

Contract Summary Sheet

Contract (PO) Number: 10687

Specification Number: 42226

Name of Contractor: BOARD OF EDUCATION 02

City Department: PLANNING & DEVELOPMENT

Title of Contract: IGA: Construction of Westinghouse High School

Dollar Amount of Contract (or maximum compensation if a Term Agreement) (DUR):

\$53,750,000.00

PO Start Date: 11/1/2004

PO End Date: 12/31/2026

Brief Description of Work: IGA: Construction of Westinghouse High School

Procurement Services Contact Person: THOMAS DZIEDZIC

Vendor Number: 1066148

Submission Date:

NOV 23 2005

[REDACTED]

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 WESTINGHOUSE HIGH SCHOOL

This Intergovernmental Agreement (this "Agreement") is made and entered into as of the 1st day of November, 2005 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 or will acquire in trust for the Board certain real property, which real property is located in the area bounded by Franklin Boulevard, Spaulding Avenue, Sawyer Avenue and the Canadian & North Western Railway in Chicago, Illinois (the "Property"), which, together with any necessary easements for ingress and egress, is legally described or otherwise depicted on Exhibit A attached hereto and incorporated herein; and

WHEREAS, the Board wishes to construct a secondary school on the Property to be known as Westinghouse High School; and

WHEREAS, the construction of the secondary school will require the Board (acting through the Commission) to acquire the Property, to demolish buildings, and to construct buildings and related improvements to house and serve the high school (the "Facility") on the Property (the Facility will have those general features described in Exhibit B attached hereto and incorporated herein) (all such activities referred to herein 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 February 27, 2002: "An Ordinance of the City of Chicago, Illinois

Approving and Adopting a Tax Increment Redevelopment Plan for Chicago/Central Park Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the Chicago/Central Park Redevelopment Project Area as a Tax Increment Financing District"; and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Chicago/Central Park 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 "Chicago/Central Park TIF Ordinances", the Redevelopment Plan approved by the Chicago/Central Park TIF Ordinances is referred to herein as the "Chicago/Central Park Redevelopment Plan" and the redevelopment project area created by the Chicago/Central Park TIF Ordinances is referred to herein as the "Chicago/Central Park Redevelopment Area"); and

WHEREAS, to induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on June 10, 1998: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area as a Tax Increment Financing District"; and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Kinzie Industrial Conservation Area Tax Increment 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 "Kinzie Industrial TIF Ordinances", the Redevelopment Plan approved by the Kinzie Industrial TIF Ordinances is referred to herein as the "Kinzie Industrial Redevelopment Plan" and the redevelopment project area created by the Kinzie Industrial TIF Ordinances is referred to herein as the "Kinzie Industrial Redevelopment Area"); and

WHEREAS, to induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on December 2, 1998: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Northwest Industrial Corridor Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the Northwest Industrial Corridor Redevelopment Project Area as a Tax Increment Financing District"; and "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Northwest Industrial Corridor 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 "Northwest Industrial TIF Ordinances", the Redevelopment Plan approved by the Northwest Industrial TIF Ordinances is referred to herein as the "Northwest Industrial Redevelopment Plan" and the redevelopment project area created by the Northwest Industrial TIF Ordinances is referred to herein as the "Northwest Industrial Redevelopment Area"); and

WHEREAS, to induce certain redevelopment pursuant to the Act, the City Council adopted the following ordinances on June 9, 1999: "An Ordinance of the City of Chicago, Illinois Approving and Adopting a Tax Increment Redevelopment Project and Plan for the Pulaski Corridor Redevelopment Project Area"; "An Ordinance of the City of Chicago, Illinois Designating the Pulaski Corridor Redevelopment Project Area as a Tax Increment Financing District"; and "An

Ordinance of the City of Chicago, Illinois Adopting Tax Increment Financing for the Pulaski Corridor 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 "Pulaski Corridor TIF Ordinances", the Redevelopment Plan approved by the Pulaski Corridor TIF Ordinances is referred to herein as the "Pulaski Corridor Redevelopment Plan" and the redevelopment project area created by the Pulaski Corridor TIF Ordinances is referred to herein as the "Pulaski Corridor Redevelopment Area"); and

WHEREAS, all of the Property lies wholly within the boundaries of the Chicago/Central Park Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7) of the Act, 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 Chicago/Central Park Redevelopment Area shall be known as the "Chicago/Central Park Increment"; Increment collected from the Kinzie Industrial Redevelopment Area shall be known as the "Kinzie Industrial Increment"; Increment collected from the Pulaski Corridor Redevelopment Area shall be known as the "Pulaski Corridor Increment"; Increment collected from the Northwest Industrial Redevelopment Area shall be known as the "Northwest Industrial Increment"; and, collectively, the Chicago/Central Park Increment, Kinzie Industrial Increment, Pulaski Corridor Increment, and Northwest Industrial Increment shall be known as "City Increment"); and

