

RESOLUTION PROVIDING FOR THE ISSUE OF ONE OR MORE SERIES OF

EDUCATION OF THE CITY OF CHICAGO IN AN AGGREGATE PRINCIPAL AMOUNT  
NOT TO EXCEED \$500,000,000 FOR THE PURPOSE OF PAYING THE COSTS OF  
REFUNDING OUTSTANDING BONDS

WHEREAS, pursuant to the provisions of Article 94 of the Official Code of the City of Chicago,

WHEREAS pursuant to this Resolution the Board determines to authorize the refunding of

Outstanding Bonds and the restructuring of the debt service payable on Outstanding Bonds (the "Refunding"); and

WHEREAS Section 45(a) of the Debt Reform Act provides that Alternate Bonds (the "Statute")

WHEREAS, pursuant to the 2008 Authorization, all of the Series 2008C Bonds, on a parity with other Alternate Bonds issued pursuant to the 2008 Authorization, and payable from and secured by a pledge of and lien on not more than \$225,000,000 of State Aid payments to be made to the District in any

year pursuant to Article 18 of the School Code, or such successor or replacement act as may be enacted in the future (the "2008 Pledged Revenues"); and

(ii) amounts allocated and paid to the Board from the Personal Property Tax Replacement Fund of the State of Illinois pursuant to Section 12 of the State Revenue Sharing Act of the State of Illinois, as

~~provided for from such purposes or replacement fund or action may be created in the future. (iii)~~

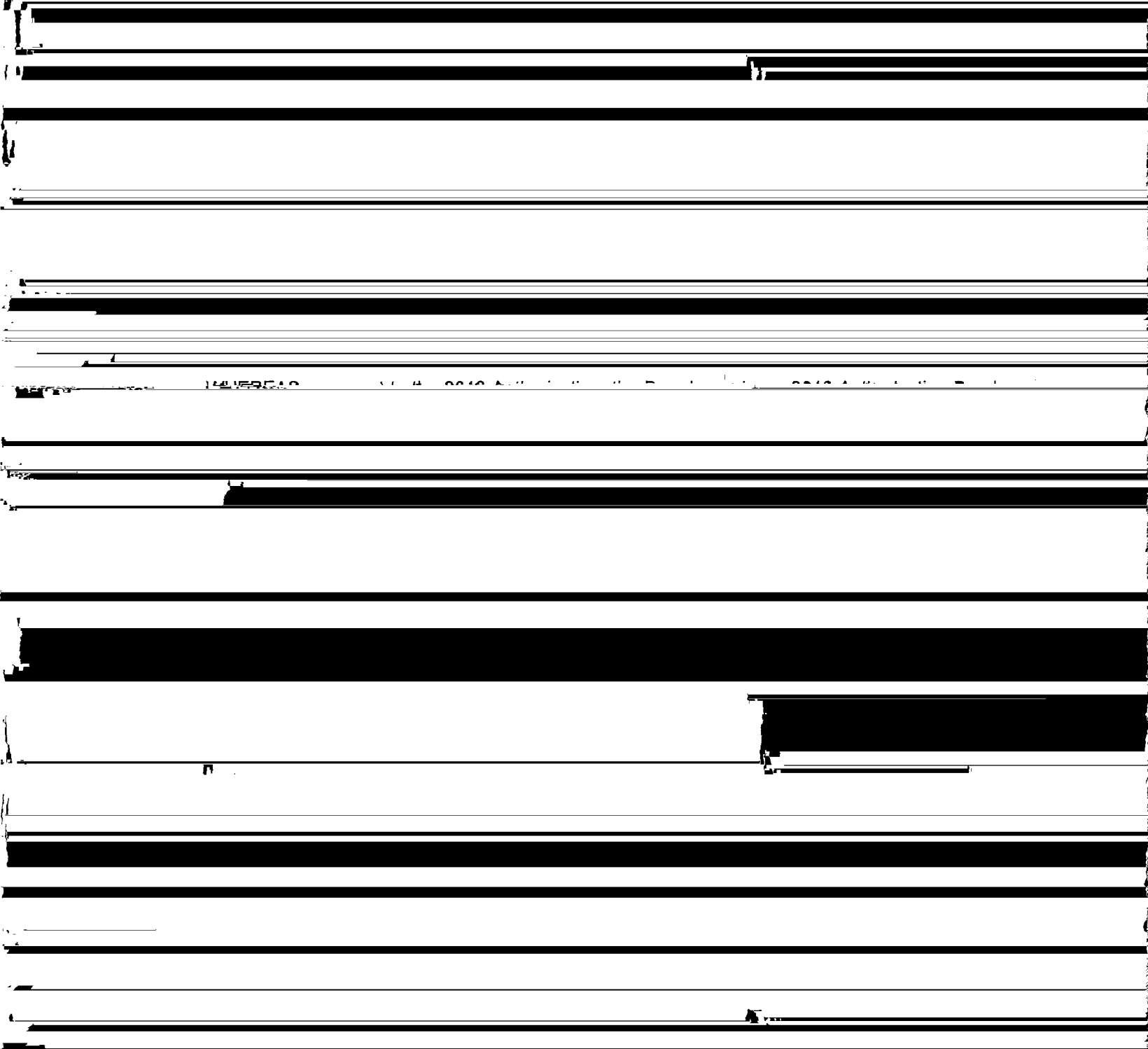
~~37022222 of other any notice of a capital improvement tax levied and extended, and to be levied and~~

