

**APPROVE ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF  
CHICAGO DEPARTMENT OF HOUSING RELATING TO THE CHICAGO PUBLIC SCHOOLS'  
TEACHER HOMEBUYER ASSISTANCE PROGRAM**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into an Intergovernmental Agreement with the City of Chicago, Department of Housing (DOH) to implement the CPS/DOH Teacher Homebuyer Assistance Program ("Program") which will fund loans to qualified CPS teachers who are first-time homebuyers in Chicago during the calendar year 2008. The DOH will make a grant of \$350,000 to be matched by the Board for a total of \$700,000. A written agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 120 days of the date of this Board Report. Information pertinent to this agreement is stated below.

**AGENCY:** City of Chicago Department of Housing  
33 N. LaSalle St., 2<sup>nd</sup> Floor  
Chicago, IL 60602  
Contact: Cynthia Park, Deputy Commissioner  
(312) 742-0528  
Vendor No.: 17110

**USER:** Department of Human Resources  
125 S. Clark St., 2<sup>nd</sup> Floor  
Chicago, IL 60603  
Contact: Diana Johnson, Program Manager  
(773) 553-1072

**PROGRAM DESCRIPTION:** The CPS/DOH Teacher Homebuyer Assistance Program provides assistance to eligible Chicago Public School Teachers to purchase homes within the City of Chicago. Assistance is being granted in order to provide an incentive for teachers to purchase homes within the communities in which they teach and to retain teachers within the Chicago Public School System. This is a joint program that is being funded by the Board and the City of Chicago through the Department of Housing. The loan will be forgiven over a five year period. Loan proceeds may be used to cover eligible mortgage related expenses. A lien will be placed on the property and will be removed after the five year period. If a teacher moves, resigns, or is removed from employment during the five year period, the remaining balance will be due and payable. The amount of assistance will be \$3,000 citywide.

In order to qualify for participation in the Program, teachers must 1) be a non-probationary full-time CPS teacher in good standing with the Chicago Public Schools for at least one academic year, 2) purchase a single-family property (1-4 units) within the City of Chicago, 3) reside in the acquired home as a primary residence for at least five years after acquisition, 4) be a first-time homebuyer as defined by the U.S. Department of Housing and Urban Development (the only exception will be for teachers who owned property while living outside the City of Chicago and who are buying property in order to reside within the City of Chicago, 5) must utilize a participating CPS designated lender, and 6) be committed to teach an additional five years at CPS.

**TERM:** The term of this agreement shall commence on February 1, 2008 or the date the agreement is signed (whichever occurs first) and shall end January 31, 2009 or twelve months after the agreement is signed (whichever occurs first). This agreement shall have two options to renew for periods of one year each. The cost for each option period shall be negotiated at the time of renewal and is dependent upon appropriation and budget approval by the respective parties for this program.

**RESPONSIBILITIES OF PARTIES:** CPS will: 1) manage the program; 2) confirm qualifications of each CPS teacher; 3) provide required teacher first-time homebuyer education; 4) distribute funds at each teacher's closing; and 5) provide monthly reports to CPS and the DOH. DOH will: 1) provide annual funding for this program; and 2) provide any necessary technical assistance for the success of the program.

**CONTRIBUTION:** In the calendar year 2008, DOH will provide \$350,000 which will be matched by the Board for a total of \$700,000.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Human Resources Officer to execute all ancillary documents required to administer or effectuate this agreement.

**AFFIRMATIVE ACTION:** Exempt

**LSC REVIEW:** Local School Council approval is not applicable to this report.

**FINANCIAL:** Charge to Department of Human Resources: \$350,000 Fiscal Year: 2009  
Budget Classification: 11070-115-264212-000000  
Source of Funds: General Funds 54125

**GENERAL CONDITIONS:**

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

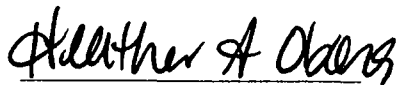
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board’s Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board’s Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

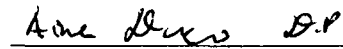
**Approved for Consideration:**

  
Heather A. Obora  
Chief Purchasing Officer

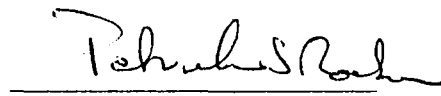
**Within Appropriation:**

  
Pedro Martinez  
Chief Financial Officer

**Approved:**

  
Arne Duncan  
Chief Executive Officer

Approved as to legal form: 

  
Patrick Rocks  
General Counsel 