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

WHEREAS, pursuant to 65 ILCS 5/11-74.4-4(q) of the Act, the City can use Increment from one redevelopment project area for eligible redevelopment project costs in another redevelopment project area that is either contiguous to, or is separated only by a public right of way from, the redevelopment project area from which the Increment is received (the "Transfer Rights"); and

WHEREAS, the Chicago/Central Park Redevelopment Area is either contiguous to, or is separated only by a public right of way from, the Kinzie Industrial Redevelopment Area, the Pulaski Corridor Redevelopment Area, and the Northwest Industrial Redevelopment Area; and

WHEREAS, the Chicago/Central Park Redevelopment Plan, a copy of which is attached hereto as Exhibit C, contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within the boundaries of the Chicago/Central Park Redevelopment Area; and

WHEREAS, the City desires to use a portion of the City Increment (the "City Increment Funds") for the Project on the Property; and

WHEREAS, the Board intends to issue certain alternate bonds pursuant to the Local Government Debt Reform Act, 30 ILCS 350/1 et seq. in a maximum principal amount to generate at least approximately \$53,750,000 in proceeds (the "Board Bonds"), as a means of financing the costs of the Project, including the TIF-Funded Improvements (as defined in Article Three, Section 3 below); and

WHEREAS, the City, as more particularly hereinafter provided, will agree and contract to exercise its Transfer Rights pursuant to the Act, the Kinzie Industrial Redevelopment Plan, the Pulaski Corridor Redevelopment Plan, and the Northwest Industrial Redevelopment Plan in order to pay for TIF-Funded Improvements related to the Project in the Chicago/Central Park Redevelopment Area, to the extent and in the manner hereinafter provided; and

WHEREAS, the City agrees to use the City Increment Funds on deposit from time to time in the Westinghouse Account (as more particularly described and provided in Article Three, Section 1 of this Agreement) to make payments of principal and interest on a tax increment allocation revenue note, in a principal amount not to exceed \$53,750,000 (the "City Note"), which will be issued to the Board hereunder, to pay for or reimburse the Board for the costs of the TIF-Funded Improvements; 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 Chicago/Central Park 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 Increment 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, including but not limited to those summarized on Exhibit I attached hereto and incorporated herein. The Board shall include a certification of such compliance with each request for City Increment 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. (a) Subject to the terms and conditions of this Agreement, including but not limited to this Article Three hereof, the City hereby agrees to issue the City Note, in substantially the form attached hereto as Exhibit D, upon issuance of the Board Bonds by the Board. The maximum principal amount of the City Note shall not exceed \$53,750,000; provided, however, that the maximum principal amount of the City Note shall in no event exceed the Board's eligible redevelopment projects costs that are TIF-Funded Improvements incurred in connection with the Project as approved by the Commissioner; and provided, however, that payments under the City Note are subject to the amount of City Increment pledged hereunder, as described in Article Three, Section 1(c) below, being sufficient for such payments. Each payment under the City Note shall be made from funds available in the Westinghouse Account created within the Chicago/Central Park Redevelopment Project Area Special Tax Allocation Fund pursuant to paragraph (c) below. The City agrees to exercise its Transfer Rights to transfer Kinzie Industrial Increment, Pulaski Corridor Increment, and Northwest Industrial Increment to the Westinghouse Account as set forth in a schedule to be determined by the parties hereto in the form attached hereto as Exhibit H (the "Transfer Schedule"). Any such Increment transferred pursuant to such Transfer Rights is hereinafter sometimes referred to as "Transferred Increment." The principal amount of the City Note will be increased from time to time, up to its face amount, upon execution by the City of certificate(s) of expenditure ("Certificates of Expenditure") previously signed by the Board and submitted to the City by the Board, in the form attached as Exhibit E-2 hereto. The Board may request that a Certificate of Expenditure be processed and executed quarterly. The City shall not execute Certificates of Expenditure in the aggregate in excess of the actual costs of the Project that are TIF-Funded Improvements.

Prior to each execution of a Certificate of Expenditure by the City, the Board shall submit to the Department (1) a request for a Certificate of Expenditure ("Request for Certificate of Expenditure"), in the form attached as Exhibit E-1 hereto, and (2) documentation regarding the applicable expenditures to the Department. Delivery by the Board to the Department of a Request for Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth,

constitute a certification to the City, as of the date of such Request for Certificate of Expenditure, that:

(i) the total amount of the Request for Certificate of Expenditure represents the actual amount payable to (or paid to) the general contractor, subcontractors, and other parties who have performed work on or otherwise provided goods or services in connection with the Project, and/or their payees;

(ii) all amounts shown as previous payments on the current Request for Certificate of Expenditure have been paid to the parties entitled to such payment;

(iii) the Board has approved all work and materials for the current Request for Certificate of Expenditure, and such work and materials conform to the plans and specifications for the Project; and

(iv) 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, including but not limited to those summarized in Exhibit I to this Agreement.

