

*(Sub)Exhibit "T".*  
(To Intergovernmental Agreement With  
Chicago Board Of Education)

*Laws, Rules And Regulations Applicable To The Board/  
Board Policies, Programs And Procedures.*

Pursuant to recent developments, the Board is in the process of revising its M.B.E./W.B.E. program, and it is anticipated that such revisions will be substantially similar to those recently made by the City to its M.B.W./W.B.E. program. The Board's revised M.B.E./W.B.E. program, as and when adopted by the Board, will be incorporated into contracts for the program. Once the Board adopts its revised M.B.E./W.B.E. program, the Board will provide the City with a detailed description thereof for attachment to this Agreement as an exhibit.

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AUTHORIZATION FOR EXECUTION OF INTERGOVERNMENTAL  
AGREEMENT WITH CHICAGO BOARD OF EDUCATION  
AND ISSUANCE OF TAX INCREMENT ALLOCATION  
REVENUE NOTE FOR CONSTRUCTION OF  
WESTINGHOUSE HIGH SCHOOL.

A Joint Committee, comprised of the members of the Committee on Finance and the members of the Committee on Education and Child Development, submitted the following report:

CHICAGO, September 29, 2004.

*To the President and Members of the City Council:*

Your Committee on Finance and Committee on Education and Child Development, having had under consideration an ordinance authorizing entering into and executing an intergovernmental agreement with the Chicago Board of Education regarding the construction of Westinghouse High School, having had the same

under advisement, beg leave to recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,  
*Committee on Finance,*  
*Chairman.*

(Signed) PATRICK J. O'CONNOR,  
*Committee on Education*  
*and Child Development,*  
*Chairman.*

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

*Yeas* -- Aldermen Flores, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Stroger, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, Brookins, Muñoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Reboyras, Suarez, Matlak, Mell, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

*Nays* -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois; and

WHEREAS, The Board of Education of the City of Chicago (the "Board") is a body corporate and politic, organized under and existing pursuant to Article 34 of the School Code of the State of Illinois; and

WHEREAS, Pursuant to the provisions of an act to authorize the creation of public building commissions and to define their rights, powers and duties under the Public Building Commission Act (50 ILCS 20/1, et seq.), the City Council of the City (the "City Council") created the Public Building Commission of Chicago (the "Commission") to facilitate the acquisition and construction of public buildings and facilities; and

WHEREAS, The Commission owns or will acquire in trust for the Board certain real property, which real property is generally located in the area bounded by West Franklin Boulevard, North Spaulding Avenue, North Sawyer Avenue and the Canadian & North Western Railway, Chicago, Illinois, which, together with any necessary easements for ingress and egress, is legally described on Exhibit A attached hereto and incorporated herein (the "Property"); and

WHEREAS, The Board wishes to construct a secondary school on the Property to be known as Westinghouse High School; and

WHEREAS, The construction of the secondary school will require the Board (acting through the Commission) to acquire the Property, to demolish buildings, and to construct buildings and related improvements to house and serve the secondary school (the "Facility") on the Property (all such activities referred to herein shall be known as the "Project"); and

WHEREAS, The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended, from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, To induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on February 27, 2002: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Plan for Chicago/Central Park Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the Chicago/Central Park Redevelopment Project Area as a Tax Increment Financing District"; and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Chicago/Central Park Redevelopment Project Area" (the aforesaid ordinances, as the same may have heretofore been or hereinafter may be amended, are collectively referred to herein as the "Chicago/Central Park T.I.F. Ordinances", the Redevelopment Plan approved by the Chicago/Central Park T.I.F. Ordinances is referred to herein as the "Chicago/Central Park Redevelopment Plan" and the redevelopment project area created by the Chicago/Central Park T.I.F. Ordinances is referred to herein as the "Chicago/Central Park Redevelopment Area"); and

WHEREAS, To induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on June 10, 1998: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area as a Tax Increment Financing District"; and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area" (the aforesaid ordinances, as the same may have heretofore been or hereinafter may be amended, are collectively referred to herein as the "Kinzie Industrial T.I.F. Ordinances", the Redevelopment Plan approved by the Kinzie Industrial T.I.F. Ordinances is referred to herein as the "Kinzie Industrial Redevelopment Plan" and the redevelopment project area created by the Kinzie Industrial T.I.F. Ordinances is referred to herein as the "Kinzie Industrial Redevelopment Area"); and

WHEREAS, To induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on December 2, 1998: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Northwest Industrial Corridor Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the Northwest Industrial Corridor Redevelopment Project Area as a Tax Increment Financing District"; and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Northwest Industrial Corridor Redevelopment Project Area" (the aforesaid ordinances, as the same may have heretofore been or hereinafter may be amended, are collectively referred to herein as the "Northwest Industrial T.I.F. Ordinances", the Redevelopment Plan approved by the Northwest Industrial T.I.F. Ordinances is referred to herein as the "Northwest Industrial Redevelopment Plan" and the redevelopment project area created by the Northwest Industrial T.I.F. Ordinances is referred to herein as the "Northwest Industrial Redevelopment Area"); and

WHEREAS, To induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on June 9, 1999: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Pulaski Corridor Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the Pulaski Corridor Redevelopment Project Area as a Tax Increment Financing District"; and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Pulaski Corridor Redevelopment Project Area" (the aforesaid ordinances, as the same may have heretofore been or hereinafter may be amended, are collectively referred to herein as the "Pulaski Corridor T.I.F. Ordinances", the Redevelopment Plan approved by the Pulaski Corridor T.I.F. Ordinances is referred to herein as the "Pulaski Corridor Redevelopment Plan" and the redevelopment project area created by the Pulaski

Corridor T.I.F. Ordinances is referred to herein as the "Pulaski Corridor Redevelopment Area"); and

WHEREAS, All of the Property lies wholly within the boundaries of the Chicago/Central Park Redevelopment Area; and

WHEREAS, Under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Chicago/Central Park Redevelopment Area shall be known as the "Chicago/Central Park Increment"; Increment collected from the Kinzie Industrial Redevelopment Area shall be known as the "Kinzie Industrial Increment"; Increment collected from the Pulaski Corridor Redevelopment Area shall be known as the "Pulaski Corridor Increment"; Increment collected from the Northwest Industrial Redevelopment Area shall be known as the "Northwest Industrial Increment"; and, collectively, the Chicago/Central Park Increment, Kinzie Industrial Increment, Pulaski Corridor Increment, and Northwest Industrial Increment shall be known as "City Increment"); and

WHEREAS, The Board is a taxing district under the Act; and

WHEREAS, Pursuant to 65 ILCS 5/11-74.4-4(q), the City can use Increment from one (1) redevelopment project area for eligible redevelopment project costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the Increment is received (the "Transfer Rights"); and

WHEREAS, The Chicago/Central Park Redevelopment Area is either contiguous to, or is separated only by a public right-of-way from, the Kinzie Industrial Redevelopment Area, the Pulaski Corridor Redevelopment Area and the Northwest Industrial Redevelopment Area; and

WHEREAS, The Chicago/Central Park Redevelopment Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within the boundaries of the Chicago/Central Park Redevelopment Area; and

WHEREAS, The City desires to use a portion of the City Increment (the "City Increment Funds") for the Project on the Property; and

WHEREAS, The Board intends to issue certain alternate bonds pursuant to the Local Government Debt Reform Act, 30 ILCS 350/1, et seq. in a maximum principal amount to generate at least approximately Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) in proceeds (the "Board Bonds"), as a means of financing the costs of the Project, including the costs of certain capital improvements for the Project, and which to the extent to be paid for by the City pursuant and subject to the terms of the agreement (as hereinafter defined) and this ordinance shall constitute the "T.I.F.-Funded Improvements"; and

WHEREAS, The City will agree and contract to exercise its Transfer Rights pursuant to the Act, the Kinzie Industrial Redevelopment Plan, the Pulaski Corridor Redevelopment Plan and the Northwest Industrial Redevelopment Plan in order to pay for T.I.F.-Funded Improvements related to the Project in the Chicago/Central Park Redevelopment Area, to the extent and in the manner hereinafter provided; and

WHEREAS, The City agrees to use the City Increment Funds on deposit from time to time in a special account which the City has created or shall create within the Chicago/Central Park Redevelopment Project Area Special Tax Allocation Fund created by the City pursuant to the Chicago/Central Park T.I.F. Ordinances, which special account is or shall be known as the Westinghouse Account, to make payments of principal and interest on a tax increment allocation revenue note, in a principal amount not to exceed Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) (the "City Note"), which will be issued to the Board hereunder, to pay for or reimburse the Board for the costs of the T.I.F.-Funded Improvements; and

WHEREAS, In accordance with the Act, the T.I.F.-Funded Improvements shall include such of the Board's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Chicago/Central Park Redevelopment Plan, and the City has found that the T.I.F.-Funded Improvements consist of the cost of the Board's capital improvements for the Facility that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-03(u) of the Act; and

WHEREAS, The City and the Board wish to enter into an intergovernmental agreement whereby the City shall issue the City Note to the Board, and make payments thereunder, to pay for or reimburse the Board for a portion of the T.I.F.-Funded Improvements; now, therefore,

*Be It Ordained by the City Council of the City of Chicago:*

SECTION 1. The above recitals are incorporated herein by this reference.

