



MONTESSORI CHILDREN'S HOUSE OF PEORIA

Response to Request for Proposal
Dated March 2014
Washington School – 839 W Moss
Renovation Opportunity

Proposal to:





MONTESSORI CHILDREN'S HOUSE OF PEORIA

3601 N. NORTH ST. PEORIA, IL 61604 PH. 685-8995 WWW.PEORIAMONTESSORI.ORG

Christopher Setti, Assistant City Manager
City of Peoria
419 Fulton, Suite 207
Peoria, IL 61602

June 13, 2014

Dear Mr. Setti,

The Montessori Children's House of Peoria (MCHP), an Illinois not-for-profit day school serving children ages 3 to 12, is pleased to offer a bid for the purchase of the historic Washington School building located at 839 W Moss Ave. MCHP has read and understands the RFP dated March 2014.

Our school has been serving Peoria families for over 35 years. As a school that utilizes the Montessori approach to education our curriculum is largely rooted in place-based education, community involvement and an appreciation for and study of local history, culture and commerce. Since our school was founded in 1977 we have been searching for the perfect home. The availability of the Washington School building presents an ideal opportunity – a perfect fit not only for our school but, for the surrounding neighborhood and the city of Peoria, as well.

More schooling options for Peoria families benefits everyone. An additional pre-K through grade 6 school on the West Bluff school would be of real value to neighborhood residents. It would bring more families from surrounding areas to the West Bluff on a daily basis, helping to provide the critical mass needed to make the West Main and Warehouse District redevelopment efforts a success. In addition, a Montessori school operated in a property such as this would be a draw to young families interested in relocating to Peoria, as quality Montessori education has a gold-standard reputation among communities world-wide.

MCHP will use this historic building for its intended use – as a school. Our development of the property will include upgrading the facility to our uses, including general functional and aesthetic improvements.

We embrace the opportunity to operate our school functions in an historic building in such an historic neighborhood in the heart of Peoria. Our students would benefit from being within close proximity to downtown locations (public library, Civic Center, historic city hall, etc.) as well as from having immediate connection to the city's past. Their studies of Peoria's rich history would in turn be enriched by the opportunities afforded by this location.

" Learning, discovery, and growth in a spirit of peace..."

In addition, MCHP will use this location to provide more schooling options to more of Peoria's low-income families through a robust financial assistance program. Maintaining a diverse student population has always been an important goal for us, and this location would help us extend our need-based financial assistance opportunities to more families who are interested in an alternative school option.

We feel that our proposal perfectly meets the needs of both the city and District 150. Our financing plan is sound, our planned use for the property is ideally suited to its intended use, and the opportunity for our fruitful involvement in the neighborhood and city will benefit all constituents.

All the required information is enclosed in this package.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Meredith Cox', with a stylized flourish at the end.

John Meredith Cox
Head of School

Contact Information

Montessori Children's House of Peoria
3601 N North St.
Peoria, IL 61604

Ph. 685-8995 F. 685-5413

John Meredith Cox
Head of School
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Jennifer Essig
President
Ph. 645-3468

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Price and Terms

The offer submitted by MCHP for purchase of the property is \$150,000.00.

Post selection, the school requests 120 days to close. During this time we will establish the Montessori Children's House of Peoria Building LLC, secure financing, and complete necessary inspections. Our board has experience with the acquisition and management of commercial buildings of similar age and size and has sufficient resources to complete this process. If needed the school will provide a letter from the bank within 30 days of selection confirming its ability to complete the transaction.

Proposed Development Concept

The Montessori Children’s House of Peoria is a **school** for children ages 3-12. Because MCHP will use this building for what it was intended, there will be little renovation necessary. Certain upgrades to the property will need to be done in order to fit our specific use as a Montessori school environment, along with sustainable building accommodations we might desire to make over time. However, the building already meets the basic requirements of a school. MCHP will operate its Pre-K through grade 6 program on all floors of the building and use the two acre outdoor space for a variety of activities.

Background

The Montessori Approach to Education

Montessori schools provide an environment for children in mixed-age groupings to develop at their own pace using a scientifically designed approach to education. Named after Maria Montessori, one of the first female physicians, the Montessori approach has been used worldwide for over one hundred years to teach children from a variety of backgrounds. Montessori graduates typically develop a strong love of learning, an innovative way of thinking and problem-solving, and an appreciation for collaboration and teamwork. In addition, they are instilled with a strong sense of community involvement and world-citizenship. Famous graduates of Montessori schools include each of the founders of Google, Amazon, and Wikipedia, author Gabriel Garcia Marquez, Julia Child, Jacqueline Kennedy Onassis, entertainer/entrepreneur Sean Combs, George Clooney, and Princes William and Harry.

