



City of Chicago



O2015-2652

Office of the City Clerk

Document Tracking Sheet

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|---------------------------------|---|
| Meeting Date: | 4/15/2015 |
| Sponsor(s): | Emanuel (Mayor) |
| Type: | Ordinance |
| Title: | Intergovernmental agreements regarding Modern Schools Across Chicago Program for Faraday, Ericson and Jensen Project Budget |
| Committee(s) Assignment: | Committee on Finance |

FIN.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

April 15, 2015

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance amending intergovernmental agreements regarding the Modern Schools Across Chicago program.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

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 an ordinance adopted by the City Council of the City of Chicago (the "City Council") on December 13, 2006 (the "Original Bond Ordinance"), the City: (1) issued its \$28,830,000 City of Chicago General Obligation Bonds, Series 2007J (Modern Schools Across Chicago Program) (the "Series 2007J Bonds"), and (2) entered into that certain Intergovernmental Agreement regarding Phase 1 of the Modern Schools Across Chicago Program dated as of January 30, 2007 (the "Phase 1 Agreement") with the Board; and

WHEREAS, the Board has advised the City that the Board has completed the Collins Project described in Exhibits A-1, B-1 and C-1 to the Phase 1 Agreement; and

WHEREAS, based on the foregoing advisement, pursuant to Section 13 of the Original Bond Ordinance the City has determined that Excess City Funds (as such term is defined in Article Three, Section 4 of the Phase 1 Agreement) in the amount of \$6,352,539.03 remain in connection with the Collins Project; and

WHEREAS, pursuant to Article Nine of the Phase 1 Agreement, the City and the Board desire to enter into an amendment to the Phase 1 Agreement in substantially the form attached hereto as Exhibit 1 (the "Phase 1 Amendment"); and

WHEREAS, pursuant to the Phase 1 Amendment Excess City Funds in the aggregate amount of not to exceed \$1,275,000 shall be reallocated from the Collins Project as follows: (1) not to exceed \$650,000 shall be reallocated to the Faraday Project described in Exhibits A-14, B-14 and C-14 to the Phase 1 Amendment; (2) not to exceed \$225,000 shall be reallocated to the Ericson Project described in Exhibits A-15, B-15 and C-15 to the Phase 1 Amendment; and (3) not to exceed \$400,000 shall be reallocated to the Jensen Project described in Exhibits A-16, B-16 and C-16 to the Phase 1 Amendment; and

WHEREAS, pursuant to the Original Bond Ordinance, as amended pursuant to an ordinance adopted by the City Council on May 12, 2010, and by supplemental authority contained in an ordinance adopted by the City Council on July 28, 2010 (the "Amended Bond Ordinance"), the City: (1) issued its \$92,280,000 City of Chicago General Obligation Bonds, Series 2010A (Modern Schools Across Chicago Program) (Tax Exempt) and its \$57,835,000 City of Chicago General Obligation Bonds, Taxable Series 2010B (Modern Schools Across Chicago Program) (Build America Bonds – Direct Payment) (collectively, the "Series 2010 Bonds"), and (2) entered into that certain Intergovernmental Agreement regarding Phase 2 of the Modern Schools Across Chicago Program dated as of August 26, 2010 (the "Phase 2 Agreement") with the Board; and

WHEREAS, the Board has advised the City that the Board has completed the Prieto Project described in Exhibits A-2, B-2 and C-2 to the Phase 2 Agreement; and

WHEREAS, based on the foregoing advisement, pursuant to Section 13 of the Original Bond Ordinance the City has determined that Excess City Funds in the amount of \$2,827,841.78 remain in connection with the Prieto Project; and

WHEREAS, pursuant to Article Nine of the Phase 2 Agreement, the City and the Board desire to enter into an amendment to the Phase 2 Agreement in substantially the form attached hereto as Exhibit 2 (the "Phase 2 Amendment"); and

WHEREAS, pursuant to the Phase 2 Amendment Excess City Funds in the aggregate amount of not to exceed \$978,601.93 shall be reallocated from the Prieto Project to the Prosser Project described in Exhibits A-8, B-8 and C-8 to the Phase 2 Amendment; now therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated in and made part of this ordinance as though fully set forth herein.