SECTION 2. The City hereby finds that the T.I.F.-Funded Improvements, among other eligible redevelopment project costs under the Act approved by the City, consist of the cost of the Board's capital improvements for the Facility that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-03(u) of the Act.

SECTION 3. Subject to the approval of the Corporation Counsel of the City of Chicago as to form and legality, and to the approval of the City Comptroller, the Commissioner of the Department of Planning and Development is authorized to execute and deliver an intergovernmental agreement (the "Agreement"), in substantially the form attached as Exhibit B, and such other documents as are necessary, between the City of Chicago and the Board of Education of the City of Chicago, which Agreement may contain such other terms as are deemed necessary or appropriate by the parties executing the same on the part of the City.

SECTION 4. The City Council of the City hereby finds that the City is authorized to issue its tax increment allocation revenue obligation in an aggregate principal amount not to exceed Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) for the purpose of paying a portion of the eligible costs included within the Project.

SECTION 5. There shall be borrowed for and on behalf of the City a principal amount not to exceed Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) for the payment of a portion of the eligible costs constituting T.I.F.-Funded Improvements included within the Project. A note of the City in a principal amount up to Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) shall be issued and shall be designated "Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project), Series 2004A" (the "Note"). The Note shall be substantially in the form attached to the Agreement as (Sub)Exhibit D and made a part hereof, with such additions or modifications as shall be determined to be necessary by the Chief Financial Officer of the City, or if there is no such officer then holding said office, the City Comptroller (the "Chief Financial Officer"), at the time of issuance to reflect the purpose of the issue. The Note shall be dated the date of delivery thereof, and shall also bear the date of authentication, shall be in fully registered form, shall be in the denomination of the outstanding principal amount thereof and shall become due and payable as provided therein. The proceeds of the Note are hereby appropriated for the purposes set forth in this Section 5.

The Note shall mature not later than February 1, 2023 and shall bear interest at a fixed interest rate not to exceed nine percent (9%) per annum from the date of the Note until the principal amount of the Note is paid or until maturity, with the exact

rate to be determined by the Chief Financial Officer, computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months.

The principal of and interest on the Note shall be paid by wire transfer of funds by the City Comptroller of the City, as registrar and paying agent (the "Registrar"), payable in lawful money of the United States of America to the persons in whose names the Note is registered at the close of business on the payment date, in any event no later than at the close of business on the fifteenth (15<sup>th</sup>) day of the month immediately after the applicable payment date; provided, that the final installment of the principal and accrued but unpaid interest of the Note shall be payable in lawful money of the United States of America at the principal office of the Registrar or as otherwise directed by the City on or before the maturity date.

The seal of the City shall be affixed to or a facsimile thereof printed on the Note, and the Note shall be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City, and in case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Note shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Registrar, as authenticating agent of the City for the Note, and showing the date of authentication. The Note shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this ordinance unless and until such certificate of authentication shall have been duly executed by the Registrar by manual signature, and such certificate of authentication upon the Note shall be conclusive evidence that the Note have been authenticated and delivered under this ordinance.

SECTION 6. The City shall cause books (the "Register") for the registration and for the transfer of the Note (to the extent such transfer is permitted under the Agreement) as provided in this ordinance to be kept at the principal office of the Registrar, which is hereby constituted and appointed to the registrar of the City for the Note. The City is authorized to prepare, and the Registrar shall keep custody of, multiple Note blanks executed by the City for use in the transfer of the Note.

Upon surrender for a transfer of the Note authorized under the Agreement at the principal office of the Registrar, duly endorsed by, or accompanied by (i) a written instrument or instruments of transfer in form satisfactory to the Registrar, (ii) an investment representation in form satisfactory to the City and duly executed by, the registered owner or his attorney duly authorized in writing, (iii) the written consent of the City evidenced by the signature of the Chief Financial Officer (or his or her designee) on the instrument of transfer, and (iv) any deliveries required under the

Agreement, the City shall execute and the Registrar shall authenticate, date and deliver in the name of any such authorized transferee or transferees a new fully registered Note of the same maturity, of authorized denomination, for a like aggregate principal amount. The execution by the City of the fully registered Note shall constitute full and due authorization of the Note and the Registrar shall thereby be authorized to authenticate, date and deliver the Note, provided, however, that the principal amount of the Note authenticated by the Registrar shall not exceed the authorized principal amount of the Note less previous retirements. The Registrar shall not be required to transfer or exchange the Note during the period beginning at the close of business on the fifteenth (15<sup>th</sup>) day of the month immediately prior to the maturity date of the Note nor to transfer or exchange the Note after notice calling the Note for prepayment has been made, nor during a period of five (5) days next preceding mailing of a notice of prepayment of principal of the Note. No beneficial interests in the Note shall be assigned, except in accordance with the procedures for transferring the Note described above.

The person in whose name each Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of the Note shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid.

No service charge shall be made for any transfer of the Note, but the City or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the Note.

SECTION 7. Subject to the limitations set forth herein, the Chief Financial Officer is authorized to determine the terms of the Note and to issue the Note on such terms as the Chief Financial Officer may deem to be in the best interest of the City. The principal of the Note shall be subject to prepayment as provided in the form of Note attached to the Agreement as (Sub)Exhibit D. As directed by the Chief Financial Officer, the Registrar shall proceed with prepayment without further notice or direction from the City.

SECTION 8. The Registrar shall note on the Debt Service Schedule attached to the Note the amount of any payment of principal or interest on the Note, including the amount of any prepayment, and the amount of any reduction in principal pursuant to the Agreement.

SECTION 9. The Note hereby authorized shall be executed as in this ordinance and the Agreement provided as soon after the passage hereof as may be practicable

and consistent with the terms of the Agreement, and thereupon, be deposited with the Commissioner, and be by said Commissioner delivered to the Board.

SECTION 10. The City hereby assigns, pledges and dedicates the City Increment that is deposited from time to time after the date hereof in accordance with the Agreement in the Westinghouse Account to the payment of the principal of and interest, if any, on the Note when due, and other amounts that may be due under the Agreement, all in accordance with the terms of the Agreement. Upon deposit, the monies on deposit in the Westinghouse Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the Westinghouse Account. All monies on deposit in the Westinghouse Account shall be used to pay the principal of and interest on the Note, as applicable, at maturity or upon payment or prepayment prior to maturity, in accordance with their terms, which payments from the Westinghouse Account are hereby authorized and appropriated by the City. Upon payment of all amounts due under the Note in accordance with their terms, or the earlier termination of the City's obligation to make such payments under the terms of the Agreement, the assignment, pledge and dedication provided for in this Section 10 shall cease and the Board shall have no claim to any additional monies on deposit in the special tax allocation funds (or General Accounts) from which City Increment is derived.

Notwithstanding any of the foregoing, payments on the Note will be subject to the availability of City Increment in the Westinghouse Account.

SECTION 11. The Note is a special limited obligation of the City, and is payable solely from amounts on deposit in the Westinghouse Account and shall be a valid claim of the registered owner thereof only against said sources. The Note shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any constitutional or statutory provision. The registered owner(s) of the Note shall not have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of or interest on the Note. The City's obligation to fully repay the Note is further limited by the terms and conditions of Article Three of the Agreement.

SECTION 12. Monies on deposit in the special tax allocation funds (or General Accounts) or the Westinghouse Account, as the case may be, may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago. Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on the Note.

SECTION 13. Pursuant to the Agreement, the Board shall complete the Project. The eligible costs of the Project constituting T.I.F.-Funded Improvements up to the

principal amount of Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) shall be deemed to be a disbursement of the proceeds of the Note, as applicable. Upon issuance, the Note shall have an initial principal balance equal to the Board's prior expenditures for T.I.F.-Funded Improvements (as defined in the Agreement) relating to the Project, which principal balance may be increased thereafter in accordance with the terms of the Agreement up to a maximum amount of Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000), all in any such instance as supported by a Certificate of Expenditure in accordance with the Note. After issuance, the principal amount outstanding under the Note shall be the initial principal balance of the Note (as the same may be increased in accordance with the terms of the Agreement), plus interest thereon, minus any principal amount and interest paid on the Note and other reductions in principal as provided in the Agreement.

SECTION 14. The Registrar shall maintain a list of the names and address of the registered owners from time to time of the Note and upon any transfer shall add the name and address of the new registered owner and eliminate the name and address of the transferor.

SECTION 15. The provisions of this ordinance shall constitute a contract between the City and the registered owners of the Note. All covenants relating to the Note are enforceable by the registered owners of the Note.

SECTION 16. The Mayor, the Chief Financial Officer, the City Comptroller, the City Clerk, the Commissioner (or his or her designee), and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this ordinance.

SECTION 17. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 18. This ordinance takes effect upon passage and approval.

Exhibits "A" and "B" referred to in this ordinance read as follows:

*Exhibit "A".*  
(To Ordinance)

*Property.*

Parcel 1:

Lots 1 through 35, both inclusive, in Block 2 in Hayward's Subdivision of the southeast quarter of the southeast quarter of the northeast quarter of Section 11, Township 39 North, Range 13, East of the Third Principal Meridian in Cook County, Illinois,

Also

the east 33 feet of vacated Spaulding Avenue between Franklin Boulevard and the C. & N. W. Ry, and the north/south 16 feet vacated alley lying east of and adjoining Lots 12 through 23 and west of and adjoining Lots 24 through 35, aforesaid, all in Cook County, Illinois,

Also

that portion of the west 33 feet of vacated Sawyer Avenue adjoining Lots 24 through 30, between Franklin Boulevard and the C. & N. W. Ry, aforesaid, all in Cook County, Illinois.

