

AUTHORIZE THE FINAL RENEWAL AGREEMENT WITH JOHNSON RESEARCH GROUP, INC. TO PROVIDE CONSULTING SERVICES ON TAX INCREMENT FINANCING (TIF) FUNDING FOR THE CAPITAL IMPROVEMENT PROGRAM

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the final renewal agreement with Johnson Research Group, Inc. to provide consulting services to Department of Facilities at a total cost for the option period not to exceed \$200,000. A written document exercising this option is currently being negotiated. No payment shall be made to the Vendor during the option period prior to execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

VENDOR:

- 1) Vendor # 30433
JOHNSON RESEARCH GROUP, INC.
343 S. DEARBORN STREET
CHICAGO, IL 60604
Ann Moroney
312 235-0130

USER INFORMATION :

Contact:

11860 - Facility Operations & Maintenance

125 South Clark Street 16th Floor

Chicago, IL 60603

Taylor, Ms. Patricia L

773-553-2960

Contact:

12310 - Chief Financial Officer

125 South Clark Street 14th Floor

Chicago, IL 60603

Rogers, Mr. Peter W.

773-553-2700

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 13-0522-PR6) in the amount of \$200,000 is for a term commencing on the date the agreement is signed and ending twelve (12) months thereafter, with the Board having 1 (one) option to renew. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

OPTION PERIOD:

The term of this agreement is being renewed for one (1) year commencing June 25, 2014 and ending June 24, 2015.

OPTION PERIODS REMAINING:

There are no option periods remaining.

SCOPE OF SERVICES:

Vendor will continue to serve as special advisor to the Chief Financial Officer to develop a strategy with the Chicago Department of Planning and Development and the Chicago Department of Finance on tax increment financial (TIF) initiatives to support the Modern Schools Across Chicago Program and other Capital Improvement Program initiatives. Vendor will focus on preparing detailed financial analyses of available TIF revenues for each TIF district, assessing TIF funding strategies, negotiating financial commitments with the City, reviewing appropriate school sites for TIF eligibility, consulting on written agreements with the City to formalize a revenue stream for funding of the Capital Improvement Program, and supporting the issuance of bonds from TIF revenues. Vendor will also develop strategies and mechanisms needed to coordinate aspects of the program, advise the Chief Financial Officer on alternative TIF strategies, present creative approaches for additional funding opportunities, and provide long range planning assistance to the Chief Financial Officer. Vendor will also conduct financial feasibility studies in specific TIF districts to verify future projections of available tax increment revenues as necessary.

DELIVERABLES:

Vendor will continue to provide the following deliverables: monthly project reports, database of TIF revenues and potential revenue opportunities from existing TIF districts, a database of schools in or adjacent to TIF's, an updated funding matrix for the Modern Schools Across Chicago Program and other TIF agreements, feasibility analyses, and strategic planning documents, all as requested by the Chief Financial Officer.

OUTCOMES:

Vendor's services will result in revenue for the Capital Improvement Program over the next year, to help build new schools and additions and undertake major renovations. To date, the vendor has helped negotiate \$800 million in intergovernmental agreements with the City of Chicago to fund new schools from TIF revenues and anticipates negotiating additional funding to complete the Modern Schools Across Chicago Program and other new initiatives.

COMPENSATION:

Vendor shall be paid as specified in the renewal agreement; total not to exceed \$200,000 for the renewal period, which amount is inclusive of all reimbursable expenses.

REIMBURSEABLE EXPENSES:

Vendor shall be reimbursed for the following expenses: report preparation expenses, and copying charges agreed to in advance by the Chief Financial Officer. The total compensation amount reflected above is inclusive of all reimbursable expenses.

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the President and Secretary to execute the option document. Authorize Chief Financial Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION:

The agreement is in full compliance with the goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts. The MBE/WBE goals for this agreement are: 25% total MBE and 5% total WBE participation.

The Vendor has identified the following:

TOTAL MBE - 25%

Ernest R Sawyer Enterprises, Inc.
100 N. LaSalle St., Ste. 1515
Chicago, IL 60602

TMR Partners
3653 S. Normal Ave.
Chicago, IL 60609

TOTAL WBE - 5%

Prado & Renteria
1837 S. Michigan Ave.
Chicago, IL 60616

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Capital Funds
Facilities and Operations, 12150
\$200,000
FY 14, FY 15
Future year funding is contingent upon budget appropriation and approval.

CFDA#: Not Applicable

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 May 25, 2011 (11-0525-PO2), 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:



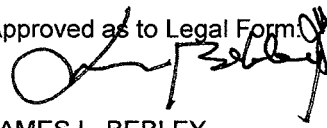
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



BARBARA BYRD-BENNETT
Chief Executive Officer

Approved as to Legal Form: 



JAMES L. BEBLEY
General Counsel