



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Details (With Text)

File #: O2018-4522

Type: Ordinance **Status:** Passed

File created: 5/23/2018 **In control:** City Council

Final action: 6/27/2018

Title: Intergovernmental agreement with Chicago Board of Education for rehabilitation of and improvements to McClellan Elementary School

Sponsors: Emanuel, Rahm

Indexes: Intergovernmental

Attachments: 1. O2018-4522.pdf, 2. O2018-4522 (V1).pdf

Date	Ver.	Action By	Action	Result
7/6/2018	1	Office of the Mayor	Signed by Mayor	
6/27/2018	1	City Council	Passed	Pass
6/25/2018	1	Committee on Finance	Recommended to Pass	
5/23/2018	1	City Council	Referred	

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 as such, may exercise any power and perform any function pertaining to its government and affairs; 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, 105 ILCS 5/1-1 et seq.; 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 Board operates a school known as McClellan Elementary School (the "School") located at 3527 South Wallace Street, Chicago, Illinois 60609 (the "Property"); and

WHEREAS, the Board desires to rehabilitate the School and related improvements (the "Facility") on the Property to serve the School (the rehabilitation of the Facility shall be referred to herein 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 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 ordinances on December 15, 1999: approving and adopting a tax increment financing redevelopment project and plan for the 35th & Wallace Redevelopment Project Area; designating the 35th & Wallace Redevelopment Project Area as a tax increment financing district; and adopting tax increment financing for the 35th & Wallace Redevelopment Project Area (the aforesaid Ordinances are collectively referred to herein as the "35th & Wallace TIF Ordinances", the redevelopment plan approved

by the 35th & Wallace TIF Ordinances is referred to herein as the "35th & Wallace Redevelopment Plan" and the redevelopment project area created by the 35th & Wallace TIF Ordinances, as amended, is referred to herein as the "35th & Wallace Redevelopment Area"); and

WHEREAS, all of the Property lies wholly within the boundaries of the 35th & Wallace Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11 -74.4-3(q)(7), such 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 35th & Wallace

1

Redevelopment Area shall be known as the "35th & Wallace Increment"); and WHEREAS,

the Board is a taxing district under the Act; and

WHEREAS, the 35th & Wallace Redevelopment Plan contemplates that tax increment financing assistance would be provided for public improvements within the boundaries of the 35th & Wallace Redevelopment Area; and

WHEREAS, the City desires to allocate and use a portion of the 35th & Wallace Increment in an amount not to exceed \$4,000,000 (the "City Funds") for the Project pursuant to a proposed intergovernmental agreement between the City and the Board in substantially the form attached hereto as Exhibit 1 (the "Agreement"); and

WHEREAS, in accordance with the Act, the TIF-Funded Improvements (as defined in Article Three, Section 3 of the Agreement) are and shall be such of the Board's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the 35th & Wallace Redevelopment Plan, and the City hereby finds that the TIF-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,

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

SECTION 1. The above recitals, and the statements of fact and findings made therein, are incorporated herein and made a material part of this ordinance.

SECTION 2. The City hereby finds that the TIF-Funded Improvements, among other eligible redevelopment project costs under the TIF 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 TIF Act.

SECTION 3. The Commissioner of the Department of Planning and Development or a designee thereof is authorized to execute the Agreement and such other documents as are necessary in connection therewith. The Agreement shall contain such other terms as are necessary or appropriate.

SECTION 4. 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 5. This ordinance takes effect upon passage and approval.

2

EXHIBIT 1

AGREEMENT

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 MCCLELLAN ELEMENTARY SCHOOL

This Intergovernmental Agreement regarding the McClellan Elementary School (this "Agreement") is made and entered into as of the _____ day of _____, 2018 (the "Agreement Date") 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 Board operates a school known as McClellan Elementary School (the "School") located at 3527 South Wallace Street, Chicago, Illinois 60609 (the "Property"); and

WHEREAS, the Board desires to rehabilitate the School and related improvements (the "Facility") on the Property to serve the School (the rehabilitation of the Facility shall be referred to herein 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 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 ordinances on December 15, 1999: approving and adopting a tax increment financing redevelopment project and plan for the 35th & Wallace Redevelopment Project Area; designating the 35th & Wallace Redevelopment Project Area

as a tax increment financing district; and adopting tax increment financing for the 35th & Wallace Redevelopment Project Area (the aforesaid Ordinances are collectively referred to herein as the "35th & Wallace TIF Ordinances", the redevelopment plan approved by the 35th & Wallace TIF Ordinances is referred to herein as the "35th & Wallace Redevelopment Plan" and the redevelopment project area created by the 35th & Wallace TIF Ordinances, as amended, is referred to herein as the "35th & Wallace Redevelopment Area"); and

WHEREAS, all of the Property lies wholly within the boundaries of the 35th 8c Wallace Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7), such 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 35th & Wallace Redevelopment Area shall be known as the "35th & Wallace Increment"); and

