

January 27, 2021

**APPROVE THE PURCHASE OF THE TEACHERS ACADEMY FOR MATHEMATICS
AND SCIENCE LOCATED AT 501 W. 35TH STREET**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve the purchase of the Teachers Academy for Mathematics and Science property located at 501 W. 35th Street ("Property"). A Lease with an Option to Purchase the Property was approved in 2005 by Board Report 05-0928-OP2. The Lease expires on February 1, 2021. CPS has the option to purchase the Property for \$280,000 plus closing costs and interest. Multiple CPS departments are located and operate out of the Property. The Property is conveniently located and in good condition. The information pertinent to this purchase is stated below.

SELLER: Teachers Academy for Mathematics and Science ("TAMS")
501 W. 35th Street
Chicago, IL 60616
Contact Person: Nicholas Ciotola
Phone: 773 924-7037

PREMISES: The entire building and grounds located at 501 W. 35th Street (approximately 32,162 rentable square feet).

USE: Administrative offices, training and educational use. Multiple departments are located in and operate out of the Property.

BACKGROUND INFORMATION: The Board has leased the Property from TAMS since 2005. Lease expires on February 1, 2021. The Lease provides that the Board may purchase the Property at the end of the Lease (2/1/2021) for the final payment due on bonds issued for the Property by the Illinois Development Finance Authority ("IDFA Bonds"). The final IDFA Bond payment is \$280,000 plus interest. This is the amount the Board will pay to take full title and possession of the Property.

APPRAISAL: The Property was appraised in 2003 and 2005 as follows. Property value has increased:

Landlord's Appraisal (Prepared by Gibbons & Gibbons, 7/31/03):	\$3,875,000.00
Board's Appraisal (Prepared by Zimmerman Real Estate Group, 2/3/05):	\$3,290,000.00
Estimated value of the technology equipment and wiring, furnishings and supplies:	\$ 537,209.00

AUTHORIZATION: Authorize the General Counsel to execute any and all ancillary documents required to administer or effectuate the Option to Purchase the Property. Authorize the General Counsel to effectuate the Purchase of the Property for the final payment of \$280,000 principal on the IDFA Bonds plus accrued interest (estimated at \$2,685) and to obtain a survey and title insurance for the Property.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL:

Charge:	\$315,000 (Includes Closing Costs)	FY 2020-2021
Budget Classification:	11910.230.57705.254903.000000.2021	

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:

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Arnaldo Rivera

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Arnaldo Rivera
Chief Operating Officer

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Janice K. Jackson

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Janice K. Jackson
Chief Executive Officer

Approved as to legal form:

DS

JM

DocuSigned by:

Joseph T. Moriarty

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Joseph T. Moriarty
General Counsel