Address:

Bounded by Franklin Boulevard, Spaulding Avenue, Sawyer Avenue and the Canadian & North Western Railway.

Permanent Index Numbers:

16-11-220-005 through 16-11-220-017; and

16-11-220-022 through 16-11-220-024

Parcel 2:

Lots 1 through 15, both inclusive, the south 9 feet of Lot 16 and Lots 17 through 34, both inclusive, in Block 1 in Hayward's Subdivision of the southeast quarter

of the southeast quarter of the northeast quarter of Section 11, Township 39 North, Range 13, East of the Third Principal Meridian in Cook County, Illinois,

Also

the east 33 feet of vacated South Sawyer Avenue between Franklin Boulevard and the C. & N. W. RY and the west 8 feet of vacated alley lying east of and adjoining the south 9 feet of Lot 16 and Lots 17 through 34 aforesaid, all in Cook County, Illinois.

Address:

Bounded by Franklin Boulevard, the Canadian & North Western Railway, Kedzie Avenue and Sawyer Avenue.

Permanent Index Numbers:

16-11-230-001 through 16-11-230-023.

*Exhibit "B".*  
(To Ordinance)

*Intergovernmental Agreement Between The City Of Chicago,  
By And Through Its Department Of Planning And  
Development, And The Board Of Education Of  
The City Of Chicago Regarding  
Westinghouse High School.*

This intergovernmental agreement (this "Agreement") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2004 by and between the City of Chicago (the "City"), a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, by and through its Department of Planning and Development (the "Department"), and the Board of Education of the City of Chicago (the "Board"), a body corporate and politic, organized under and existing pursuant to Article 34 of the School Code of the State of Illinois.

*Recitals.*

Whereas, Pursuant to the provisions of an act to authorize the creation of public building commissions and to define their rights, powers and duties under the Public Building Commission Act (50 ILCS 20/1, et seq.), the City Council of the City (the "City Council") created the Public Building Commission of Chicago (the "Commission") to facilitate the acquisition and construction of public buildings and facilities; and

Whereas, The Commission owns or will acquire in trust for the Board certain real property, which real property is located in the area bounded by Franklin Boulevard, Spaulding Avenue, Sawyer Avenue and the Canadian & North Western Railway in Chicago, Illinois (the "Property"), which, together with any necessary easements for ingress and egress, is legally described or otherwise depicted on (Sub)Exhibit A attached hereto and incorporated herein; and

Whereas, The Board wishes to construct a secondary school on the Property to be known as Westinghouse High School; and

Whereas, The construction of the secondary school will require the Board (acting through the Commission) to acquire the Property, to demolish buildings, and to construct buildings and related improvements to house and serve the high school (the "Facility") on the Property (the Facility will have those general features described in (Sub)Exhibit B attached hereto and incorporated herein) (all such activities referred to herein shall be known as the "Project"); and

Whereas, The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

Whereas, To induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on February 27, 2002: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Plan for Chicago/Central Park Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the Chicago/Central Park Redevelopment Project Area as a Tax Increment Financing District"; and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Chicago/Central Park Redevelopment Project Area" (the aforesaid Ordinances, as the same may have heretofore been or hereinafter may be amended, are collectively referred to herein as the "Chicago/Central Park T.I.F. Ordinances", the Redevelopment Plan approved by the Chicago/Central Park T.I.F. Ordinances is referred to herein as the

“Chicago/Central Park Redevelopment Plan” and the redevelopment project area created by the Chicago/Central Park T.I.F. Ordinances is referred to herein as the “Chicago/Central Park Redevelopment Area”); and

Whereas, To induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on June 10, 1998: “An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area”; “An Ordinance of the City of Chicago, Illinois Designating the Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area as a Tax Increment Financing District”; and “An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area” (the aforesaid Ordinances, as the same may have heretofore been or hereinafter may be amended, are collectively referred to herein as the “Kinzie Industrial T.I.F. Ordinances”, the Redevelopment Plan approved by the Kinzie Industrial T.I.F. Ordinances is referred to herein as the “Kinzie Industrial Redevelopment Plan” and the redevelopment project area created by the Kinzie Industrial T.I.F. Ordinances is referred to herein as the “Kinzie Industrial Redevelopment Area”); and

Whereas, To induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on December 2, 1998: “An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Northwest Industrial Corridor Redevelopment Project Area”; “An Ordinance of the City of Chicago, Illinois Designating the Northwest Industrial Corridor Redevelopment Project Area as a Tax Increment Financing District”; and “An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Northwest Industrial Corridor Redevelopment Project Area” (the aforesaid Ordinances, as the same may have heretofore been or hereinafter may be amended, are collectively referred to herein as the “Northwest Industrial T.I.F. Ordinances”, the Redevelopment Plan approved by the Northwest Industrial T.I.F. Ordinances is referred to herein as the “Northwest Industrial Redevelopment Plan” and the redevelopment project area created by the Northwest Industrial T.I.F. Ordinances is referred to herein as the “Northwest Industrial Redevelopment Area”); and

Whereas, To induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on June 9, 1999: “An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Pulaski Corridor Redevelopment Project Area”; “An Ordinance of the City of Chicago, Illinois Designating the Pulaski Corridor Redevelopment Project Area as a Tax Increment Financing District”; and “An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Pulaski Corridor Redevelopment Project Area” (the aforesaid Ordinances, as the same may have heretofore been or hereinafter may be amended, are collectively referred to herein

as the "Pulaski Corridor T.I.F. Ordinances", the Redevelopment Plan approved by the Pulaski Corridor T.I.F. Ordinances is referred to herein as the "Pulaski Corridor Redevelopment Plan" and the redevelopment project area created by the Pulaski Corridor T.I.F. Ordinances is referred to herein as the "Pulaski Corridor Redevelopment Area"); and

Whereas, All of the Property lies wholly within the boundaries of the Chicago/Central Park Redevelopment Area; and

Whereas, Under 65 ILCS 5/11-74.4-3(q)(7) of the Act, such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Chicago/Central Park Redevelopment Area shall be known as the "Chicago/Central Park Increment"; Increment collected from the Kinzie Industrial Redevelopment Area shall be known as the "Kinzie Industrial Increment"; Increment collected from the Pulaski Corridor Redevelopment Area shall be known as the "Pulaski Corridor Increment"; Increment collected from the Northwest Industrial Redevelopment Area shall be known as the "Northwest Industrial Increment"; and, collectively, the Chicago/Central Park Increment, Kinzie Industrial Increment, Pulaski Corridor Increment, and Northwest Industrial Increment shall be known as "City Increment"); and

Whereas, The Board is a taxing district under the Act; and

Whereas, Pursuant to 65 ILCS 5/11-74.4-4(q) of the Act, the City can use Increment from one redevelopment project area for eligible redevelopment project costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the Increment is received (the "Transfer Rights"); and

Whereas, The Chicago/Central Park Redevelopment Area is either contiguous to, or is separated only by a public right-of-way from, the Kinzie Industrial Redevelopment Area, the Pulaski Corridor Redevelopment Area, and the Northwest Industrial Redevelopment Area; and

Whereas, The Chicago/Central Park Redevelopment Plan, a copy of which is attached hereto as (Sub)Exhibit C, contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within the boundaries of the Chicago/Central Park Redevelopment Area; and

Whereas, The City desires to use a portion of the City Increment (the "City Increment Funds") for the Project on the Property; and

Whereas, The Board intends to issue certain alternate bonds pursuant to the Local Government Debt Reform Act, 30 ILCS 350/1, et seq. in a maximum principal amount to generate at least approximately Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) in proceeds (the "Board Bonds"), as a means of financing the costs of the Project, including the T.I.F.-Funded Improvements (as defined in Article Three, Section 3 below); and

Whereas, The City, as more particularly hereinafter provided, will agree and contract to exercise its Transfer Rights pursuant to the Act, the Kinzie Industrial Redevelopment Plan, the Pulaski Corridor Redevelopment Plan, and the Northwest Industrial Redevelopment Plan in order to pay for T.I.F.-Funded Improvements related to the Project in the Chicago/Central Park Redevelopment Area, to the extent and in the manner hereinafter provided; and

Whereas, The City agrees to use the City Increment Funds on deposit from time to time in the Westinghouse Account (as more particularly described and provided in Article Three, Section 1 of this Agreement) to make payments of principal and interest on a tax increment allocation revenue note, in a principal amount not to exceed Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) (the "City Note"), which will be issued to the Board hereunder, to pay for or reimburse the Board for the costs of the T.I.F.-Funded Improvements; and

Whereas, In accordance with the Act, the T.I.F.-Funded Improvements shall include such of the Board's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Chicago/Central Park Redevelopment Plan, and the City has found that the T.I.F.-Funded Improvements consist of the cost of the Board's capital improvements for the Facility that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-03(u) of the Act.

Now, Therefore, In consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

*Article One.*

*Incorporation Of Recitals.*

The recitals set forth above are incorporated herein by reference and made a part hereof.

