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LEASE AGREEMENT

*Between the Public Building Commission of Chicago
and the
Board of Trustees of Community College District No. 508,
County of Cook and State of Illinois
(Project JC-7)*

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THIS LEASE made this first day of July, 1986, between the Public Building Commission of Chicago, a municipal corporation of the State of Illinois (hereinafter sometimes referred to as the "Commission"), as Lessor, and the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois (hereinafter sometimes referred to as the "Lessee"):

WITNESSETH:

WHEREAS, the Public Building Commission of Chicago is a municipal corporation duly organized under the provisions of the "Public Building Commission Act" of the State of Illinois, approved July 5, 1955, as amended (hereinafter sometimes referred to as the "Act"), for the purpose, among others, of making possible the construction, acquisition or enlargement of public improvements, buildings and facilities at convenient locations within the County Seat of Cook County, Illinois, for use by governmental agencies in the furnishing of essential governmental, health, safety and welfare services to its citizens; and

WHEREAS, the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois, acting in cooperation with the Department of Planning of the City of Chicago and the Comprehensive Plan for the City of Chicago has proposed the acquisition of a site and the construction thereon of the following described building and facilities by the Public Building Commission of Chicago, such site, building and facilities pertaining to a community college to be situated within the City of Chicago and such site being hereinafter described and such community college being commonly known and referred to and being identified by project designation as follows:

New Wright College at
Southwest corner of West Montrose Avenue
and North Narragansett Avenue

(JC-7)

; and

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2

WHEREAS, the Board of Commissioners of the Public Building Commission of Chicago finds that there is an urgent need for the acquisition of this site and the construction thereon of such building and facilities; and

WHEREAS, said site is conveniently located and of a sufficient size to accomplish and effectuate the aforesaid purposes, and sufficient to provide for an appropriate architectural setting for such building and other facilities; and

WHEREAS, the Board of Commissioners of the Public Building Commission of Chicago did, by proper resolution adopted on the date hereinafter indicated, and pursuant to the terms and conditions of the Act, select, locate and designate the following described area, lying wholly within the territorial limits of the City of Chicago, as a site to be acquired for a community college and for the erection and construction thereon of the proposed building and facilities, such site being described and designated by Resolution No. 3007, dated October 1, 1984, as modified by Resolution No. 3153, dated October 1, 1985, as follows:

New Wright College at (JC-7)
Southwest corner of West Montrose Avenue
and North Narragansett Avenue

That part of the fractional Southeast Quarter of Section 18, Township 40 North, Range 13 East of the Third Principal Meridian, bounded and described as follows:

Commencing at the point of intersection of a line drawn 33.00 feet North of and parallel with the South line of said Southeast Quarter and a line drawn 33.00 feet West of and parallel with the East line of said Southeast Quarter; thence North 0 degrees 11 minutes 16 seconds west 1591.86 feet along said line 33.00 feet West of and parallel to the point of beginning of the following described parcel of land; thence South 89 degrees 48 minutes 44 seconds West 154.71 feet along a line drawn perpendicularly to the East line of said Southeast Quarter; thence Northwesterly 119.20 feet along the arc of a circle convex to the Northeast; having a radius of 294.88 feet and whose chord bears North 56 degrees 29 minutes 31 seconds west; thence

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North 68 degrees 04 minutes 21 seconds West 140.94 feet along a line drawn tangent to the last described arc; thence South 88 degrees 33 minutes 46 seconds West, 54.99 feet; thence South 42 degrees 24 minutes 22 seconds West 37.81 feet; thence South 77 degrees 43 minutes 19 seconds West 412.78 feet; thence Northwesterly 21.08 feet along the arc of a circle tangent to the last described course, convex to the Southwest, having a radius of 16.26 feet and whose chord bears North 65 degrees 09 minutes 00 seconds West to a point of compound curve; thence Northwesterly 41.82 feet along the arc of a circle, convex to the Southwest, having a radius of 156.31 feet and whose chord bears North 20 degrees 21 minutes 28 seconds West; thence North 12 degrees 41 minutes 38 seconds West 359.91 feet along a line tangent to the last described arc; thence North 9 degrees 19 minutes 20 seconds West 58.00 feet; thence North 12 degrees 30 minutes 53 seconds West, 556.69 feet to a point on a line drawn 33.00 feet South of and parallel with the North line of the aforesaid Southeast Quarter; said point being 1106.14 feet (as measured along said parallel line) West of the point on a line 33.00 feet West of and parallel with the East line of the aforesaid Southeast Quarter; thence North 89 degrees 51 minutes 12 seconds East 1106.14 feet along said line 33.00 feet South of and parallel to said line 33.00 feet West of and parallel; thence South 0 degrees 11 minutes 16 seconds East 1002.40 feet along said line 33.00 feet West of and parallel to the hereinabove designated point of beginning, in Cook County, Illinois, EXCEPTING THEREFROM, the following described property: From the aforesaid point of beginning for the above described tract of land; thence South 89 degrees 48 minutes 44 seconds West to a point on a line drawn 63.00 feet West of and parallel with the East line of said Southeast Quarter; thence North 0 degrees 11 minutes 16 seconds West along said line 63.00 feet West of and parallel with the East line of said Southeast Quarter to a point on said line being 103.00 feet southerly of the North line of said Southeast Quarter; thence northwesterly to a point on a line drawn 53.00 feet South of and parallel with the North line of said Southeast Quarter, said point being 113.00 feet West of the East line of said Southeast Quarter; thence South 89 degrees 51 minutes 12 seconds West along said line 53.00 feet South of and parallel with the North line of said Southeast Quarter to the westerly line of the aforesaid

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ribed tract of land to be conveyed; thence North 12 degrees 30 minutes 53 seconds West to a point on a line drawn 33.00 feet South of and parallel with the North line of the aforesaid Southeast Quarter, said point being 1106.14 feet (as measured along said parallel line) West of the point on a line 33.00 feet West of and parallel with the East line of the aforesaid Southeast Quarter; thence North 89 degrees 51 minutes 12 seconds East 1106.14 feet along said line 33.00 feet South of and parallel with the North line of said Southeast Quarter to the point on said line 33.00 feet West of and parallel with the East line of the aforesaid Southeast Quarter; thence South 0 degrees 11 minutes 16 seconds east 1002.40 feet along said line 33 feet West of and parallel with the East line of said Southeast Quarter to the hereinabove designated point of beginning.

WHEREAS, the Site has been approved by a majority of the members of the governing body of the County Seat, being the City Council of the City of Chicago, Illinois, as required by Section 14 of said Public Building Commission Act; and

WHEREAS, the fee title to the Site will be acquired by the Public Building Commission of Chicago; and

WHEREAS, the Commission, with the cooperation of the Lessee, has caused to be prepared by the following indicated Architect-Engineer plans and specifications for the constructing and equipping of the building and facilities for the Site, all as is contained in a report containing the plans and specifications for the Site, the report being dated as indicated below, prepared by said Architect-Engineer (said building and facilities being sometimes hereinafter referred to as the "Facility" or "Facilities"). Said report and said plans and specifications, now on file in the office of the Commission, have been approved by the Commission as those to be carried out in the consummation of the construction and equipping of the Facilities provided for in this Lease and in Bond Resolution No. 3230 of the Commission and are hereby made a part of this instrument by reference; and the Commission agrees to acquire the Site and to cause the construction and equipping of the Facilities to be carried out and consummated in accordance with said report, plans and specifications as the same may be modified in accordance with the provisions of this Lease with respect thereto:

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5

<u>Site</u>	<u>Project Designation</u>	<u>Architect-Engineer</u>	<u>Date of Report</u>
New Wright College	(JC-7)	Bertrand Goldberg Associates, Inc.	May 13, 1986

WHEREAS, in order to pay the cost of acquiring the Site and construction and equipping of the Facilities thereon, it will be necessary that the Commission issue its revenue bonds pursuant to the provisions of Section 15 of the Act and such revenue bonds to be payable from revenues to be received by the Commission from the rentals to be paid by the Lessee to the Commission in accordance with the terms of this Lease; and