SECTION 2. *Subject to the approval of the Corporation Counsel as to form and legality, the Chief Financial Officer of the City or her designee (the "Chief Financial Officer") is authorized to execute the Phase 1 Amendment and the Phase 2 Amendment (together, the "Amendments"), and such other documents as are necessary, between the City and the Board. The Amendments shall contain such other terms as are necessary or appropriate. In connection with the Amendments the Chief Financial Officer is also authorized to execute: (1) an amendment to that certain Depository Agreement dated as of January 30, 2007 with Wells Fargo Bank, National Association, as successor depository, which such agreement governs the deposit and disbursement of the proceeds of the Series 2007J Bonds; and (2) an amendment to that certain Depository Agreement dated as of August 26, 2010 with Amalgamated Bank of Chicago, as depository, which such agreement governs the deposit and disbursement of the proceeds of the Series 2010 Bonds.*

SECTION 3. 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 4. This ordinance shall be in full force and effect from and after the date of its passage.

ORDINANCE EXHIBIT 1, PHASE 1 AMENDMENT

_____, 2015

[name]

[title]

Board of Education of the City of Chicago
42 West Madison Street, 2nd Floor
Chicago, Illinois 60602

Re: Amendment to Intergovernmental Agreement regarding Phase 1 of the Modern Schools Across Chicago Program dated as of January 30, 2007 (the "Agreement") by and between the City of Chicago (the "City") and the Board of Education of the City of Chicago (the "Board")

Dear _____:

Pursuant to an ordinance adopted by the City Council of the City of Chicago on December 13, 2006 (the "Bond Ordinance"), the City: (1) issued its \$28,830,000 City of Chicago General Obligation Bonds, Series 2007J (Modern Schools Across Chicago Program) (the "Series 2007J Bonds"), and (2) entered into the above referenced Agreement, which is hereby incorporated herein by reference. The Board has advised the City that the Board has completed the Collins Project described in Exhibits A-1, B-1 and C-1 to the Agreement; based on the foregoing, pursuant to Section 13 of the Bond Ordinance the City hereby determines that Excess City Funds (as such term is defined in Article Three, Section 4 of the Agreement) in the amount of \$6,352,539.03 remain in connection with the Collins Project.

Pursuant to Article Nine of the Agreement, the purpose of this letter is to amend the Agreement as follows: Excess City Funds in the aggregate amount of not to exceed \$1,275,000 shall be reallocated from the Collins Project as follows: (1) not to exceed \$650,000 shall be reallocated to the Faraday Project described in Exhibits A-14, B-14 and C-14 attached hereto and hereby incorporated into the Agreement; (2) not to exceed \$225,000 shall be reallocated to the Ericson Project described in Exhibits A-15, B-15 and C-15 attached hereto and hereby incorporated into the Agreement; and (3) not to exceed \$400,000 shall be reallocated to the Jensen Project described in Exhibits A-16, B-16 and C-16 attached hereto and hereby incorporated into the Agreement. City Funds in the amount of \$[_____] have been previously disbursed with respect to the Collins Project [and henceforth no additional City Funds shall be disbursed with respect to the Collins Project]. Wells Fargo Bank, National Association, as successor depository under that certain Depository Agreement dated as of January 30, 2007 with respect to, among other things, the Series 2007J Bonds (the "Depository Agreement"), shall be provided a copy hereof and shall be entitled to rely hereon. The Depository Agreement has been amended contemporaneously

herewith to accommodate the aforementioned reallocation of Excess City Funds from the Collins Project.

Except as amended hereby, the Agreement shall remain in full force and effect.

My signature below shall indicate the City's agreement to the above amendment to the Agreement. Please sign the enclosed duplicate original of this letter at the place provided and return it to me as evidence of the Board's agreement to the above amendment to the Agreement (including the referenced amendment of the Depository Agreement).