*Article Two.*

*The Project.*

1. The plans and specifications for the Project shall at a minimum meet the general requirements for the Facility as set forth in (Sub)Exhibit B hereof and shall be provided to the City by the Board prior to the disbursement of City Increment Funds relating to the Project. The Board shall comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Board, all as may be in effect or as amended from time to time, pertaining to or affecting the Project or the Board as related thereto, including but not limited to those summarized on (Sub)Exhibit I attached hereto and incorporated herein. The Board shall include a certification of such compliance with each request for City Increment Funds hereunder and at the time the Project is completed. The City shall be entitled to rely on this certification without further inquiry. Upon the City's request, the Board shall provide evidence satisfactory to the City of such compliance.

2. In all contracts relating to the Project, the Board agrees to require the contractor to name the City as an additional insured on insurance coverages and to require the contractor to indemnify the City from all claims, damages, demands, losses, suits, actions, judgments and expenses including but not limited to attorney's fees arising out of or resulting from work on the Project by the contractor or contractor's suppliers, employees, or agents.

*Article Three.*

*Funding.*

1. (a) Subject to the terms and conditions of this Agreement, including but not limited to this Article Three hereof, the City hereby agrees to issue the City Note, in substantially the form attached hereto as (Sub)Exhibit D, upon issuance of the Board Bonds by the Board. The maximum principal amount of the City Note shall not exceed Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000); provided, however, that the maximum principal amount of the City Note shall in no event exceed the Board's eligible redevelopment projects costs that are T.I.F.-Funded Improvements incurred in connection with the Project as approved by the Commissioner; and provided, however, that payments under the City Note are subject to the amount of City Increment pledged hereunder, as described in Article Three, Section 1(c) below, being sufficient for such payments. Each payment under

the City Note shall be made from funds available in the Westinghouse Account created within the Chicago/Central Park Redevelopment Project Area Special Tax Allocation Fund pursuant to paragraph (c) below. The City agrees to exercise its Transfer Rights to transfer Kinzie Industrial Increment, Pulaski Corridor Increment, and Northwest Industrial Increment to the Westinghouse Account as set forth in a schedule to be determined by the parties hereto in the form attached hereto as (Sub)Exhibit H (the "Transfer Schedule"). Any such Increment transferred pursuant to such Transfer Rights is hereinafter sometimes referred to as "Transferred Increment." The principal amount of the City Note will be increased from time to time, up to its face amount, upon execution by the City of certificate(s) of expenditure ("Certificates of Expenditure") previously signed by the Board and submitted to the City by the Board, in the form attached as (Sub)Exhibit E-2 hereto. The Board may request that a Certificate of Expenditure be processed and executed quarterly. The City shall not execute Certificates of Expenditure in the aggregate in excess of the actual costs of the Project that are T.I.F.-Funded Improvements.

Prior to each execution of a Certificate of Expenditure by the City, the Board shall submit to the Department (1) a request for a Certificate of Expenditure ("Request for Certificate of Expenditure"), in the form attached as (Sub)Exhibit E-1 hereto, and (2) documentation regarding the applicable expenditures to the Department. Delivery by the Board to the Department of a Request for Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such Request for Certificate of Expenditure, that:

(i) the total amount of the Request for Certificate of Expenditure represents the actual amount payable to (or paid to) the general contractor, subcontractors, and other parties who have performed work on or otherwise provided goods or services in connection with the Project, and/or their payees;

(ii) all amounts shown as previous payments on the current Request for Certificate of Expenditure have been paid to the parties entitled to such payment;

(iii) the Board has approved all work and materials for the current Request for Certificate of Expenditure, and such work and materials conform to the plans and specifications for the Project; and

(iv) the Board is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Board, all as may be in effect or as amended from time to time, pertaining to or affecting the Project or the Board as related thereto, including but not limited to those summarized in (Sub)Exhibit I to this Agreement.

The City shall have the right, in its discretion, to require the Board to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any execution of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Board.

(b) Payments under the City Note shall be made at such times and in such amounts as are set forth in the City Note, including the Debt Service Schedule attached thereto. Upon the issuance of the Board Bonds, the Debt Service Schedule shall be finalized by the parties and the City shall issue the City Note. Further, after completion of the Project, the parties shall, if necessary, by mutual agreement, revise the Debt Service Schedule to take into account the actual costs and timing of completion. The City Comptroller of the City and the Commissioner of the Department (the "Commissioner"), on behalf of the City, and the Chief Financial Officer and General Counsel of the Board, on behalf of the Board, shall have the right to revise the Debt Service Schedule from time to time as agreed by the parties. If a payment under the City Note is due on [February 1] of a certain year, then on or before [December 1] of the prior year the Board shall give the Department written notice of the payment due (a "Payment Notice"). A Payment Notice shall specify both the amount due and the date by which payment is due, and shall also reference the then outstanding "Prior City Obligations" and "Future City Obligations" (if any) (as such capitalized terms are defined in Article Three, Section 1(d) below).

Notwithstanding the Transfer Schedule, the City acknowledges that if, at any time, there are insufficient funds to make a scheduled payment of principal and interest on the City Note (other than the payment on the maturity date of the City Note), then the obligation of the City to pay the deficiency will continue on a cumulative basis through the maturity date of the City Note, provided that the City will pay the deficiency on the next payment date if sufficient funds are then available out of Pledged Increment (as such term is defined in Article Three, Section 1(c) below). The Board will have a claim for any deficiency not paid as of the maturity date but only upon any available City Increment Funds which should have been received by the City and deposited in the Westinghouse Account (as such term is defined in Article Three, Section 1(c) below) before or as of the maturity date but are not received by the City until after the maturity date.

(c) The City hereby pledges for payment under the City Note the City Increment consisting of (i) that Kinzie Industrial Increment transferred out of the Kinzie Industrial Redevelopment Project Area Special Tax Allocation Fund (the "Kinzie Industrial Fund") (created by the City pursuant to the Kinzie Industrial T.I.F. Ordinances) as Transferred Increment, (ii) Pulaski Corridor Increment transferred out of the Pulaski Corridor Redevelopment Project Area Special Tax Allocation Fund

(the "Pulaski Corridor Fund") (created by the City pursuant to the Pulaski Corridor T.I.F. Ordinances) as Transferred Increment, (iii) Northwest Industrial Increment transferred out of the Northwest Industrial Redevelopment Project Area Special Tax Allocation Fund (the "Northwest Industrial Fund") (created by the City pursuant to the Northwest Industrial T.I.F. Ordinances) as Transferred Increment, and (iv) Chicago/Central Park Increment for the amount necessary to meet the Debt Service Schedule for the City Note that is deposited from time to time after the date hereof in a special account (the "Westinghouse Account") which the City has created or shall create within the Chicago/Central Park Redevelopment Project Area Special Tax Allocation Fund (the "Chicago/Central Park Fund") created by the City pursuant to the Chicago/Central Park T.I.F. Ordinances. Payments on the City Note will be subject to the availability of such City Increment in the Westinghouse Account. The availability of such City Increment in the Westinghouse Account will be subject to (1) the City's annual retention of not to exceed ten percent (10%) of (A) the Chicago/Central Park Increment deposited annually into the Chicago/Central Park Fund for the payment of expenses incurred by the City in the administration and operation of the Chicago/Central Park Redevelopment Area (the "Chicago/Central Park Administrative and Operational Retention"), (B) the Kinzie Industrial Increment deposited annually into the Kinzie Industrial Fund for the payment of expenses incurred by the City in the administration and operation of the Kinzie Industrial Redevelopment Area (the "Kinzie Industrial Administrative and Operational Retention") (C) the Pulaski Corridor Increment deposited annually into the Pulaski Corridor Fund for the payment of expenses incurred by the City in the administration and operation of the Pulaski Corridor Redevelopment Area (the "Pulaski Corridor Administrative and Operational Retention"), and (D) the Northwest Industrial Increment deposited annually into the Northwest Industrial Fund for the payment of expenses incurred by the City in the administration and operation of the Northwest Industrial Redevelopment Area (the "Northwest Industrial Administrative and Operational Retention", together with the Chicago/Central Park Administrative and Operational Retention, the Kinzie Industrial Administrative and Operational Retention, and the Pulaski Corridor Administrative and Operational Retention, the "Administrative and Operational Retention"), and (2) all restrictions on and obligations of the City contained in all City ordinances relating to the City Increment and, subject to the restrictions set forth in Article Three, Section 1(d) below, all agreements and other documents entered into by the City pursuant thereto (collectively, the "City Increment Restrictions and Obligations"). Such City Increment pledged under this paragraph (including the limitations herein, including but not limited to the Administrative and Operational Retention, the City Increment Restrictions and Obligations, as well as the priority of the Prior City Obligations and the Future City Obligations, is referred to as the "Pledged Increment". Subject to the terms and conditions of this Agreement, the City shall deposit the Pledged Increment, when received, into the Westinghouse Account.

(d) (i) The Board's prior right to receive Pledged Increment, on an annual basis, in connection with the City Note shall be subordinate to the City's obligations pursuant to the following: (1) that certain proposed One Million Five Hundred Thousand Dollar (\$1,500,000) City of Chicago Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project Area), Taxable Series 2004 from the City to Local Initiatives Support Corporation; (2) that certain One Million Six Hundred Eighty-five Thousand Two Hundred Fifty Dollar (\$1,685,250) City of Chicago Tax Increment Allocation Revenue Note (Pulaski Corridor Redevelopment Project), Series 2000 dated as of July 9, 2000 from the City to Banco Popular North America; (3) any rights to or interest in Kinzie Industrial Increment held by the United States Department of Housing and Urban Development ("H.U.D.") as security for that certain so-called "Section 108 Loan" previously made by H.U.D. to the City; (4) that certain Redevelopment Agreement dated as of July 1, 2003 between the City and Erie Cooperative Limited Partnership; and (5) that certain proposed Northwest Industrial Corridor Redevelopment Project Area Home Depot U.S.A., Inc. Redevelopment Agreement to be entered into between the City and Home Depot U.S.A., Inc. (collectively, the "Prior City Obligations").

