

INTERGOVERNMENTAL AGREEMENT BETWEEN  
THE CITY OF CHICAGO, BY AND THROUGH  
ITS DEPARTMENT OF PLANNING AND DEVELOPMENT,  
AND THE BOARD OF EDUCATION OF THE CITY OF CHICAGO  
REGARDING BENITO JUAREZ COMMUNITY ACADEMY

This Intergovernmental Agreement (this "Agreement") is made and entered into as of the 18<sup>th</sup> day of July, 2014 by and between the City of Chicago (the "City"), a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, by and through its Department of Planning and Development (the "Department"), and the Board of Education of the City of Chicago (the "Board"), a body corporate and politic, organized under and existing pursuant to Article 34 of the School Code of the State of Illinois.

RECITALS

WHEREAS, pursuant to the provisions of an act to authorize the creation of public building commissions and to define their rights, powers and duties under the Public Building Commission Act (50 ILCS 20/1 *et seq.*), the City Council of the City (the "City Council") created the Public Building Commission of Chicago (the "Commission") to facilitate the acquisition and construction of public buildings and facilities; and

WHEREAS, the Commission owns in trust for the Board certain real property, which real property is located at 1440 West 21<sup>st</sup> Place and 1405 West 21<sup>st</sup> Street in Chicago, Illinois (the "Property"); and

WHEREAS, the Board wishes to construct an athletic field (the "Facility") serving the secondary school, known as Benito Juarez Community Academy, on the Property (the Facility will have those general features described in Exhibit B attached hereto and incorporated herein, and the construction of the athletic field shall be known as the "Project"); and

WHEREAS, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, to induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on June 10, 1998, as amended by ordinances adopted by the City Council on November 12, 2003 and September 1, 2004: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Pilsen Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the Pilsen Redevelopment Project Area as a Tax Increment Financing District"; and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Pilsen Redevelopment Project Area" (the aforesaid Ordinances, as the same may have heretofore been or hereinafter may be amended, are collectively referred to herein as the "Pilsen TIF Ordinances", the Redevelopment Plan approved by the Pilsen TIF Ordinances is referred to herein as the "Pilsen Redevelopment Plan" and the redevelopment project area created by the Pilsen TIF Ordinances is referred to herein as the "Pilsen Redevelopment Area"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on November 12, 2003 (the "Pilsen TIF Bond Ordinance"), on July 26, 2004, the City issued \$49,520,000 City of Chicago Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2004, consisting of \$22,925,000 Series 2004A Tax Increment Allocation Revenue Bonds (Taxable) (the "Series 2004A Bonds") and \$26,595,000 Series 2004B Junior Lien Tax Increment Allocation Revenue Bonds (Tax-Exempt) (the "Series 2004B Bonds")(the Series 2004A Bonds and the Series 2004B

Bonds, together the "Series 2004 Bonds") as a means of financing certain Pilsen Redevelopment Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, all of the Property lies wholly within the boundaries of the Pilsen Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Pilsen Redevelopment Area shall be known as the "Pilsen Increment"); and

WHEREAS, the Board is a taxing district under the Act; and

WHEREAS, the Pilsen Redevelopment Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within the boundaries of the Pilsen Redevelopment Area; and

WHEREAS, the City desires to use a portion of the Pilsen Increment (the "City Funds") for the Project on the Property, all of which either lies wholly within or is contiguous to the boundaries of the Pilsen Redevelopment Area; and

WHEREAS, the City agrees to use City Funds in an amount not to exceed \$701,308.17 to reimburse the Board for a portion of the costs of the TIF-Funded Improvements (as defined in Article Three, Section 3 below) for the Project, pursuant to the terms and conditions of this Agreement; and

WHEREAS, in accordance with the Act, the TIF-Funded Improvements shall include such of the Board's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Pilsen Redevelopment Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Board's capital improvements for the Facility that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-03(u) of the Act.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

#### Article One: Incorporation of Recitals

The recitals set forth above are incorporated herein by reference and made a part hereof.

