

ORDINANCE NO. 003-85

AMENDMENT TO ORDINANCE NO.
001-30 DECLARING CERTAIN PROPERTY
LOCATED AT DEARBORN AND CULLERTON
STREETS, CHICAGO, ILLINOIS, AS SURPLUS
AND AUTHORIZING THE EXCHANGE OF THE
PROPERTY FOR CERTAIN PROPERTY
OWNED BY THE
CITY OF CHICAGO

WHEREAS, The Chicago Transit Authority (“Authority”) owns certain real estate located at the southeast corner of South Dearborn Street and West Cullerton Street, commonly known as 2001 South Dearborn Street, Chicago, Illinois (“Authority’s Property”); and

WHEREAS, The Authority’s Property has dimensions of 112.5’ X 151’, includes approximately 16,988 square feet, and contains a high one-story maintenance facility which was formerly used as a substation and for equipment and vehicle storage; and

WHEREAS, Management determined that it would be in the best interest of the Authority to relocate maintenance activities from this location to a different site and that the property is no longer required for operations; and

WHEREAS, An independent real estate appraisal and a review appraisal of the Authority’s Property in 2001 established the market value to be three hundred seventy-five thousand dollars (\$375,000); and

WHEREAS, The City of Chicago (“City”) agreed to purchase the Authority’s Property for its appraised value, demolish the maintenance facility, and include the Authority’s Property in a residential redevelopment project to improve the surrounding community; and

WHEREAS, The City is the owner of two adjacent parcels of vacant property (“City’s Property”) located on the east side of North Pulaski Road and the west side of North Harding Avenue, commonly known as 335-379 North Pulaski Road and 346-364 N. Harding Avenue, Chicago, Illinois, which are located in close proximity to the Authority’s West Shops Facility; and

WHEREAS, An independent real estate appraisal and a review appraisal of the City’s Property in 2001 established the market value to be two hundred ten thousand dollars (\$210,000); and

WHEREAS, Chicago Transit Board Ordinance No. 001-30, dated February 6, 2001, declared the Authority’s Property as surplus and authorized the exchange of the Authority’s Property located at 2001 South Dearborn Street, Chicago, Illinois, for the City’s Property located at 335-379 North Pulaski Road and 346-364 North Harding Avenue, Chicago, Illinois; and

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WHEREAS, Ordinance No. 001-30 also provided that the City would pay one hundred sixty-five thousand dollars (\$165,000) to the Authority as additional consideration for the exchange of properties or in lieu of some or all of the aforementioned cash payment, the City would convey additional real estate to the Authority with a market value sufficient, along with any cash payment, to equal one hundred sixty-five thousand dollars (\$165,000); and

WHEREAS, The City has recently determined that only a portion of the City's Property originally identified in the proposed exchange of properties with the Authority is still available for disposition; and

WHEREAS, The Authority has identified three additional parcels of City-owned property located at 3842-3860 West Lake Street and 300-310 North Avers Avenue, 4005 and 4015 South Indiana Avenue, and 5008-14 South Wells Street, Chicago, Illinois ("Expanded City Property"), which the Authority is interested in acquiring; and

WHEREAS, The Expanded City Property is vacant and includes a total of approximately 142,134 square feet; and

WHEREAS The Expanded City Property would be used by the Authority for operations and maintenance purposes; and

WHEREAS, Property values in the area of the Authority's Property have increased substantially in value since 2001; and

WHEREAS, An updated independent real estate appraisal and review appraisal of the Authority's Property established the current market value of the Property to be seven hundred sixty-five thousand dollars (\$765,000), which was reduced to seven hundred thirty thousand dollars (\$730,000) to cover the City's cost of demolishing the building located on the Property; and

WHEREAS, An independent real estate appraisal and review appraisal have established the current market value of the Expanded City Property to be six hundred twelve thousand five hundred dollars (\$612,500); and

WHEREAS, In exchange for the agreement by the City to purchase the Authority's Property, the Authority has agreed to purchase the Expanded City Property; and

WHEREAS, The City shall also pay one hundred seventeen thousand five hundred dollars (\$117,500) to the Authority as additional consideration for the exchange of properties; and

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WHEREAS, In lieu of some or all of the aforementioned cash payment, the City may convey additional real estate to the Authority with a market value sufficient, along with any cash payment, to equal one hundred seventeen thousand five hundred dollars (\$117,500); and