The MCHP Program

Founded in 1977, MCHP now serves children ages 3 to 12 in three different programs – Primary for ages 3-6, Lower Elementary for ages 6-9, and Upper Elementary (9-12). Students at MCHP learn, in addition to conventional school subjects that are in alignment with Common Core curriculum, how to be independent students with the ability to concentrate and follow their intrinsic motivation to work and discover the world. They develop a love of learning through the child-centered environment provided through the Montessori approach. In addition to the regular Montessori program, our students have access to enrichment programs including music, art, Spanish, tumbling, chess club, drama club, video production, and private instrument lessons.

At all levels, we emphasize *community*. For Elementary students, this includes “going out” experiences, in which students plans small excursions outside the

classroom to extend learning opportunities. They gain an understanding for their role in the community and the importance of giving back and contributing to that community in ways that fit their natural talents and abilities.

Our Vision for This Property

Our educational program will make use of the entire building. The main floor will accommodate our Primary classrooms while Elementary classes will be located on the second floor. There is room on the second floor for a science lab and computer areas. The lower level will provide studio spaces for art, video production and drama, as well as woodshop and food preparation activities. Corridor spaces in the building will allow us to explore alternate uses of space – such as library and reading nooks in the upper level hall. Our school community events will be held in the gym/auditorium space, with spillover into the main level hall when necessary.

We will be engaging different community organizations to offer portions of the building for use after school hours. Ballet and theatre companies and other creative arts organizations would be welcome tenants, for example.

A significant portion (at least half) of the outdoor space on the property will be reverted to green space, allowing our students ample opportunity to enjoy fresh air and a natural landscape in the heart of the historic neighborhood. The Montessori approach encourages use of the outdoors as classroom space, and we will embrace this to its fullest extent with outdoor work areas for students of all ages. Younger students can develop large motor control on a variety of outdoor play/obstacle structures, while older students can study geometry with pencil and paper on a clipboard, using the lines of the building and the curves of natural features as real-world examples.

Our vision for the outdoor space includes opportunities for gardening, both vegetable and native flowers and grasses. It includes eventual installation of environmentally-friendly play structures, seating and table areas, and possibly a small hoop-house for year-round botany studies. We will use the outdoor space as our bridge not only to nature but to the surrounding community.

MCHP in the Community

What makes this property so attractive as a Montessori school is its location within the city. It is a unique blend of an urban location with a strong residential feel, providing abundant opportunities for our older students to “go out” into the community to expand their learning opportunities and also to provide service. Within walking distance from this location lie the Peoria Public Library, the Bradley University campus, the Civic Center, City Hall, even the Riverfront Museum – all of

them desirable destinations for a student project on Peoria history, architecture, commerce, any number of topics.

In addition, Montessori students can give back to their community in a variety of ways. Currently, our oldest students serve lunch each week at the Salvation Army. We would continue to look for more service opportunities while also participating in neighborhood cleanups and beautification projects. We envision MCHP on Moss Avenue becoming a neighborhood anchor – a future location for Red Cross blood drives, community events, CSA drop-off, and a multitude of other such opportunities.

As such a destination, MCHP on Moss Avenue will bring upwards of 125-140 families to the West Bluff on a daily basis, generating income for area business such as those in Campustown Shopping center and other West Main establishments. We will install bicycle racks and encourage families to walk or bike to and from school and around the neighborhood, increasing the critical mass for a more walkable West Bluff.

Lastly, this property, due to its location and the capacity for growth it would afford the school, would allow us to leverage increased revenue to offer financial assistance to more families who would normally be unable to afford an alternative to conventional education.

Business Plan

The school's operating budget for 2013-14 is approximately \$325,000, with revenue to exceed \$345,000. 97% of the school's revenue comes from Tuition and Fees paid by currently enrolled families, with an additional 3% coming from 501(c)(3) charitable contributions. For the 2013-14 academic year, the school had an enrollment of 68 students.

Our current location allows very limited growth capacity, while the new property would allow us to grow the school to approximately 175 students, generally suggesting approximately 140 Peoria area families and employment of approximately 20 people, not including custodial staff. Of course, our capacity to finance additional upgrades will increase as enrollment in the new location increases.