WHEREAS, the total cost of acquisition of the Site and of construction and equipping of the Facilities thereon, and including without limiting the generality of the foregoing, architectural, engineering, legal and financing costs and an amount sufficient to pay the required interest during the period of construction on the revenue bonds to be issued by the Commission to pay the cost of acquiring the Site and constructing and equipping of the Facilities thereon is estimated to be the aggregate amount of \$90,000,000, which sum is to be provided from the proceeds to be derived from the sale of revenue bonds in the principal amount of \$90,000,000 which are to be issued by the Commission; and

WHEREAS, to provide the necessary revenues for the payment of all of said revenue bonds and all of the interest and premium, if any, thereon, all as hereinafter provided, the parties desire to enter into this Lease, whereby the Commission will lease to the Lessee the Site and Facilities (hereinafter sometimes called the "Leased Premises") for a term and at an annual rental as hereinafter set forth:

NOW, THEREFORE, in consideration of the rents reserved hereunder and the promises and covenants herein made by each of the

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6

parties hereto and for other good and valuable consideration, it is covenanted and agreed by the said parties hereto, as follows:

SECTION 1. To carry out the acquisition of the Site and the construction and equipping of the Facilities and the financing thereof in accordance with the provisions of the Act, the following actions shall be taken by the Commission:

(A) The Commission shall, pursuant to Section 15 of the Act, provide for the execution and delivery of revenue bonds (the "Revenue Bonds") authorized pursuant to Resolution No. 3230 of the Commission adopted May 13, 1986, entitled "RESOLUTION NO. 3230 Authorizing and Providing for the Issue of \$90,000,000 Public Building Commission of Chicago, Building Revenue Bonds, Series A of 1986" (hereinafter referred to as the "Bond Resolution," a copy of said Bond Resolution being attached hereto and hereby made a part hereof, except that such Bond Resolution does not have attached a copy of the Lease referred to therein), to the purchasers thereof.

(B) The Commission shall forthwith make applications of the proceeds derived from the sale of the Revenue Bonds pursuant to the terms of the Act and the Bond Resolution referred to above.

(C) The Commission shall, with reasonable promptness, acquire the fee title to the Site.

(D) The Commission shall also, as soon as practicable, enter into and execute such contract or contracts with such contractor or contractors as may be necessary or appropriate to carry out said construction and equipping of the Facilities in accordance with said plans and specifications.

(E) The Commission shall require and procure from the contractor or contractors undertaking any part of the construction and equipping of the Facilities, performance and payment bonds in connection with each of said contract or contracts and with such surety company or companies and in such amounts and form as may be determined by the Commission.

(F) The Commission shall also require and procure from such contractor or contractors, waivers of all liens or rights of lien for labor and materials furnished in said construction and equipping of the Facilities and shall further procure from said contractors or

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7

other person, firm or corporation all material and equipment guarantees as may be required by the specifications for the construction and equipping of the Facilities.

(G) The Commission shall also require every such contractor to furnish insurance protecting the Commission, the Lessee, and their respective commissioners, board members, officers, agents and employees, as their interests may appear, against any claims for personal and bodily injuries (including death) and property damage that may be asserted because of said construction and equipping, said insurance to be of such character and in such amounts as may be determined by the Commission.

(H) The Commission shall, to the extent reasonably obtainable, also require its Architect-Engineer to carry Errors and Omissions Insurance for such period and in such principal sum as the Commission may in its opinion deem necessary.

SECTION 2. In consideration of the rents reserved and the covenants, agreements and other terms and conditions herein provided to be kept, observed and performed by the Lessee, the Commission does hereby lease and demise the following described Site to the Lessee for a term commencing on date of execution of this lease and, subject to earlier termination under the provisions of Section 4 of this lease, ending on June 30, 2006, together with the Facilities to be located thereon and all other buildings, structures or improvements which may at any time hereafter be constructed on the Site together with:

(A) all machinery, apparatus, equipment, fittings and fixtures of every kind and nature whatsoever that may now or hereafter be placed in any building, structure, or improvement now or hereafter constructed or placed upon the Site or any part thereof and which shall for all purposes hereof be deemed included in the term "Facilities", including, without limitation, all engines, furnaces, boilers, stokers, pumps, heaters, tanks, motors, dynamos, generators, electrical equipment, heating, plumbing, lifting and ventilating apparatus, air cooling and air conditioning equipment and apparatus, gas and electrical fixtures,

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8

elevators, shades, awnings, venetian blinds, screens and radiators, and all other building equipment used or procured for use in connection with the operation or maintenance of any such buildings, structures, or improvements;

(B) all right, title and interest of the Commission, now owned or hereafter acquired, in and to all real estate, interest in lands, leaseholds, rights of ways, alleys, passages, tenements, hereditaments, privileges, easements, franchises and appurtenances thereunto belonging or in any wise appertaining to the Site and which shall for all purposes hereof be deemed included in the term "Site".

The respective Site being designated and legally described as:

Wright College at (JC-7)
Southeast corner of West Montrose Avenue
and North Narragansett Avenue

That part of the fractional Southeast Quarter of Section 18, Township 40 North, Range 13 East of the Third Principal Meridian, bounded and described as follows:

Commencing at the point of intersection of a line drawn 33.00 feet North of and parallel with the South line of said Southeast Quarter and a line drawn 33.00 feet West of and parallel with the East line of said Southeast Quarter; thence North 0 degrees 11 minutes 16 seconds west 1591.66 feet along said line 33.00 feet West of and parallel to the point of beginning of the following described parcel of land; thence South 89 degrees 48 minutes 44 seconds West 154.71 feet along a line drawn perpendicularly to the East line of said Southeast Quarter; thence Northwesterly 119.20 feet along the arc of a circle convex to the Northeast; having a radius of 294.88 feet and whose chord bears North 56 degrees 29 minutes 31 seconds west; thence North 68 degrees 04 minutes 21 seconds West 140.94 feet along a line drawn tangent to the last described arc; thence South 88 degrees 33 minutes 46 seconds West, 54.99 feet; thence South 42 degrees 24 minutes 22 seconds West 37.81 feet; thence South 77 degrees 43 minutes 19 seconds West 412.78 feet; thence Northwesterly 21.08 feet along the arc of a circle tangent to the last described course, convex to

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the Southwest, having a radius of 16.26 feet and whose chord bears North 65 degrees 09 minutes 00 seconds West to a point of compound curve; thence Northwesterly 41.82 feet along the arc of a circle, convex to the Southwest, having a radius of 156.31 feet and whose chord bears North 20 degrees 21 minutes 28 seconds West; thence North 12 degrees 41 minutes 38 seconds West 359.91 feet along a line tangent to the last described arc; thence North 9 degrees 19 minutes 20 seconds West 58.00 feet; thence North 12 degrees 30 minutes 53 seconds West, 555.69 feet to a point on a line drawn 33.00 feet South of and parallel with the North line of the aforesaid Southeast Quarter; said point being 1106.14 feet (as measured along said parallel line) West of the point on a line 33.00 feet West of and parallel with the East line of the aforesaid Southeast Quarter; thence North 89 degrees 51 minutes 12 seconds East 1106.14 feet along said line 33.00 feet South of and parallel to said line 33.00 feet West of and parallel; thence South 0 degrees 11 minutes 16 seconds East 1002.40 feet along said line 33.00 feet West of and parallel to the hereinabove designated point of beginning, in Cook County, Illinois, EXCEPTING THEREFROM, the following described property: From the aforesaid point of beginning for the above described tract of land; thence South 89 degrees 48 minutes 44 seconds West to a point on a line drawn 63.00 feet West of and parallel with the East line of said Southeast Quarter; thence North 0 degrees 11 minutes 16 seconds West along said line 63.00 feet West of and parallel with the East line of said Southeast Quarter to a point on said line being 103.00 feet southerly of the North line of said Southeast Quarter; thence northwesterly to a point on a line drawn 53.00 feet South of and parallel with the North line of said Southeast Quarter, said point being 113.00 feet West of the East line of said Southeast Quarter; thence South 89 degrees 51 minutes 12 seconds West along said line 53.00 feet South of and parallel with the North line of said Southeast Quarter to the westerly line of the aforesaid described tract of land to be conveyed; thence North 12 degrees 30 minutes 53 seconds West to a point on a line drawn 33.00 feet South of and parallel with the North line of the aforesaid Southeast Quarter, said point being 1106.14 feet (as measured along said parallel line) West of the point on a line 33.00 feet West of and parallel with the East line of the aforesaid Southeast Quarter; thence North 89 degrees 51 minutes 12 seconds East 1106.14 feet along said line 33.00 feet

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South of and parallel with the North line of said Southeast Quarter to the point on said line 33.00 feet West of and parallel with the East line of the aforesaid Southeast Quarter; thence South 0 degrees 11 minutes 16 seconds east 1002.40 feet along said line 33 feet West of and parallel with the East line of said Southeast Quarter to the hereinabove designated point of beginning.

