

February 24, 2016

RESOLUTION ABATING THE TAX HERETOFORE LEVIED FOR THE YEAR 2015 TO PAY DEBT SERVICE ON UNLIMITED TAX GENERAL OBLIGATION BONDS (DEDICATED TAX REVENUES), SERIES 1997A, SERIES 1998B-1, SERIES 1999A, AND SERIES 2007BC OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO

SECTION 1. DEFINITIONS

Whereas, throughout this Resolution, the following terms shall have the meanings ascribed in this Section 1:

“*Board*” means the Board of Education of the City of Chicago;

“*Bonds*” means, collectively and as the context implies, individually, the Series 1997A Bonds, the Series 1998B-1 Bonds, the Series 1999A Bonds and the Series 2007BC Bonds, as those terms are defined herein;

“*County Clerks*” means the County Clerks of the Counties of Cook County and DuPage County, collectively;

“*Indenture*” means, collectively and as the context implies, individually, the Series 1997A Indenture, the Series 1998B-1 Indenture, the Series 1999A Indenture and the Series 2007BC Indenture, as those terms are defined herein

“*Intergovernmental Agreement*” means that certain Intergovernmental Agreement dated as of October 1, 1997, by and between the City and the Board, as from time to time supplemented and amended;

“*Intergovernmental Agreement Revenues*” means the revenues pledged by the City under the Intergovernmental Agreement, for the purpose of providing funds to the Board to pay debt service with respect to the Bonds;

“*Pledged Taxes*” means the ad valorem taxes in amounts sufficient to pay debt service on the respective Series of Bonds as the same becomes due under the respective Indenture and referred to in this Resolution;

“*Sufficiency Notice*” means, with respect to each series of Bonds, the notice from the Trustee, that with respect to each Series of Bonds, sufficient Intergovernmental Agreement Revenues have been deposited with the Trustee to pay debt service on the respective series of Bonds in accordance with the provisions of the respective Indenture;

“*Trustee*” means Amalgamated Bank of Chicago, as Trustee under the respective Indenture for each Series of Bonds identified in this Resolution.

SECTION 2. SERIES 1997A BONDS

WHEREAS, the Board has heretofore issued its Unlimited Tax General Obligation Bonds (Dedicated Tax Revenues), Series 1997A, dated November 1, 1997 (the “*Series 1997A Bonds*”), pursuant to Resolution No. 97-1107-RS1, adopted by the Board on the 7th day of November 1997, as supplemented and amended by Resolution 97-1119-RS8, adopted by the Board on the 19th day of November 1997 (collectively, the “*Series 1997A Bond Resolution*”) and that certain Trust Indenture, dated as of November 1, 1997 (the “*Series 1997A Indenture*”), between the Board and the Trustee; and

WHEREAS, pursuant to the Series 1997A Bond Resolution, the Board has levied a direct annual tax for the payment of the principal of and interest on the Series 1997A Bonds, and has directed the County Clerks to extend the Series 1997A Pledged Taxes pursuant thereto; and

WHEREAS, pursuant to the Intergovernmental Agreement, the City has levied a direct annual tax for years up to and including year 2030, for the purpose of providing funds to the Board to pay debt service on the Series 1997A Bonds; and

WHEREAS, pursuant to the Series 1997A Intergovernmental Agreement, the Board has received a notice from the City specifying an amount of Series 1997A Intergovernmental Agreement Revenues to be collected and paid directly to the Trustee for the bond year beginning on December 2, 2015; and a portion of the Series 1997A Intergovernmental Agreement Revenues will be allocated for the repayment of a portion of the debt service on the Series 1997A Bonds; and

WHEREAS, Section 504(A)(iii) of the Series 1997A Indenture provides that promptly after sufficient Pledged Personal Property Replacement Tax Revenues (as defined in the Series 1997A Indenture) have been deposited in any calendar year in an amount sufficient to pay the interest on and the principal of the Series 1997A Bonds due during the Bond Year beginning on December 2 of such calendar year, the Trustee shall notify the Board of that fact and the Board shall take such actions as are necessary to abate the Pledged Taxes levied and to be extended for the then-current calendar year in full; and

WHEREAS, the Board has received the Sufficiency Notice to pay the interest on and the principal of the Series 1997A Bonds due during the Bond Year beginning December 2, 2015 (the "Sufficiency Notice"), and the Board hereby finds that it is necessary and in the best interests of the Board that the Pledged Taxes heretofore levied and to be extended for the year 2015 to pay such debt service on the Series 1997A Bonds be abated in full.