The City shall have the right, in its discretion, to require the Board to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any execution of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Board.

(b) Payments under the City Note shall be made at such times and in such amounts as are set forth in the City Note, including the Debt Service Schedule attached thereto. Upon the issuance of the Board Bonds, the Debt Service Schedule shall be finalized by the parties and the City shall issue the City Note. Further, after completion of the Project, the parties shall, if necessary, by mutual agreement, revise the Debt Service Schedule to take into account the actual costs and timing of completion. The City Comptroller of the City and the Commissioner of the Department (the "Commissioner"), on behalf of the City, and the Chief Financial Officer and General Counsel of the Board, on behalf of the Board, shall have the right to revise the Debt Service Schedule from time to time as agreed by the parties. If a payment under the City Note is due on February 1 of a certain year, then on or before December 1 of the prior year the Board shall give the Department written notice of the payment due (a "Payment Notice"). A Payment Notice shall specify both the amount due and the date by which payment is due, and shall also reference the then outstanding "Prior City Obligations" and "Future City Obligations" (if any) (as such capitalized terms are defined in Article Three, Section 1(d) below).

Notwithstanding the Transfer Schedule, the City acknowledges that if, at any time, there are insufficient funds to make a scheduled payment of principal and interest on the City Note (other than the payment on the maturity date of the City Note), then the obligation of the City to pay the deficiency will continue on a cumulative basis through the maturity date of the City Note, provided that the City will pay the deficiency on the next payment date if sufficient funds are then available out of Pledged Increment (as such term is defined in Article Three, Section 1(c) below). The Board will have a claim for any deficiency not paid as of the maturity date but only upon any available City Increment Funds which should have been received by the City and deposited in the Westinghouse Account (as such term is defined in Article Three, Section 1(c) below) before or as of the maturity date but are not received by the City until after the maturity date.

(c) The City hereby pledges for payment under the City Note the City Increment consisting of (i) that Kinzie Industrial Increment transferred out of the Kinzie Industrial Redevelopment Project Area Special Tax Allocation Fund (the "Kinzie Industrial Fund") (created by the City pursuant to the Kinzie Industrial TIF Ordinances) as Transferred Increment, (ii) Pulaski Corridor Increment transferred out of the Pulaski Corridor Redevelopment Project Area Special Tax Allocation Fund (the "Pulaski Corridor Fund") (created by the City pursuant to the Pulaski Corridor TIF Ordinances) as Transferred Increment, (iii) Northwest Industrial Increment transferred out of the Northwest Industrial Redevelopment Project Area Special Tax Allocation Fund (the "Northwest Industrial Fund") (created by the City pursuant to the Northwest Industrial TIF Ordinances) as Transferred Increment, and (iv) Chicago/Central Park Increment for the amount necessary to meet the Debt Service Schedule for the City Note that is deposited from time to time after the date hereof in a special account (the "Westinghouse Account") which the City has created or shall create within the Chicago/Central Park Redevelopment Project Area Special Tax Allocation Fund (the "Chicago/Central Park Fund") created by the City pursuant to the Chicago/Central Park TIF Ordinances. Payments on the City Note will be subject to the availability of such City Increment in the Westinghouse Account. The availability of such City Increment in the Westinghouse Account will be subject to (1) the City's annual retention of not to exceed 10% of (A) the Chicago/Central Park Increment deposited annually into the Chicago/Central Park Fund for the payment of expenses incurred by the City in the administration and operation of the Chicago/Central Park Redevelopment Area (the "Chicago/Central Park Administrative and Operational Retention"), (B) the Kinzie Industrial Increment deposited annually into the Kinzie Industrial Fund for the payment of expenses incurred by the City in the administration and operation of the Kinzie Industrial Redevelopment Area (the "Kinzie Industrial Administrative and Operational Retention") (C) the Pulaski Corridor Increment deposited annually into the Pulaski Corridor Fund for the payment of expenses incurred by the City in the administration and operation of the Pulaski Corridor Redevelopment Area (the "Pulaski Corridor Administrative and Operational Retention"), and (D) the Northwest Industrial Increment deposited annually into the Northwest Industrial Fund for the payment of expenses incurred by the City in the administration and operation of the Northwest Industrial Redevelopment Area (the "Northwest Industrial Administrative and Operational Retention", together with the Chicago/Central Park Administrative and Operational Retention, the Kinzie Industrial Administrative and Operational Retention, and the Pulaski Corridor Administrative and Operational Retention, the "Administrative and Operational Retention"), and (2) all restrictions on and

obligations of the City contained in all City ordinances relating to the City Increment and, subject to the restrictions set forth in Article Three, Section 1(d) below, all agreements and other documents entered into by the City pursuant thereto (collectively, the "City Increment Restrictions and Obligations"). Such City Increment pledged under this paragraph (including the limitations herein, including but not limited to the Administrative and Operational Retention, the City Increment Restrictions and Obligations, as well as the priority of the Prior City Obligations and the Future City Obligations, is referred to as the "Pledged Increment." Subject to the terms and conditions of this Agreement, the City shall deposit the Pledged Increment, when received, into the Westinghouse Account.