extended, by the Board pursuant to Article 34 of the School Code, (iv) any monies lawfully available to and validly accepted by the Board pursuant to any currently existing or hereafter authorized and executed intergovernmental agreement by and between the School District and the City of Chicago (including, but

WHEREAS, notice of the Hearing was given by publication on August 16, 2016 in the *Sun-Times* and by posting a copy of the notice at least forty-eight (48) hours before the Hearing at the principal office of the Board; and

WHEREAS, the Hearing was held on August 24, 2016 and at the Hearing, the Board explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on August 24, 2016; and



WHEREAS, the Board has determined that the 2016 Pledged Revenues, will provide in each year an amount not less than 1.10 times annual debt service on the Bonds that are 2016 Authorization Bonds

that are the 2016 Authorization Bonds to be paid from any 2016 Pledged Revenues that do not constitute

environmental revenue source as described above which determination will be supported by the audit

WHEREAS, the Bonds of each Series will be issued under and secured by one or more Trust Indentures (each, an "**Indenture**") between the Board and such bank, trust company or national banking 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

certain other agreements with respect to each Series and the performance of acts necessary or convenient in connection with the implementation of this Resolution and the issuance of the Bonds:

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 \$500,000,000 for the purposes of paying (i) costs of the Refunding, (ii) capitalized interest on the Bonds, and (iii) costs of issuance of the Bonds, including the cost of bond insurance or other credit enhancement. The Bonds are

hereby authorized to be issued in an aggregate principal amount not to exceed \$500,000,000. Of the \$500,000,000 maximum principal amount of Bonds authorized pursuant to this Resolution, only \$313,280,000 principal amount thereof are authorized to be issued as 2016 Authorization Bonds. All

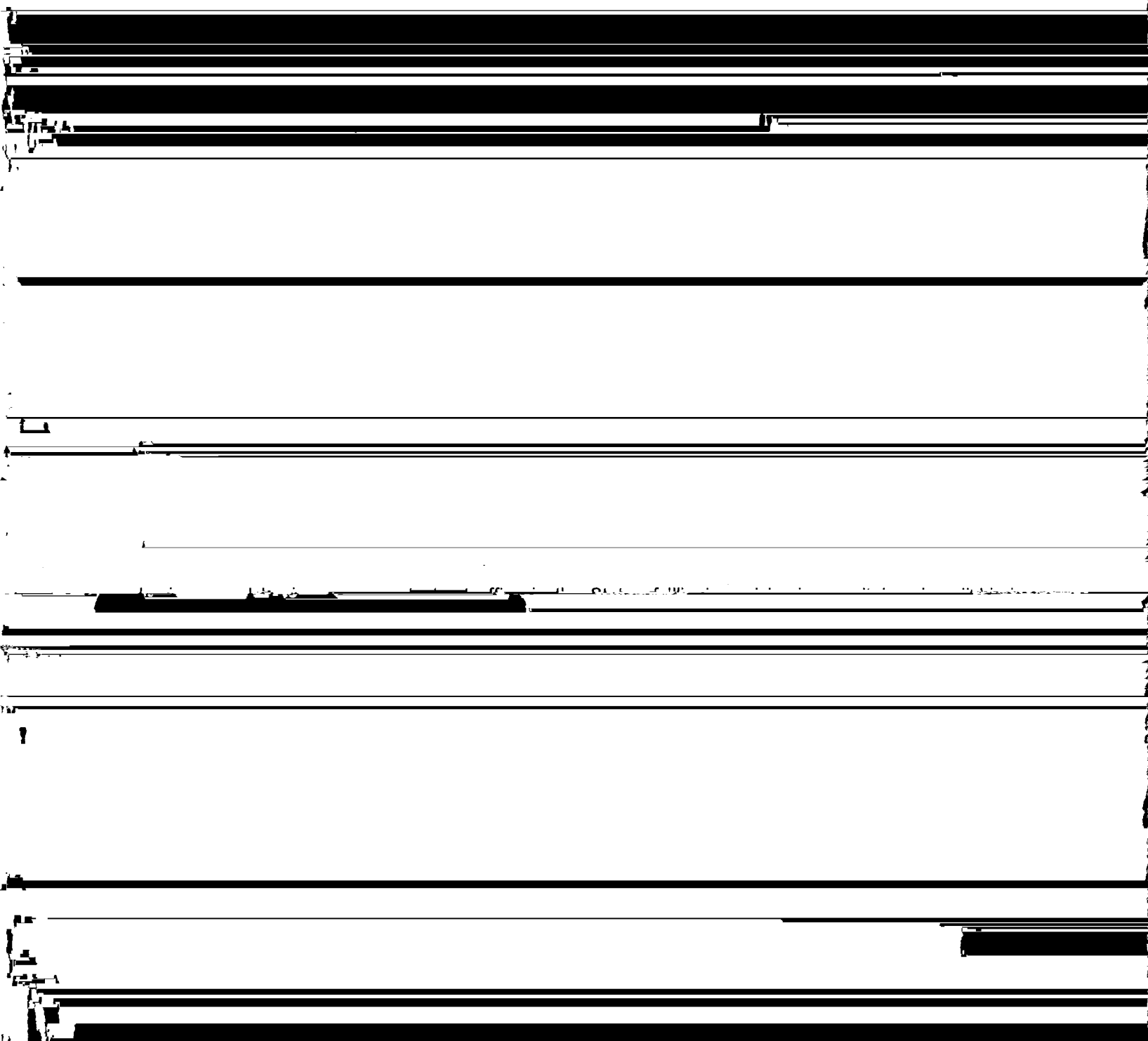


defined herein) and any other authorized features of such Bonds determined by any of the Designated Officials as desirable to be reflected in the title of the Bonds being issued and sold as part of such Series.

The Designated Officials are each hereby authorized to appoint a Trustee for each Series of the Bonds so

issued; provided, that such Trustee shall be a bank, trust company, or national banking association doing

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Pledged Revenues, as appropriate, to the payment thereof, and the Board covenants and agrees to provide for, collect and apply such Statutory Refunding Pledged Revenues, to the payment of such Series

~~of the Statutory Refunding Bonds with the proceeds of an additional \$200,000,000 of debt to be issued by~~

Series of the Statutory Refunding Bonds. Each of the Designated Officials is authorized to allocate all or a portion of the Statutory Refunding Pledged Revenues, as appropriate, to the payment of the principal of, redemption price of, interest on, and the Compound Accreted Value of, the applicable Series of the Statutory Refunding Bonds and the Indenture pursuant to which such Series of Statutory Refunding

~~Bonds is issued and the satisfaction of each of such Series of the Statutory Refunding Bonds delivered by~~

such Series.

(d) Once issued, the Bonds shall be and forever remain until paid or defeased the general obligation of the Board, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to the applicable Pledged Revenues, from the levy of the Pledged Debt Service Taxes as provided in the Debt Defeasance Act and set forth in Section 2 hereof.

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 remarketable from time to time (the "**Variable Rate Bonds**") The Variable Rate Bonds shall be dated

~~such date as shall be agreed upon by a Designated Official and shall be numbered as determined by the~~

bear interest at such rates payable on such dates as shall be determined by a Designated Official at the

~~time of each of such Bonds and specified in the applicable Variable Rate Indenture~~

(f) The Bonds of each Series may be redeemable prior to maturity at the option of the

~~Board in whole or in part on any date, at such times and at such redemption prices (to be expressed as a~~

as provided in the applicable Indenture. The applicable Indenture may also require or permit the

additional manual or duly authorized facsimile signature of the Chief Executive Officer, the Senior Vice President of Finance or the Chief Financial Officer.

Section 3 Tax Levy: Pledged Debt Service Taxes (a) For the purpose of providing funds

in addition to the Pledged Revenues to pay the principal of and interest on the Bonds, there is hereby levied upon all of the taxable property within the School District, in the years for which any of the Bonds are outstanding, a direct annual tax for each of the years while the Bonds or any of them are outstanding, in amount sufficient for that purpose, and there has and there hereby is levied upon all of the taxable

Counties of Cook and DuPage, Illinois (the "County Clerks"); and the County Clerks shall in and for each

of the years provided, ascertain the rate amount required to produce the proceeds Bledred Debt Service

Taxes hereinbefore provided to be levied in each of said years; and the County Clerks shall extend the

year for collection on the tax levied in connection with other taxes levied in said year in and by the Board

Agreement shall contain terms and provisions no less favorable to the Board as those contained in a

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



(c) In lieu of, or in addition to, the deposit of proceeds of the Bonds of any Series or other funds into a debt service reserve fund as authorized in paragraph (g) of this Section, each of the Designated Officials 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 agreement with any Debt Reserve Credit Facility Provider that such

**Provider Rate**”). The Credit Agreement may further provide that to the extent the Credit Provider Rate determined at any time pursuant to the Credit Agreement exceeds the Maximum Credit Provider Rate, 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

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

Rate.

(e) Subsequent to the sale of the Bonds of any Series, any Designated Officials shall file in

application of the proceeds of such Bonds for the purposes and within the limitations set forth in

paragraph (a) of this Section. (iv) if a bond insurance policy is obtained as authorized herein, the identity

of the Bond Insurer issuing the bond insurance policy and the premium and any fees required to be paid thereto, (x) if a debt reserve credit facility is obtained as authorized herein, the identity of the Debt

**Section 3(a)** of this Resolution, shall indicate the amount of reduction in the amount of taxes levied by the Board resulting from the sale of such Bonds, which reduced amount is to be abated from such taxes, and shall further indicate the remainder of such taxes which is to be extended for collection by the County Clerks.

Notice of Public Sale relating to each Series of the Bonds (the "Disclosure Document") is substantially:

without limitation, fees to be paid to Bond Insurers or Credit Providers, and such proceeds shall be

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

hereby authorized to execute and deliver on behalf of the Board, and the Secretary is authorized to attest,

having the same qualifications as those set forth in Section 2(a) of this Resolution for a Trustee

provision of this Resolution or any Indenture, the sole remedies for any failure by the Board to comply with a Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond of the applicable Series to seek mandamus or specific performance by court order to cause the Board to comply

Undertaking shall be in substantially the form used in previous financings of the Board, but with such changes therein as shall be approved by the Designated Official executing the same, with such execution