

RESOLUTION PROVIDING FOR THE ISSUE OF ONE OR MORE SERIES OF UNLIMITED TAX GENERAL OBLIGATION BONDS OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$313,280,000 FOR THE PURPOSE OF PAYING THE COSTS OF CAPITAL IMPROVEMENTS

WHEREAS, pursuant to the provisions of Article 34 of the School Code, 105 Illinois Compiled Statutes 5 (the "**School Code**"), the City of Chicago, having a population exceeding 500,000, constitutes one school district (the "**School District**"), which is a body politic and corporate by the name of the "**Board of Education of the City of Chicago**" (the "**Board**") and

WHEREAS, the Board is governed by the seven-member Chicago Board of Education, as

successor to the Chicago School Reform Board of Trustees (the "**School Board**") and

WHEREAS, pursuant to the Local Government Debt Reform Act, 20 Illinois Compiled Statutes

replacement act as may be enacted in the future, in annual amounts, not more than the following

amounts to be available for the eventual payment of the principal and interest due on bonds and the

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punctual provision of debt service coverage for such bonds in the following bond payment years:

2017	\$27,000,000
2018 to 2037	\$50,000,000
2038 to 2042	\$51,000,000
2043	\$135,000,000
2044	\$138,000,000
2045 and 2046	\$189,000,000

notice that the 2016 Authorization Bonds are subject to a "back-door referendum" under the Debt Reform Act; and

WHEREAS, in notice calling that the issuance of the 2016 Authorization Bonds be submitted to

referendum has ever been filed with the Secretary of the Board (the "Secretary") and the 2016 Authorization Bonds have been authorized to be issued; and

WHEREAS; pursuant to and in accordance with the provisions of the Bond Issue Notification Act, 30 Illinois Compiled Statutes 352, the Board called a public hearing (the "Hearing") for August 24, 2016, regarding the intent of the Board to call up to \$045,000,000 of the 2016 Authorization Bonds from time

WHEREAS, certain provisions of Article 18 of the School Code relating to State Aid payments have been amended or replaced by provisions of Public Act 100-465; and

WHEREAS, the Bonds may be issued in one or more series (each a "Series"); and

WHEREAS, the Pledged Revenues constitute a "revenue source" pursuant to the Debt Reform Act and certain of the Pledged Revenues constitute a "governmental revenue source" pursuant to the Debt Reform Act; and

WHEREAS, the Board has determined that the Pledged Revenues will provide in each year an

amount not less than 1.10 times annual debt service on the Bonds to be paid from such governmental

association appointed to serve as trustee under the Indenture as provided in Section 2(A) of this

Resolution (the "**Trustee**"); and

WHEREAS, the Bonds will be further secured by the Funds, Accounts and Sub-Accounts established and pledged pursuant to the applicable Indenture; and