(d) (i) The Board's prior right to receive Pledged Increment, on an annual basis, in connection with the City Note shall be subordinate to the City's obligations pursuant to the following: (1) that certain proposed \$1,500,000 City of Chicago Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project Area), Taxable Series 2004 from the City to Local Initiatives Support Corporation; (2) that certain \$1,685,250 City of Chicago Tax Increment Allocation Revenue Note (Pulaski Corridor Redevelopment Project), Series 2000 dated as of July 9, 2000 from the City to Banco Popular North America; (3) any rights to or interest in Kinzie Industrial Increment held by the United States Department of Housing and Urban Development ("HUD") as security for that certain so-called "Section 108 Loan" previously made by HUD to the City; (4) that certain Redevelopment Agreement dated as of July 1, 2003 between the City and Erie Cooperative Limited Partnership; and (5) that certain proposed Northwest Industrial Corridor Redevelopment Project Area Home Depot U.S.A., Inc. Redevelopment Agreement to be entered into between the City and Home Depot U.S.A., Inc. (collectively, the "Prior City Obligations").

(ii) The City, during the Term of the Agreement, with the concurrence of the Board, may subordinate the Board's prior right to receive Pledged Increment in connection with the City Note to other obligations of the City to be paid from City Increment ("Future City Obligations") that would otherwise have been required to be deposited in the Westinghouse Account, based upon the City and the Board reasonably agreeing, based on historical and anticipated City Increment, that the payment of the City Note will not be materially adversely affected by such subordination. The Board's concurrence with and agreement to any such subordination proposed by the City shall be deemed to be given if the City evidences to the Board, by means of a report prepared by a qualified and experienced consultant (acceptable to the Board in its reasonable discretion), that, after payment of scheduled principal and interest payments on (1) the Prior City Obligations, (2) any previously issued Future City Obligations, and (3) the then proposed Future City Obligation in question, the City shall have available City Increment in an amount equal to no less than 125% of the annual amount of principal and interest to be paid under the City Note by the City to the Board on an annual basis pursuant to the Debt Service Schedule. The consultant's report shall take into consideration whether any of the proceeds of a Future City Obligation shall be used to pay all or a part of any of the Prior City Obligations or the previously-issued Future City Obligations (if any).

(iii) In addition to any mutually agreed to subordination to Future City Obligations pursuant to Article Three, subsection 1(d)(ii) hereof, the City, subject to the terms of this Article

Three, subsection 1(d)(iii), may, until the earlier to occur of the expiration of the Term of this Agreement or payment in full of the City Note, exclude up to 90% of the Increment generated from the construction value of a new assisted development project and pledge that Increment to a developer on a basis superior to that of the Board. For purposes of this subsection, "a new assisted development project" shall not include any development project that is or will be exempt from the payment of ad valorem property taxes. Further, for purposes of this subsection, "Increment generated from the construction value of a new assisted development project" shall be the amount of Increment generated by the equalized assessed value ("EAV") of such affected parcels over and above the EAV of such affected parcels for the year immediately preceding the year in which the new assisted development project commences (the "Base Year"). The EAV of the affected parcels for the Base Year shall be the EAV that was the basis for the determination of ad valorem property taxes in the Base Year. For example, if a new assisted development project commences in 2010, then the Base Year shall be 2009, but the EAV of the affected parcels for the Base Year of 2009 shall be the EAV for tax year 2008, which was the basis for the determination of taxes in 2009. Except for (1) the foregoing, (2) the Prior City Obligations, and (3) any mutually agreed to subordination to Future City Obligations pursuant to Article Three, subsection 1(d)(ii) hereof, the Board shall retain its initial lien status relative to City Increment.

In the event that the City elects to avail itself of the provisions of this Article Three, subsection 1(d)(iii), it shall, at least seven (7) days prior to executing a binding commitment pledging the Increment described above, certify, in a letter to the Board, the affected parcels and the EAV thereof for the Base Year.

(e) Upon expiration of any call protection period associated with the Board Bonds but before the maturity date, the City shall have the right to prepay in full or in part the City Note in an amount (including any principal and premium, if any) sufficient to enable the Board to call and redeem the Board Bonds, in which event the covenants, agreements and other obligations of the City to the Board shall be discharged and satisfied. The City shall give the Board not less than thirty (30) days advance written notice of its intent to prepay the City Note.