A significant portion of our current budget is devoted to reimbursement fees (rent) for the school's current location. The amount currently being applied to rent is certainly ample enough to be refocused toward both maintaining the infrastructure of the Washington School property and paying down the debt incurred in acquisition.

Because the existing structure already meets our basic requirements, minimal upgrades will be needed. We will determine what upgrades will be necessary after an agreement is finalized.

Qualifications

MCHP has operated as a Peoria independent school for over 35 years. Its long history of serving Peoria families while generating program-related revenue and devoting significant portions of its revenue to occupancy expenses certainly qualifies it to continue operating in a property of this kind.

In addition, its Board of Trustees is comprised of individuals with extensive experience financing and maintaining properties, including historic properties such as this one.

Our Development Team

Tim Crane – Trustee

In 2011 Tim Crane sold his business, CoreMedia, to Caterpillar. He became the owner of CoreMedia in 2002, and at that time made dramatic gains in helping organizations overcome the obstacles of culture change to achieve sustainable safety excellence. For several years, he has partnered with some of North America's leading companies to elevate safety as an integral part of operations and business performance. Prior to CoreMedia, Tim was a marketing manager for New Orleans-based construction contractor Forman Construction, Inc. He also has experience as an operations manager for wood products manufacturer JELD-WEN. Tim is currently the manager of Caterpillar Safety Services. He is very excited about leading Caterpillar Safety Services on this journey to support countless customers from various industries around the world to ultimately save lives.

Tim also is part of the Crane Group LLC which currently owns a 40,000 sq. ft. building in downtown Portland, Oregon. Tim managed this building from 2000-2011. (Please see attached document)

Stephen Pierz – Trustee

A West Bluff resident, married to Leslie Paulson with 4 children, residing at 518 High Street. Stephen holds a MS degree in Engineering and a MBA from Bradley University and has been employed at Caterpillar for 25 years. While at Caterpillar Stephen has assumed many roles including engineering, manufacturing, strategy and business development for various divisions at Caterpillar. Initiated and lead the Mayor's Litter Committee, organizing the efforts of hundreds of people who donated thousands of hours per year, Currently on the Historic Preservation Committee, starting second term.

Jennifer Essig – President

A realtor with experience in a variety of real estate developments.

John Meredith Cox – Executive Director

John is a West Bluff resident, representing his neighborhood association to the West Bluff Council. He has been involved with MCHP administration for more than ten years.

Financing Capacity

Purchase of the property will be financed by the Montessori Children’s House of Peoria Building LLC, which will be established upon final selection. Members of the financing LLC have completed similar projects and will provide the funds for acquisition. Funds for upgrades to the property will be obtained from charitable donations through a short-term capital campaign completed between the time of acquisition and commencement of the 2015-16 academic year.

Costs of regular maintenance of the property will be sufficiently covered by program revenue.

References

The following individuals can attest to the viability of our plan for development of this property.

Anthony Corso

Peoria architect, active in urban renewal projects
1217 W Columbia Terrace, Peoria 61606
Ph. 251-7240
anthonypcorso@gmail.com

Fulvio Zerla

West Bluff property owner, committed to Restoration and Preservation of Historic Buildings
Ph. 657-8725
coolplaces@zerlaproperties.com
(Please see letter of reference attached.)

Signature



John Meredith Cox
Head of School / Executive Director

Representing the Board of Trustees of Montessori Children's House of Peoria

Attachments

1. Letter of reference from Fulvio Zerla of Zerla Properties
2. Development experience

Mr. Chris Setti

City of Peoria

Re: 839 W MOSS AVENUE – WASHINGTON SCHOOL BUILDING

Chris,

As you know we own several building on both High St. and Moss Avenue and the use of the building at 839 W. Moss Ave. will have a material impact on our properties and surrounding neighborhood.

We believe the best use for the building is to remain a school. All other uses, except perhaps offices, would require tremendous alterations to the building.

We are fortunate that the Montessori Children House of Peoria (Montessori School) has decided to proceed with the purchase of the building. They have an excellent track record and will provide a badly needed service to the West Bluff.

We personally have known Mr. and Mrs. John Meredith Cox, the people in charge of the school, for several years and we are confident they will do an excellent job.

We believe the Montessori School represents the best fit for the building and will maintain and restore this great building so that it will complement the historic neighborhood for many generations to come.

Best regards

Fulvio N. Zerla, member

Zerla Properties, LLC

309-286-7335

309-657-8725 cell

FOR LEASE

1732 NW Quimby Street

Portland, Oregon 97209



Northwest Portland Creative Office Space The Marine Building

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4,270 or 7,745 USF

For additional information, contact:

Todd Collins

Direct: 503.972.7283

todd@macadamforbes.com

1800 SW First Avenue, Suite 650, Portland, OR 97201

P 503.227.2500 / www.macadamforbes.com



Professional, creative space available adjacent to Portland's dynamic Pearl District.

Building Description

- 40,000 SF building, currently available:
 - Suite 100: 7,745 USF Divisible to 4,275 USF
- 30,000 SF of land
- 20,000 SF building footprint
- 10,000 SF off-street parking lot
- 0.8 parking spaces per 1,000 RSF of off-street parking at \$45/space/month

General Amenities

- Northern entrance, lobby and common areas remodeled
- Concrete construction built in 1947 with major remodels in 1977, 1995, 2008, and 2010
- Structural upgrades relative to seismic and American's Disabilities Act have been completed
- Unique features including high ceilings, generous fluorescent lighting complimented by abundant exterior windows
- Extensive CAT 5 wiring with security/fire control system in large server room
- Redundant high speed fiber available

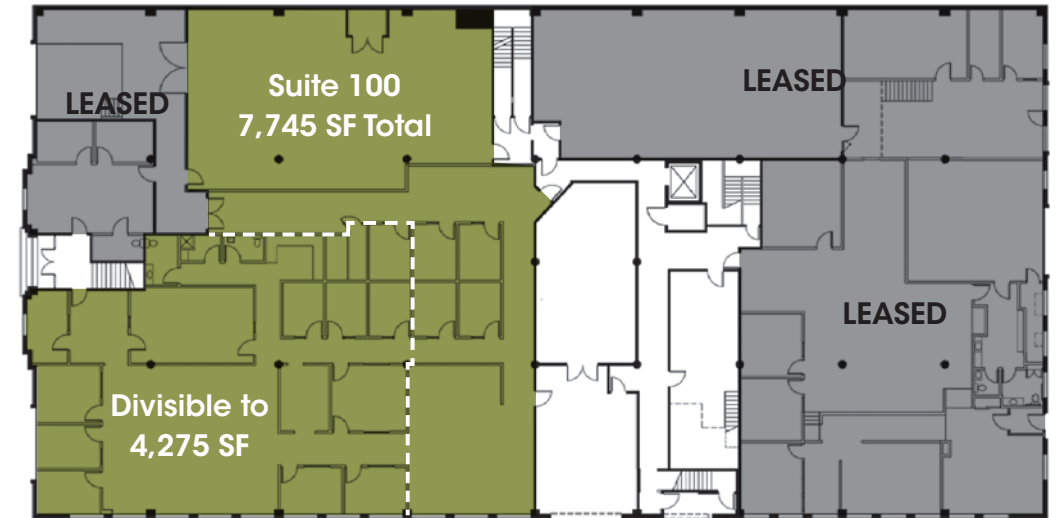
Lease Terms

- \$19.50 to \$21.50 RSF
- 14% load factor
- Tenant improvement allowance negotiable



