

RESOLUTION ABATING THE TAX HERETOFORE LEVIED BY THE BOARD FOR THE YEAR 2007 TO PAY DEBT SERVICE ON PUBLIC BUILDING COMMISSION OF CHICAGO, BUILDING REVENUE BONDS, SERIES A OF 1993 (BOARD OF EDUCATION OF THE CITY OF CHICAGO) AND PUBLIC BUILDING COMMISSION OF CHICAGO, BUILDING REVENUE REFUNDING BONDS, SERIES B OF 1999 (CHICAGO SCHOOL REFORM BOARD OF TRUSTEES OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO, ILLINOIS)

WHEREAS, the Public Building Commission of Chicago (the "**Commission**") has heretofore issued its Building Revenue Bonds, Series A of 1993 (Board of Education of the City of Chicago) (the "**Series A of 1993 Bonds**"), and its Building Revenue Refunding Bonds, Series B of 1999 (Chicago School Reform Board of Trustees of the Board of Education of the City of Chicago, Illinois) (the "**Series B of 1999 Bonds**") and together with the Series A of 1993 Bonds, the "**Bonds**"), each secured by payments by the Board of Education of the City of Chicago (the "**Board**") under a Lease Agreement (Series A of 1993), dated as of April 1, 1993, as amended by Amendment No. 1 to Lease (Series A of 1993) dated as of June 14, 1996, and by Amendment No. 2 to Lease (Series A of 1993) dated as of February 18, 1997 (collectively, the "**Lease**"), between the Commission and the Board; and

WHEREAS, pursuant to the Lease, the Board has levied a direct annual tax for the payment of the Board's obligations under the Lease, including the payment of the principal of and the interest on the Bonds, and has directed the County Clerks of the Counties of Cook and DuPage, Illinois (the "**County Clerks**") to extend such taxes in such amounts as provided in such Lease and in Resolution 93-0421-RS1 of the Board levying such tax (the "**Levy Resolution**"); and

WHEREAS, a certified copy of the Levy Resolution has heretofore been filed with each of the County Clerks; and

WHEREAS, pursuant to Resolution 80-58, as amended by Resolution 92-0114-RS1 and as amended by Resolution 93-0127-RS2 (collectively, the "**Lease Payment Fund Resolution**"), the Board established a Debt Service Fund for Public Building Commission Leases of the Board of Education of the City of Chicago (the "**Lease Payment Fund**"); and

WHEREAS, the Lease Payment Fund is held by U.S. Bank Trust Company, as lease payment trustee (the "**Lease Payment Trustee**"); and

WHEREAS, the Board has and does hereby determine that funds in the amount of \$19,457,206 is or may be available through the use of available funds of the Board to permit an abatement of the amount levied for the year 2007 and collectible in year 2008 to pay the debt service component of the Lease (the "**Lease Payment Fund Deposit**"); and

WHEREAS, the Lease Payment Trustee will apply the Lease Payment Fund Deposit to pay the rent due under the Lease in November 2008 and such deposit will permit an abatement of a corresponding amount of the tax levied for the year 2007 and collectible in the year 2008 to make such Lease payment; and

WHEREAS, the Board hereby finds that it is necessary and in the best interest of the Board that the taxes heretofore levied and to be extended for the year 2007 to make such Lease payment be abated in whole in the amount of \$19,457,206.

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the Chicago Board of Education of the Board of Education of the City of Chicago, as follows:

Section 1. Authorization of Transfer. There is hereby authorized the transfer of not to exceed \$19,457,206 from either the Debt Service Fund of the Board or such other fund as directed by the Chief Financial Officer of the Board as available monies for the Lease Payment Fund Deposit.

Section 2. Abatement of Taxes Levied. The taxes levied in the Levy Resolution for the year 2007 in the amount of \$19,457,206 and to be extended pursuant thereto are hereby abated by the amount of \$19,457,206; provided, however, that such abatement shall be effected and this Resolution filed with the County Clerks only upon the written notification to the Secretary of the Board by the Chief Financial Officer of the Board that there has been deposited or caused to be deposited with the Lease Payment Trustee available monies in the amount of \$19,457,206.

Section 3. Filing of Resolution. Forthwith upon the adoption of this Resolution and the receipt of notice by the Secretary of the Board of the deposit, the Secretary of the Board shall cause a certified copy hereof to be filed with each of the County Clerks prior to the extension date for taxes for the year 2007 and it shall be the duty of the County Clerks to abate such taxes levied and to be extended for the year 2007 in the amount of \$19,457,206, in accordance with the provisions hereof.

Section 4. Effective Date. This Resolution shall be in full force and effect upon its adoption.