2. The current estimate of the cost of the Project is \$59,962,250. 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 Increment Funds) sufficient to complete the Project. The Board agrees that the City will only contribute the City Increment Funds to the Project and that all costs of completing the Project over the City Increment 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, financing costs to be incurred in connection with the City Note 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 Increment 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 Chicago/Central Park Redevelopment Plan. Prior to the expenditure of City Increment 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 Increment Funds to be expended under this Agreement; provided, however, that (a) such modifications shall not decrease the maximum principal amount of the City Note, and (b) all TIF-Funded Improvements shall (i) qualify as redevelopment project costs under the Act, (ii) qualify as eligible costs under the Chicago/Central Park Redevelopment Plan; and (iii) be improvements that the Commissioner has agreed to pay for out of City Increment Funds, subject to the terms of this Agreement.

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

To the extent that any City Increment Funds are deposited with the trustee under an indenture securing the Board Bonds, if said trustee returns any excess City Increment Funds to the Board after making all principal and interest payments due in the bond year for which the City Increment Funds were deposited with the trustee, then the Board shall pay such excess City Increment Funds to the City within thirty (30) days of receipt thereof.

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.

6. Commencing with the first State fiscal year (July 1 – June 30) beginning after the execution of this Agreement and for each State fiscal year thereafter until and including State fiscal year 2026, the Board shall annually notify the City of (i) the amount of the actual, final award that it receives from the Illinois Capital Development Board pursuant to the Illinois School Construction Law (5 ILCS 230/5-1), and (ii) any available "Excess Amount" (as defined in the following sentence). In the event that such an award in any particular State fiscal year exceeds 130% of \$114,914,131, as adjusted every January 31, beginning January 31, 2005, by the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor for the preceding calendar year period (the "Base Amount"), the Board shall provide the City with value equivalent to an amount that is equal to 50% of the grant amount that the Board receives that is in excess of 130% of the Base Amount (the "Excess Amount"). For example, if the Base Amount was \$100.00 and if the Board was awarded a grant of \$150.00 in a particular State fiscal year, \$20.00 of this award would qualify as Excess Amount; therefore, the Board would provide the City with value equivalent to \$10.00, which is 50% of the Excess Amount. After receipt by the City of the notice required under this paragraph and if an Excess Amount exists in any particular fiscal year, the Board

and the City shall determine, by mutual agreement, what the equivalent value should be, if any, and the City shall inform the Board whether it wishes to receive such value by (i) having the Board pay the City, for its application, as determined by the City, an amount equal to the Excess Amount, or (ii) applying a reduction or credit (equal to the Excess Amount), in whole or in part, to some future assistance that the City is providing to the Board through one or more tax increment financing agreements. The City and the Board shall cooperate to establish a mutually agreeable process under which the Board will provide the requisite value to the City. It is acknowledged between the Board and City that a similar undertaking of the Board may be contained in other agreements between the City and the Board pursuant to which the City provides tax increment financing assistance for capital projects of the Board. Accordingly, the City shall have the sole and exclusive right to determine how to deal with the Excess Amount within the context of the several agreements that may be outstanding or contemplated from time to time that address the City's rights regarding any such Excess Amount.

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 Chicago/Central Park Redevelopment Area is no longer in effect (through and including December 31, 2026).

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, 14th Floor
Chicago, Illinois 60603
FAX: (773) 553-2701

and

General Counsel
Board of Education of the City of Chicago
125 South Clark Street, 7th Floor

Chicago, Illinois 60603
FAX: (773) 553-1702

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 September 29, 2004. 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: Board of Education of the City of Chicago
125 South Clark Street
Chicago, Illinois 60603
Attn.: Chief Financial Officer
Phone: 773-553-2700
Fax: 773-553-2701

For the City: City of Chicago, Department of Planning & Development
121 North LaSalle Street, Room 1003
Chicago, Illinois 60602
Attn.: Deputy Commissioner, Development Support Division
Phone: 312-744-0051
Fax: 312-744-0759

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: Michael W. Scott
President

Attest: By: Estela H. Beltran
Secretary

Board Resolution No.: 01-0725-RS2

Approved as to legal form: BMC

[Signature]
General Counsel

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: Don J. Healey
Commissioner
Department of Planning and Development

THE BOARD OF EDUCATION
OF THE CITY OF CHICAGO

By: _____
President

Attest: By: _____
Secretary

Board Resolution No.: 01-0725-RS2

Approved as to legal form:

General Counsel

EXHIBIT A

THE PROPERTY

Parcel 1:

Lots 1 through 35, both inclusive, in Block 2 in Hayward's Subdivision of the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 11, Township 39 North, Range 13, East of the Third Principal Meridian in Cook County, Illinois

Also

The East 33 feet of vacated Spaulding Avenue between Franklin Blvd. and the C. & N. W. RY, and the North-South 16 feet vacated alley lying east of and adjoining lots 12 through 23 and west of and adjoining Lots 24 through 35, aforesaid; all in Cook County, Illinois.