(ii) The City, during the Term of the Agreement, with the concurrence of the Board, may subordinate the Board's prior right to receive Pledged Increment in connection with the City Note to other obligations of the City to be paid from City Increment ("Future City Obligations") that would otherwise have been required to be deposited in the Westinghouse Account, based upon the City and the Board reasonably agreeing, based on historical and anticipated City Increment, that the payment of the City Note will not be materially adversely affected by such subordination. The Board's concurrence with and agreement to any such subordination proposed by the City shall be deemed to be given if the City evidences to the Board, by means of a report prepared by a qualified and experienced consultant (acceptable to the Board in its reasonable discretion), that, after payment of scheduled principal and interest payments on (1) the Prior City Obligations, (2) any previously issued Future City Obligations, and (3) the then proposed Future City Obligation in question, the City shall have available City Increment in an amount equal to no less than one hundred twenty-five percent (125%) of the annual amount of principal and interest to be paid under the City Note by the City to the Board on an annual basis pursuant to the Debt Service Schedule. The consultant's report shall take into consideration whether any of the proceeds of a Future City Obligation shall be used to pay all or a part of any of the Prior City Obligations or the previously-issued Future City Obligations (if any).

(iii) In addition to any mutually agreed to subordination to Future City Obligations pursuant to Article Three, subsection 1 (d)(ii) hereof, the City, subject to the terms of this Article Three, subsection I (d)(iii), may, until the earlier to occur of the expiration of the Term of this Agreement or payment in full of the City Note, exclude up to ninety percent (90%) of the Increment generated from the construction value

of a new assisted development project and pledge that Increment to a developer on a basis superior to that of the Board. For purposes of this subsection, "a new assisted development project" shall not include any development project that is or will be exempt from the payment of ad valorem property taxes. Further, for purposes of this subsection, "Increment generated from the construction value of a new assisted development project" shall be the amount of Increment generated by the equalized assessed value ("E.A.V.") of such affected parcels over and above the E.A.V. of such affected parcels for the year immediately preceding the year in which the new assisted development project commences (the "Base Year"). The E.A.V. of the affected parcels for the Base Year shall be the E.A.V. that was the basis for the determination of ad valorem property taxes in the Base Year. For example, if a new assisted development project commences in 2010, then the Base Year shall be 2009, but the E.A.V. of the affected parcels for the Base Year of 2009 shall be the E.A.V. for tax year 2008, which was the basis for the determination of taxes in 2009. Except for (1) the foregoing, (2) the Prior City Obligations, and (3) any mutually agreed to subordination to Future City Obligations pursuant to Article Three, subsection 1 (d)(ii) hereof, the Board shall retain its initial lien status relative to City Increment.

In the event that the City elects to avail itself of the provisions of this Article Three, subsection 1 (d)(iii), it shall, at least seven (7) days prior to executing a binding commitment pledging the Increment described above, certify, in a letter to the Board, the affected parcels and the E.A.V. thereof for the Base Year.

(e) Upon expiration of any call protection period associated with the Board Bonds but before the maturity date, the City shall have the right to prepay in full or in part the City Note in an amount (including any principal and premium, if any) sufficient to enable the Board to call and redeem the Board Bonds, in which event the covenants, agreements and other obligations of the City to the Board shall be discharged and satisfied. The City shall give the Board not less than thirty (30) days advance written notice of its intent to prepay the City Note.

2. The current estimate of the cost of the Project is Fifty-nine Million Four Hundred Forty-five Thousand Three Hundred Fifty-six Dollars (\$[59,445,356]). The Board has delivered to the Commissioner, and the Commissioner hereby approves, a detailed project budget for the Project, attached hereto and incorporated herein as (Sub)Exhibit F. The Board certifies that it has identified sources of funds (including the City Increment Funds) sufficient to complete the Project. The Board agrees that the City will only contribute the City Increment Funds to the Project and that all costs of completing the Project over the City Increment Funds shall be the sole responsibility of the Board. If the Board at any point does not have sufficient funds to complete the Project, the Board shall so notify the City in writing, and the Board may narrow the scope of the Project as agreed with the City in order to construct the Facility with the available funds.

3. Attached as (Sub)Exhibit G and incorporated herein is a preliminary list of capital improvements, land assembly costs, relocation costs, financing costs to be incurred in connection with the City Note and other costs, if any, recognized by the City as being eligible redevelopment project costs under the Act with respect to the Project, to be paid for out of City Increment Funds ("T.I.F.-Funded Improvements"); and to the extent the T.I.F.-Funded Improvements are included as taxing district capital costs under the Act, the Board acknowledges that the T.I.F.-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these T.I.F.-Funded Improvements are necessary and directly result from the Chicago/Central Park Redevelopment Plan. Prior to the expenditure of City Increment Funds on the Project, the Commissioner, based upon the detailed project budget, shall make such modifications to (Sub)Exhibit G as he or she wishes in his or her discretion to account for all of the City Increment Funds to be expended under this Agreement; provided, however, that (a) such modifications shall not decrease the maximum principal amount of the City Note, and (b) all T.I.F.-Funded Improvements shall (i) qualify as redevelopment project costs under the Act, (ii) qualify as eligible costs under the Chicago/Central Park Redevelopment Plan; and (iii) be improvements that the Commissioner has agreed to pay for out of City Increment Funds, subject to the terms of this Agreement.

4. If the aggregate cost of the Project is less than the amount of the City Increment Funds contemplated by this Agreement, the Board shall have no claim to the difference between the amount of the City Increment Funds contemplated by this Agreement and the amount of the City Increment Funds actually paid by the City to the Board and expended by the Board on the Project.

To the extent that any City Increment Funds are deposited with the trustee under an indenture securing the Board Bonds, if said trustee returns any excess City Increment Funds to the Board after making all principal and interest payments due in the bond year for which the City Increment Funds were deposited with the trustee, then the Board shall pay such excess City Increment Funds to the City within thirty (30) days of receipt thereof.

5. If requested by the City, the Board shall provide to the City quarterly reports on the progress of the Project and reasonable access to its books and records relating to the Project.

6. Commencing with the first State fiscal year (July 1 -- June 30) beginning after the execution of this Agreement and for each State fiscal year thereafter until and including State fiscal year 20[ ], the Board shall annually notify the City of (i) the amount of the actual, final award that it receives from the Illinois Capital Development Board pursuant to the Illinois School Construction Law (5 ILCS 230/5-1), and (ii) any available "Excess Amount" (as defined in the following sentence). In the event that such an award in any particular State fiscal year

exceeds one hundred thirty percent (130%) of One Hundred Fourteen Million Nine Hundred Fourteen Thousand One Hundred Thirty-one Dollars (\$114,914,131), as adjusted every January 31, beginning January 31, 2005, by the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor for the preceding calendar year period (the "Base Amount"), the Board shall provide the City with value equivalent to an amount that is equal to fifty percent (50%) of the grant amount that the Board receives that is in excess of one hundred thirty percent (130%) of the Base Amount (the "Excess Amount"). For example, if the Base Amount was One Hundred and no/100 Dollars (\$100.00) and if the Board was awarded a grant of One Hundred Fifty and no/100 Dollars (\$150.00) in a particular State fiscal year, Twenty and no/100 Dollars (\$20.00) of this award would qualify as Excess Amount; therefore, the Board would provide the City with value equivalent to Ten and no/100 Dollars (\$10.00), which is fifty percent (50%) of the Excess Amount. After receipt by the City of the notice required under this paragraph and if an Excess Amount exists in any particular fiscal year, the Board and the City shall determine, by mutual agreement, what the equivalent value should be, if any, and the City shall inform the Board whether it wishes to receive such value by (i) having the Board pay the City, for its application, as determined by the City, an amount equal to the Excess Amount, or (ii) applying a reduction or credit (equal to the Excess Amount), in whole or in part, to some future assistance that the City is providing to the Board through one (1) or more tax increment financing agreements. The City and the Board shall cooperate to establish a mutually agreeable process under which the Board will provide the requisite value to the City. It is acknowledged between the Board and City that a similar undertaking of the Board may be contained in other agreements between the City and the Board pursuant to which the City provides tax increment financing assistance for capital projects of the Board. Accordingly, the City shall have the sole and exclusive right to determine how to deal with the Excess Amount within the context of the several agreements that may be outstanding or contemplated from time to time that address the City's rights regarding any such Excess Amount.

*Article Four.*

*Term.*

The Term of the Agreement shall commence on the date of its execution and shall expire on the date on which the Chicago/Central Park Redevelopment Area is no longer in effect (through and including December 31, 2026).

*Article Five.*

*Indemnity; Default.*

1. The Board agrees to indemnify, defend and hold the City, its officers, officials, members, employees and agents harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (i) the Board's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Board's or any contractor's failure to pay general contractors, subcontractors or materialmen in connection with the Project.

