MAY NOT BE USED AS A K-12 CHARTER 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 THE PROPERTY WITHIN THREE YEARS OF THE DATE OF THE DEED.