#### Article Two: The Project

1. The plans and specifications for the Project shall at a minimum meet the general requirements for the Facility as set forth in Exhibit B hereof and shall be provided to the City by the Board prior to the disbursement of City Funds relating to the Project. The Board shall comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Board, all as may be in effect or as amended from time to time, pertaining to or affecting the Project or the Board as related thereto. The Board shall include a certification of such compliance with each request for City Funds hereunder and at the time the Project is completed. The City shall be entitled to rely on this certification without further inquiry. Upon the City's request, the Board shall provide evidence satisfactory to the City of such compliance.

2. In all contracts relating to the Project, the Board agrees to require the contractor to name the City as an additional insured on insurance coverages and to require the contractor to indemnify the City from all claims, damages, demands, losses, suits, actions, judgments and expenses including but not limited to attorney's fees arising out of or resulting from work on the Project by the contractor or contractor's suppliers, employees, or agents.

#### Article Three: Funding

1. Upon completion of the Project, the Board shall provide the Department with a Requisition Form, in the form of Exhibit E hereto, along with: (i) a cost itemization of the applicable portions of the budget attached as Exhibit F hereto; (ii) evidence of the expenditures upon TIF-Funded Improvements for which the Board seeks reimbursement; and (iii) all other documentation described in Exhibit E. Requisition for reimbursement of TIF-Funded Improvements out of the City Funds shall be made not more than four (4) times per year (or as otherwise permitted by the Department). The City shall disburse the City Funds to the Board within fifteen (15) days after the City's approval of a Requisition Form. The Board will only request disbursement of City Funds and the City will only disburse City Funds for the costs of the Project, to the extent that such costs are TIF-Funded Improvements.

2. The current estimate of the cost of the Project is at least approximately \$745,481.17. The Board has delivered to the Commissioner, and the Commissioner hereby approves, a detailed project budget for the Project, attached hereto and incorporated herein as Exhibit F. The Board certifies that it has identified sources of funds (including the City Funds) sufficient to complete the Project. The Board agrees that the City will only contribute the City Funds to the Project and that all costs of completing the Project over the City Funds shall be the sole responsibility of the Board. If the Board at any point does not have sufficient funds to complete the Project, the Board shall so notify the City in writing, and the Board may narrow the scope of the Project as agreed with the City in order to construct the Facility with the available funds.

3. Attached as Exhibit G and incorporated herein is a preliminary list of capital improvements, land assembly costs, relocation costs and other costs, if any, recognized by the City as being eligible redevelopment project costs under the Act with respect to the Project, to be paid for out of City Funds ("TIF-Funded Improvements"); and to the extent the TIF-Funded Improvements are included as taxing district capital costs under the Act, the Board acknowledges that the TIF-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these TIF-Funded Improvements are necessary and directly result from the Pilsen Redevelopment Plan. Prior to the expenditure of City Funds on the Project, the Commissioner, based upon the detailed project budget, shall make such modifications to Exhibit G as he or she wishes in his or her discretion to account for all of the City Funds to be expended under this Agreement; provided, however, that all TIF-Funded Improvements shall (i) qualify as redevelopment project costs under the Act, (ii) qualify as eligible costs under the Pilsen Redevelopment Plan; and (iii) be improvements that the Commissioner has agreed to pay for out of City Funds, subject to the terms of this Agreement.

4. If the aggregate cost of the Project is less than the amount of the City Funds contemplated by this Agreement, the Board shall have no claim to the difference between the amount of the City Funds contemplated by this Agreement and the amount of the City Funds actually paid by the City to the Board and expended by the Board on the Project.

5. If requested by the City, the Board shall provide to the City quarterly reports on the progress of the Project and reasonable access to its books and records relating to the Project.

#### Article Four: Term

The Term of the Agreement shall commence on the date of its execution and shall expire on

the date on which the Pilsen Redevelopment Area is no longer in effect (through and including December 31, 2022).

#### Article Five: Indemnity; Default

1. The Board agrees to indemnify, defend and hold the City, its officers, officials, members, employees and agents harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (i) the Board's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Board's or any contractor's failure to pay general contractors, subcontractors or materialmen in connection with the Project.