Also

That portion of the West 33 feet of vacated Sawyer Avenue adjoining Lots 24 through 30, between Franklin Blvd. and the C. & N. W. RY, aforesaid; all in Cook County, Illinois

ADDRESS: Bounded by Franklin Boulevard, Spaulding Avenue, Sawyer Avenue and the Canadian & North Western Railway

PIN #s: 16-11-220-005 through 16-11-220-017
16-11-220-022 through 16-11-220-024

Parcel 2:

Lots 1 through 15, both inclusive, the South 9 feet of Lot 16 and Lots 17 through 34, both inclusive, in Block 1 in Hayward's Subdivision of the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 11, Township 39 North, Range 13, East of the Third Principal Meridian in Cook County, Illinois

Also

The East 33 feet of vacated South Sawyer Avenue between Franklin Blvd. and the C. & N. W. RY and the West 8 feet of vacated alley lying East of and adjoining the South 9 feet of Lot 16 and Lots 17 through 34 aforesaid; all in Cook County, Illinois.

ADDRESS: Bounded by Franklin Boulevard, the Canadian & North Western Railway, Kedzie Avenue and Sawyer Avenue

PIN #s: 16-11-230-001 through 16-11-230-023

EXHIBIT B

FEATURES OF THE FACILITY

(see attached)

School Name: Westinghouse High School

Address: 3301 West Franklin Boulevard
Region: Two (2)
Area: Twenty (20)
Ward: 28th Ward

Capacity: 1200 Students
Size of New School: 240,103 SF
Site: 13.52 Acres

Projected Construction Cost: See Attached Summary

Construction Start: Spring 2006
Construction Complete: Fall 2008

Building Program: 2 Small High Schools of 600 Students each
1 Career Academy
1 College Preparatory High School

28 Standard Academic Classrooms
4 Language / Computer Labs
6 Science Labs
2 Music Classrooms
2 Art Classrooms
1 Distance Learning Facility
1 Health Lab
1 Networking Lab
1 Broadcasting / Technology / Film Lab

2 Administrative Centers
Learning Resource Center
Nurse & Student Services
Food Service and Dining Facility
Gymnasium
Natatorium
Performing Arts Auditorium
Building Support Spaces
Parking

Building Systems / Features: Fully Accessible to People with Disabilities
Innovative Displacement Air Mechanical Design
State-of-the-Art Computer Network
Two-Story Brick and Dimension Stone
Masonry Construction on steel structure
On-Site Athletic Amenities
Ornamental Metal Fencing and Landscaping
Seeking LEED Certification, "Silver" Rating

Managing Design Architect: OWP/P Architects
Construction Manager: Public Building Commission
Program Manager: Chicago School Associates
Architect of Record: DeStefano & Partners
General Contractor: TBD

Westinghouse High School Project Budget

New School Budget

Site Preparation

Site Preparation/ Remediation	\$3,000,000
Environmental Consulting	\$250,000
<i>Subtotal</i>	<u>\$3,250,000</u>

General Construction

Construction	\$50,000,000
Contingency	\$1,537,000
<i>Subtotal</i>	<u>\$51,537,000</u>

Professional Fees

Affirmative Action Consulting	\$172,250
Quality Control Inspection	\$120,000
Legal Fees	\$50,000
AOR Basic Fees	\$2,600,000
AOR Reimbursables	\$250,000
Building Permit Fees	\$40,000
PBC Administration Fees	\$1,590,000
<i>Subtotal</i>	<u>\$4,822,250</u>

Miscellaneous

Signs	\$3,000
Utility Relcoation/Fees	\$350,000
<i>Subtotal</i>	<u>\$353,000</u>

TOTAL	<u><u>\$59,962,250</u></u>
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EXHIBIT C

CHICAGO/CENTRAL PARK REDEVELOPMENT PLAN

(See Attached)

EXHIBIT D
FORM OF NOTE

REGISTERED	MAXIMUM
NO. R-1	AMOUNT
	\$53,750,000
	(subject to change)