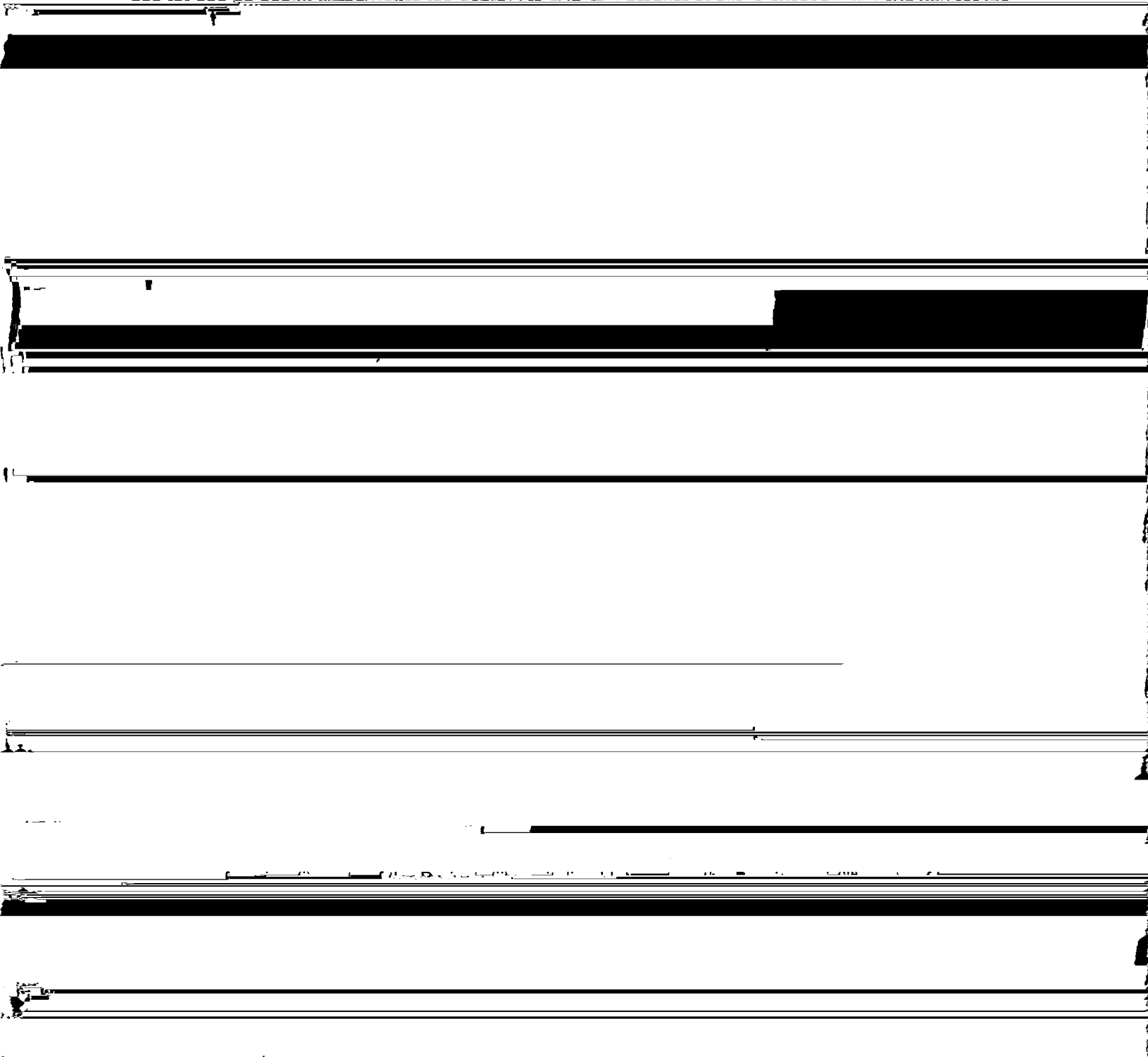
WHEREAS, the Board may elect to pay the debt service on the Bonds from time to time from other sources and in accordance with Section 13 of the Debt Reform Act, the Board may elect to pledge additional moneys of the Board, which may be deposited into one or more special funds of the Board, to pay the debt service on the Bonds; and

WHEREAS, the Bonds of a Series may be sold (i) to an underwriter or a group of underwriters (the "**Underwriters**") to be designated by the Senior Vice President of Finance with respect to one or more Series of the Bonds pursuant to a separate Contract of Purchase (each a "**Bond Purchase**

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. Incorporation of Preambles. The preambles of this Resolution are hereby incorporated into this text as if set out herein in full.

Section 2. Issuance of Bonds. (a) There shall be authorized the borrowing on the credit of
and for and on behalf of the Board the aggregate principal amount of not to exceed \$212,000,000 for the



The Bonds of each Series shall be issued and secured pursuant to the terms of an Indenture

(i) authorizing Capital Appreciation Bonds, Current Interest Bonds, Convertible Bonds (a "**Fixed Rate Indenture**") or (ii) authorizing Variable Rate Bonds (a "**Variable Rate Indenture**"). Each of the Designated Officials is hereby authorized to execute and deliver, and the Secretary is hereby authorized to attest each Fixed Rate Indenture or Variable Rate Indenture on behalf of the Board, each such

paragraph (b) is supported by the Audit or the Feasibility Report, as applicable, and acceptance of the

Audit by the Board or of the Feasibility Report by the Senior Vice President of Finance or the Chief

Financial Officer, on behalf of the Board, if applicable, shall constitute conclusive evidence that the conditions of Section 15 of the Debt Reform Act have been met.