WHEREAS, In the event the City chooses to convey additional real estate to the Authority, the land to be transferred must be identified by the City by a date certain; and

WHEREAS, Authority approval for taking ownership of the specific parcels of real property the City proposes to transfer to the Authority, if any, will be obtained prior to completion of the transaction; and

WHEREAS, In conjunction with the residential development project, the City plans to vacate South Dearborn Street ("Public Way"), a portion of which borders on the Authority's Property; and

WHEREAS, The Authority shall consent to the proposed vacation of Public Way in the residential development area, permit the City to act as the applicant during the City vacation process, and waive any reversionary interest in real estate which would be acquired as a result of the vacation of Public Way; and

WHEREAS, The proposed exchange of properties and any cash payment and/or transfer of additional real estate to the Authority shall be completed no later than July 2, 2004, or this matter will be brought back to the Chicago Transit Board for further action; and

WHEREAS, Pursuant to Section 54.3-3 of the Regulations Governing Purchase and Sales Transactions, contracts between units of government are not subject to a competitive bid process, now, therefore:

**BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD
OF THE CHICAGO TRANSIT AUTHORITY:**

SECTION 1. That Chicago Transit Board Ordinance No. 001-30, dated February 6, 2001, is hereby amended.

SECTION 2. Pursuant to Section 54.3-3 of the Regulations Governing Purchase and Sales Transactions, competitive bidding for the exchange of the Chicago Transit Authority property located at 2001 South Dearborn Street, Chicago, Illinois, legally described on Exhibit A and depicted on Exhibit B for the City of Chicago Property located at 335-375 North Pulaski Road and 350-378 North Harding Avenue, 3842-3860 West Lake Street and 300-310 North

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Avers Avenue, 4005 and 4015 South Indiana Avenue, and 5008-5014 South Wells Street, Chicago, Illinois, shall not be required.

SECTION 3. That the Chairman, or her designee, is hereby authorized to enter into an amended Intergovernmental Agreement ("IGA"), substantially in the form attached hereto as Exhibit C and incorporated herein, with the City of Chicago which provides for the following:

- A. The Authority will agree to sell its property at 2001 South Dearborn Street, Chicago, Illinois, the legal description of which is set forth on Exhibit 1 to the attached IGA, to the City of Chicago for seven hundred thirty thousand dollars (\$730,000);
- B. The Authority will agree to consent to the vacation of South Dearborn Street located in the residential development area, permit the City to act as the applicant during the vacation process, and waive any reversionary interest in real estate which would be acquired as a result of said vacation of public way.
- C. The City of Chicago will agree to sell the following property to the Authority for the total sum of six hundred twelve thousand five hundred dollars (\$612,500):
 - 1. 335-375 North Pulaski Road and 350-378 North Harding Avenue, Chicago, Illinois, the legal description of which is set forth on Exhibit 2 to the attached IGA;
 - 2. 3842-3860 West Lake Street and 300-310 North Avers Avenue, Chicago, Illinois, the legal description of which is set forth on Exhibit 3 to the attached IGA;
 - 3. 4005 and 4015 South Indiana Avenue, Chicago, Illinois, the legal description of which is set forth on Exhibit 4 of the attached IGA; and
 - 4. 5008-5014 South Wells Street, Chicago, Illinois, the legal description of which is set forth on Exhibit 5 of the attached IGA.
- D. The City will further agree to pay to the Authority the sum of one hundred seventeen thousand five hundred dollars (\$117,500) as additional consideration for the exchange of properties.
- E. In lieu of some or all of the aforementioned cash payment, the City may convey to the Authority additional real estate which has been identified by a date certain, after

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acceptance of ownership of such real estate by the Chicago Transit Board, but in no event will the market value of any real estate conveyed, plus any cash payment made by the City, be less than one hundred seventeen thousand five hundred dollars (\$117,500).

- F. The exchange of properties and additional cash payment and/or transfer of additional real estate to the Authority shall be completed no later than July 2, 2004, or this matter will be returned to the Transit Board for further action.

SECTION 4. All provisions of Ordinance No. 001-30 not in conflict with this ordinance shall remain in full force and effect.

SECTION 5. That the Chairman of the Chicago Transit Board, or her designee, is hereby authorized to execute any and all additional documents necessary to effectuate the transactions contemplated herein.

SECTION 6. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

Assistant Secretary

July 2, 2003

July 2, 2003