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

WHEREAS, the 35th & Wallace Redevelopment Plan contemplates that tax increment financing assistance would be provided for public improvements within the boundaries of the 35th & Wallace Redevelopment Area; and

WHEREAS, the City desires to allocate and use a portion of the 35th & Wallace Increment in an amount not to exceed \$4,000,000 (the "City Funds") for the Project; and

WHEREAS, in accordance with the Act, the TIF-Funded Improvements (as defined in Article Three, Section 3 hereof) are and shall be such of the Board's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the 35th & Wallace Redevelopment Plan, and the City hereby finds that the TIF-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 School, the Facility and the Project are described in Exhibit A hereto. The plans and specifications for the Project shall be provided to the City by the Board and approved by the City in the City's discretion. 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 from time to time, pertaining to or affecting the Project or the Board as related thereto. The Board shall include a certification of such compliance with each request for City 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

4

(including the Commission, if applicable) 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) On a quarterly basis (or as otherwise agreed to by the Department), the Board shall provide the Department with a Requisition Form, in the form of Exhibit E hereto, along with: (i) a cost itemization of the applicable portions of the budget attached as Exhibit G hereto; (ii) evidence of the expenditures upon TIF-Funded Improvements which the Board has incurred; and (iii) all other documentation described in Exhibit E. The City shall review and, in the City's discretion, approve each Requisition Form and make the applicable requested and approved disbursement of City Funds, subject to the availability thereof. The availability of the City Funds is subject to the City's compliance with all applicable requirements regarding the use of such funds and the timing of such use. At the City's request the Board shall evidence to the City in writing to the City's satisfaction that the Board owns or otherwise controls the Property, or has the right to enter the Property and undertake such activities as the Board deems necessary prior to owning or otherwise controlling the Property, before the City disburses City Funds. The Board will only request disbursement of City Funds and the City will only disburse City Funds for the costs of the Project, to the extent that such costs are TIF-Funded Improvements.

(b) Delivery by the Board to the Department of a Requisition Form hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such Requisition Form, that:

(i) the total amount of the City Funds disbursed in the previously made disbursement (if any) represents the actual amount 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 Requisition Form have been paid to the parties entitled to such payment;

iii) the Board has approved all work and materials for the current Requisition Form, 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 from time to time, pertaining to or affecting the Project or the Board as related thereto.

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 approval of a Requisition Form 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.

5

(c) [intentionally omitted]

d) [intentionally omitted]

e) (i) The Board's right to receive payments hereunder shall be subordinate to all prior obligations of the City to be paid from 35th & Wallace Increment.

(ii) The City, subject to the terms of this subsection 1 (e)(ii), may, until the earlier to occur of (1) the expiration of the Term of this Agreement or (2) the date that the City has paid directly or the Board has been reimbursed in the full amount of the City Funds under this Agreement, exclude up to 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 ("EAV") of such affected parcels over and above the EAV of such affected parcels for the year immediately preceding the year in which the new assisted development project commences (the "Base Year"). Except for the foregoing, the Board shall retain its initial lien status relative to 35th & Wallace Increment. In the event that the City elects to avail itself of the provisions of this subsection, 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 EAV thereof for the Base Year.

f) [intentionally omitted]

g) The availability of City Funds is subject to: (i) the City's annual retention of 35th & Wallace Increment in an amount necessary for the payment of expenses incurred by the City in the administration of the 35th & Wallace Redevelopment Area; and (ii) the City's compliance with all applicable requirements regarding the use of such funds and the timing of such use.

h) The Board shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the 35th & Wallace Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements ("Bonds"); provided, however, that any such amendments shall not have a material

adverse effect on the Board or the Project. The Board shall, at the Board's expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto. The City may, in its sole discretion, use all or a portion of the proceeds of such Bonds if issued to pay for all or a portion of the TIF-Funded Improvements.

2. The current estimate of the cost of the Project is \$4,000,000. 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 Exhibit G. The Board certifies that it has identified sources of funds (including the City Funds) sufficient to complete the Project. The Board agrees that the City will only contribute the City Funds to the Project and that all costs of completing

6

the Project over the City 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 Exhibit H and incorporated herein is a preliminary list of capital improvements, land assembly costs, relocation costs 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 Funds ("TIF-Funded Improvements"); and to the extent the TIF-Funded Improvements are included as taxing district capital costs under the Act, the Board acknowledges that the TIF-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these TIF-Funded Improvements are necessary and directly result from the 35th & Wallace Redevelopment Plan. Prior to the expenditure of City Funds on the Project, the Commissioner, based upon the detailed project budget, shall make such modifications to Exhibit H as he or she wishes in his or her discretion to account for all of the City Funds to be expended under this Agreement; provided, however, that all TIF-Funded Improvements shall (i) qualify as redevelopment project costs under the Act; (ii) qualify as eligible costs under the 35th & Wallace Redevelopment Plan; and (iii) be improvements that the Commissioner has agreed to pay for out of City Funds, subject to the terms of this Agreement.

