

**AUTHORIZATION TO PURCHASE PROPERTY AT 23<sup>RD</sup> STREET AND SOUTH WABASH AVENUE  
IN CONNECTION WITH THE CONSTRUCTION OF A NEW NEAR SOUTH HIGH SCHOOL**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

The Board has determined that it is necessary or convenient for it to use and occupy the vacant property at 2450 S. State Street ("Property") for it to plan and prepare for a new neighborhood high school. The Property is owned by the Chicago Housing Authority ("CHA"). Pursuant to the Local Government Property Transfer Act (50 ILCS 605/1 *et. seq.*), the Housing Cooperation Law (310 ILCS 15/5b) and the Intergovernmental Cooperation Act (5 ILCS 220 *et. seq.*) ("Statutes"), the CHA will lease the Property to the Board in exchange for a deed to the property at 23<sup>rd</sup> Street and South Wabash Avenue ("CHA Replacement Site"). Pursuant to said Statutes and Sections 105 ILCS 5/34-20 and 21 of the School Code, this Board Report will authorize the execution of a contract to purchase the CHA Replacement Site at 2240 and 2300-2332 S. Wabash Avenue as consideration for the lease of the CHA Property. The CHA Replacement Site will be deeded directly to the CHA in exchange for a lease of the CHA Property to the Board for the new high school. The proposed lease between the Board and the CHA for the new high school site is described in a companion Board Report. The authority granted herein shall automatically rescind in the event written agreements for the purchase of the CHA Replacement Site and the lease of the CHA Property by the Board are not executed within 120 days of the date of this Board Report. Information pertinent to the proposed exchange is as follows:

<b>SELLER/OWNER OF CHA REPLACEMENT SITE:</b>	J & J Motor Service, Inc. 2328 South Indiana Avenue Chicago, Illinois 60616 Attn: Carol Courtney Email: carolcourt@aol.com
<b>DESCRIPTION OF CHA REPLACEMENT SITE:</b>	85,990 sq. ft. (1.97 acres) of vacant property located at 2240 and 2300-2332 S. Wabash Avenue. PINS: 17-27-100-012-0000, 17-27-108-006, -007, -008, -009, -010, -011, -012, -016 and -017.
<b>PURCHASE PRICE:</b>	\$10,318,800.
<b>PURPOSE/USE:</b>	The Board has determined that it is necessary or convenient for it to use and occupy the vacant property at 2450 S. State Street ("Property") for it to plan and prepare for a new neighborhood high school. The property at 2450 S. State Street is owned by the CHA and is adjacent to existing athletic facilities owned by the Board and the Park District that can be used by the school for physical education classes, athletic and sports programs and competitions. The CHA will lease the property to the Board in exchange for the CHA Replacement Site at 23 <sup>rd</sup> Street and South Wabash. The exchange is subject to HUD approval. The purchase price for the Replacement Site is \$10,318,800. This Board Report authorizes the execution of the contract to secure and access the CHA Replacement Site, the payment of the purchase price and the application to HUD to enable the Board and CHA to complete the proposed property exchange.

**APPRAISED FAIR MARKET VALUE:** \$10,275,000.00 - Zimmerman Real Estate Associates

**INSURANCE INDEMNIFICATION:** Authorize the General Counsel to negotiate any and all insurance and indemnification provisions in the Purchase and Sale Agreement and Access Agreements for testing and planning purposes.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the Purchase and Sale Agreement or related instruments. Authorize the President and Secretary to execute the Purchase and Sale Agreement. Authorize the General Counsel to negotiate and the Chief Operating Officer to execute all ancillary and related documents including access agreements and HUD applications required to administer or effectuate the purchase and exchange of the CHA Replacement Site for the lease of the proposed Near South High School site owned by the CHA.

**AFFIRMATIVE ACTION:** Exempt.

**LSC REVIEW:** Local School Council review is not applicable to this report.

**FINANCIAL:** Charge to Operations Department:  
\$10,393,800 (\$10,318,800 purchase price + \$75,000 fees to extend closing date) + closing fees

Budget Classification No:  
FY2023 Capital Funds; Capital Project Support Services

Fiscal Year: 2023

Source of Funds: \$3,393,800 in Capital Funds and \$7,000,000 in City of Chicago Tax Increment Financing

**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.

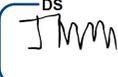
Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time shall be incorporated into and made a part of the agreement.

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:**

DocuSigned by:  
  
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**Charles E. Mayfield**  
Interim Chief Operating Officer

Approved as to Legal Form: 

DocuSigned by:  
  
571EC59C33144C5...  
**Joseph T. Moriarty**  
General Counsel

**Approved:**

DocuSigned by:  
  
DF6322D400044D3...  
**Pedro Martinez**  
Chief Executive Officer

**EXHIBIT A**

**LEGAL DESCRIPTION OF THE PROPOSED CHA REPLACEMENT SITE  
(NEW NEAR SOUTH HIGH SCHOOL SITE PROJECT)**

LOT 1 AND PRIVATE ALLEY WEST AND ADJOINING IN SALLY M. FOLLANSBEE'S SUBDIVISION OF THE EAST 180.71 FEET OF BLOCK 20 IN CANAL TRUSTEE'S SUBDIVISION OF THE WEST 1/2 OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**and**

LOTS 12 THRU 19 IN CHARLES FOLLANSBEE'S SUBDIVISION OF BLOCK 21 IN CANAL TRUSTEE SUBDIVISION OF THE WEST 1/2 OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS AND LOTS 1 AND 2 IN FOSTER'S SUBDIVISION OF BLOCK 32 IN CANAL TRUSTEES' SUBDIVISION OF THE WEST 1/2 OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

**PINS NOS.**     17-27-100-012-0000  
                  17-27-108-006-0000  
                  17-27-108-007-0000  
                  17-27-108-008-0000  
                  17-27-108-009-0000  
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                  17-27-108-012-0000  
                  17-27-108-016-0000  
                  17-27-108-017-0000

Totaling approximately 85,990 SF (1.97 Acres).

**COMMON ADDRESSES:**

2240 S. Wabash and 2300-2332 S. Wabash, Chicago Illinois

**(Subject to Final Survey, Title Commitment and HUD Approval)**