Legislation Details (With Text)

File #:	O2011-4703		
Type:	Ordinance	**Status:**	Passed
File created:	6/8/2011	**In control:**	City Council
		Final action:	7/6/2011
Title:	Intergovernment agreement with Chicago Board of Education for improvements to Kenwood Academy		
Sponsors:	Emanuel, Rahm		
Indexes:	Intergovernmental		
Attachments:	1. O2011-4703.pdf		

Date	Ver.	Action By	Action	Result
7/12/2011	1	Office of the Mayor	Signed by Mayor	
7/6/2011	1	City Council	Passed	Pass
6/22/2011	1	Committee on Finance	Recommended to Pass	Pass
6/8/2011	1	City Council	Referred	

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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 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 seg.). 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 in trust for the Board certain real property located at 5015 South Blackstone Avenue in Chicago, Illinois (the "Kenwood Academy Property"); and

WHEREAS, the Board has rehabilitated a high school (the "Kenwood Academy Facility") known as Kenwood Academy High School on the Kenwood Academy Property (the rehabilitation of the Kenwood Academy Facility shall be known as the " Kenwood Academy 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 seg., 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 January 10, 2001: approving and adopting a tax increment redevelopment project and plan for the 53rd Street Redevelopment Project Area; designating the 53rd Street Redevelopment Project Area as a tax increment financing district; and adopting tax increment financing for the 53 Street 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 "53rd Street TIF Ordinances", the Redevelopment Plan approved by the 5,3rd Street TIF Ordinances is referred to herein as the "53rd Street Redevelopment Plan" and the redevelopment project area created by the 53rd Street TIF Ordinances is referred to herein as the "53rd Street Redevelopment Area"); and

WHEREAS, all of the Kenwood Academy Property lies wholly within the boundaries of the 53rd Street Redevelopment Area; and

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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 53rd Street Redevelopment Area shall be known as the "53rd Street Increment"); and

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

WHEREAS, the 53rd Street Redevelopment Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Kenwood Academy Project, within the boundaries of the 53rd Street Redevelopment Area; and

WHEREAS, the City desires to use a portion of the 53rd Street Increment (the "Kenwood Academy City Funds") for the Kenwood Academy Project; and

WHEREAS, the City agrees to use the Kenwood Academy City Funds in an amount not to exceed $60,000 to reimburse the Board for a portion of the costs of the Kenwood Academy TIF-Funded Improvements (as defined below) for the Kenwood Academy Project; and

WHEREAS, in accordance with the Act, the "Kenwood TIF-Funded Improvements" shall include such of the Board's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the 53rd Street Redevelopment Plan that are necessary and directly result from the redevelopment project constituting the Lloyd 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 now desire to enter into an agreement in substantially the form attached hereto as Exhibit A (the "Agreement"); now, therefore,

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

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

SECTION 2. The City hereby finds that the TIF-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 that are necessary and directly result from the redevelopment project constituting the Kenwood Project and, therefore, constitute "taxing district's capital costs" as defined in Section 5/11-74.4-3(u) of the Act.

SECTION 3. Subject to the approval of the Corporation Counsel as to form and legality, the Commissioner of the Department of Housing and Economic Development or his designee is authorized to execute the Agreement and such other documents as are necessary, between the City and the Board in substantially the form attached as Exhibit A. 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.

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CHICAGO July 6.2011

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 Housing and Economic Development to enter into and execute an Intergovernmental Agreement with the Board of Education for the redevelopment of Kenwood Academy.

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

Ordinance Transmitted Herewith

This recommendation was concurred in by (a^iva voce vote^

of members of the committee with_dissenting voteCsj^™"™"™ 1^^

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(signet

Chairman

OFFICE OF THE MAYOR
CITY OF CHICAGO
RAHM EMANUEL
MAYOR

June 8,2011

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

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, 1 transmit herewith an ordinance authorizing the execution of an intergovernmental agreement with the Board of Education for the Kenwood Academy.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

EXHIBIT A

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INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF CHICAGO, BY AND THROUGH ITS DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT, AND THE BOARD OF EDUCATION OF THE CITY OF CHICAGO REGARDING KENWOOD ACADEMY HIGH SCHOOL

This Intergovernmental Agreement (this "Agreement") is made and entered into as of the _day of_, 2011 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 Housing and Economic 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 seg.), 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 ana! facilities; and ,

WHEREAS, the Commission owns in trust for the Board certain real property located at 5015 South Blackstone Avenue in Chicago, Illinois (the "Kenwood Academy Property"); and