(c) Each of the Designated Officials is authorized to allocate all or a portion of the Pledged Revenues to the payment of the principal of, redemption price of, interest on and the Compound Accreted Value of each Series of the Bonds and the Indenture pursuant to which such Series of Bonds is issued

The Bonds may be initially issued as Capital Appreciation Bonds containing provisions for the conversion of the Compound Accreted Value of such Bonds into Current Interest Bonds (the "Convertible Bonds") at such time following the initial issuance as shall be approved by a Designated Official. While in the form of Capital Appreciation Bonds, such Convertible Bonds shall be subject to all of

the provisions and limitations of this Resolution relating to Capital Appreciation Bonds and while in the form of Current Interest Bonds, such Convertible Bonds shall be subject to all of the provisions and limitations of this Resolution relating to Current Interest Bonds. In connection with the issuance and sale of any Convertible Bonds, the terms and provisions relating to the conversion of the Compound Accreted Value of such Convertible Bonds into Current Interest Bonds shall be contained in the Fixed Rate Indenture executed and delivered by a Designated Official at the time of sale of such Convertible Bonds.

All or any portion of the Bonds may be issued as bonds bearing interest at variable rates adjustable and payable from time to time, including, but not limited to, bonds bearing interest at variable rates that are adjusted and reset from time to time as may be necessary to cause such Bonds to be

The Variable Rate Bonds shall bear interest from time to time at such rates determined (i) by

such remarketing or other indexing agent as shall be selected by a Designated Official for that purpose or

(ii) pursuant to such index or indices as shall be selected by a Designated Official for that purpose, which

as shall be selected by a Designated Official reflecting the terms and provisions of the Variable Rate Bonds and containing such provisions as the Designated Official executing the same shall determine are necessary or desirable in connection with the sale of some or all of the Bonds as Variable Rate Bonds.

(c) The Bonds of each Series may initially be issued in book entry only form as provided in

the applicable Indenture. The Bonds shall be executed by the issuer or duly authorized officers

FOR THE LEVY YEAR

A TAX SUFFICIENT TO PRODUCE THE SUM OF:

2018	\$ 25,000,000
2019	21,000,000
2020	21,000,000
2021	21,000,000
2022	21,000,000
2023	21,000,000
2024	21,000,000
2025	21,000,000
2026	21,000,000



2028	21,000,000
2029	21,000,000
2030	21,000,000
2031	21,000,000
2032	21,000,000
2033	21,000,000
2034	21,000,000
2035	21,000,000
2036	66,000,000
2037	66,000,000
2038	66,000,000
2039	66,000,000
2040	66,000,000
2041	66,000,000



2042 169,000,000

2044	169,000,000
2045	169,000,000
2046	169,000,000
2047	169,000,000
2048	116,000,000

provided that in connection with the issuance of Variable Rate Bonds in furtherance of the general



same for collection on the tax books in connection with other taxes levied in said year in and by the Board for general corporate purposes of the Board; and in said year the Pledged Debt Service Taxes shall be levied and collected by and for and on behalf of the Board in like manner as taxes for general corporate purposes of the Board for said years are levied and collected, and in addition to and in excess of all other taxes, and when collected, if required pursuant to any escrow or similar agreement executed and delivered pursuant to **Section 5** of this Resolution, the taxes hereby levied shall be deposited with the designated bank, trust company or national banking association.

(c) At the time and in the manner set forth in each Indenture, the Board shall direct the abatement of the Pledged Debt Service Taxes in whole or in part.