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

Abatement of Pledged Taxes. The Pledged Taxes in the amount of \$15,245,000.00 heretofore levied for the year 2015 in the Series 1997A Bond Resolution authorizing the Series 1997A Bonds are hereby abated in full.

SECTION 3. SERIES 1998B-1 BONDS

WHEREAS, the Board has heretofore issued its Unlimited Tax General Obligation Bonds (Dedicated Tax Revenues), Series 1998B-1, dated October 28, 1998 (the "*Series 1998B-1 Bonds*"), pursuant to Resolution No. 98-1007-RS1, adopted by the Board on the 7th day of October 1998, (the "*Series 1998B-1 Bond Resolution*") and that certain Trust Indenture, dated as of September 1, 1998 (the "*Series 1998B-1 Indenture*"), between the Board and the Trustee; and

WHEREAS, pursuant to the Series 1998B-1 Bond Resolution, the Board has levied a direct annual tax for the payment of the principal of and interest on the Bonds, and has directed the County Clerks to extend the Pledged Taxes with respect to the Series 1998B-1 Bonds in amounts sufficient to pay such debt service as the same becomes due (the "*Series 1998B-1 Pledged Taxes*"); and

WHEREAS, pursuant to the Intergovernmental Agreement, the City has levied a direct annual tax for years up to and including year 2030, for the purpose of providing funds to the Board to pay debt service on the Series 1998B-1 Bonds; and

WHEREAS, pursuant to the Intergovernmental Agreement, the Board has received a Sufficiency Notice from the City specifying an amount of Intergovernmental Agreement Revenues to be collected and paid directly to the Trustee for the current bond year beginning on December 2, 2015; and a portion of the Intergovernmental Agreement Revenues will be allocated for the repayment of a portion of the debt service on the Series 1998B-1 Bonds; and

WHEREAS, Section 504(A)(iii) of the Series 1998B-1 Indenture provides that once sufficient Pledged Personal Property Replacement Tax Revenues (as defined in the Series 1998B-1 Indenture) have been deposited in the Deposit Sub-Account (as defined in the Series 1998B-1 Indenture) in any calendar year in an amount sufficient to pay the interest on and the principal of the Series 1998B-1 Bonds due during the Bond Year beginning on December 2 of such calendar year, the Trustee shall notify the Board of that fact and the Board shall take such actions as are necessary to abate the Pledged Taxes levied and to be extended for the then-current calendar year in full; and

WHEREAS, the Board has received the Sufficiency Notice to pay the interest on and the principal of the Series 1998B-1 Bonds, and the Board hereby finds that it is necessary and in the best interests of the Board that the Series 1998B-1 Pledged Taxes heretofore levied and to be extended for the year 2015 to pay such debt service on the Series 1998B-1 Bonds be abated in full.

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

Abatement of Pledged Taxes. The Pledged Taxes in the amount of \$20,400,000.00 heretofore levied for the year 2015 in the Series 1998B-1 Bond Resolution are hereby abated in full.

SECTION 4. SERIES 1999A BONDS

WHEREAS, the Board has heretofore issued its Unlimited Tax General Obligation Bonds (Dedicated Tax Revenues), Series 1999A, dated February 1, 1999 (the "*Series 1999A Bonds*"), pursuant to Resolution No. 98-0826-RS5, adopted by the Board on the 26th day of August 1998, and Resolution 98-1118-RS5, adopted by the Board on the 18th Day of November 1998 (collectively, the "*Series 1999A Bond Resolutions*") and that certain Trust Indenture, dated as of February 1, 1999 (the "*Series 1999A Indenture*"), between the Board and the Trustee; and

WHEREAS, pursuant to the Series 1999A Bond Resolutions, the Board has levied a direct annual tax for the payment of the principal of and interest on the Bonds, and has directed the County Clerks to extend such taxes in amounts sufficient to pay such debt service as the same becomes due (the "*Series 1999A Pledged Taxes*"); and

WHEREAS, pursuant to the Intergovernmental Agreement, the City has levied a direct annual tax for years up to and including year 2030, for the purpose of providing funds to the Board to pay debt service on the Series 1999A Bonds; and