SECTION 3. In consideration of the leasing of the aforesaid Site and Facilities the Lessee hereby covenants and agrees to pay, or cause to be paid, to the Commission, or to the Trustee designated under the Bond Resolution, for the Site and Facilities annual rentals for the next ensuing fiscal year on or before December 1 of each year as hereinafter designated, and in the amount on such December 1 date in each such year as set opposite each such year under the heading "Rent" as follows:

<u>Year</u>	<u>Rent</u>
December 1, 1987	\$ 8,957,000
December 1, 1988	11,057,523
December 1, 1989	11,087,335
December 1, 1990	11,070,375
December 1, 1991	11,084,950
December 1, 1992	11,075,675
December 1, 1993	11,067,858
December 1, 1994	11,059,113
December 1, 1995	11,072,363
December 1, 1996	11,077,580
December 1, 1997	11,072,220
December 1, 1998	11,079,335
December 1, 1999	11,068,918
December 1, 2000	11,063,750
December 1, 2001	11,084,420
December 1, 2002	11,073,158
December 1, 2003	11,078,193
December 1, 2004	11,067,063
December 1, 2005	11,060,305

Except in any case in which bonds or other evidences of indebtedness are issued by the Commission for the purpose of refunding all of the Bonds and Parity Bonds outstanding under the Bond

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11

Resolution at or before their maturity, not less than 60 days preceding January 1 of the fiscal year in which all of the principal, interest and premium, if any, on all of the Bonds and Parity Bonds (as defined in the Bond Resolution) issued or to be issued under the Bond Resolution, and all of the Commission's administrative expenses and all other accrued and unpaid expenses relating to the projects for which the Bonds were issued, will be paid in full, or provision for their payment will be made, and this Lease will terminate, the Commission covenants that it will cause an audit to be made of its books and accounts relating to the project for which the Bonds were issued by an Independent Public Accountant, which audit report shall estimate the balance of all moneys which will be on hand, as of November 30 next, in the Construction Account if any, the Renewal, Replacement and Improvement Account, and the Surplus Account for the Site and Facilities leased herein and the Commission shall cause said balance as it actually exists on said November 30th, to be transferred by the Trustee to the Sinking Fund Account, and the final rental payment due by the Lessee shall be only in an amount which, together with the funds in said Sinking Fund Account, will pay in full all of the principal, interest and premium on all of said Public Building Commission of Chicago Building Revenue Bonds, Series A of 1986 and all of the Commission's administrative expenses and all other accrued and unpaid expenses relating to said project, and if thereafter any balance remains in the Sinking Fund Account it shall be paid to Lessee.

SECTION 4. The Commission will (at the time of the execution and delivery of this Lease to the Commission) cause to be deposited with the Continental Illinois National Bank and Trust Company of Chicago, as Escrowee, a quit-claim deed from the Public Building Commission of Chicago to the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois, conveying the Site hereinabove legally described, said deed to be delivered by said Escrowee to the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois, and this Lease to terminate, upon receipt of a certificate signed by the Secretary and Treasurer of the Public Building Commission of Chicago certifying to the fact that the Trustee has executed proper instruments acknowledging that the

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12

obligations of the Commission under the Bond Resolution have been discharged and satisfied in accordance with the provisions of Section 18.1 of the Bond Resolution and all administrative expenses of the Commission and all other accrued and unpaid expenses with respect to said revenue bond issue have been paid in full or provision for their payment has been made.

SECTION 5. Prior to or upon the execution of this Lease, the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois shall adopt proceedings demanding and requesting the City Council of the City of Chicago to provide by ordinance for the levy and collection of a direct annual tax upon all taxable property within the boundaries of Community College District No. 508 sufficient to pay the rent payable under this Lease, as and when the same becomes due and payable, and after this Lease has been duly executed, the Board of Trustees of Community College District No. 508 shall file in the offices of the County Clerks of Cook and Du Page Counties, Illinois, a certified copy of this Lease as so executed and a certified copy of said tax levying ordinance, which certified copies shall constitute the authority for said County Clerks to extend the taxes annually necessary to pay the rent payable under this Lease as and when the same becomes due and payable, without limitation as to rate or amount, and in addition to and in excess of all other taxes to be levied by or on behalf of the Board of Trustees of Community College District No. 508. The funds realized by the Board of Trustees of Community College District No. 508 from such tax levies shall not be disbursed for any purpose other than providing for the payment of the rent reserved in this Lease. Prior to the delivery of any of the Bonds, the Lessee agrees to enter into an escrow agreement approved by the Lessor providing, among other things, for the deposit of the funds realized from such tax levies into an escrow account to be maintained by the escrow agent designated in such escrow agreement. Moneys held in such escrow account for the purpose of paying the rentals reserved under this Lease shall be paid to the Trustee designated under the Bond Resolution on or before the due dates of such rental payments.

SECTION 6. The Board of Trustees of Community College District No. 508, as Lessee, shall operate and maintain the Facilities and

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13

undertake the cost of such operation and maintenance. The Board of Trustees of Community College District No. 508 shall use and keep the Facilities repaired and maintained in strict compliance with the recommendations of the Architect-Engineer or building management firm or technical staff employed by the Commission to inspect the facilities during each even numbered year (commencing in 1990) as required by the Bond Resolution. Technical staff shall mean those persons who are in the regular employ of the Public Building Commission, who are knowledgeable and experienced in matters pertaining to the maintenance and care of properties, and who are designated by the Commission to make such inspection and to file with the Commission their recommendations and conclusions as to the adequacy of the care and maintenance of the Facilities by the Board of Trustees of Community College District No. 508, as Lessee. The Board of Trustees of Community College District No. 508, as Lessee, shall provide services, including, but not to the exclusion of other items not specified, water, heat, light, electricity, air conditioning, repairs, replacements, janitor, cleaning and caretaking services, all at the expense of the Board of Trustees of Community College District No. 508 and without right of reimbursement from the Commission therefor; and it will observe and perform all of the applicable terms and conditions contained in the Act, in the Bond Resolution, and the Lease covering the Site and Facilities.

SECTION 7. The costs of operation and maintenance of the Facilities, as required hereinabove in Section 6, shall be included each year in the annual budget of the Board of Trustees of Community College District No. 508 to be prepared annually during the term of this Lease and the Board of Trustees of Community College District No. 508 shall adopt proceedings demanding and requesting the City Council of the City of Chicago to provide by ordinance for the levy and collection of direct annual taxes sufficient to pay such costs of operation and maintenance of the Facilities as is required of the Lessee under the terms of this Lease and the Bond Resolution and such taxes shall be levied and collected annually in like manner with the other taxes of the Board of Trustees of Community College District No. 508.

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14

SECTION 8. If the Commission by resolution determines that sufficient funds are not available to complete the constructing and equipping of the Facilities, or any part thereof, and that it will be necessary to issue additional bonds pursuant to Article 12 of the Bond Resolution, and the Lessee fails or refuses promptly to enter into a supplemental lease to increase the rent provided for herein by an amount sufficient to pay the principal of and interest on said additional bonds and provide for the levy of taxes necessary to pay such increase in the rent, then the Commission shall cause the Facilities to be completed with such modifications and eliminations as may be required by such lack of funds and in such manner as may be specified by the Architect-Engineer or Architect-Engineers then acting under the provisions of the Bond Resolution. However, the terms and conditions of this Lease, including, without limitation, the rent payments hereunder as set forth in Section 3 above, shall remain in full force and effect and continue to remain in full force and effect notwithstanding the fact that any or all of the Leased Premises may be untenable or unsuitable for Lessee's purposes for any reason whatsoever.