The Marine Building

First Floor



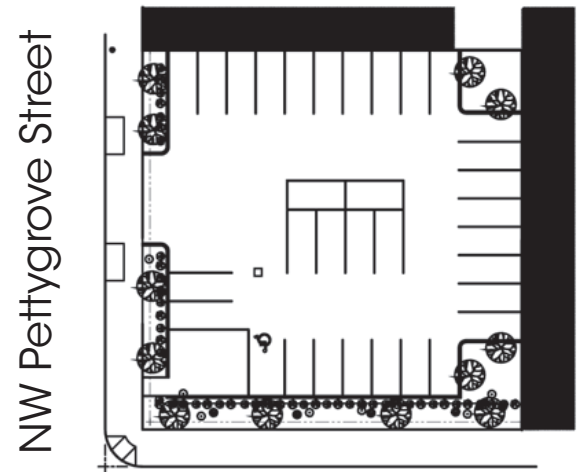
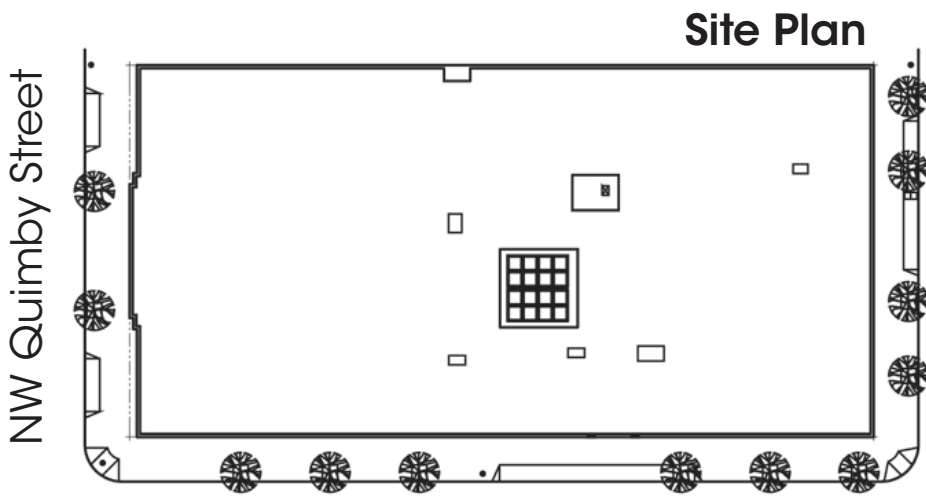
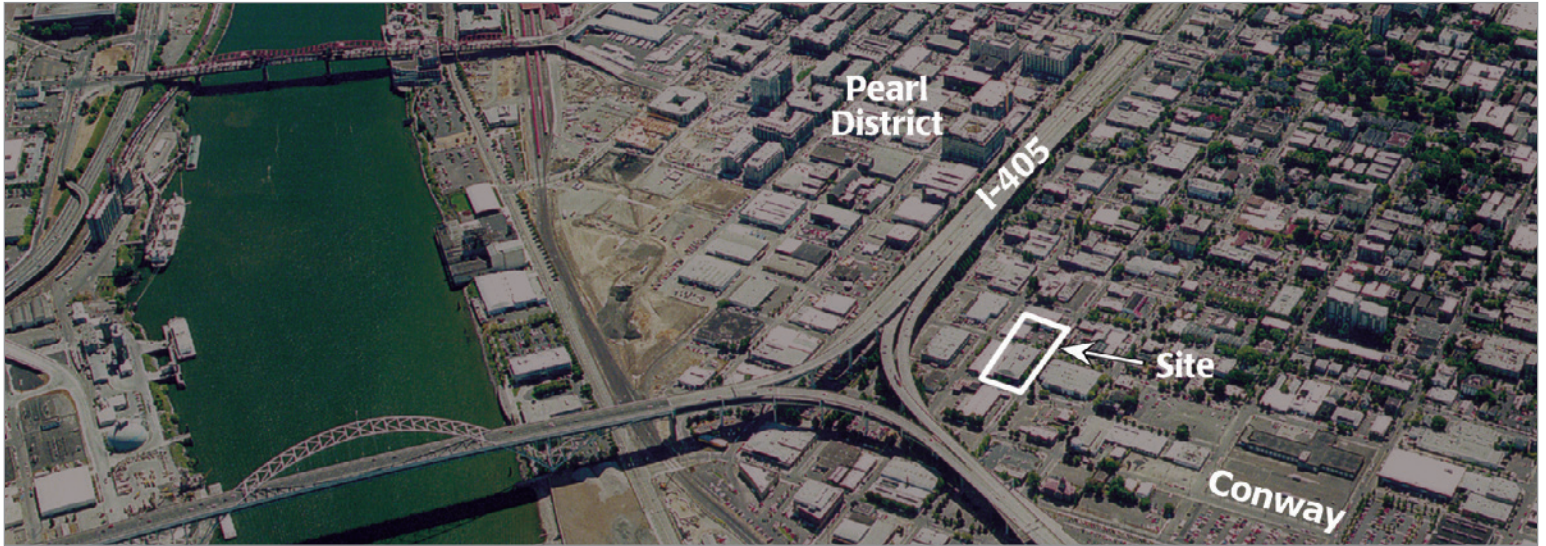
Suite 100 - BOMA = 4,275 or 7,745 USF

Second Floor



100% Leased

The Marine Building is the unique solution for businesses seeking bold office space with Pearl District amenities.



For additional information, contact:

Todd Collins

Direct: 503.972.7283

todd@macadamforbes.com

1800 SW First Avenue, Suite 650, Portland, OR 97201

P 503.227.2500 / www.macadamforbes.com