Chief Financial Officer

ACKNOWLEDGED AND CONFIRMED

[name]

[title]

The Board of Education of the City of Chicago

cc: Wells Fargo Bank, National Association

PHASE 1 AMENDMENT EXHIBIT A-14

THE FARADAY PROJECT

| | |
|---|--|
| Bond Issuance Date | January 30, 2007 |
| Bonds | \$28,830,000 City of Chicago General Obligation Bonds, Series 2007J (Modern Schools Across Chicago Program) |
| Depository | Wells Fargo Bank, National Association, as successor to Cole Taylor Bank |
| Depository Agreement Date | January 30, 2007, as amended on April 19, 2007 |
| Insurer | Ambac Assurance Corporation |
| Type of School | Elementary |
| Property Location (attach legal description) | 3250 West Monroe Street [legal description not attached for purposes of ordinance] |
| Category of Project (Acquisition, Design, Construction, Rehabilitation, Refunding, and/or Additional Financing) and Party Undertaking the Project (Board and/or Commission) | Rehabilitation (Board) |
| Prior Note | n/a |
| Facility Description | This project has been designed to provide upgraded Science, Technology, Engineering and Math (STEM) facilities at Faraday Elementary School. The actual project includes the following new classrooms to support the STEM curriculum: one new engineering lab, one new media classroom, one new level III science classroom, and renovation of two existing computer classrooms. |
| TIF Ordinance Date | May 17, 2000 |
| Redevelopment Area | Midwest Redevelopment Project Area |
| Redevelopment Plan Journal Citation | May 17, 2000 (pages 30775-30925) |
| Redevelopment Area Termination Date | December 31, 2024 |
| City Funds | \$650,000 Excess City Funds |
| Project Budget | \$650,000 |

PHASE 1 AMENDMENT EXHIBIT A-15

THE ERICSON PROJECT

| | |
|---|--|
| Bond Issuance Date | January 30, 2007 |
| Bonds | \$28,830,000 City of Chicago General Obligation Bonds, Series 2007J (Modern Schools Across Chicago Program) |
| Depository | Wells Fargo Bank, National Association, as successor to Cole Taylor Bank |
| Depository Agreement Date | January 30, 2007, as amended on April 19, 2007 |
| Insurer | Ambac Assurance Corporation |
| Type of School | Elementary |
| Property Location (attach legal description) | 3600 West 5 th Avenue [legal description not attached for purposes of ordinance] |
| Category of Project (Acquisition, Design, Construction, Rehabilitation, Refunding, and/or Additional Financing) and Party Undertaking the Project (Board and/or Commission) | Rehabilitation (Board) |
| Prior Note | n/a |
| Facility Description | This project includes the costs associated with the planning, design, and construction of a new age 5-12 play lots, and upgrades to the age 3-5 play lot. Improvements also include minor traffic reconfiguration, dumpster relocation, and ADA improvements. The play lots will be available for use by the community at large. |
| TIF Ordinance Date | May 17, 2000 |
| Redevelopment Area | Midwest Redevelopment Project Area |
| Redevelopment Plan Journal Citation | May 17, 2000 (pages 30775-30925) |
| Redevelopment Area Termination Date | December 31, 2024 |
| City Funds | \$225,000 Excess City Funds |
| Project Budget | \$225,000 |

PHASE 1 AMENDMENT EXHIBIT A-16

THE JENSEN PROJECT

| | |
|---|---|
| Bond Issuance Date | January 30, 2007 |
| Bonds | \$28,830,000 City of Chicago General Obligation Bonds, Series 2007J (Modern Schools Across Chicago Program) |
| Depository | Wells Fargo Bank, National Association, as successor to Cole Taylor Bank |
| Depository Agreement Date | January 30, 2007, as amended on April 19, 2007 |
| Insurer | Ambac Assurance Corporation |
| Type of School | Elementary |
| Property Location (attach legal description) | 3030 West Harrison Street [legal description not attached for purposes of ordinance] |
| Category of Project (Acquisition, Design, Construction, Rehabilitation, Refunding, and/or Additional Financing) and Party Undertaking the Project (Board and/or Commission) | Rehabilitation (Board) |
| Prior Note | n/a |
| Facility Description | This project includes the costs associated with the planning, design, and construction of construction of a new age 3-5 and a new age 5-12 play lots. Improvements include minor traffic reconfiguration, dumpster relocation, and ADA improvements. The play lots will be available for use by the community at large. |
| TIF Ordinance Date | May 17, 2000 |
| Redevelopment Area | Midwest Redevelopment Project Area |
| Redevelopment Plan Journal Citation | May 17, 2000 (pages 30775-30925) |
| Redevelopment Area Termination Date | December 31, 2024 |
| City Funds | \$400,000 Excess City Funds |
| Project Budget | \$400,000 |

