

RESOLUTION PROVIDING AUTHORITY FOR THE GENERAL COUNSEL TO SETTLE THE PTAB APPEAL FILED BY BANK ONE CORPORATION RELATING TO THE PROPERTY LOCATED AT 10 SOUTH DEARBORN FOR THE 2003 ASSESSMENT YEAR

WHEREAS, pursuant to the provisions of Article 34 of the School Code of the State of Illinois, as amended (the "School Code"), the City of Chicago, having a population exceeding 500,000, constitutes one school district which is a body politic and corporate by the name of the "Board of Education of the City of Chicago" (the "School District"); and

WHEREAS, the School District is governed by the Chicago Board of Education (the "Board"); and

WHEREAS, the School District is a taxing entity for purposes of real estate taxes levied on properties located within the geographical boundaries of the City of Chicago (the "City"); and

WHEREAS, the School District and the Board are funded, in large part, by revenue in the form of real estate taxes assessed by the Cook County Assessor and collected by the Cook County Treasurer; and

WHEREAS, the Board has heretofore determined that it is advisable, necessary and in the best interests of the School District to preserve, as much as possible actual tax revenue generated by real estate taxes on properties located within the geographical boundaries of the City; and

WHEREAS, the School District has intervened in the real estate tax appeal filed by Bank One Corporation ("Bank One") before the Illinois Property Tax Appeal Board (the "PTAB") for the 2003 assessment year (the "PTAB case") relating to the property located at 10 South Dearborn now known as Chase Tower (the "Property");

WHEREAS, the City of Chicago has also intervened in the PTAB case;

WHEREAS, Bank One is claiming in the PTAB case that the Property is over-assessed for the 2003 assessment year and that Bank One is entitled to a refund for that assessment year;

WHEREAS, the School District denies and contests the claim Bank One makes in the PTAB case;

WHEREAS, Bank One, or its predecessors in interest, filed real estate tax appeals before the Circuit Court of Cook County challenging the assessment of the Property and seeking refunds of taxes previously paid for the 1999, 2000, 2001 and 2002 assessment years;

WHEREAS, the School District reasonably anticipates that Bank One, or its successors in interest, will file assessment appeals for the 2004 and subsequent assessment years;

WHEREAS, the School District would benefit from an agreed-upon assessments of the Property for purposes of real estate taxes for the 2005, 2006, 2007 and 2008 assessment years which result in no refund from the School District;

WHEREAS, at certain terms and conditions, it is in the School District's best interests to avoid the uncertainties, costs and risks of protracted litigation and settle the PTAB case, as well as the anticipated assessment appeals for the 2004 and subsequent years, and

NOW, THEREFORE, Be It Hereby Resolved by the Board of Education of the City of Chicago, as follows:

1. Incorporation of Preambles. The preambles of this Resolution are hereby incorporated into this text as if set out herein in full.

2. Settlement of Tax Rate Objection Cases. The General Counsel is authorized to settle at any time the PTAB case on terms the General Counsel deems appropriate at the General Counsel's discretion, subject to the approval of the Chief Financial Officer, including, but not limited to, terms and conditions providing for no refunds by the School District for the 2005 and future assessment years. The General Counsel is authorized to appoint attorneys to represent the Board in this matter and to perform the acts described above.

3. Further Acts. Each of the General Counsel, Chief Financial Officer, Chief Purchasing Officer or Chief Operating Officer (the "Designated Officials") is hereby authorized to execute and deliver such other documents and agreements and perform such other acts as may be necessary or desirable in connection with the PTAB case, including, but not limited to, hiring and retaining such expert testimony and consultant assistance needed to defend and/or settle the PTAB case. All actions of any Designated Official that is in conformity with the purposes and intent of this Board Report are hereby in all respects ratified, approved, and confirmed.

4. Severability. The provisions of this Resolution are hereby declared to be severable; and if any section, phrase, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, or provisions.

5. Repealer and Effective Date. This Resolution is effective immediately upon its adoption.