SECTION 9. The Commission will use its best efforts to complete the Facilities or cause the Facilities to be completed at the earliest possible date in accordance with the contracts therefor, provided that the Commission shall not be required to expend any moneys therefor which are not available from the proceeds derived from the sale of the Revenue Bonds as aforesaid and provided, further, that the failure to complete or cause the completion of the Facilities shall not give the Lessee any right to cancel or terminate this Lease or to abate, reduce or make reduction from or offset against any rent payable under this Lease or to fail to perform or observe any of the other covenants or conditions of the Lessee hereunder.

SECTION 10. The Lessee agrees that if the Lessee is in occupancy of the Facilities during the period of construction, to give full access to and to cooperate with each contractor engaged in constructing or equipping the Facilities and to permit the Commission and its agents at all reasonable times to enter and inspect such rehabilitation, renovation and improvement.

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SECTION 11. The Commission shall have the right during the period of construction of the Facilities to make minor changes in said plans and specifications, pertaining to the Facilities.

SECTION 12. As provided in this Lease and in the Bond Resolution, the Commission agrees to (i) pay the cost of the premiums for insurance which is provided to be maintained by the Commission under this Lease or which the Commission is obligated to maintain under the Bond Resolution, and (ii) pay the administrative expenses of the Commission attributable or allocable to the Leased Premises.

SECTION 13. The Commission shall, prior to the first day of each calendar year during the term of this Lease, file with the Lessee a certified copy of the annual budget of the Commission as required by and provided for in Section 16.1 of the Bond Resolution.

SECTION 14. The Lessee hereby expressly waives the right to make repairs at the expense of Lessor, which right may be provided for in any statute or law in effect at the time of the execution of this Lease or any statute or law which may thereafter be enacted.

SECTION 15. The Commission covenants that it will maintain an appropriate policy or policies of insurance against builders' risk during the construction of the Facilities or any portion of the Facilities. The Commission will procure from a responsible insurance company or companies, qualified to assume the risk thereof, such insurance coverage against physical loss or damage to the property, including without limiting the generality of the foregoing, fire and extended coverage, vandalism, malicious mischief, and against other risks as may be deemed necessary or advisable by the Commission, with such exceptions as are ordinarily required by insurers of facilities of similar type, in an amount equal to the full replacement value thereof, as certified by the Architect-Engineer in writing filed with the Commission and the Trustee; provided, however, that the requirement to maintain insurance as hereinabove set forth may be waived by the express agreement of the Lessee in writing approved by the Commission and filed with the Trustee, to assume any and all liability and risks of every kind and nature against physical loss or damage to the Facilities and provided, further, that the waiver of such insurance

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requirement shall not release, impair or diminish the obligation of the Lessee to pay the annual rentals in the amounts hereunder set forth in Section 3 above. Such policy or policies of insurance as may be obtained by the Commission shall contain a waiver by the insurer of the right of subrogation against the contractor, his or its subcontractors, the architect, engineer, and the Lessee, their respective commissioners, board members, officers, agents and employees. The Commission will not carry insurance of any kind on furniture or furnishings or on any fixtures, equipment, improvements or appurtenances owned by the Lessee or leased by the Lessee from other than the Commission and located in said Facilities; and the Commission shall not be obligated to repair any damage thereto resulting from fire or other casualty or to replace the same if destroyed by fire or other casualty.

All such policies shall be for the benefit of the Commission, shall be made payable to the Commission, and shall be received by the Treasurer and by him forthwith deposited with the Trustee. The Commission shall have the sole right to receive the proceeds of such insurance and to receipt for and settle claims thereunder and shall deposit the same with the Trustee. The proceeds of any and all such insurance shall be held by the Trustee as security for the Bonds issued hereunder until paid out as hereinafter provided.

The Commission covenants that, immediately after any substantial damage to or destruction of any part of the Facilities, it will cause the Architect-Engineer appointed under the Bond Resolution to prepare plans and specifications for repairing, replacing or reconstructing the damaged or destroyed property (either in accordance with the original or a different design) and an estimate of the cost thereof, and to file copies of such estimate with the Trustee and the Lessee.

The proceeds of all insurance referred to in this Section 15 received by the Trustee during the construction and equipping of said Facilities shall be held by the Trustee, credited to the Construction Account, and shall be available for and disbursed by the Trustee in the manner and on the showings provided in Section 7.4 under the Bond Resolution for payments from the Construction Account. The pro-

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ceeds of all insurance referred to in this Section 15 received by the Trustee after the construction and equipping of the Facilities has been fully completed, shall be credited by the Trustee to a special account which is hereby created and designated "Public Building Commission of Chicago, Building and Facilities (Series A of 1986) Insurance Account" (hereinafter referred to as the "Insurance Account"), and said proceeds shall be available for, and shall to the extent necessary be applied to, the repair, replacement, or reconstruction of the damaged or destroyed property, and shall be disbursed by check of the Trustee in the manner and upon the showings so far as reasonably applicable, provided in Section 7.4 under the Bond Resolution for payments from the Construction Account. The Trustee shall not be liable for disbursement so made. If such proceeds are more than sufficient for such purpose, the balance remaining shall be by order of the Board deposited by the Trustee to the credit of the Surplus Account. If such proceeds shall be insufficient for such purpose, then the deficiency shall be supplied by the Commission from any moneys available for that purpose in the Surplus Account under the Bond Resolution.

The Commission covenants that in the case of any substantial damage to or destruction of any part of the Facilities, it will cause the Facilities to be renewed, replaced or reconstructed to the extent possible from the proceeds of insurance and other moneys available for such purpose, and that it will forthwith commence and diligently proceed with such renewal, replacement or reconstruction of the damaged or destroyed property according to plans and specifications prepared or approved by the Architect-Engineer.

The proceeds of any such insurance not applied within eighteen months after their receipt by the Commission to renewing, replacing or reconstructing the damaged or destroyed property (unless it has been prevented from so doing because of conditions beyond its control) shall be credited by the Trustee upon order of the Commission to the Sinking Fund Account under the Bond Resolution.

SECTION 16. The Commission covenants that it will at all times carry or cause to be carried with a responsible insurance company or companies qualified to assume the risk thereof:

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(A) Such worker's compensation or employers' liability insurance, covering its employees, as may be deemed necessary or advisable under law.

(B) Public and other liability insurance of such character and amount (if any) as shall be adequate, in the judgment of the Commission, to insure the Commission against risks (if any) to which it may reasonably be or become subject to in the work of constructing and equipping the Facilities, and in leasing the same, but the Commission shall not be required to maintain any such insurance to the extent such insurance is carried for its benefit by any lessee, licensee or other person operating any of the Facilities or by contractors. The proceeds of any such insurance not applied directly in settlement of such liability shall be promptly deposited with the Trustee and by it credited to the Administrative Expense Account in case of risks to which the Commission is subject in operation, and credited to the Construction Account or Insurance Account, as the case may be, in case of risks to which it is subject in the constructing and equipping of the Facilities.

(C) All officers and employees of the Commission authorized to receive or retain the custody of money or to sign vouchers, checks, warrants, or evidences of indebtedness on behalf of the Commission, shall be bonded for the faithful performance of their duties and the faithful accounting of all moneys and other property that may come into their hands, in an amount to be fixed and in a form to be approved by the Commission.

All policies of insurance required by this Section 16 shall name as the insured parties thereunder the Commission, the Architect, Engineer, and the Lessee, as their interests may appear.

SECTION 17. All insurance provided under Section 15 and 16 above shall provide for fifteen days prior written notice to the Commission and the Trustee of the cancellation or material modification of any such insurance, and shall further provide that, as to the interest of the Commission, such insurance shall not be altered or impaired by any act or omission of anyone other than the Commission.

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Within 90 days after the date of the delivery of the Revenue Bonds referred to in the Bond Resolution, and within the first three months of each subsequent fiscal year the Commission shall file with the Lessee and the Trustee a schedule of all insurance policies referred to in Sections 15 and 16 which are then in effect, stating with respect to each policy the name of the insurer, the amount, number and expiration date, and the hazards and risks covered thereby. All such insurance policies shall be open to the inspection of the Trustee, the Lessee, the Bondholders and their agents and representatives.

The Commission will maintain and keep proper books of record and accounts separate from all other records and accounts, in which shall be made (a) and correct entries of all transactions relating to the Facilities. Not later than 120 days after the close of each fiscal year, the Commission will cause an annual audit of its books, records and accounts for the preceding fiscal year to be made by an Independent Public Accountant and will mail a copy of such audit report to the Trustee and the Lessee. Such books, records and accounts shall be open for inspection to the Trustee and the Lessee at all reasonable times.