PHASE 1 AMENDMENT EXHIBIT B-14

THE FARADAY PROJECT BUDGET

| | |
|---------------------|-----------------|
| Design | \$55,000 |
| Construction | \$500,000 |
| Environ Remediation | \$20,000 |
| Administration | \$32,500 |
| FF&E | \$- |
| Contingencies | <u>\$42,500</u> |
| Total | \$650,000 |

PHASE 1 AMENDMENT EXHIBIT B-15

THE ERICSON PROJECT BUDGET

| | |
|---------------------|----------------|
| Design | \$10,000 |
| Construction | \$200,000 |
| Environ Remediation | \$1,000 |
| Administration | \$13,000 |
| FF&E | \$- |
| Contingencies | <u>\$1,000</u> |
| Total | \$225,000 |

PHASE 1 AMENDMENT EXHIBIT B-16

THE JENSEN PROJECT BUDGET

| | |
|---------------------|----------------|
| Design | \$5,000 |
| Construction | \$365,000 |
| Environ Remediation | \$- |
| Administration | \$23,725 |
| FF&E | \$- |
| Contingencies | <u>\$6,275</u> |
| Total | \$400,000 |

PHASE 1 AMENDMENT EXHIBIT C-14

THE FARADAY PROJECT TIF-FUNDED IMPROVEMENTS

| | |
|---------------------|-----------------|
| Design | \$55,000 |
| Construction | \$500,000 |
| Environ Remediation | \$20,000 |
| Administration | \$32,500 |
| FF&E | \$- |
| Contingencies | <u>\$42,500</u> |
| Total | \$650,000 |

PHASE 1 AMENDMENT EXHIBIT C-15

THE ERICSON PROJECT TIF-FUNDED IMPROVEMENTS

| | |
|---------------------|----------------|
| Design | \$10,000 |
| Construction | \$200,000 |
| Environ Remediation | \$1,000 |
| Administration | \$13,000 |
| FF&E | \$- |
| Contingencies | <u>\$1,000</u> |
| Total | \$225,000 |

PHASE 1 AMENDMENT EXHIBIT C-16
THE JENSEN PROJECT TIF-FUNDED IMPROVEMENTS

| | |
|---------------------|----------------|
| Design | \$5,000 |
| Construction | \$365,000 |
| Environ Remediation | \$- |
| Administration | \$23,725 |
| FF&E | \$- |
| Contingencies | <u>\$6,275</u> |
| Total | \$400,000 |

ORDINANCE EXHIBIT 2, PHASE 2 AMENDMENT

_____, 2015

[name]

[title]

Board of Education of the City of Chicago
42 West Madison Street, 2nd Floor
Chicago, Illinois 60602

Re: Amendment to Intergovernmental Agreement regarding Phase 2 of the Modern Schools Across Chicago Program dated as of August 26, 2010 (the "Agreement") by and between the City of Chicago (the "City") and the Board of Education of the City of Chicago (the "Board")

Dear _____:

Pursuant to an ordinance adopted by the City Council on December 13, 2006 (the "Original Bond Ordinance"), as amended pursuant to an ordinance adopted by the City Council on May 12, 2010, and by supplemental authority contained in an ordinance adopted by the City Council on July 28, 2010 (the "Amended Bond Ordinance," and, together with the Original Bond Ordinance, the "Bond Ordinance"), the City: (1) issued its \$92,280,000 aggregate principal amount General Obligation Bonds, Series 2010A (Modern Schools Across Chicago Program) (Tax-Exempt) and its \$57,835,000 aggregate principal amount General Obligation Bonds, Taxable Series 2010B (Modern Schools Across Chicago Program) (Build America Bonds – Direct Payment) (collectively, the "Bonds"), and (2) entered into the above referenced Agreement, which is hereby incorporated herein by reference.