2. The failure of the Board to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Board under this Agreement or any other agreement directly related to this Agreement shall constitute an "Event of Default" by the Board hereunder. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreement directly related to this Agreement, and may suspend disbursement of the City Increment Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

In the event the Board shall fail to perform a covenant which the Board is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Board has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those defaults which are not capable of being cured within such thirty (30) day period, the Board shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

3. The failure of the City to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the City under this Agreement or any other agreement directly related to this Agreement shall constitute an "Event of Default" by the City hereunder. Upon the occurrence of an Event of Default, the Board may terminate this Agreement and any other agreement directly related to this Agreement. The Board may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure injunctive relief or the specific performance of the agreements contained herein.

In the event the City shall fail to perform a covenant which the City is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the City has failed to cure such default within thirty (30) days of its receipt of a written notice from the Board specifying the nature of the default; provided, however, with respect to those defaults which are not capable of being cured within such thirty (30) day period, the City shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

*Article Six.*

*Consent.*

Whenever the consent or approval of one or both parties to this Agreement is required hereunder, such consent or approval shall not be unreasonably withheld.

*Article Seven.*

*Notice.*

Notice To Board Shall  
Be Addressed To:

Chief Financial Officer  
Board of Education of the City of Chicago  
125 South Clark Street, 14<sup>th</sup> Floor  
Chicago, Illinois 60603  
Fax: (Omitted for printing purposes)

and

General Counsel  
Board of Education of the City of Chicago  
125 South Clark Street, 7<sup>th</sup> Floor  
Chicago, Illinois 60603  
Fax: (Omitted for printing purposes)

Notice To The City Shall  
Be Addressed To:

Commissioner  
City of Chicago  
Department of Planning and  
Development  
121 North LaSalle Street, Room 1000  
Chicago, Illinois 60602

Fax: (Omitted for printing purposes)

and

Corporation Counsel  
City of Chicago  
Department of Law  
121 North LaSalle Street, Room 600  
Chicago, Illinois 60602  
Attention: Finance and Economic  
Development Division  
Fax: (Omitted for printing purposes)

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth above, by any of the following means: (a) personal service; (b) electric communications, whether by telex, telegram, telecopy or facsimile (Fax) machine; (c) overnight courier; or (d) registered or certified mail, return receipt requested.

Such addresses may be changed when notice is given to the other party in the same manner as provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and, if sent pursuant to subsection (d) shall be deemed received two (2) days following deposit in the mail.

*Article Eight.*

*Assignment; Binding Effect.*

This Agreement, or any portion thereof, shall not be assigned by either party without the prior written consent of the other.

This Agreement shall inure to the benefit of and shall be binding upon the City, the Board and their respective successors and permitted assigns. This Agreement is intended to be and is for the sole and exclusive benefit of the parties hereto and such successors and permitted assigns.

*Article Nine.*

*Modification.*

This Agreement may not be altered, modified or amended except by written instrument signed by all of the parties hereto.

*Article Ten.*

*Compliance With Laws.*

The parties hereto shall comply with all federal, state and municipal laws, ordinances, rules and regulations relating to this Agreement.

*Article Eleven.*

*Governing Law And Severability.*

This Agreement shall be governed by the laws of the State of Illinois. If any provision of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute, ordinance, rule of law or public policy, or for any reason, such circumstance shall not have the effect of rendering any other provision or provisions contained herein invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one (1) or more phrases, sentences, clauses, or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part hereof.

*Article Twelve.*

*Counterparts.*

This Agreement may be executed in counterparts, each of which shall be deemed an original.

*Article Thirteen.*

*Entire Agreement.*

This Agreement constitutes the entire agreement between the parties.

*Article Fourteen.*

*Authority.*

Execution of this Agreement by the City is authorized by an ordinance passed by the City Council of the City on \_\_\_\_\_, 2004. Execution of this Agreement by the Board is authorized by Board Resolution [01-0725-RS2]. The parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their obligations hereunder.

*Article Fifteen.*

*Headings.*

The headings and titles of this Agreement are for convenience only and shall not influence the construction or interpretation of this Agreement.

*Article Sixteen.*

*Disclaimer Of Relationship.*

Nothing contained in this Agreement, nor any act of the City or the Board shall be deemed or construed by any of the parties hereto or by third persons, to create any

relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City and the Board.

*Article Seventeen.*

*Construction Of Words.*

The use of the singular form of any word herein shall also include the plural, and vice versa. The use of the neuter form of any word herein shall also include the masculine and feminine forms, the masculine form shall include feminine and neuter, and the feminine form shall include masculine and neuter.

*Article Eighteen.*

*No Personal Liability.*

No officer, member, official, employee or agent of the City or the Board shall be individually or personally liable in connection with this Agreement.

*Article Nineteen.*

*Representatives.*

Immediately upon execution of this Agreement, the following individuals will represent the parties as a primary contact in all matters under this Agreement.

For The Board:

Board of Education of the City of Chicago  
125 South Clark Street  
Chicago, Illinois 60603  
Attention: Chief Financial Officer  
Phone: (Omitted for printing purposes)  
Fax: (Omitted for printing purposes)

For The City:

City of Chicago, Department of Planning  
and Development  
121 North LaSalle Street, Room 1101  
Chicago, Illinois 60602  
Attention: Deputy Commissioner,  
Development Finance  
Division  
Phone: (Omitted for printing purposes)  
Fax: (Omitted for printing purposes)

Each party agrees to promptly notify the other party of any change in its designated representative, which notice shall include the name, address, telephone number and fax number of the representative for such party for the purpose hereof.

In Witness Whereof, Each of the parties has caused this Agreement to be executed and delivered as of the date first above written.

City of Chicago, Illinois, by and through  
the Department of Planning and  
Development

By: \_\_\_\_\_  
Commissioner,  
Department of Planning  
and Development

The Board of Education of the City of  
Chicago

By: \_\_\_\_\_  
President

Attest: \_\_\_\_\_

By: \_\_\_\_\_  
Secretary

Board Resolution Number: [01-0725-  
RS2]

Approved as to legal form:

---

General Counsel

[(Sub)Exhibit "A" referred to in this Intergovernmental Agreement with Chicago Board of Education constitutes Exhibit "A" to the ordinance and is printed on pages 32548 through 32549 of this *Journal*.]

[(Sub)Exhibit "C" referred to in this Intergovernmental Agreement with Chicago Board of Education unavailable at time of printing.]

[(Sub)Exhibit "H" referred to in this Intergovernmental Agreement with Chicago Board of Education printed on page 32586 of this *Journal*.]

(Sub)Exhibits "B", "D", "E-1", "E-2", "F", "G" and "I" referred to in this Intergovernmental Agreement with Chicago Board of Education read as follows:

*(Sub)Exhibit "B".*

(To Intergovernmental Agreement With  
Chicago Board Of Education)

*Features Of The Facility.*

School Name: Westinghouse High School

Address: 3301 West Franklin  
Boulevard

Region:	Two (2)	
Area:	Twenty (20)	
Ward:	28 <sup>th</sup> Ward	
Capacity:	1,200 Students	
Size of New School:	240,103 Square Feet	
Site:	13.4 Acres	
Projected Construction Cost:	\$46,145,790.00 (includes steel and site preparation but does not include land acquisition or demonstration)	
Construction Start:	Spring 2005	
Construction Completion:	Fall 2007	
Building Program:	9 -- 12 College Preparatory High School	
	25 Standard Academic Classrooms	900 Square Feet
	3 Special Education Academic Classrooms	600 Square Feet
	6 Language/Computer Labs	1,200 Square Feet
	7 Science Labs	1,350 Square Feet
	2 Music Rooms	1,350 Square Feet
	3 Art Rooms	1,350 Square Feet
	Administrative Center	
	Learning Resource Center	
	Nurse and Student Services	

9/29/2004

REPORTS OF COMMITTEES

32571

Student Dining Room

Multi-Purpose Room

Gymnasium

Natatorium

Performing Arts Auditorium 500 Seats

Building Support Spaces

Parking 75 Spaces

Building Systems/  
Features:

Fully Accessible to People  
with Disabilities

Innovative Fresh Air  
Ventilation Design

State-of-the-Art Computer  
Network

Two-Story Brick and  
Dimension Stone

Construction on steel structure

On-Site Athletic Grounds

Ornamental Metal Fencing  
and Landscaping

L.E.E.D. Certification Compliant  
"Green" School

Managing Design  
Architect:

OWP/P, Inc.

Construction  
Manager:

Public Building Commission

Program Manager:

Chicago School Associates

Architect of Record: T.B.D.

General Contractor: T.B.D.

*(Sub)Exhibit "D".*  
(To Intergovernmental Agreement With  
Chicago Board Of Education)

*Form Of Note.*

Registered  
Number R-1

Maximum Amount  
\$53,750,000  
(subject to change)

United States Of America

State Of Illinois

City Of Chicago

Tax Increment Allocation Revenue Note  
(Chicago/Central Park Redevelopment Project), Series 200\_A.