WHEREAS, the Board has rehabilitated a high school (the "Kenwood Academy Facility") known as Kenwood Academy High School on the Kenwood Academy Property (the Kenwood Academy Facility has those general features described in Exhibit 1 attached hereto and incorporated herein, and the construction of the Kenwood Academy Facility shall be known as the " Kenwood Academy 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 seg., as amended from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors thatcould 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 January 10, 2001: approving and adopting a tax increment redevelopment project and plan for the 53rd Street Redevelopment Project Area; designating the 53rd Street Redevelopment Project Area as a tax increment financing district; and adopting tax increment financing for the 53 Street 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 "53rd Street TIF Ordinances", the Redevelopment Plan approved by the 53 rd Street TIF Ordinances is referred to herein as the "53rd Street Redevelopment Plan" and the redevelopment

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project area created by the 53rd Street TIF Ordinances is referred to herein as the "53rd Street Redevelopment Area"); and
WHEREAS, all of the Kenwood Academy Property lies wholly within the boundaries of the 53rd Street 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
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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 53rd Street Redevelopment Area shall be known as the "53rd Street Increment"); and
WHEREAS, the Board is a taxing district under the Act; and
WHEREAS, the 53rd Street Redevelopment Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Kenwood Academy Project, within the boundaries of the 53rd Street Redevelopment Area; and
WHEREAS, the City desires to use a portion of the 53rd Street Increment (the "Kenwood Academy City Funds") for the Kenwood Academy Project; and
WHEREAS, the City agrees to use the Kenwood Academy City Funds in an amount not to exceed $60,000 to reimburse the Board for a portion of the costs of the Kenwood Academy TIF-Funded Improvements (as defined in Article Three, Section 3 below) for the Kenwood Academy Project, pursuant to the terms and conditions of this Agreement; and
WHEREAS, in accordance with the Act, the Kenwood Academy TIF-Funded Improvements shall include such of the Board's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the 53rd Street Redevelopment Plan, and the City has found that the Kenwood Academy TIF-Funded Improvements consist of the cost of the Board's capital improvements for the Kenwood Academy Facility that are necessary and directly result from the redevelopment project constituting the Kenwood Academy 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 Kenwood Academy Project
The Board covenants, represents and warrants that the plans and specifications for the Kenwood Academy Project at a minimum meet the general requirements for the Kenwood Academy Facility as set forth in Exhibit 1 hereof. The Board covenants, represents and warrants that it has complied and 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 Kenwood Academy Project or the Board as related thereto. . The Board shall include a certification of such compliance with each request for City Funds hereunder. 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.
Article Three: Funding
1. Upon the execution hereof, the Board shall provide the Department with a Requisition Form, in the form of Exhibit 2 hereto, along with: (i) a cost itemization of the applicable portions of the budget attached as Exhibit 3 hereto; (ii) evidence of the expenditures upon Kenwood Academy TIF-Funded Improvements for which the Board seeks reimbursement; and (iii) all other documentation described in Exhibit 2. Requisition for reimbursement of Kenwood Academy TIF-Funded Improvements out of the Kenwood Academy City Funds shall be made not more than four (4) times per year (or as otherwise permitted by the Department). The City shall disburse the Kenwood Academy City Funds to the Board within fifteen (15) days after the City's approval of a Requisition Form. The Board will only request disbursement of City Funds and the City will only disburse

City Funds for the costs of the Kenwood Academy Project, to the extent that such costs are TIF-Funded Improvements.
2. The cost of the Kenwood Academy Project is $94,110. The Board has delivered to the Commissioner, and the Commissioner hereby approves, a detailed project budget for the Kenwood Academy Project, attached hereto and incorporated herein as Exhibit 3. The Board agrees that the City will only contribute the Kenwood Academy City Funds to the Kenwood Academy Project and that all costs of completing the Kenwood Academy Project over the Kenwood Academy City Funds shall be the sole responsibility of the Board.
3. Attached as Exhibit 4 and incorporated herein is a 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 Kenwood Academy Project, to be paid for out of Kenwood Academy City Funds ("Kenwood Academy TIF-Funded Improvements"); and to the extent the Kenwood Academy TIF-Funded Improvements are included as taxing district capital costs under the Act, the Board acknowledges that the Kenwood Academy TIF-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these Kenwood Academy TIF-Funded Improvements are necessary and directly result from the 53rd Street Redevelopment Plan. All Kenwood Academy TIF-Funded Improvements shall (a) qualify as redevelopment project costs under the Act, (b) qualify as eligible costs under the 53rd Street Redevelopment Plan; and (c) be improvements that the Commissioner has agreed to pay for out of 53rd Street Increment, subject to the terms of this Agreement.
4. [intentionally omitted]
5. ""If requested by the City, the Board shall provide to the City reasonable access to its books and records relating to the Kenwood Academy 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 2021, 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 (105 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 130% of $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 50% of the grant amount that the Board receives that is in excess of 130% of the Base Amount (the "Excess
-'Amount"). For example, if the Base Amount was $100.00 and if the Board was awarded a grant of $150.00 in a particular State fiscal year, $20.00 of this award would qualify as Excess Amount; therefore, the Board would provide the City with value equivalent to $10.00, which is 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
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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 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.
7. During the Term hereof the Board shall not sell, transfer, convey, lease or otherwise dispose (or cause or permit the sale, transfer, conveyance, lease or other disposal) of all or any portion of (a) the Kenwood Academy Property or any interest therein, or (b) the Kenwood Academy Facility or any interest therein (each a "Transfer"), or otherwise effect or consent to a Transfer, 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 provision of the Kenwood Academy City Funds hereunder pursuant to the Act. Subject to applicable law, the Board shall pay any proceeds of any Transfer to the City. Nothing contained in this Article Three, Section 7 shall be construed as prohibiting the Commission from holding title to the Kenwood Academy Property or the Kenwood Academy Facility for the benefit of the Board as may be permitted or required by law or the City from holding title to the Kenwood Academy Property or the Kenwood Academy Facility in trust for the use of schools as may be permitted or required by law.