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

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. [intentionally omitted]

7. During the Term hereof the Board shall not sell, transfer, convey or otherwise dispose of all or any portion of the Facility and/or the Property or any interest therein to a party other than the City (a "Transfer"), or otherwise effect or consent to a Transfer to a party other than the City, without the prior written consent of the City. The City's consent to any Transfer may, in the City's sole discretion, be conditioned upon (among other things) whether such a Transfer would conflict with the statutory basis for the grant of the City Funds hereunder pursuant to the Act.

ARTICLE FOUR: TERM

The Term of the Agreement shall commence as of the Agreement Date and shall expire on the date on which the 35th & Wallace Redevelopment Area is no longer in effect (through and including December 15, 2022).

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)

7

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 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 all agreements directly related to this Agreement, and may suspend disbursement of the City 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 any available remedy, including but not limited to 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:

8

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

and

General Counsel
Board of Education of the City of Chicago One North
Dearborn Street, 9th Floor Chicago, Illinois 60602

Notice to the City shall be addressed to:

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

and

Corporation Counsel
121 North LaSalle Street, Room 600
Chicago, Illinois 60602
Attention: Finance and Economic Development Division

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) [intentionally omitted]; (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.

9

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 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 any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one instrument. A signature delivered by facsimile or electronic means shall be considered binding for both parties.

ARTICLE THIRTEEN: ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties regarding the Project.

ARTICLE FOURTEEN: AUTHORITY

Execution of this Agreement by the City is authorized by an ordinance passed by the City Council of the City on _____, 20____. 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.

10

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: Mary De Runtz, Deputy Chief Facilities Officer
Board of Education of the City of Chicago 42 West
Madison Street, 2nd Floor Chicago, Illinois 60602
Phone: 773-553-2900 Email: mderuntz@cps.edu
<mailto:mderruntz@cps.edu>

For the City: Christopher Jang, Assistant Commissioner
City of Chicago, Department of Planning and Development
121 North LaSalle Street, Room 1003
Chicago, Illinois 60602
Phone: 312-744-7885
Email: Christopher.jang@cityofchicago.org
<mailto:Christopher.jang@cityofchicago.org>

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.

[Signature Page Follows]

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:
Commissioner
Department of Planning and Development

The Board of Education of the City of Chicago

By:
Frank M. Clark, President

Attest:
Estela G. Beltran, Secretary

By: Janice K. Jackson, EdD, Chief Executive Officer

Board Report No. 01-0725-RS2

Approved as to legal form:

Joseph T. Moriarty, General Counsel

AGREEMENT EXHIBIT A

THE SCHOOL, THE FACILITY AND THE PROJECT Address:

3527 South Wallace Street, Chicago, Illinois 60609 Project Description:

This project is designed to enhance accessibility via an exterior elevator addition connecting the grade level with all four floors. Interior spaces renovations include moving the kitchen and cafeteria from an existing second floor classroom to the basement to increase the capacity to serve more students. The existing kitchen and cafeteria will be repurposed as the art room. Lower level toilet rooms adjacent to the cafeteria space will be renovated and made accessible.

Other site improvements include an artificial turf field with a walking track and site lighting. The enhanced exterior amenities will expand the south property line 75' on property owned by the Board.

13

AGREEMENT EXHIBITS B-D [intentionally omitted]

of the Board, all as may be in effect from time to time, pertaining to or affecting the Project or the Board as related thereto.

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

15

All capitalized terms that 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:

AGREEMENT EXHIBIT F [intentionally omitted]

17

AGREEMENT EXHIBIT G

PROJECT BUDGET

		<u>Task</u>	<u>Project Estimate</u>
Land Acquisition and Site Control	20,000		
Environmental and Site Preparation	186,000		
Design	310,000		
Project Implementation	134,500		
Construction	3,100,000		
Contingency	48,000		
FF&E	0		
CPS Administration	201,500		
Total	\$4,000,000		

AGREEMENT EXHIBIT H PROJECT TIF-FUNDED
IMPROVEMENTS

<u>Task</u>	<u>Project Estimate</u>
Land Acquisition and Site Control	20,000
Environmental and Site Preparation	186,000
Design	310,000
Project Implementation	134,500
Construction	3,100,000
Contingency	48,000
CPS Administration	201,500
FF&E	0
Total \$4,000,000*	

*Notwithstanding the total of TIF-Funded Improvements, the assistance to be provided by the City is limited to the amount of City Funds described in the recitals hereof above and shall not exceed \$4,000,000.

19

OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

May 23, 2018

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 ordinances authorizing the execution of intergovernmental agreements for TIF assistance with the Board of Education.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Mayor

CHICAGO June 27, 2018

To the President and Members of the City Council:

Your Committee on Finance having had under consideration an ordinance authorizing the Commissioner of the Department of Planning and Development to enter into and execute an Intergovernmental Agreement with the Chicago Board of Education for rehabilitation of and improvements to McClellan Elementary School.

02018-4522

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance.

**This recommendation was concurred in by
of members of the committee with**

Respectfully submitted

Chairman

Approved