(d) The notification of sale of any Series of the Bonds delivered by the Designated Officials pursuant to **Section 4(c)** of this Resolution may provide for the allocation of all or a portion of the Pledged

Bond Purchase Agreement or Placement Agreement. Any such Purchase and Sale Agreement shall

contain such final terms as shall be approved by the person executing such document, such approval to

be evidenced by such person's execution thereof, and the Senior Vice President of Finance and the Chief

Financial Officer are each also individually authorized to do all things necessary and essential to

Designated Official is hereby authorized to obtain a debt reserve credit facility from such recognized provider as such Designated Official shall determine (the "**Debt Reserve Credit Facility Provider**") if such Designated Official determines such debt reserve credit facility to be desirable in providing for the funding of any required debt service reserve fund. Each Designated Official is also authorized to enter

into such agreements, and make such covenants with any Debt Reserve Credit Facility Provider that such

Designated Official deems necessary and that are not inconsistent with the terms and provisions of this Resolution, including the payment of reasonable fees to any Debt Reserve Credit Facility Provider.

such excess may accrue at the then-applicable Credit Provider Rate (but in no event may such excess

accrue at a rate in excess of .25 percent per annum) and be added to the Credit Provider Rate at such

time or times thereafter as the Credit Provider Rate shall be less than the Maximum Credit Provider Rate;

provided that at no time shall the Credit Provider Rate ever exceed the Maximum Credit Provider

thereto, (x) if a debt reserve credit facility is obtained as authorized herein, the identity of the Debt Reserve Credit Facility Provider issuing the debt reserve credit facility, (xi) if a Credit Facility is obtained

as authorized herein, the identity of the Credit Provider issuing the Credit Facility, and a copy of the

Credit Agreement between the Board and such Credit Provider shall be attached to said notification of sale, (xii) the identity of the Trustee designated pursuant to **Section 2** of this Resolution with respect to the Bonds of such Series, (xiii) if an escrow or other similar agreement is to be executed and delivered as authorized in **Section 5** of this Resolution, a copy of such agreement shall be attached to said notification

the respective forms delivered in connection with previous issues of Fixed Rate Bonds and Variable Rate Bonds and previous issues secured by some or all of the Pledged Revenues, but with such changes as shall be approved by a Designated Official to reflect the terms of the Bonds proposed to be sold and the method of sale of such Bonds, is hereby in all respects ratified, authorized and approved and shall be

"deemed final" for purposes of Rule 15c2-10 adopted by the Securities and Exchange Commission under

such debt service reserve fund is necessary and required in connection with the sale of such Bonds and such proceeds shall also be applied as provided in the applicable Indenture. All of such proceeds are hereby appropriated for the purposes specified in this paragraph.

(h) The Senior Vice President of Finance and the Chief Financial Officer are hereby each authorized individually to enter into or approve such agreements with investment providers as shall be necessary or advisable in connection with the investment of any funds on deposit under the Indenture, to the extent such investments are authorized under the terms of the Indenture, the Investment Policy of the Board and applicable law, as in effect from time to time.

Section 5. Escrow of Pledged Revenues and Pledged Debt Service Taxes. If deemed necessary and desirable to provide additional security for any Bonds, each of the Designated Officials is hereby authorized to execute and deliver on behalf of the Board, and the Secretary is authorized to attest, ~~a form of escrow or other similar agreement with a bank, trust company or national banking association~~

having the same qualifications as those set forth in **Section 2(a)** of this Resolution for a Trustee, reflecting the issuance of the Bonds and such segregation of Pledged Revenues and the segregation of

income for Federal income tax purposes, to assure that the Bonds do not constitute "arbitrage bonds" or "private activity bonds" under the Internal Revenue Code of 1986, as amended, and to effectuate the issuance and delivery of the Bonds, including but not limited to the execution and delivery of a Tax Agreement; provided, however, that any of the Bonds may be issued as Bonds the interest on which is

includible in the gross income of the owner thereof for federal income tax purposes if determined by a Designated Official to be beneficial to the Board.

Section 8. Continuing Disclosure Undertaking. Each of the Designated Officials is hereby authorized to execute and deliver one or more Continuing Disclosure Undertakings (each, a "**Continuing Disclosure Undertaking**") evidencing the Board's agreement to comply with the requirements of Section (b)(5) of Rule 15c2-12, as applicable to the Bonds of each Series. Notwithstanding any other provision of this Resolution or any Indenture, the sole remedy for any failure by the Board to comply

Section 10. *Severability.* The provisions of this Resolution are hereby declared to be severable; and if any section, phrase, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, or provisions.

Section 11. *Repealer and Effective Date.* All resolutions or parts of resolutions in conflict herewith are, to the extent of such conflict, hereby repealed. This Resolution is effective immediately.