Registered Owner: Board of Education of the City of Chicago

Interest Rate: Not to exceed nine percent (9%) per annum, with the exact rate  
to be determined by the City Comptroller of the City of Chicago

Maturity Date: [February 1, 2023]

Know All Persons By These Presents, That the City of Chicago, Illinois (the "City") hereby acknowledges itself to owe and for value received promises to pay to the registered owner identified above, or registered assigns as hereinafter provided, on or before the maturity date identified above, but solely from the sources hereinafter identified, the principal amount of this note from time to time advanced by the registered owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of Fifty-three

Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) and to pay the registered owner interest on that amount at the interest rate per year specified above from the date of the advance, with payments of principal and interest to be made according to the debt service schedule attached hereto. Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Accrued but unpaid interest on this note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this note from the Westinghouse account (as defined in the hereinafter defined agreement) is due February 1 of each year commencing February 1, 2005, until the earlier of maturity or until this note is paid in full. Payments shall first be applied to interest. The principal of and interest on this note are payable in lawful money of the United States of America and shall be made to the registered owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15<sup>th</sup>) day of the month immediately preceding the applicable payment, maturity or prepayment date, and shall be paid by wire transfer of such money to such bank in the continental United States as said registered owner shall request in writing to the Registrar by the close of business on the fifteenth (15<sup>th</sup>) day of the month immediately after the applicable payment, maturity or prepayment date; provided, that the final installment of principal and accrued but unpaid interest will be payable on or before the maturity date and solely upon presentation of this note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This note is issued by the City in the principal amount of advances made from time to time by the registered owner up to Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) for the purpose of reimbursing the registered owner for certain eligible redevelopment project costs incurred by the registered owner (the "Project"), which were acquired, constructed and installed in connection with the development set forth in (Sub)Exhibit B of that certain intergovernmental agreement between the City of Chicago, by and through its Department of Planning and Development and the Board of Education of the City of Chicago regarding Westinghouse High School dated as of \_\_\_\_\_, 2004 (the "Agreement") within the Chicago/Central Park Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an ordinance adopted by the City Council of the City on \_\_\_\_\_, 200\_\_ (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, in order to

pay the principal and interest of this note. Reference is hereby made to the aforesaid Ordinance and the Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this note and the terms and conditions under which this note is issued and secured. This Note Is A Special Limited Obligation Of The City, And Is Payable Solely From Pledged Increment (As Defined In Article Three (1)(c) Of The Agreement), If Any, And Shall Be A Valid Claim Of The Registered Owner Hereof Only Against Said Sources. This Note Shall Not Be Deemed To Constitute An Indebtedness Or A Loan Against The General Taxing Powers Or Credit Of The City, Within The Meaning Of Any Constitutional Or Statutory Provision. The Registered Owner Of This Note Shall Not Have The Right To Compel Any Exercise Of The Taxing Power Of The City, The State Of Illinois Or Any Political Subdivision Thereof To Pay The Principal Or Interest Of This Note. Subject to the terms of the Agreement, this note, from and after \_\_\_\_\_, 20\_\_, may, at the option of the City, be prepaid in full together with any unpaid accrued interest to the redemption date (the "Note Redemption Date") and with such premium, if any, that may become due in accordance with the Agreement. So long as the registered owner of this note is the Board of Education of the City of Chicago (the "Board"), such prepayment shall occur only in connection with the redemption of the Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 200\_ (the "Bonds"), of the Board, the Note Redemption Date shall be not less than thirty (30) days nor more than seventy-five (75) days prior to a date on which the Bonds are subject to optional redemption by the Board (the "Bond Payment Date"), and the premium payable upon such prepayment shall equal the positive difference between (i) the sum of (a) the principal, redemption premium, if any, and accrued interest to the redemption date on all Bonds to be redeemed from the Note Redemption Date to the Bond Payment Date, (b) the principal amount of the Bonds, if any, maturing on any date from the Note Redemption Date to the Bond Payment Date, (c) the interest on the Bonds due and payable on any interest payment date that occurs from the Note Redemption Date to the Bond Payment Date, (d) the amount of any payments required to be made by the Board to the United States of America under Section 148(f) of the Internal Revenue Code of 1986, as amended, due or to become due as a result of the redemption of the Bonds, (e) any termination payment required to be paid by the Board under any forward supply contract, guaranteed investment contract or similar contract entered into by the Board with respect to the Bonds as a result of the prepayment of the note, and (f) any unreimbursed payments made by the Board as a result of any deficiency in the payment of the principal of or interest on the note, and (ii) the sum of (a) the amount of principal of and accrued interest on the note paid on the Note Redemption Date, (b) any amounts held under that certain Trust Indenture dated as of \_\_\_\_\_ 1, 200 \_\_ (the "Indenture") between the Board and \_\_\_\_\_, as trustee, that may be applied to the payments set forth in (i) above, (c) any termination payment required to be paid to the Board under any forward supply contract, guaranteed investment contract or similar contract entered into by the Board with respect to the Bonds as a result of the

prepayment of the Note, and (d) any investment income determinable on the Note Redemption Date to be earned from the investment of monies held in any defeasance escrow fund for the benefit of the Bonds from the Note Redemption Date to the Bond Redemption Date. The determination of the amounts described above shall be made by the Board and provided to the city in writing and such determination by the Board shall be conclusive. Notice of any such prepayment shall be sent by registered or certified mail not less than thirty (30) days prior to the date fixed for prepayment to the registered owner of this note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such registered owner to the Registrar.

The note is issued in fully registered form in the denomination of its outstanding principal amount. This note may not be exchanged for a like aggregate principal amount of notes or other denominations.

This note is transferable by the registered owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the ordinance, and upon surrender and cancellation of this note. Upon such transfer, a new note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in any amounts held under that certain Trust Indenture dated as of \_\_\_\_\_ 1, 200\_ (the "Indenture") between the Board and \_\_\_\_\_, as trustee, that may be applied to the payments set forth in (i) above, (c) any termination payment required to be paid to the Board under any forward supply contract, guaranteed investment contract or similar contract entered into by the Board with respect to the Bonds as a result of the prepayment of the note, and (d) any investment income determinable on the Note Redemption Date to be earned from the investment of monies held in any defeasance escrow fund for the benefit of the Bonds from the Note Redemption Date to the Bond Redemption Date. The determination of the amounts described above shall be made by the Board and provided to the City in writing and such determination by the Board shall be conclusive. Notice of any such prepayment shall be sent by registered or certified mail not less than thirty (30) days prior to the date fixed for prepayment to the registered owner of this note at the address shown on the registration books of the City maintained by the registrar or at such other address as is furnished in writing by such registered owner to the registrar.

This note is issued in fully registered form in the denomination of its outstanding principal amount. This note may not be exchanged for a like aggregate principal amount of notes or other denominations.

This note is transferable by the registered owner hereof in person or by its attorney duly authorized in writing at the principal office of the registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance,

and upon surrender and cancellation of this note. Upon such transfer, a new note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The registrar shall not be required to transfer this note during the period beginning at the close of business on the fifteenth (15<sup>th</sup>) day of the month immediately prior to the maturity date of this note nor to transfer this note after notice calling this note or a portion hereof for prepayment has been mailed, nor during a period of five (5) days next preceding mailing of a notice of prepayment of this note. Such transfer shall be in accordance with the form at the end of this note.

This note hereby authorized shall be executed and delivered as the Ordinance and the Agreement provide. This note may be supplemented and amended and a new form of note substituted therefor as permitted by the Agreement.

Pursuant to the Agreement, the registered owner has agreed to acquire and construct the Project and to advance funds for the payment of the costs of the construction of certain facilities related to the Project on behalf of the City. Such payment of costs in the amount of not to exceed Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) shall be deemed to be a disbursement of the proceeds of this note.

Pursuant to Article Five, Section 2 of the Agreement, the City has reserved the right to terminate payments of principal and of interest on this note upon the occurrence of certain conditions. The City shall not be obligated to make payments under this note if an event of default (as defined in the Agreement), or condition or event that with notice or the passage of time or both would constitute an event of default, has occurred. Such rights shall survive any transfer of this note.

The City and the registrar may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the registrar.

In Witness Whereof, The City of Chicago, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this note to be signed by the duly authorized manual or facsimile signature of the Mayor and attested by the duly authorized manual or facsimile signature of the City Clerk of the City, all as of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_  
Mayor

[Seal]

Attest:

\_\_\_\_\_  
City Clerk

Certificate  
Of  
Authentication

Registrar and  
Paying Agent:

Comptroller of the  
City of Chicago,  
Illinois

This note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project), Series 200\_A, of the City of Chicago, Illinois.

\_\_\_\_\_  
City Comptroller

Date: \_\_\_\_\_

Debt Service Schedule referred to in this Form of Note reads as follows:

*Debt Service Schedule.*  
(To Form Of Note)

United States Of America

State Of Illinois

City Of Chicago

Tax Increment Allocation Revenue Note  
(Chicago/Central Park Redevelopment Project), Series 200\_A.

*Summary Of Annual Note Payments.*

Year Collected*	I.G.A. Note Amount
2003	--
2004	--
2005	\$5,500,000
2006	4,313,000
2007	5,094,000
2008	3,595,000
2009	3,598,000
2010	4,213,000
2011	4,422,000
2012	4,421,000

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\* Payment to be made no later than February 1 of the following year.