No portion of the funds paid by the Lessee to the Commission shall be used for any purpose inconsistent with the conditions of the Bond Resolution and this Lease.

SECTION 18. This Lease shall be deemed and construed to be a net lease, noncancellable by the Lessee during the term hereof, and the Lessee shall pay, subject only to the provisions of Section 8.3(c)(6) of the Bond Resolution and Section 3 of this Lease, to the Commission absolutely net throughout the term of this Lease the rent and all other payments required hereunder, free of any deductions, without abatement, deduction or setoff for any reason or cause whatsoever including, without limiting the generality of the foregoing:

(i) the failure, from whatsoever cause, to complete the Facilities or the failure from whatsoever cause of the Facilities to comply in any respect or respects with said plans and specification;

(ii) the failure to complete the Facilities, at or before the beginning of the term of this Lease;

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(iii) any damage to or destruction of the Leased Premises or any part thereof, or any delay, interruption or prevention from any cause whatsoever of the use or occupancy of the Leased Premises or any part thereof, and whether or not resulting from any act of God or the public enemy, or from any restriction or requirement of law, ordinance, rule, or regulation of any public body or authority, State or Federal, having jurisdiction in the premises (whether such restrictions or requirements relate to the use or occupancy of any or all of the Leased Premises or the quality, character or condition of any or all of the Leased Premises, structures, improvements and equipment thereon or therein, or otherwise);

(iv) any failure of or any defect in the Commission's title to the Leased Premises, whether or not such failure or defect interferes with, prevents or renders burdensome the use or occupancy of the Leased Premises or any part thereof;

(v) any failure in whole or in part of the Commission to obtain and maintain the insurance which is provided to be maintained by the Commission under this Lease;

(vi) any failure in whole or in part of the Commission to perform all or any of its other obligations, expressed or implied, to or for the benefit of the Lessee, whether such obligations are provided for in this Lease, result from operation of law, or are provided for in or result from some other contract or agreement at any time or from time to time entered into between the Commission and the Lessee.

SECTION 19. The leasehold rights, duties and obligations of the Lessee under this Lease shall not be assigned or sublet in whole or in part during the term of this Lease or while any Revenue Bonds of the Commission relating to any or all of the Leased Premises are outstanding and unpaid, unless provision has been made for the payment thereof and the obligations of the Commission under the Bond Resolution have been discharged in accordance with the provisions of Section 18.1 of the Bond Resolution, except that the Lessee may sublease all or part of the space leased by it if the Commission agrees to such sublease and if such sublease is permitted by law.

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SECTION 20. Any notice or any demand required or permitted hereunder or by the Resolution shall be served in the following manner:

(A) By delivering a duly executed copy thereof to the Secretary of the Commission, if the Commission is being served or to the Secretary of the Lessee, if the Lessee is being served; or

(B) By depositing a duly executed copy thereof in the United States mails, by registered or certified mail, duly addressed to the Commission or the Lessee, as the case may be.

Service by such mailing shall be deemed sufficient if addressed to the Commission or the Lessee, as the case may be, at such address as the Commission or the Lessee may have last furnished the Trustee in writing and until a different address shall be so furnished, by mailing the same as aforesaid, addressed, as the case may be, as follows:

Public Building Commission of Chicago
Attention: Secretary
Room 705, Richard J. Daley Center
Chicago, Illinois 60602

Board of Trustees of
Community College District No. 503
Attention: Secretary
30 East Lake Street
Chicago, Illinois 60601

SECTION 21. This Lease shall inure to the benefit of and be binding upon the respective parties hereto, their successors and assigns and shall also inure to the benefit of the holders of any of the Revenue Bonds of the Commission referred to herein, as their interests may appear.

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SECTION 22. In the event any covenant, phrase, clause, paragraph, section, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, phrase, clause, paragraph, section, condition or provision shall in no way affect any other covenant, phrase, clause, paragraph, section, condition or provision herein contained.

SECTION 23. All words and phrases defined in the Bond Resolution shall have the same meaning in this Lease.

SECTION 24. This Lease has been executed in several counterparts, each of which may be considered as an original.

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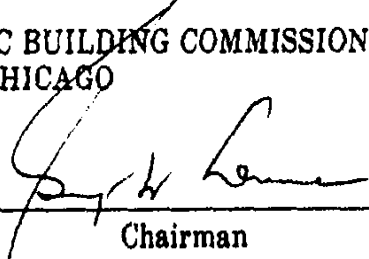
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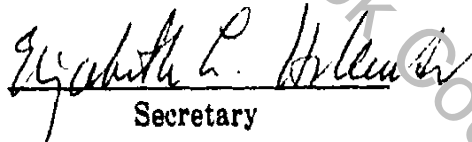
IN WITNESS WHEREOF, the Public Building Commission of Chicago, by its Chairman, and the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois, by its Chairman, have each caused their respective names to be signed to this instrument and their respective seals to be affixed and attested hereto by their duly authorized officers, the day and year first above written.

PUBLIC BUILDING COMMISSION
OF CHICAGO


By 
Chairman

[SEAL]

Attest:

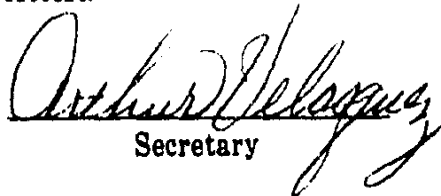

Secretary

BOARD OF TRUSTEES OF
COMMUNITY COLLEGE
DISTRICT No. 508, COUNTY OF
COOK AND STATE OF ILLINOIS

By 
Chairman

[SEAL]

Attest:


Secretary

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Public Building Commission of Chicago

RESOLUTION

No. 3230

AUTHORIZING AND PROVIDING FOR THE ISSUE OF

\$90,000,000

PUBLIC BUILDING COMMISSION OF CHICAGO

BUILDING REVENUE BONDS

SERIES A OF 1986

Authorizing and providing for the issue of \$90,000,000 Public Building Commission of Chicago, Building Revenue Bonds, Series A of 1986, for the purpose of acquiring a site and of constructing and equipping a building and facilities thereon and providing for the payment of said Bonds.

The form of Lease Agreement to be entered into by the Public Building Commission of Chicago and the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois is attached to the Resolution marked Exhibit A, except that such Lease Agreement does not have attached a copy of the Bond Resolution referred to therein.

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RESOLUTION NO. 3230

Authorizing and providing for the issue of \$90,000,000 Public Building Commission of Chicago, Building Revenue Bonds, Series A of 1986, for the purpose of acquiring a site and constructing and equipping a building and facilities thereon and providing for the payment of said Bonds.

WHEREAS, the Public Building Commission of Chicago is a municipal corporation duly organized under the provisions of the "Public Building Commission Act" of the State of Illinois, approved July 5, 1955, as amended, for the purpose, among others, of making possible the construction, acquisition or enlargement of public improvements, buildings and facilities at convenient locations within the County Seat of Cook County, Illinois, for use by governmental agencies in the furnishing of essential governmental, health, safety and welfare services to its citizens; and

WHEREAS, the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois, acting in cooperation with the Department of Planning of the City of Chicago and the Comprehensive Plan for the City of Chicago has proposed the acquisition of a site and the construction thereon of the following described building and facilities by the Public Building Commission of Chicago, such site, building and facilities pertaining to this college to be situated within the City of Chicago and such site being hereinafter described and such community college being commonly known and referred to and being identified by project designation as follows:

New Wright College at (JC-7)
Southwest corner of West Montrose Avenue
and North Narragansett Avenue

; and

WHEREAS, the Board of Commissioners of the Public Building Commission of Chicago finds that there is an urgent need for the acquisition of such site and the construction thereon of such building and facilities; and

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WHEREAS, said site is conveniently located and of a sufficient size to accomplish and effectuate the aforesaid purpose, and is sufficient to provide for an appropriate architectural setting for such building and other facilities; and

WHEREAS, the Board of Commissioners of the Public Building Commission of Chicago did, by proper resolution adopted on the date hereinafter indicated, and pursuant to the terms and conditions of the Act, select, locate and designate the following described area, lying wholly within the territorial limits of the City of Chicago, as a site to be acquired for a community college and for the erection and construction thereon of the proposed building and facilities, such site being described and designated by Resolution No. 3007, dated October 1, 1984, as modified by Resolution No. 3153, dated October 1, 1985, as follows:

New Wright College at (JC-7)
Southwest corner of West Montrose Avenue
and North Narragansett Avenue

That part of the fractional Southeast Quarter of Section 18, Township 40 North, Range 13 East of the Third Principal Meridian, bounded and described as follows:

Commencing at the point of intersection of a line drawn 33.00 feet North of and parallel with the South line of said Southeast Quarter and a line drawn 33.00 feet West of and parallel with the East line of said Southeast Quarter; thence North 0 degrees 11 minutes 16 seconds west 1591.66 feet along said line 33.00 feet West of and parallel to the point of beginning of the following described parcel of land; thence South 89 degrees 43 minutes 44 seconds West 154.71 feet along a line drawn perpendicularly to the East line of said Southeast Quarter; thence Northwesterly 119.20 feet along the arc of a circle convex to the Northeast; having a radius of 294.88 feet and whose chord bears North 56 degrees 29 minutes 31 seconds west; thence North 68 degrees 04 minutes 21 seconds West 140.94 feet along a line drawn tangent to the last described arc; thence South 88 degrees 33 minutes 46 seconds West, 54.99 feet; thence South 42 degrees 24 minutes 22 seconds West 37.81 feet; thence South 77 degrees 43 minutes 19

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seconds West 412.78 feet; thence Northwesterly 21.08 feet along the arc of a circle tangent to the last described course, convex to the Southwest, having a radius of 16.26 feet and whose chord bears North 65 degrees 09 minutes 00 seconds West to a point of compound curve; thence Northwesterly 41.82 feet along the arc of a circle, convex to the Southwest, having a radius of 156.31 feet and whose chord bears North 20 degrees 21 minutes 28 seconds West; thence North 12 degrees 41 minutes 38 seconds West 359.91 feet along a line tangent to the last described arc; thence North 9 degrees 19 minutes 20 seconds West 58.00 feet; thence North 12 degrees 30 minutes 53 seconds West, 556.89 feet to a point on a line drawn 33.00 feet South of and parallel with the North line of the aforesaid Southeast Quarter; said point being 1106.14 feet (as measured along said parallel line) West of the point on a line 33.00 feet West of and parallel with the East line of the aforesaid Southeast Quarter; thence North 89 degrees 51 minutes 12 seconds East 1106.14 feet along said line 33.00 feet South of and parallel to said line 33.00 feet West of and parallel; thence South 0 degrees 11 minutes 16 seconds East 1002.40 feet along said line 33.00 feet West of and parallel to the hereinabove designated point of beginning, in Cook County, Illinois;

EXCEPTING THEREFROM, the following described property: From the aforesaid point of beginning for the above described tract of land; thence South 89 degrees 48 minutes 44 seconds West to a point on a line drawn 63.00 feet West of and parallel with the East line of said Southeast Quarter; thence North 0 degrees 11 minutes 16 seconds West along said line 63.00 feet West of and parallel with the East line of said Southeast Quarter to a point on said line being 103.00 feet southerly of the North line of said Southeast Quarter; thence northwesterly to a point on a line drawn 53.00 feet South of and parallel with the North line of said Southeast Quarter, said point being 113.00 feet West of the East line of said Southeast Quarter; thence South 89 degrees 51 minutes 12 seconds West along said line 53.00 feet South of and parallel with the North line of said Southeast Quarter to the westerly line of the aforescribed tract of land to be conveyed; thence North 12 degrees 30 minutes 53 seconds West to a point on a

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line drawn 33.00 feet South of and parallel with the North line of the aforesaid Southeast Quarter, said point being 1106.14 feet (as measured along said parallel line) West of the point on a line 33.00 feet West of and parallel with the East line of the aforesaid Southeast Quarter; thence North 89 degrees 51 minutes 12 seconds East 1106.14 feet along said line 33.00 feet South of and parallel with the North line of said Southeast Quarter to the point on said line 33.00 feet West of and parallel with the East line of the aforesaid Southeast Quarter; thence South 0 degrees 11 minutes 16 seconds east 1002.40 feet along said line 33 feet West of and parallel with the East line of said Southeast Quarter to the hereinabove designated point of beginning; and

WHEREAS, the selection of said site has been approved by a majority of the members of the governing body of the County Seat, being the City Council of the City of Chicago, Illinois as required by Section 14 of said Public Building Commission Act; and

WHEREAS, the fee title to the above-described property is in the process of being acquired by the Commission; and

WHEREAS, the following Architect-Engineer has prepared a report containing plans and specifications for the construction and equipping on said site of public improvements, building and facilities for said site, which Architect-Engineer's report containing said plans and specifications has been approved by the Commission and is now on file in the office of the Secretary of the Commission and is dated and further described as follows:

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<u>Site</u>	<u>Project Designation</u>	<u>Architect-Engineer</u>	<u>Date of Report</u>
New Wright College	(JC-7)	Bertrand Goldberg Associates, Inc.	May 13, 1986

and

WHEREAS, the Commission will enter into a lease with the Board of Trustees of Community College District No. 508 by which lease said Board of Trustees of Community College District No. 508 agrees to pay rentals commencing on the first day of December, 1987 and on the first day of December of each year thereafter to and including the first day of December, 2005, and for the payment of which rentals said Board of Trustees of Community College District No. 508 will be required to adopt proceedings demanding and requesting the City Council of the City of Chicago to provide for the levy of a direct annual tax upon all taxable property within the boundaries of Community College District No. 508 sufficient to pay the rentals provided by its lease, said taxes to be levied for each of the years 1986 to 2004, inclusive; and

WHEREAS, the Commission has heretofore estimated the cost of acquiring said site above referred to and the cost of constructing and equipping said building and facilities and all other expenses connected therewith, including architectural, engineering, legal, and all financing costs;

NOW, THEREFORE, Be It Resolved by the Board of Commissioners of the Public Building Commission of Chicago, Cook County, Illinois, as follows:

ARTICLE 1.

DEFINITIONS.

SECTION 1.1. *Definitions.* As used in this Resolution the following terms shall have the meanings hereinafter set forth unless the context shall clearly indicate that some other meaning is intended, to wit:

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(a) The term "Act" shall mean the "Public Building Commission Act" of the State of Illinois, approved July 5, 1955, as amended.

(b) The term "Administrative Expense" shall mean and include all salaries and wages of office and clerical employees, administrative management, legal and overhead expenses, cost of all collections of Revenue, cost of all stationery and supplies, books, recording tapes, registration equipment, bookkeeping and auditing costs, all fees and expenses of the Architect-Engineer, and the Independent Public Accountant, incurred in compliance with provisions of this Resolution, cost of all publications, and shall include, without limiting the generality of the foregoing, insurance premiums, legal and engineering expenses, fiscal fees, Trustee's, and Registrar's fees and expenses for acting in any capacity in connection with this Resolution, pension requirements, health and hospitalization insurance, all costs of registering Bonds as to principal and any other expenses required to be paid by the Commission, all to the extent properly attributable to the Site, Building and Facilities pursuant to the provisions of this Resolution.

(c) The term "Architect-Engineer" or "Architect-Engineers" shall mean any firm or government agency of architects and engineers of recognized standing, experienced in the field of building design, planning, and construction, which is designated as the Architect-Engineer or Architect-Engineers by the Board of Commissioners, and the members of which firm or agency are entitled to practice and are practicing as such, under the laws of the State of Illinois. The firm of Bertrand Goldberg Associates, Inc. is deemed to be an "Architect-Engineer" under this definition.

(d) The term "Board of Commissioners" or "Board" shall mean the Board of Commissioners of the Public Building Commission of Chicago.

(e) The term "Bond" or "Bonds" means the Public Building Commission of Chicago, Building Revenue Bonds, Series A of 1986, authenticated and delivered under this Resolution.

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(f) The term "Bond Counsel" means any attorneys or firm of attorneys of recognized standing as municipal bond counsel selected by the Commission.

(g) The term "Bondholder" or "Holder of Bonds," or any similar term, means any person who shall be the registered owner of any outstanding Bond or Bonds.

(h) The term "Bond Registrar" means such bank or trust company in the City of Chicago, appointed as Trustee under the terms of this resolution, pursuant to Section 13.1.

(i) The term "Building and Facilities" shall mean the improvements herein provided to be made at the building and facilities situated on the site in accordance with the plans and specifications therefor described in the preamble of this Resolution.

(j) The term "Chairman" shall mean Chairman of the Board of Commissioners of the Commission.

(k) The term "City College" shall mean the Board of Trustees of Community College District No. 608 County of Cook and State of Illinois.

(l) The term "Commission" shall mean the Public Building Commission of Chicago.

(m) The term "Counsel" shall mean any attorney or firm of attorneys regularly employed by the Commission to represent it in legal matters.

(n) The term "Depository" shall mean such bank or trust company in the City of Chicago, appointed as Trustee under the terms of this Resolution, pursuant to Section 13.1.

(o) The term "Executive Director" shall mean the Executive Director of the Commission.

(p) The term "Independent Public Accountant" shall mean any firm of certified public accountants of national standing and

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recognition selected by the Commission, satisfactory to the Trustee, entitled to practice and practicing as such under the laws of the State of Illinois, which:

1. is in fact independent and not under the domination of the Commission;

2. does not have any substantial interest, direct or indirect, in any contract with the Commission other than its contract of employment; and

3. is not connected with the Commission other than being regularly retained by the Commission.

(q) The term "Lease" shall mean the lease required to be entered into by and between the Commission and the City College, in accordance with the lease attached hereto, marked Exhibit "A", and made a part hereof by reference.

(r) The term "Lessee" shall mean the City College.

(s) The term "Parity Bonds" shall mean such additional bonds as may be issued under the terms of this Resolution to share ratably and equally in the receipts and revenues derived by the Commission from the acquisition of the Site and constructing and equipping thereon the Building and Facilities herein provided for and described in the preamble hereto.

(t) The term "Resolution" means this Resolution adopted by the Commission.

(u) The term "Revenue" or "Revenues" shall mean all receipts and revenues received by the Commission as a result of its ownership of the Site, Building and Facilities constituting the program herein provided for and described in the preamble hereto, including all payments under any leases, contracts, or other sources relating thereto.

(v) The term "Secretary" shall mean the Secretary or any Assistant Secretary of the Commission.

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(w) The term "Site" shall mean the site to be acquired in connection with the proposed improvements at the Wright College, the legal description being contained in the preamble of this Resolution.

(x) The term "Treasurer" shall mean the Treasurer or any Assistant Treasurer of the Commission.

(y) The term "Trustee" shall mean the Continental Illinois National Bank and Trust Company of Chicago, in the City of Chicago, Illinois, or its successor.

ARTICLE 2.

SITE ACQUISITION AND PLANS FOR THE BUILDING AND FACILITIES TO BE CONSTRUCTED THEREON AND ESTIMATED COSTS.

SECTION 2.1. The Site proposed to be acquired and the Building and Facilities to be constructed thereon described in the preamble hereto shall be constructed and equipped in accordance with the plans and specifications contained in the respective Architect-Engineers' report referred to in the preamble hereto, which report is based on the written requirements of the City College, and which report and written requirements have heretofore been approved by and are now on file in the office of the Commission.

SECTION 2.2. The Board of Commissioners has heretofore estimated and does hereby estimate and determine the cost of acquiring the aforesaid Site and of constructing and equipping the Building and Facilities in accordance with such plans and specifications, including architectural, engineering, legal, administrative and all financing costs, less estimated earnings on the Construction Account to be as follows:

<u>Site</u>	<u>Project Designation</u>	<u>Amount for Project*</u>
New Wright College	JC-7	\$90,000,000

* A detailed summary of the above project costs for said project, dated May 13, 1986 is on file in the Office of the Secretary.

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SECTION 2.3. The Board of Commissioners does hereby determine the period of usefulness of the Building and Facilities so constructed to be 40 years.

SECTION 2.4. The Commission proposes to pay the cost of acquiring the Site and constructing and equipping the Building and Facilities by the sale of Bonds authorized hereunder and by interest to be earned during construction, and the Building and Facilities of the Commission described in Section 2.1 hereof shall be constructed and equipped in accordance with the provisions of this Resolution.

ARTICLE 3.

AUTHORIZATION OF BONDS.

SECTION 3.1. For the purpose of paying the cost of acquiring the Site and constructing and equipping the Building and Facilities thereon, there be and there is hereby authorized to be issued Bonds of the Commission in the principal amount of \$90,000,000, which Bonds shall be designated "Public Building Commission of Chicago, Building Revenue Bonds, Series A of 1986," and shall be dated, and shall also bear the date of authentication, shall mature and shall be in fully registered form and shall contain provisions all as hereinafter provided. The Bonds shall be issued in the denomination of \$5,000 each and any integral multiple thereof and shall be dated July 1, 1986. The Bonds shall be numbered from 1 upwards. The Bonds shall bear interest at a rate of not to exceed the greater of nine percent (9%) per annum or 125% of the rate for the most recent date shown in the 20 G.O. Bonds Index of average municipal bond yields in the most recent edition of The Bond Buyer published in New York, New York, at the time the contract is made for the sale of the Bonds payable semi-annually on January 1 and July 1, commencing on January 1, 1987. Principal and interest will be payable at the office of the Trustee. Said Bonds shall mature serially on January 1 of each of the years and in the amounts as follows:

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<u>Year of Maturity</u>	<u>Principal Amount</u>
1989	\$2,075,000
1990	2,300,000
1991	2,500,000
1992	2,750,000
1993	3,000,000
1994	3,275,000
1995	3,575,000
1996	3,925,000
1997	4,300,000
1998	4,700,000
1999	5,150,000
2000	5,625,000
2001	6,150,000
2002	6,750,000
2006	<u>33,925,000</u>
	\$90,000,000

Each Bond shall bear interest from its date or from the most recent interest payment date to which interest has been paid or duly provided for, whichever date is later, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on the first days of July and January of each year, commencing on January 1, 1987. Interest on each Bond shall be paid by check or draft of Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois or its successor, as bond registrar (the "Bond Registrar"), to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the Bonds and redemption premium, if any, shall be payable in lawful money of the United States of America at the principal corporate trust office of the Bond Registrar in Chicago, Illinois.

The Bonds due on January 1, 2006 are subject to mandatory redemption at par and accrued interest to the date fixed for redemption without premium, such Bonds to be selected in such manner as shall be reasonably determined by the Bond Registrar, and such Bonds

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to be redeemed on January 1 of each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2003	\$7,375,000
2004	8,075,000
2005	8,825,000
2006	9,650,000 (final maturity)

Bonds due on or after January 1, 1998 are redeemable prior to maturity at the option of the Commission in whole or in part on January 1, 1997 or on any interest payment date thereafter, and if less than all of the outstanding Bonds are to be redeemed, the Bonds to be called shall be called in the inverse order of their maturity and if less than all of a single maturity is to be redeemed then by lot within a maturity in the manner hereinafter provided. Bonds called prior to January 1, 2000 shall be redeemed at a redemption price of 101% of the principal amount redeemed plus accrued interest to the date fixed for redemption. Bonds called on or after January 1, 2000 shall be redeemed at a redemption price of par plus accrued interest to the date fixed for redemption.

The Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. In the event of the redemption of less than all the Bonds of like maturity such redemption shall be conducted in such manner as shall be reasonably determined by the Bond Registrar. The Commission shall, at least forty-five (45) days prior to an optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the principal amount of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than sixty (60) days prior to the redemption date by the Bond Registrar.

The Bond Registrar shall promptly notify the Commission in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar

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on behalf of the Commission by mailing the redemption notice by registered or certified mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
- (5) the place where such bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar.

Prior to any redemption date, the Commission shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all of the Bonds or portions of Bonds which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Commission shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for the payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same interest rate and maturity in the amount of the unpaid principal.

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14

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

ARTICLE 4.

PROVISIONS OF BONDS.