The Board has advised the City that the Board has completed the Prieto Project described in Exhibits A-2, B-2 and C-2 to the Agreement; based on the foregoing, pursuant to Section 13 of the Original Bond Ordinance the City hereby determines that Excess City Funds (as such term is defined in Article Three, Section 4 of the Agreement) in the amount of \$2,827,841.78 remain in connection with the Prieto Project.

Pursuant to Article Nine of the Agreement, the purpose of this letter is to amend the Agreement as follows:

Excess City Funds in the aggregate amount of not to exceed \$978,601.93 shall be reallocated from the Prieto Project to the Prosser Project described in Exhibits A-8, B-8 and C-8 attached hereto and hereby incorporated into the Agreement. City Funds in the amount of \$36,811,660.00 have been previously disbursed with respect to the Prieto Project [and henceforth no additional City Funds shall be disbursed with respect to the Prieto Project].

Amalgamated Bank of Chicago, as depository under that certain Depository Agreement dated as of August 26, 2010 with respect to the Bonds (the "Depository Agreement"), shall be provided a copy hereof and shall be entitled to rely hereon. The Depository Agreement has been amended contemporaneously herewith to accommodate the aforementioned reallocation of Excess City Funds from the Prieto Project. Except as amended hereby, the Agreement shall remain in full force and effect.

My signature below shall indicate the City's agreement to the above amendment to the Agreement. Please sign the enclosed duplicate original of this letter at the place provided and return it to me as evidence of the Board's agreement to the above amendment to the Agreement (including the referenced amendment of the Depository Agreement).

Chief Financial Officer

ACKNOWLEDGED AND CONFIRMED

[name]
[title]
The Board of Education of the City of Chicago

cc: Amalgamated Bank of Chicago

PHASE 2 AMENDMENT EXHIBIT A-8

THE PROSSER PROJECT

| | |
|---|---|
| Type of School | High School |
| Property Location (attach legal description) | 2148 North Long Avenue [legal description not attached for purposes of ordinance] |
| Category of Project (Acquisition, Design, Construction, Rehabilitation and/or Additional Financing) and Party Undertaking the Project (Board and/or Commission) | Rehabilitation (Board) |
| Facility Description | This project involves making roof infrastructure repairs to the main building at Prosser High School. This repair preserves the integrity of the building and ensures a healthy and safe classroom environment. |
| TIF Ordinance Date | July 7, 1999, amended May 12, 2010 |
| Redevelopment Area | Galewood/Armitage Industrial Redevelopment Project Area |
| Redevelopment Plan Journal Citation | July 7, 1999 (pages 6235-6323), May 12, 2010 (89655-89664) |
| Redevelopment Area Termination Date | December 31, 2023 |
| City Funds | \$978,601.93 Excess City Funds |
| Project Budget | \$978,601.93 |

PHASE 2 AMENDMENT EXHIBIT B-8

THE PROSSER PROJECT BUDGET

| | |
|---------------------|---------------------|
| Design | \$56,891.00 |
| Construction | \$859,729.51 |
| Environ Remediation | \$6,099.00 |
| Administration | \$55,882.42 |
| FF&E | \$0.00 |
| Contingencies | \$0.00 |
| Total | <u>\$978,601.93</u> |

PHASE 2 AMENDMENT EXHIBIT C-8

THE PROSSER PROJECT TIF-FUNDED IMPROVEMENTS

| | |
|---------------------|---------------------|
| Design | \$56,891.00 |
| Construction | \$859,729.51 |
| Environ Remediation | \$6,099.00 |
| Administration | \$55,882.42 |
| FF&E | \$0.00 |
| Contingencies | \$0.00 |
| Total | <u>\$978,601.93</u> |