Year Collected*	I.G.A. Note Amount
2013	\$ 5,659,000
2014	5,658,000
2015	5,655,000
2016	6,692,000
2017	6,687,000
2018	6,686,000
2019	8,129,000
2020	8,132,000
2021	8,128,000
2022	2,351,000
2023	<u>1,110,000</u>
TOTAL:	\$100,043,000

*(Sub)Exhibit "E-1".*  
 (To Intergovernmental Agreement With  
 Chicago Board Of Education)

*Request For Certificate Of Expenditure.*

State of Illinois )  
 )SS.  
 County of Cook )

The affiant, \_\_\_\_\_, \_\_\_\_\_ of the Board of Education of the City of Chicago, a body corporate and politic (the "Board"), hereby certifies that with

\_\_\_\_\_

\* Payment to be made no later than February 1 of the following year.

respect to that certain Intergovernmental Agreement between the Board and the City of Chicago dated \_\_\_\_\_, 200\_\_ (the "Agreement"):

A. The following is a true and complete statement of all expenditures for the Project to Date:

Total: \$ \_\_\_\_\_

B. This paragraph B sets forth and is a true and complete statement of all costs of T.I.F.-Funded Improvements for the Project reimbursed by the City to date:

\$ \_\_\_\_\_

C. The Board requests reimbursement for the following cost of T.I.F.-Funded Improvements:

\$ \_\_\_\_\_

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. The Board hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and the Board is in compliance with all applicable covenants contained therein.

2. No Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

3. The Board is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders as well as all policies, programs and procedures of the Board, all as may be in effect or as amended from time to time, pertaining to or affecting the Project or the Board as related thereto, including but not limited to those summarized on (Sub)Exhibit I of the Agreement.

F. Attached hereto are: (1) a cost itemization of the applicable portions of the budget attached as (Sub)Exhibit F to the Agreement; and (2) evidence of the expenditures upon T.I.F.-Funded Improvements for which the Board hereby seeks reimbursement.

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

The Board of Education of the  
City of Chicago, a body corporate and politic

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Subscribed and sworn before me this  
\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

My commission expires: \_\_\_\_\_

Agreed and accepted:

City of Chicago  
Department of Planning and Development

\_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[(Sub)Exhibit "F" and Evidence of Expenditures on T.I.F.-Funded Improvements referred to in this Request for Certificate of Expenditure constitute (Sub)Exhibit "F" and (Sub)Exhibit "G", respectively, to the Agreement with Chicago Board of Education and printed on pages 32583 through 32585 of this *Journal*.]

*(Sub)Exhibit "E-2".*  
 (To Intergovernmental Agreement With Chicago Board Of Education)

*Certificate Of Expenditure.*

\_\_\_\_\_ 200\_\_.

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")  
 Fifty-three Million Seven Hundred Fifty Thousand Dollars (\$53,750,000) Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project), Series 200\_\_ A (the "Note")

This Certificate is submitted to you, Registered Owner of the Note, Pursuant to the Ordinance of the City authorizing the execution of the Note adopted by the City Council of the City on \_\_\_\_\_, 2004 (the "Ordinance"). All terms used herein shall have the same meaning as when use in the Ordinance.

The City hereby certifies that \$\_\_\_\_\_ is advanced as principal under, or has been added to the principal balance of, the Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Note is \$\_\_\_\_\_, including the amount of this Certificate and less any payment made on the Note as of the date hereof, and the

amount of interest accrued on the principal balance of the Note as of the date hereof is \$\_\_\_\_\_.

In Witness Whereof, the City has caused this Certificate to be signed on its behalf as of \_\_\_\_\_, 200\_\_.

City of Chicago

By: \_\_\_\_\_  
Commissioner,  
Department of Planning  
and Development

Authenticated By:

\_\_\_\_\_  
Registrar

*(Sub)Exhibit "F".*  
(To Intergovernmental Agreement With  
Chicago Board Of Education)

*Project Budget.*

Westinghouse High School Project With  
T.I.F.-Funded Improvements.

New School Budget

T.I.F.-Funded Improvements

Land Acquisition:

Hard Costs

Relocation Costs

	New School Budget	T.I.F.-Funded Improvements
Soft Costs		
Subtotal:	<u>\$ 2,800,000</u>	<u>\$ 2,800,000</u>
Site Preparation:		
Demolition	\$ 2,645,550	\$ 2,645,550
Remediation	0	0
Subtotal:	<u>\$ 2,645,550</u>	<u>\$ 2,645,550</u>
General Construction:		
Construction	\$46,427,415	\$46,427,415
Contingency	1,857,097	1,857,097
Subtotal:	<u>\$48,284,512</u>	<u>\$48,284,512</u>
FF&E/Art:		
Art	\$ 50,000	\$ 0
Hard Costs	1,080,464	0
Soft Costs	43,218	0
Subtotal:	<u>\$ 1,173,682</u>	<u>\$ 0</u>

	New School Budget	T.I.F.-Funded Improvements
Professional Fees:		
Fees	\$ 3,146,034	\$ 3,146,034
Contingency	0	0
PBC Administration	1,395,578	0
Subtotal:	<u>\$ 4,541,612</u>	<u>\$ 3,146,034</u>
TOTALS:	<u>\$59,445,356</u>	<u>\$56,876,096</u>

(Sub)Exhibit "G".  
(To Intergovernmental Agreement With  
Chicago Board Of Education)

*Project T.I.F.-Funded Improvements.*

Note: In addition to the T.I.F.-Funded Improvements listed on the attached, financing costs involving the City note are also Eligible Redevelopment Project Costs under the Act and are therefore deemed to be included as "T.I.F.-Funded Improvements" under the Agreement.

[Attachment referred to in these Project T.I.F.-Funded Improvements constitutes (Sub)Exhibit "F" to Intergovernment Agreement with Chicago Board of Education and is printed on pages 32583 through 32585 of this *Journal*.]

(Sub)Exhibit "H".  
(To Intergovernmental Agreement With  
Chicago Board Of Education)

*Transfer Schedule.*

*Detailed Annual Note Payments By T.I.F.*

<b>Year Collected*</b>	<b>Chicago / Central P TIF Note Payment</b>	<b>Kinzie Ind TIF Note Payment</b>	<b>Northwest Ind TIF Note Payment</b>	<b>Pulaski Corr TIF Note Payment</b>	<b>Total TIF Note Payment</b>
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	285,743.86	3,489,206.82	1,292,323.12	432,726.20	5,500,000.00
2006	120,702.98	2,846,849.08	992,302.28	353,145.66	4,313,000.00
2007	282,549.29	3,093,767.30	1,218,724.27	498,959.14	5,094,000.00
2008	205,346.59	2,179,397.90	858,745.73	351,509.78	3,595,000.00
2009	176,314.03	2,199,887.94	866,983.46	354,814.57	3,598,000.00
2010	293,711.34	2,409,503.42	1,049,289.64	460,495.61	4,213,000.00
2011	417,851.32	2,461,522.35	1,072,166.93	470,459.41	4,422,000.00
2012	417,738.50	2,460,857.76	1,072,071.35	470,332.39	4,421,000.00
2013	577,830.61	2,973,243.36	1,396,237.38	711,688.65	5,659,000.00
2014	577,721.63	2,972,529.69	1,396,194.26	711,554.42	5,658,000.00
2015	577,393.78	2,970,842.78	1,395,612.83	711,150.62	5,655,000.00
2016	729,764.45	3,397,846.54	1,691,877.10	872,511.90	6,692,000.00
2017	729,214.84	3,395,102.77	1,690,827.62	871,854.78	6,687,000.00
2018	729,081.96	3,394,484.09	1,690,738.05	871,695.91	6,686,000.00
2019	910,231.15	3,923,958.09	2,229,694.37	1,065,116.39	8,129,000.00
2020	910,088.84	3,923,186.88	2,233,774.42	1,064,949.86	8,132,000.00
2021	909,136.55	3,919,081.77	2,235,946.16	1,063,835.53	8,128,000.00
2022	1,092,821.76	-	-	1,258,178.24	2,351,000.00
2023	1,110,000.00	-	-	-	1,110,000.00
<b>Total:</b>	<b>11,053,243.48</b>	<b>52,011,268.53</b>	<b>24,383,508.94</b>	<b>12,594,979.05</b>	<b>100,043,000.00</b>

\*Payment to be made no later than February 1st of the following year.

*(Sub)Exhibit "I".*  
(To Intergovernmental Agreement With  
Chicago Board Of Education)

*Laws, Rules And Regulations Applicable To The Board/  
Board Policies, Programs And Procedures.*

Pursuant to recent developments, the Board is in the process of revising its M.B.E./W.B.E. program and it is anticipated that such revisions will be substantially similar to those recently made by the City to its M.B.E./W.B.E. program. The Board's revised M.B.E./W.B.E. program, as and when adopted by the Board, will be incorporated into contracts for the Project. Once the Board adopts its revised M.B.E./W.B.E. program, the Board will provide the City with a detailed description thereof for attachment to this Agreement as an exhibit.

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**JOINT COMMITTEE.**

**COMMITTEE ON THE BUDGET AND  
GOVERNMENT OPERATIONS**

**AND**

**COMMITTEE ON HOUSING AND REAL ESTATE.**

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**AUTHORIZATION FOR EXECUTION OF AGREEMENT WITH  
N.H.S. REDEVELOPMENT CORPORATION FOR  
IMPLEMENTATION OF TROUBLED  
BUILDING INITIATIVE  
PROGRAM II.**

A Joint Committee, comprised of the members of the Committee on the Budget and Government Operations and the members of the Committee on Housing and Real Estate, submitted the following report: