

April 26, 2006

**RESOLUTION PROVIDING FOR THE ISSUANCE OF UNLIMITED TAX GENERAL OBLIGATION BONDS (DEDICATED REVENUES - QUALIFIED ZONE ACADEMY PROJECTS), SERIES 2006A OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO**

**WHEREAS**, pursuant to the provisions of Article 34 of the School Code of the State of Illinois, as

amended, the City of Chicago, Illinois, constitutes one school district (the "School District") which is a

**WHEREAS**, the 2004 Hearing was held on the 22<sup>nd</sup> day of September 2004, and at the 2004 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 2004 Hearing was finally adjourned on the 22<sup>nd</sup> day of September 2004; and

**WHEREAS**, pursuant to the 2004 Authorization, the Board has previously issued Alternate Bonds in an aggregate amount equal to \$656,830,000, consisting of its Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2004C, its Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2004D, its Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2004E, its

2004F, its Unlimited Tax General Obligation Bonds (Dedicated Revenues – Benito Juarez Community Academy Project), Series 2004G, its Unlimited Tax General Obligation Bonds (Dedicated Revenues – DePriest Elementary School Project), Series 2004H, its Unlimited Tax General Obligation Bonds (Dedicated Revenues – Westinghouse High School Project), Series 2005C, its Unlimited Tax General

defined herein), pursuant to (i) a Placement Agent Agreement (the "Placement Agent Agreement") between the Placement Agent and the Board, or (ii) a Contract of Purchase, providing for either a public offering or a limited public offering (the "Contract of Purchase"), between the Underwriter and the Board, as the case may be; and

**WHEREAS**, the Code authorizes a school district to reimburse itself for expenditures that it made for capital improvements from the proceeds of QZABs issued under Section 1397E of the Code, provided that the expenditures are for "qualified purposes", as defined in the Code, and the Board recognizes that it may incur such expenditures prior to its receipt of the proceeds of the Bonds; and

**Whereas**, the Board declares that Project Costs, if any, have been paid not more than 60 days prior to the adoption of this Resolution or will be paid on or after the adoption of this Resolution (any Project Cost incurred prior to the receipt of proceeds of the Bonds being, the "Induced Expenditures"); and

**WHEREAS**, the Board reasonably expects to reimburse all or a portion of any Induced

Expenditures with the proceeds of the Bonds; and

**WHEREAS**, the Board intends to enact this Resolution to ensure that the reimbursements to the Board of the Induced Expenditures will satisfy the requirements of the Code; and

the Board.

"*Bond Registrar*" means the bond registrar as designated by an Authorized Officer, and any successor or successors thereto appointed by an Authorized Officer.

"*Business Day*" means any day which is not a Saturday, a Sunday, a legal holiday, or a day on

*Revenues - Qualified Zone Academy Projects), Series 2006A*", with such additions, modifications or revisions as shall be determined to be necessary by an Authorized Officer at the time of the sale of the

(c) The Board shall cause a bond register for the registration and transfer of the Bonds to be maintained by the Bond Registrar. Any Bond, upon surrender at the principal corporate trust office of the Bond Registrar, shall be subject to the following conditions:

[REDACTED]

**SECTION 5. Use of Proceeds.**

(a) Subject to subsections (b) and (c) below, the proceeds from the sale of the Bonds shall be applied to the payment of a portion of the Project Costs associated with Academy Projects in amounts and at times determined by an Authorized Officer. Pending the application for such purposes, the

proceeds of the Bonds shall be set aside, held and invested at the direction of the Chief Financial Officer as separate funds of the Board.

(b) One of the purposes of this Resolution, and of all declarations of intent to reimburse expenditures made pursuant to this Resolution, if any, are to satisfy the requirements of the Code. The Board expressly agrees to reimburse all or a portion of the Indirect Expenses with the proceeds of

(d) Amounts on deposit in the Debt Service Fund shall be applied to the payment of the principal of the Bonds coming due on each applicable Principal Payment Date. All amounts on deposit in

the Debt Service Fund on the Business Day after the Maturity Date shall be withdrawn therefrom and paid to the Board free and clear of the lien and pledge of this Resolution.

(e) The Board and its officers will comply with all present and future applicable laws in order to ensure that the 2004 Authorization Billed State Aid Revenue may be paid to the Board for



~~(c) Upon determination made by the Board during the calendar year prior to any Principal~~

Payment Date that the 2004 Authorization Pledged State Aid Revenues will be available in a timely manner to pay the principal of the Bonds coming due on such Principal Payment Date, the Board shall

thereof or with respect thereto, prior to, or of equal rank with, the pledge and lien created by this

Resolution, and all action on the part of the Board to that end has been and will be duly and validly taken.

(g) The Bonds are and will be valid and legally enforceable obligations of the Board in

(c) The Board reserves the right to issue subordinate bonds or other evidences of indebtedness payable from the 2004 Authorization Pledged State Aid Revenues. Such subordinate

the Board in each year in excess of those amounts required to be deposited with the Paying Agent under this Resolution and required to be deposited pursuant to the resolutions, indentures and other documents

**SECTION 12. Purchase of the Bonds – Direct.**

(a) The Bonds shall be sold and delivered either to the purchaser(s) designated by an Authorized Officer or to the Placement Agent, pursuant to a Placement Agreement, or to the Underwriter,

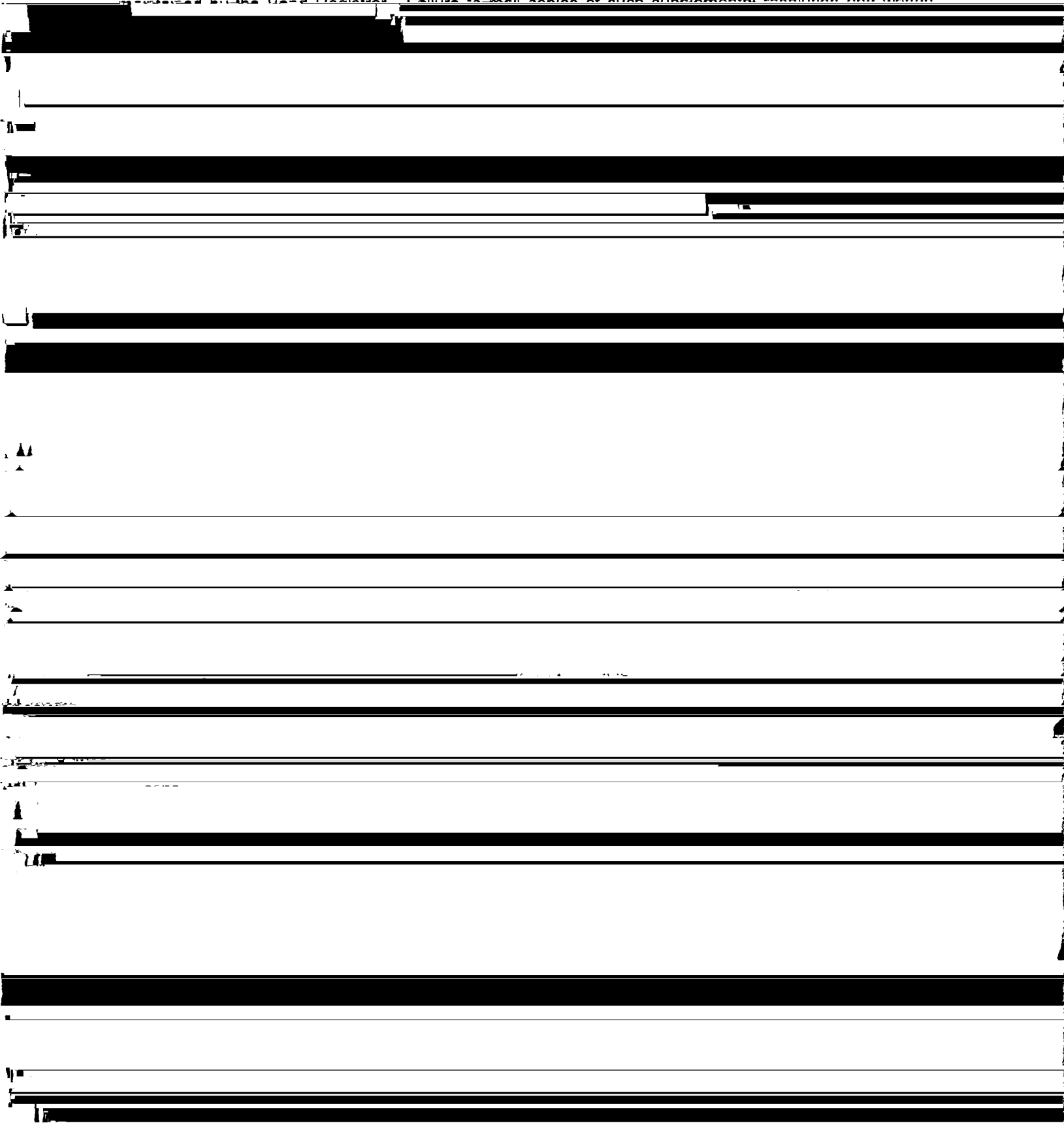
authorized to enter into such agreements and make such covenants with any Bond Insurer that such Authorized Officer deems necessary.

**SECTION 14. Amendment of the Resolution.** Subject to Sections 15 and 16 of this Resolution, the Board may amend or modify this Resolution from time to time, and may modify the rights and obligations

of the Board and of the Owner of the Bonds by adopting a supplemental Resolution to this Resolution. No

such modification or amendment shall extend the Maturity Date, or otherwise alter or impair the obligation of the Board to pay the principal on any Bond without the express consent of the Owner of such Bond so affected, nor permit the preference or priority of any Bond over any other Bond, nor reduce the

first class postage prepaid, at the address appearing for such Owner(s) upon the bond register maintained by the Bond Registrar. Failure to mail copies of such supplemental resolution and written



~~7/1/2011 10:11 AM~~ ~~underlying obligations and (C) for which the underlying obligations are held in safekeeping~~

in a special account, segregated from the custodian's general assets, and are not available to satisfy any  
~~claim of the custodian, any person claiming through the custodian, or any person to whom the custodian~~

**SECTION 24. Further Acts.**

(2) The Chief Financial Officer shall determine which schools, only from those listed in

Exhibit A, shall have their Academy Projects funded from the proceeds of the QZABs issued as a result of

**EXHIBIT A**

As provided for in this Resolution, and in accordance with the Code, the Chief Financial Officer of the Board may select any of the following schools for designation as a "qualified zone

academy" and use the proceeds of any QZABs in furtherance of that school's approved educational plan:

John C. Burroughs  
Fernwood  
John M. Palmer  
Ernst Prussing  
William H. Ryder  
Robert A. Black Magnet  
David G. Farragut Career Academy

Sidney Sawyer Elementary



**EXHIBIT B**

Table B.1. List of schools and their educational plans. (The duration plan of each school listed on

Exhibit A, and copies of all approved educational plans are on file with the Secretary of the Board.