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(CHICAGO/CENTRAL PARK REDEVELOPMENT PROJECT), SERIES 2005A**

Registered Owner: Board of Education of the City of Chicago

Interest Rate: 7.8242% per annum

Maturity Date: February 1, 2023

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of \$53,750,000 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of the advance, with payments of principal and interest to be made according to the debt service schedule attached hereto. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this Note from the Westinghouse Account (as defined in the hereinafter defined Agreement) is due February 1 of each year commencing February 1, 2006, until the earlier of Maturity or until this Note is paid in full. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately preceding the applicable payment, maturity or prepayment date, and shall be paid by wire transfer of such money to such bank in the continental United States as said Registered Owner shall request in writing to the Registrar by the close of business on the fifteenth day of the month immediately after the applicable payment, maturity or prepayment date; provided, that the final installment of principal and accrued but unpaid interest will be payable on or before the maturity date and solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$53,750,000 for the purpose of reimbursing the Registered Owner for certain eligible redevelopment project costs incurred by the Registered Owner (the "Project"), which were acquired, constructed and installed in connection with the development set forth in Exhibit B of that certain 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 Westinghouse High School dated as of November 1, 2005 (the "Agreement") within the Chicago/Central Park Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment

Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on September 29, 2004 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. **THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM PLEDGED INCREMENT (AS DEFINED IN ARTICLE THREE (1)(c) OF THE AGREEMENT), IF ANY, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE.** Subject to the terms of the Agreement, this Note, from and after December 1, 2015, may, at the option of the City, be prepaid in full together with any unpaid accrued

interest to the redemption date (the "Note Redemption Date") and with such premium, if any, that may become due in accordance with the Agreement. So long as the Registered Owner of this Note is the Board of Education of the City of Chicago (the "Board"), such prepayment shall occur only in connection with the redemption of the Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2005 (the "Bonds"), of the Board, the Note Redemption Date shall be not less than thirty (30) days nor more than seventy-five (75) days prior to a date on which the Bonds are subject to optional redemption by the Board (the "Bond Payment Date"), and the premium payable upon such prepayment shall equal the positive difference between (i) the sum of (a) the principal, redemption premium, if any, and accrued interest to the redemption date on all Bonds to be redeemed from the Note Redemption Date to the Bond Payment Date, (b) the principal amount of the Bonds, if any, maturing on any date from the Note Redemption Date to the Bond Payment Date, (c) the interest on the Bonds due and payable on any interest payment date that occurs from the Note Redemption Date to the Bond Payment Date, (d) the amount of any payments required to be made by the Board to the United States of America under Section 148(f) of the Internal Revenue Code of 1986, as amended, due or to become due as a result of the redemption of the Bonds, (e) any termination payment required to be paid by the Board under any forward supply contract, guaranteed investment contract or similar contract entered into by the Board with respect to the Bonds as a result of the prepayment of the Note, and (f) any unreimbursed payments made by the Board as a result of any deficiency in the payment of the principal of or interest on the Note, and (ii) the sum of (a) the amount of principal of and accrued interest on the Note paid on the Note Redemption Date, (b) any amounts held under that certain Trust Indenture dated as of November 1, 2005 (the "Indenture") between the Board and U. S. Bank National Association, as trustee, that may be applied to the

payments set forth in (i) above, (c) any termination payment required to be paid to the Board under any forward supply contract, guaranteed investment contract or similar contract entered into by the Board with respect to the Bonds as a result of the prepayment of the Note, and (d) any investment income determinable on the Note Redemption Date to be earned from the investment of moneys held in any defeasance escrow fund for the benefit of the Bonds from the Note Redemption Date to the Bond Redemption Date. The determination of the amounts described above shall be made by the Board and provided to the City in writing and such determination by the Board shall be conclusive. Notice of any such prepayment shall be sent by registered or certified mail not less than thirty (30) days prior to the date fixed for prepayment to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes or other denominations.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for prepayment has been mailed,

nor during a period of five (5) days next preceding mailing of a notice of prepayment of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance and the Agreement provide. This Note may be supplemented and amended and a new form of Note substituted therefor as permitted by the Agreement.

Pursuant to the Agreement, the Registered Owner has agreed to acquire and construct the Project and to advance funds for the payment of the costs of the construction of certain facilities related to the Project on behalf of the City. Such payment of costs in the amount of not to exceed \$53,750,000 shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Article Five, Section 2 of the Agreement, the City has reserved the right to terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Such rights shall survive any transfer of this Note.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by

law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the City of Chicago, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized manual or facsimile signature of the Mayor and attested by the duly authorized manual or facsimile signature of the City Clerk of the City, all as of November 1, 2005.

Mayor

(SEAL)

Attest: _____
City Clerk

**CERTIFICATE
OF
AUTHENTICATION**

Registrar
and Paying Agent
Comptroller of the
City of Chicago,
Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project), Series 2005A, of the City of Chicago, Illinois.

