

November 18, 2015

**APPROVE ENTERING INTO INTERGOVERNMENTAL AGREEMENTS WITH THE CITY OF CHICAGO
RELATING TO CONTINUED PARTICIPATION WITH THE CITY OF CHICAGO IN A SCHOOL
BUILDING ACCESSIBILITY RENOVATION PROGRAM, INCLUDING NEGOTIATING, EXECUTING
AND DELIVERING INTERGOVERNMENTAL AGREEMENTS WITH THE CITY OF CHICAGO**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into Intergovernmental Agreements with the City of Chicago for all future phases of a School Building Accessibility Renovation Program. A written agreement for a portion of such program has been negotiated and agreements for additional future projects will be negotiated. The authority granted herein to enter into agreements for these programs shall be in effect for a term of five (5) years from the date of this Board Report. Information pertinent to this authority is stated below.

AGENCY: City of Chicago
121 North LaSalle Street
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Chicago, Illinois 60602
Michael Gaynor
(312) 744-8973

USER: Facilities, Operations and Maintenance
42 West Madison Street, 2nd Floor
Chicago, Illinois 60602
(773) 553-2717
Attn: Susan Marek

DESCRIPTION: In 2008, the Board of Education of the City of Chicago (the "Board") and the City of Chicago ("the City") embarked on a joint program to rehabilitate public schools to increase accessibility within the meaning of the Americans With Disabilities Act (the "ADA") and Section 504 of the Rehabilitation Act ("Section 504") and in accordance with Board Policies 501.1 and 501.3 (the "Program", as authorized by Board Report 08-0423-RS21). The Board committed to spend \$20 million per year for 5 years for a total of \$100 million and the City committed to spend \$14,250,250 the first year and \$5 million per year for the next 4 years for a total of \$34,250,250. CPS has met its \$100 million commitment. This Board authority addresses reimbursement for the City's commitments for all future agreements related to the Program.

On April 9, 2008, the City Council of the City (the "City Council") approved an Ordinance (the "2008 Ordinance"), a copy of which ordinance is on file with the Secretary of the Board, in which the City Council, among other matters, directed the City to use a portion of tax increment financing ("TIF") monies to fund 15 school rehabilitations. Pursuant to the 2008 Ordinance, the City and the Board entered into an Intergovernmental Agreement dated October 28, 2009 (the "2009 Intergovernmental Agreement"), specifying certain schools to be rehabilitated for improved accessibility, including certain rehabilitation projects that would receive a specified portion of tax increment financing and certain schools to be rehabilitated using Board funds or a combination of both sources of funds.

To continue the Program, on April 13, 2011, the City Council approved an Ordinance (the "2011 Ordinance"), a copy of which Ordinance is on file with the Secretary of the Board. Pursuant to the 2011 Ordinance, certain additional schools were identified to be rehabilitated for improved accessibility and which will receive a specified portion of tax increment financing; and certain additional schools which were rehabilitated using Board funds or a combination of both sources of funds.

Prior to the execution of the intergovernmental agreement authorized by the 2011 Ordinance, programmatic changes to schools, school closures, and changes in projections of tax increment financing revenues resulted in changes to the approved list of projects to be funded by the City. The 2008 Intergovernmental Agreement does not address these changes. The Board is requesting reimbursement from the City of up to the maximum allowed for completed projects through the execution and delivery of additional intergovernmental agreements.

TERM: The term of each intergovernmental agreement shall commence the date the agreement is signed and shall end on the later of (i) the date upon which all monies owed to the Board under the related intergovernmental agreement are paid, or (ii) the date when no monies are available to be paid from a related tax increment financing district due to the expiration of the related tax increment financing district. The term of each intergovernmental agreement shall be a maximum of twenty-six (26) years from the date of execution of the agreement by both parties.

RESPONSIBILITIES OF PARTIES: The City has stated in the 2008 Ordinance and in the 2011 Ordinance its intent to use a portion of available increment under 65 ILCS 5/11-74.4-3(q)(7), to pay qualified redevelopment project costs (the "City Funds"), to pay to or reimburse the Board for the qualified costs of such projects, to the extent that such costs constitute TIF-Funded Improvements as defined in the applicable intergovernmental agreement. The Board agrees that it has completed or shall complete the Projects and provide a list of total project costs and qualified reimbursable costs to the City.

CONTRIBUTION: No additional Board funds are needed to complete projects identified in the 2008 Ordinance or the 2011 Ordinance.

AUTHORIZATION: Each Intergovernmental Agreement shall be in substantially the form of the 2009 Intergovernmental Agreement with such changes approved by the General Counsel and the hereinafter designated officers of the Board, all as necessary to effect the purposes of this Board Report. This Board Report authorizes the General Counsel to include other relevant terms and conditions in the written agreements, including indemnification provisions, as may be necessary to effect the accessibility and rehabilitation Program identified herein. The Board President and Secretary are authorized to execute each such intergovernmental agreement consistent with this Board Report. The Board President and the Senior Vice President of Finance, of the Board (or his/her designee) are each authorized to (i) execute all ancillary documents required to administer or effectuate each intergovernmental agreement; (ii) take all such further action as deemed necessary to implement the accessibility program referenced herein, including, but not limited to amending or renegotiating and outstanding intergovernmental agreements between the Board and the City; and (iii) receive and apply City Funds for the purposes specified herein and in any related intergovernmental agreement. The Senior Vice President of Finance (or his/her designee) is further authorized to accept on behalf of the Board, any additional City Funds that the Board is entitled to receive pursuant to any related intergovernmental agreement.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: No additional cost to the Board.

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:



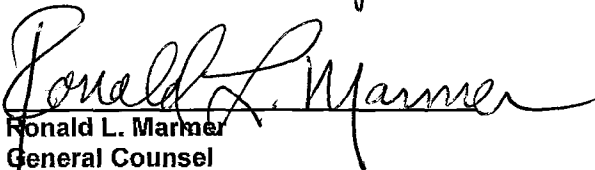
Paul Osland
Chief Facilities Officer

Approved:



Forrest Claypool
Chief Executive Officer

Approved as to legal form: *gum*



Ronald L. Marmer
General Counsel