

September 26, 2024

**DISPOSITION OF BIDS RECEIVED FOR THE SALE OF PROPERTY LOCATED AT
2833 WEST ADAMS STREET (FORMER CALHOUN NORTH ELEMENTARY 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 Marillac St. Vincent Ministries, Inc., an Illinois not-for-profit corporation (“Purchaser”), the former John Calhoun North Elementary School site located at 2833 West Adams 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. Title to the Property is to be conveyed to Marillac St. Vincent Family Services, Inc., Purchaser’s designee. 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 December 15, 2023, through March 1, 2024. Bids were due by 4:00 p.m. on March 1, 2024, and were opened on the same date. One bid was received for the Property from Marillac St Vincent Ministries, Inc. The bidder was provided an opportunity to submit their highest and best offer, and increased their offer to:

<u>Bidder</u>	<u>Offer</u>
Marillac St. Vincent Ministries, Inc.	\$200,000.00

The Purchaser’s proposal is to redevelop the Property into a community hub that provides services to those who are most at risk in the community. The property will be used to expand existing services that are currently provided from Purchaser’s adjacent family center and will expand upon community partnerships to provide additional programs and services. Approximately 1/3 of the former school building will be dedicated to supportive housing and the remainder of the building will be utilized for services including programs for at-risk youth, community health initiatives, new parent programs, workforce development and job training programs, housing and case management services for homeless women, as well as the potential to provide substance and mental health services.

APPRAISAL: An appraisal of the Property was conducted by the Board indicating an estimated fair market value of the Property, in its current condition, subject to the use restrictions listed below:

Appraiser:	1st Aerow Valuation Group, LLC
Estimated Fair Market Value:	\$270,000

RECOMMENDATION: The Property is not needed for school educational purposes. The Property previously housed John Calhoun North 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 Board previously solicited bids for the Property in 2017, and approved the sale to Heartland Housing, Inc. (“HHI”), in the amount of \$200,000, plus approximately \$360,000 from the sale of donation tax credits. Subsequent to approval of HHI’s bid, they were unable to obtain financing and proceed with the purchase and redevelopment of the property.

The City or PBC, as necessary, shall include a restrictive covenant in the deed stating that the former Calhoun Elementary School site must be used for a minimum of one of the proposed uses contained in Purchaser’s bid, which specifically include the following: (1) supportive housing services; (2) youth and teen programs; (3) early childhood education; (4) community health services; (5) new parent programs; (6) workforce development and job training programs; (7) housing case management services; (8) substance abuse or mental health services; (9) senior programs; and (10) migrant and immigrant services. In addition, the site may not be used for: (1) a K-12 charter school; or (2) the sale or manufacturing of liquor or tobacco products. 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 Chicago

Board of Education (“Board”) if this restriction is breached or Purchaser fails to use the Property for one or more of the required uses listed above for a period of ten years from obtaining the certificate of occupancy, without the prior written approval of the Board’s Chief Operating Officer. The Property shall be sold in “As Is, Where Is” condition. The deed shall provide the Board, the PBC and City shall be released and discharged from any and all future responsibility and liability relating to the Property’s physical and environmental condition.

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

Bidder Name: Marillac St. Vincent Ministries, Inc.
Address: 212 South Francisco Avenue, Chicago, Illinois 60612
Contact: Michael Chitwood, Chief Executive Officer, 773-722-7440
Grantee Name: Marillac St. Vincent Family Services, Inc.
Amount: \$200,000

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 and/or the City to issue a quit claim deed in favor of Marillac St. Vincent Family Services, Inc. on behalf of Purchaser. 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 August 24, 2023 (23-0824-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:

Charles Mayfield

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Charles E. Mayfield
Chief Operating Officer

Approved:

DocuSigned by:

Pedro Martinez

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Pedro Martinez
Chief Executive Officer

Approved as to legal form:

DocuSigned by:

Ruchi Verma

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Ruchi Verma
General Counsel

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JMM

EXHIBIT A

**PROPERTY OFFERED FOR SALE
THE BOARD RESERVES THE RIGHT TO MAKE CHANGES, AS NECESSARY.**

PROPERTY: FORMER JOHN CALHOUN NORTH SCHOOL

ADDRESS: 2833 W. ADAMS ST., CHICAGO, ILLINOIS 60612

PINs: 16-13-117-021, 16-13-117-022 and 16-13-117-023 (TITLE HELD BY THE PUBLIC BUILDING COMMISSION OF CHICAGO)

LEGAL DESCRIPTION:

LOTS 1 TO 5, BOTH INCLUSIVE, AND LOTS 20 TO 46, BOTH INCLUSIVE, AND PART OF LOT 19 (EXCEPT THAT PART OPENED FOR PUBLIC ALLEY) IN BLOCK 4 IN T.D. LOWTHER'S SUBDIVISION OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THAT PART LYING NORTH OF BARRY POINT ROAD) IN COOK COUNTY, ILLINOIS; AND VACATED ALLEYS.

USE RESTRICTION:

THE PROPERTY MAY NOT BE USED FOR:

- (1) THE SALE OR MANUFACTURING OF LIQUOR OR TOBACCO PRODUCTS, OR
- (2) K-12 CHARTER SCHOOL.

THE DEED FOR THE PROPERTY WILL INCLUDE THE ABOVE USE RESTRICTION AND ALSO STATE THAT THE PROPERTY MUST BE USED FOR A MINIMUM OF ONE OF THE PROPOSED USES CONTAINED IN PURCHASER'S BID FOR A PERIOD OF TEN YEARS FROM THE DATE OF THE CERTIFICATE OF OCCUPANCY. 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 CHICAGO BOARD OF EDUCATION ("BOARD") IF THIS RESTRICTION IS BREACHED WITHOUT THE PRIOR WRITTEN APPROVAL OF THE BOARD'S CHIEF OPERATING OFFICER.

GRANTEE MUST ALSO OBTAIN A CERTIFICATE OF OCCUPANCY FROM THE CITY OF CHICAGO WITHIN FOUR YEARS OF THE DATE OF THE DEED UNLESS SAID DATE IS EXTENDED BY THE BOARD'S CHIEF OPERATING OFFICER.