8. The Board's right to receive payments hereunder shall be subordinate to the now existing obligations of the City to be paid from 53rd Street Increment, including but not limited to the City's $7,040,000 City of Chicago General Obligation Bonds, Series 2007K (Modern Schools Across Chicago Program) and $92,280,000 aggregate principal amount General Obligation Bonds, Series 201 OA (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).

9. The City, subject to the terms of this Section 9, 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 95% 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 status relative to 53rd Street Increment.

In the event that the City elects to avail itself of the provisions of this Section 9, 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.

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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 53rd Street Redevelopment Area is no longer in effect (through and including December 31, 2025).

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 Kenwood Academy 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.

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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

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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:

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Chief Financial Officer
Board of Education of the City of Chicago
125 South Clark Street, 14th Floor.
Chicago, Illinois 60603
FAX: (773) 553-2701
and
General Counsel
Board of Education of the City of Chicago 125 South Clark Street, 7th Floor Chicago, Illinois 60603 FAX: (773) 553-1702

Notice to the City shall be addressed to:

Commissioner City of Chicago
Department of Housing and Economic Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 FAX: (312) 744-2271
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: (312) 744-8538

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 subjection (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

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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 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 _, 2011. 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

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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: Patricia L. Taylor, Chief Operating Officer Board of Education of the City of Chicago 125 South Clark Street, 17th Floor Chicago, Illinois 60603 Phone: 773-553-2900 Fax: 773-553-2912

For the City: Bill Eager, Deputy Commissioner

City of Chicago, Department of Housing and Economic Development 121 North LaSalle Street, Room 1006 Chicago, Illinois 60602 Phone: 312-744-9475 Fax: 312-742-1936 .

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]
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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 Housing and Economic Development
By:_
Commissioner
Department of Housing and Economic Development
y
THE BOARD OF EDUCATION OF THE CITY OF CHICAGO
By: _
President
Attest: By:_
Secretary
Board Resolution No.: 01-0725-RS2
Approved as to legal form:
General Counsel
EXHIBIT 1
FEATURES OF THE KENWOOD ACADEMY FACILITY
This project includes the repair and replacement of the school's stationary gymnasium bleachers and installation of a new scoreboard. The current facility is in poor condition and needs updating.
Kenwood Academy High School is a neighborhood high school, located at 5015 S. Blackstone. The school enrollment is 1,791 students. The student enrollment is 90% African American and primarily low income. The school's mission is to encourage attendance at top colleges and universities for all its graduates.
Occupancy by Sept. 6, 2011 . " Final completion by mid-fall 2011
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EXHIBIT 2
REQUISITION FORM
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 respect to that certain Intergovernmental Agreement between the Board and the City of Chicago dated __, 2011 regarding Kenwood Academy High School (the "Agreement"):
A. The following is a true and complete statement of all expenditures for the Kenwood Academy Project to date;
TOTAL: $__)
B. This paragraph B sets forth and is a true and complete statement of all costs of Kenwood Academy TIF-Funded Improvements for the Kenwood Academy Project reimbursed by the City to date:
$ '_
C. The Board requests reimbursement for the following cost of Kenwood Academy TIF-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 Kenwood Academy 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 3 to the Agreement; and (2) evidence of the expenditures upon TIF-Funded Improvements for which the Board hereby seeks reimbursement
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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 HOUSING AND ECONOMIC DEVELOPMENT
Name: Title:
14
EXHIBIT 3
KENWOOD ACADEMY PROJECT BUDGET
Exhibit 3 Project Budget
Kenwood Academy Project
Installation of bleachers $86,200
Installation of scoreboard $7,910
FF&E _$0_
Total $94,110
15
EXHIBIT 4
KENWOOD ACADEMY PROJECT TIF-FUNDED IMPROVEMENTS
Exhibit 4
TIF- Eligible Expenses Kenwood Academy Project
Installation of bleachers $86,200 Installation of scoreboard $7,910
$0
$94,110
FF&E Total'
16