

January 28, 2015

**DISPOSITION OF BIDS RECEIVED FOR THE SALE OF PROPERTY
LOCATED AT 1437 N CALIFORNIA AVE (VACANT LAND)**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

That the Board request the Public Building Commission ("PBC") convey to Sean McKeough, an individual ("Purchaser"), the land located at 1437 N California Ave, 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 April 25, 2014 to October 24, 2014. Bids were received by the Procurement Department by 10:00 a.m. on October 24, 2014, and opened on the same date. Pursuant to 105 ILCS 5/34-21 (2011), negotiations were held for best and final bids, and the following 6 bids were received:

<u>Bidder</u>	<u>Offer</u>
1. Sean McKeough	\$900,000
2. Logan View Holdings, LLC	\$851,000
3. KMW2, LLC	\$700,000
4. Priority Energy, LLC	\$551,000
5. 1437 N California, Inc.	\$526,000
6. Hubbard Street Investment II, Inc.	\$365,000

APPRAISAL: On December 8, 2014, an appraisal was made for the benefit of the Board for this property indicating a fair market value as follows:

Appraiser: KMD Valuation Group, LLC
Value: \$875,000 - \$920,000

RECOMMENDATION AND USE RESTRICTION: The Property is not needed for school purposes. The sale of the Property is in the best interests of the Board in accordance with 105 ILCS 5/34-21 (2011). The PBC shall include a restrictive covenant in the deed prohibiting the Property for being used for kindergarten through high school (K-12) public, charter or tuition-free school purposes for 40 years from the date of the deed unless the restriction is released by the Chicago Board of Education. Title to the Property will automatically transfer to and vest in the City of Chicago in Trust for Use of Schools if the restrictive covenant is breached without the express written approval of the Chief Operating Officer. The property shall be sold "as is, where is." The appraisal and the bids received were reviewed and it is recommended that the following bid be accepted:

Name: Sean McKeough
Address: 2229 W Medill, Chicago, IL
Contact: Sean McKeough / 773-580-8200
Offer: \$900,000

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 to issue a deed in favor of Sean McKeough. 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.

15-0128-OP4

AFFIRMATIVE ACTION: Exempt.

LSC REVIEW: Local School Council approval is not applicable to this transaction.

FINANCIAL: Proceeds (Purchaser's best and final offer, less closing costs) 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.

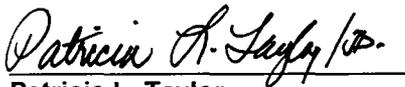
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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


Patricia L. Taylor
Chief Facilities Officer

Approved:


Barbara Byrd-Bennett
Chief Executive Officer

Approved as to legal form: 


James Bebley
General Counsel

EXHIBIT A
THE PROPERTY

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

Common address:

1437 N California Ave, Chicago, IL

PINs:

16-01-208-006
16-01-208-037

Legal Description:

PARCEL 1:

LOTS 39 TO 42, BOTH INCLUSIVE, IN BLOCK 5 IN H.M. THOMPSON'S SUBDIVISION OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 7 (EXCEPT THE NORTH 16 FEET) LOTS 8 AND 9 AND LOT 10 (EXCEPT THE SOUTH 16 FEET) IN BLOCK 5 IN H.M. THOMPSON'S SUBDIVISION OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

ALL THAT PART OF THE NORTH-SOUTH 16 FOOT VACATED PUBLIC ALLEY LYING WEST OF AND ADJOINING THE WEST LINE OF LOTS 7, 8, 9 AND 10, LYING EAST OF AND ADJOINING THE EAST LINE OF LOTS 39, 40, 41 AND 42, LYING SOUTH OF AND ADJOINING A LINE 16 FEET SOUTH OF AND PARALLEL WITH NORTH LINE SAID LOT 7 PRODUCED WEST 16 FEET AND LYING NORTH OF AND ADJOINING A LINE 16 NORTH OF AND PARALLEL WITH SOUTH LINE OF SAID LOT 10 PRODUCED WEST 16 FEET, ALL IN BLOCK 5 IN H.M. THOMPSON'S SUBDIVISION OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.