City Comptroller
Date: _____

Debt Service Schedule

to

United States of America

State of Illinois

City of Chicago

Tax Increment Allocation Revenue Note

(Chicago/Central Park Redevelopment Project), Series 2005A

(see attached)

BOARD OF EDUCATION OF THE CITY OF CHICAGO

**IGA EXHIBIT D - ATTACHMENT TO FORM OF NOTE: DEBT SERVICE SCHEDULE
WESTINGHOUSE - VARIOUS TIFs**

SUMMARY OF ANNUAL NOTE PAYMENTS*

Year Collected**	IGA Note Amount†
2003	-
2004	-
2005	3,000,000
2006	5,169,000
2007	4,995,000
2008	4,490,000
2009	5,703,000
2010	5,536,000
2011	5,370,000
2012	5,211,000
2013	5,093,000
2014	4,732,000
2015	5,391,000
2016	5,188,000
2017	5,227,000
2018	5,060,000
2019	5,036,000†
2020	4,299,000†
2021	2,125,000†
2022	2,003,000†
2023	-
Total:	83,628,000

*Exact Payment Amount Notices will be sent to the City from the Trustee on behalf of the Board annually on December 1.

**Payment to be made no later than February 1st of the following year

†Depending on residual cash flows and future reinvestment rates
the last year(s) payment(s) may be unnecessary.

EXHIBIT E-1

REQUEST FOR CERTIFICATE OF EXPENDITURE

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 November 1, 2005 (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, including but not limited to those summarized on Exhibit I of the Agreement.

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 E-2

CERTIFICATE OF EXPENDITURE

_____, 200_

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$53,750,000 Tax Increment Allocation Revenue Note
(Chicago/Central Park Redevelopment Project), Series 2005A (the "Note")

This Certificate is submitted to you, Registered Owner of the Note, Pursuant to the Ordinance of the City authorizing the execution of the Note adopted by the City Council of the City on September 29, 2004 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ _____ is advanced as principal under, or has been added to the principal balance of, the Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Note is \$ _____, including the amount of this Certificate and less any payment made on the Note as of the date hereof, and the amount of interest accrued on the principal balance of the Note as of the date hereof is \$ _____.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of _____, 200_.

CITY OF CHICAGO

By: _____
Commissioner
Department of Planning and
Development

AUTHENTICATED BY:

REGISTRAR

EXHIBIT F
PROJECT BUDGET

(see attached)

Westinghouse High School Project Budget

New School Budget

Site Preparation

Site Preparation/ Remediation	\$3,000,000
Environmental Consulting	\$250,000
<i>Subtotal</i>	<u>\$3,250,000</u>

General Construction

Construction	\$50,000,000
Contingency	\$1,537,000
<i>Subtotal</i>	<u>\$51,537,000</u>

Professional Fees

Affirmative Action Consulting	\$172,250
Quality Control Inspection	\$120,000
Legal Fees	\$50,000
AOR Basic Fees	\$2,600,000
AOR Reimbursables	\$250,000
Building Permit Fees	\$40,000
PBC Administration Fees	\$1,590,000
<i>Subtotal</i>	<u>\$4,822,250</u>

Miscellaneous

Signs	\$3,000
Utility Relcoation/Fees	\$350,000
<i>Subtotal</i>	<u>\$353,000</u>

TOTAL	<u><u>\$59,962,250</u></u>
--------------	----------------------------

EXHIBIT G

PROJECT TIF-FUNDED IMPROVEMENTS

(see attached)

Note: In addition to the TIF-Funded Improvements listed on the attached, financing costs involving the City note are also Eligible Redevelopment Project Costs under the Act and are therefore deemed to be included as "TIF-Funded Improvements" under the Agreement.

EXHIBIT

Westinghouse High School Project Budget TIF Eligible Expenses

New School Budget

Site Preparation

Site Preparation/ Remediation	\$3,000,000
Environmental Consulting	\$250,000
<i>Subtotal</i>	<u>\$3,250,000</u>

General Construction

Construction	\$50,000,000
Contingency	\$1,537,000
<i>Subtotal</i>	<u>\$51,537,000</u>

Professional Fees

Affirmative Action Consulting	\$172,250
Quality Control Inspection	\$120,000
Legal Fees	\$50,000
AOR Basic Fees	\$2,600,000
AOR Reimbursables	\$250,000
Building Permit Fees	\$40,000
PBC Administration Fees	\$1,590,000
<i>Subtotal</i>	<u>\$4,822,250</u>

Miscellaneous

Signs	\$3,000
Utility Relcoation/Fees	\$350,000
<i>Subtotal</i>	<u>\$353,000</u>

TOTAL	<u><u>\$59,962,250</u></u>
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EXHIBIT I

LAWS, RULES AND REGULATIONS APPLICABLE TO THE BOARD/
BOARD POLICIES, PROGRAMS AND PROCEDURES

(see attached)

Pursuant to recent developments, the Board is in the process of revising its MBE/WBE program, and it is anticipated that such revisions will be substantially similar to those recently made by the City to its MBE/WBE program. The Board's revised MBE/WBE program, as and when adopted by the Board, will be incorporated into contracts for the Project. Once the Board adopts its revised MBE/WBE program the Board will provide the City with a detailed description thereof for attachment to this Agreement as an exhibit.