WHEREAS, pursuant to the Intergovernmental Agreement, the Board has received a Sufficiency Notice from the City specifying an amount of Intergovernmental Revenues to be collected and paid directly to the Trustee for the current bond year beginning on December 2, 2015; and a portion of the Intergovernmental Agreement Revenues will be allocated for the repayment of a portion of the debt service on the Series 1999A Bonds; and

WHEREAS, Section 5.4(A)(iii) of the Series 1999A Indenture provides that promptly after sufficient Pledged Personal Property Replacement Tax Revenues (as defined in the Series 1999A Indenture) have been deposited in any calendar year in an amount sufficient to pay the interest on and the principal of the Series 1999A Bonds due during such calendar year, the Trustee shall notify the Board of that fact and the Board shall take such actions as are necessary to abate the Series 1999A Pledged Taxes levied and to be extended for the then-current calendar year in full; and

WHEREAS, the Board has received the Sufficiency Notice with respect to the Series 1999A Bonds, and the Board hereby finds that it is necessary and in the best interests of the Board that the Series 1999A Pledged Taxes heretofore levied and to be extended for the year 2015 to pay such debt service on the Series 1999A Bonds be abated in full.

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

Abatement of Pledged Taxes. The Pledged Taxes in the amount of \$46,424,675.00 heretofore levied for the year 2015 in the Series 1999A Bond Resolution are hereby abated in full.

SECTION 5. SERIES 2007BC BONDS

WHEREAS, the Board has heretofore issued its Unlimited Tax General Obligation Refunding Bonds (Dedicated Revenues), Series 2007BC, dated September 5, 2007 (the "Series 2007BC Bonds"), pursuant to Resolution No. 07-0725-RS4, adopted by the Board on July 25, 2007 (the "Series 2007BC Bond Resolution") and that certain Trust Indenture, dated as of September 1, 2007 (the "Series 2007BC Indenture"), between the Board and the Trustee; and

WHEREAS, pursuant to the Series 2007BC Bond Resolution, the Board has levied a direct annual tax for the payment of the principal of and interest on the Bonds, and has directed the County Clerks to extend such taxes in amounts sufficient to pay such debt service as the same becomes due (the "Series 2007BC Pledged Taxes"); and

WHEREAS, pursuant to the Intergovernmental Agreement, the City has levied a direct annual tax for years up to and including year 2030, for the purpose of providing funds to the Board to pay debt service on the Series 2007BC Bonds; and

WHEREAS, pursuant to the Intergovernmental Agreement, the Board has received a Sufficiency Notice from the City for the current bond year beginning on December 2, 2015; and a portion of the Intergovernmental Agreement Revenues will be allocated for the repayment of a portion of the debt service on the Series 2007BC Bonds; and

[WHEREAS, Section 5.4(A)(iii) of the Series 2007BC Indenture provides that once sufficient Pledged Personal Property Replacement Tax Revenues (as defined in the Indenture) have been deposited in any calendar year in an amount sufficient to pay the interest on and the principal of the Series 2007BC Bonds due during the Bond Year beginning on December 2 of such calendar year, the Trustee shall provide a Sufficiency Notify to the Board and the Board shall take such actions as are necessary to abate the Series 2007BC Pledged Taxes levied and to be extended for the then-current calendar year in full; and]

WHEREAS, the Board has received the Sufficiency Notice from the Trustee evidencing the sufficiency of the Series 2007BC Pledged Revenues to pay the interest on and the principal of the Series 2007BC Bonds due during the Bond Year beginning on December 2, 2015, and the Board hereby finds that it is necessary and in the best interests of the Board that the Series 2007BC Pledged Taxes heretofore levied and to be extended for the year 2015 to pay such debt service on the Series 2007BC Bonds be abated in full.

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

Abatement of 2015 Pledged Taxes. The Series 2007BC Pledged Taxes in the amount of \$10,481,156.26 heretofore levied for the year 2015 in the Series 2007BC Bond Resolution are hereby abated in full.

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

1. **FILING OF RESOLUTION.** Forthwith upon the adoption of this Resolution, the Secretary of the Board shall cause a certified copy hereof to be filed with the County Clerks of The Counties of Cook and DuPage, Illinois, and it shall be the duty of such officers to abate said Pledged Taxes levied and to be extended for the year 2015 in full, in accordance with the provisions hereof.
2. **EFFECTIVE DATE.** This Resolution shall be in full force and effect upon its adoption.