2. The failure of the Board to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Board under this Agreement or any other agreement directly related to this Agreement shall constitute an "Event of Default" by the Board hereunder. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreement directly related to this Agreement, and may suspend disbursement of the City Increment Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

In the event the Board shall fail to perform a covenant which the Board is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Board has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those defaults which are not capable of being cured within such thirty (30) day period, the Board shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

3. The failure of the City to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the City under this Agreement or any other agreement directly related to this Agreement shall constitute an "Event of Default" by the City hereunder. Upon the occurrence of an Event of Default, the Board may terminate this Agreement and any other agreement directly related to this Agreement. The Board may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure injunctive relief or the specific performance of the agreements contained herein.

In the event the City shall fail to perform a covenant which the City is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the City has failed to cure such default within thirty (30) days of its receipt of a written notice from the Board specifying the nature of the default; provided, however, with respect to those defaults which are not capable of being cured within such thirty (30) day period, the City shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

#### Article Six: Consent

Whenever the consent or approval of one or both parties to this Agreement is required hereunder, such consent or approval shall not be unreasonably withheld.

#### Article Seven: Notice

Notice to Board shall be addressed to:

Chief Financial Officer  
Board of Education of the City of Chicago  
125 South Clark Street, 14<sup>th</sup> Floor  
Chicago, Illinois 60603  
FAX: (773) 553-2701

and

General Counsel  
Board of Education of the City of Chicago  
125 South Clark Street, 7<sup>th</sup> Floor  
Chicago, Illinois 60603  
FAX: (773) 553-~~1702~~ 1704

Notice to the City shall be addressed to:

Commissioner  
City of Chicago  
Department of Planning and Development  
121 North LaSalle Street, Room 1000  
Chicago, Illinois 60602  
FAX: (312) 744-2271

and

Corporation Counsel  
City of Chicago  
Department of Law  
121 North LaSalle Street, Room 600  
Chicago, Illinois 60602  
Attention: Finance and Economic Development Division  
FAX: (312) 744-8538

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth above, by any of the following means: (a) personal service; (b) electric communications, whether by telex, telegram, telecopy or facsimile (FAX) machine; (c) overnight courier; or (d) registered or certified mail, return receipt requested.

Such addresses may be changed when notice is given to the other party in the same manner as provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and, if sent pursuant to subsection (d) shall be deemed received two (2) days following deposit in the mail.

#### Article Eight: Assignment; Binding Effect

This Agreement, or any portion thereof, shall not be assigned by either party without the prior written consent of the other.

This Agreement shall inure to the benefit of and shall be binding upon the City, the Board and their respective successors and permitted assigns. This Agreement is intended to be and is for the sole and exclusive benefit of the parties hereto and such successors and permitted assigns.

#### Article Nine: Modification

This Agreement may not be altered, modified or amended except by written Instrument signed by all of the parties hereto.

#### Article Ten: Compliance With Laws

The parties hereto shall comply with all federal, state and municipal laws, ordinances, rules and regulations relating to this Agreement.

#### Article Eleven: Governing Law And Severability

This Agreement shall be governed by the laws of the State of Illinois. If any provision of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute, ordinance, rule of law or public policy, or for any reason, such circumstance shall not have the effect of rendering any other provision or provisions contained herein invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses, or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part hereof.

#### Article Twelve: Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original.

#### Article Thirteen: Entire Agreement

This Agreement constitutes the entire agreement between the parties.

#### Article Fourteen: Authority

Execution of this Agreement by the City is authorized by an ordinance passed by the City Council of the City on April 30, 2014. Execution of this Agreement by the Board is authorized by Board Resolution 01-0725-RS2. The parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their obligations hereunder.

#### Article Fifteen: Headings

The headings and titles of this Agreement are for convenience only and shall not influence the construction or interpretation of this Agreement.

#### Article Sixteen: Disclaimer of Relationship

Nothing contained in this Agreement, nor any act of the City or the Board shall be deemed or construed by any of the parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City and the Board.

#### Article Seventeen: Construction of Words

The use of the singular form of any word herein shall also include the plural, and vice versa. The use of the neuter form of any word herein shall also include the masculine and feminine forms, the masculine form shall include feminine and neuter, and the feminine form shall include masculine and neuter.

Article Eighteen: No Personal Liability

No officer, member, official, employee or agent of the City or the Board shall be individually or personally liable in connection with this Agreement.

Article Nineteen: Representatives

Immediately upon execution of this Agreement, the following individuals will represent the parties as a primary contact in all matters under this Agreement.

For the Board: Patricia L. Taylor, Chief Facility Officer  
Board of Education of the City of Chicago  
125 South Clark Street, 17<sup>th</sup> Floor  
Chicago, Illinois 60603  
Phone: 773-553-2900  
Fax: 773-553-2912


For the City: Michelle Nolan, Coordinator of Economic Development  
City of Chicago  
Department of Planning and Development  
121 North LaSalle Street, Room 1003  
Chicago, Illinois 60602  
Phone: 312-744-4477  
Fax: 312-744-5892

Each party agrees to promptly notify the other party of any change in its designated representative, which notice shall include the name, address, telephone number and fax number of the representative for such party for the purpose hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CHICAGO, ILLINOIS, by and through the  
Department of Planning and Development


By:   
Commissioner  
Department of Planning and Development

THE BOARD OF EDUCATION  
OF THE CITY OF CHICAGO 

By: David J. Vitale  
David J. Vitale, President

Attest: By: Witch H. Belton 7/23/14  
Secretary

Board Resolution No.: 01-0725-RS2 ~ 25

Approved as to legal form. 

  
General Counsel



EXHIBIT A

[intentionally omitted]

## EXHIBIT B

### FEATURES OF THE FACILITY

This project is to rehabilitate the athletic field serving the secondary school known as Benito Juárez Community Academy. The project includes installation of artificial turf, a drainage system, and backfill for a new soccer field.

The Benito Juárez Community Academy is a neighborhood high school, located at 1440 West 21st Place and 1405 West 21st Street. The school enrollment is 1564 students. The student enrollment is 94.1% Hispanic and primarily low income. The school's mission is to encourage proficiency for all students in each subject area, and the development of strong character. The soccer field project is complete.

EXHIBITS C-D  
[intentionally omitted]

EXHIBIT E  
REQUISITION FORM

State of Illinois        )  
                                  ) SS  
County of Cook        )

The affiant, \_\_\_\_\_, \_\_\_\_\_ of the Board of Education of the City of Chicago, a body corporate and politic (the "Board"), hereby certifies that with respect to that certain Intergovernmental Agreement between the Board and the City of Chicago dated \_\_\_\_\_, 2014 regarding Benito Juarez Community Academy (the "Agreement"):

A. The following is a true and complete statement of all expenditures for the Project to date:

TOTAL:        \$ \_\_\_\_\_

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date:

                  \$ \_\_\_\_\_

C. The Board requests reimbursement for the following cost of TIF-Funded Improvements:

                  \$ \_\_\_\_\_

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. The Board hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and the Board is in compliance with all applicable covenants contained therein.

2. No Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

3. The Board is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Board, all as may be in effect or as amended from time to time, pertaining to or affecting the Project or the Board as related thereto.

F. Attached hereto are: (1) a cost itemization of the applicable portions of the budget attached as Exhibit F to the Agreement; and (2) evidence of the expenditures upon TIF-Funded Improvements for which the Board hereby seeks reimbursement

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

THE BOARD OF EDUCATION  
OF THE CITY OF CHICAGO, a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Subscribed and sworn before me this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
My commission expires: \_\_\_\_\_

Agreed and accepted:  
CITY OF CHICAGO  
DEPARTMENT OF PLANNING AND DEVELOPMENT

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT F  
PROJECT BUDGET

Project Budget  
Benito Juarez Community Academy High School Soccer Field  
2010-46421-UAF

Task Project	Estimate
Construction	\$679,586.17
Environ Remediation	\$21,722.00
Administration	\$44,173.00
FF&E	\$0.00
Contingencies	\$0.00
Total	\$745,481.17

EXHIBIT G

PROJECT TIF-FUNDED IMPROVEMENTS

PROJECT TIF- FUNDED IMPROVEMENTS  
Benito Juarez Community Academy High School Soccer Field  
2010-46421-UAF

Task Project	Estimate
Construction	\$679,586.17
Environ Remediation	\$21,722.00
Administration	\$0.00
FF&E	\$0.00
Contingencies	\$0.00
Total	\$701,308.17