SECTION 4.1. The Bonds shall be executed on behalf of the Commission with the manual or facsimile signature of the Chairman, attested with the manual or facsimile signature of its Secretary, with the facsimile seal of the Commission to be printed thereon. In case any of the officers who shall have signed, countersigned or attested any of the Bonds, shall cease to be such officer before the Bonds, so signed, countersigned or attested shall have been actually issued and delivered, such Bonds shall be valid nevertheless, and may be issued by the Commission with the same effect as though the persons who had signed, countersigned or attested such Bonds had not ceased to be such officers. The Trustee shall authenticate the Bonds from time to time upon the order of the Secretary, and shall deliver the same to or upon his order. Only such of the Bonds as shall have thereon a certificate of authentication substantially in the form hereinafter set forth, duly executed by the Trustee, shall be entitled to any right or benefit under this Resolution. No Bond shall be valid or obligatory for any purpose unless or until such certificate of authentication shall have been duly executed by the Trustee, and such certificate of the Trustee on any such Bond shall be conclusive evidence that such Bond shall have been duly executed and issued under this Resolution. The Trustee's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. The Commission is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the Commission for use in the transfer and exchange of Bonds.

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SECTION 4.2. The Commission will cause to be kept at the principal office of the Trustee in the City of Chicago, Illinois, as Bond Registrar, at all times while any of the Bonds shall be outstanding and unpaid, books for the registration and transfer of such Bonds.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or his attorney duly authorized in writing, the Commission shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same rate of interest and maturity of authorized denominations for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same rate of interest and maturity of other authorized denominations. The execution by the Commission of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period of fifteen (15) days next preceding any interest payment date on such Bond, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. In the event any of the Bonds are registered in the name of a securities depository which uses a book entry system, the standing of the registered owner to enforce any of the covenants

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herein may be established through the books and records of such securities depository or a participant therein.

No service charge shall be made to any Bondholder for any transfer or exchange of Bonds, but the Commission or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

The Bonds may be initially issued in the form of a separate single fully registered Bond for each of the maturities set forth in Section 3.1 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Trustee in the name of Cede & Co. ("Cede"), as nominee of The Depository Trust Company ("DTC"). Except as hereinafter provided, all of the outstanding Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC.

With respect to Bonds registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC, the Commission, the Trustee and any Paying Agent shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of which such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Commission, the Trustee and any Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Trustee, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Trustee, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The Commission, the Trustee and the Paying Agent may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Trustee as the holder and absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all

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other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Bondholders, as shown in the registration books kept by the Trustee, or their respective attorneys duly authorized in writing, as provided herein, and all such payments shall be valid and effective to fully satisfy and discharge the Commission's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than a Bondholder, as shown in the registration books kept by the Trustee, shall receive a Bond certificate evidencing the obligation of the Commission to make payments of principal, premium, if any, and interest pursuant to this Resolution. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions herein with respect to record dates, the word "Cede" in this Bond Resolution shall refer to such new nominee of DTC; and upon receipt of such a notice the Trustee shall promptly deliver a copy of the same to the Paying Agent.

With respect to the Commission and DTC the following provisions shall apply:

(a) DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the Commission and discharging its responsibilities with respect thereto under applicable law.

(b) The Commission, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds if the Commission determines, and shall terminate the services of DTC with respect to the Bonds upon receipt by the Commission of written notice from DTC to the effect that DTC has received written notice from its participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the then outstanding Bonds to the effect that:

(i) DTC is unable to discharge its responsibilities with respect to the Bonds, or

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18

(ii) a continuation of the requirement that all of the outstanding Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC, is not in the best interest of the beneficial owners of the Bonds.

(c) Upon the termination of the services of DTC with respect to the Bonds, or upon the discontinuance or termination of the services of DTC with respect to the Bonds after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Commission, is willing and able to undertake such functions upon reasonable and customary terms, the Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede as nominee of DTC, but may be registered in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions hereof.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter delivered by the Commission and the Trustee to DTC on or prior to the issuance of the Bonds.

SECTION 4.3. In case any Bond shall become mutilated in respect of the body of such Bond or shall be determined by the Commission to have been destroyed, stolen or lost, upon proof of ownership satisfactory to the Commission and upon the surrender of such mutilated Bond, at the office of the Trustee in the City of Chicago, Illinois, or upon the receipt of evidence satisfactory to the Commission and the Trustee of such destruction, theft or loss, and upon receipt also of indemnity satisfactory to the Commission and the Trustee and upon payment of all expenses incurred by the Commission and the Trustee for any investigation relating thereto and for each new Bond issued under this Section, the Commission shall cause to be authenticated by the Trustee and issued and delivered, at the office of the Trustee in the City of Chicago, Illinois, a new Bond or Bonds of the same interest rate and maturity and for the same aggregate principal amount, of

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19

like tenor and date, bearing the same issue number or numbers, with such notations as the Commission and the Trustee shall determine, in exchange or substitution for and upon cancellation of the mutilated Bond, or in lieu of and in substitution for the Bond, so lost, stolen or destroyed.

If any such destroyed, stolen or lost Bond shall have matured, payment of the amount due thereon may be made by the Trustee on receipt of like proof, indemnity and payment of expenses.

Any duplicate Bond issued pursuant to this Section shall be entitled to equal and proportionate benefits with all other Bonds issued hereunder. Neither the Commission, nor the Trustee, shall be required to treat both the original Bond and any duplicate Bond as being outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds outstanding hereunder, but both the original and duplicate Bond shall be treated as one and the same.

ARTICLE 5

BONDS TO BE NEGOTIABLE INSTRUMENTS.

SECTION 5.1 All Bonds issued pursuant to this Resolution, subject to the provisions for registration and transfer herein and in the Bonds contained, shall be negotiable instruments and shall have all of the qualities and incidents of negotiable instruments under the laws of the State of Illinois. The Commission, the Trustee, the Treasurer, the Bond Registrar and any other person may treat the registered owner of a Bond as the absolute owner of the Bond for the purpose of making payment thereon and for all other purposes, and neither the Commission nor the Trustee, Bond Registrar nor the Treasurer shall be bound by any notice or knowledge to the contrary. All payments of or on account of interest or principal to any Bondholder shall be valid and effectual and shall be a discharge of the Commission, the Trustee, Bond Registrar and the Treasurer in respect of the liability for interest or principal, as the case may be, to the extent of the sum or sums so paid.

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20

ARTICLE 6.

FORM OF BOND.

SECTION 6.1. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK

PUBLIC BUILDING COMMISSION OF CHICAGO
BUILDING REVENUE BOND
SERIES A OF 1986

No. \$
Dated Date: July 1, 1986
Registered Owner:

Maturity Date: Principal Amount: Rate of Interest:

The Public Building Commission of Chicago, Cook County, Illinois (the "Commission"), for value received hereby promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the maturity date shown above, the principal amount shown above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such principal amount from the date of this Bond or from the most recent interest payment date to which interest has been paid, whichever is later, at the interest rate per annum set forth above on July 1 and January 1 of each year commencing January 1, 1987 until said principal sum is

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paid. Principal of this Bond is payable in lawful money of the United States of America upon the surrender hereof at the principal corporate trust office of Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the Commission maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding the interest payment date, and shall be paid by check or draft of the Bond Registrar mailed to such Registered Owner at the address as it appears on such registration books, or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

This Bond is one of an issue of Public Building Commission of Chicago Building Revenue Bonds, Series A of 1986 (the "Bonds") of the Commission. All of the Bonds, of which this Bond is one, are issued and to be issued pursuant to the provisions of the Public Building Commission Act of the State of Illinois, approved July 5, 1955, as amended (the "Act") and pursuant to a Resolution adopted by the Board of Commissioners of the Public Building Commission of Chicago authorizing the issuance of the Bonds (the "Resolution"). A copy of the Resolution is on file at the office of the Secretary of the Commission and at the Continental Illinois National Bank and Trust Company of Chicago (hereinafter in its several capacities called "Trustee") and reference is hereby made to the Resolution and to any and all amendments or supplements or modifications thereof adopted as therein provided and to the Act for a description of the terms on which the Bonds are issued and to be issued and on which additional bonds may be issued, and the provisions with regard to the Administrative Expense Account, Sinking Fund Account, Renewal, Replacement and Improvement Account and Surplus Account payments, and with regard to the nature and extent of the Revenues, and of the rights of the registered owners of the Bonds. All the terms defined in the Resolution and all covenants of the Resolution shall have the same meaning herein as in the Resolution. The Resolution constitutes a contract between the Commission and the registered owner from

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22

time to time of this Bond, and to all the provisions thereof the registered owner hereof, by his acceptance of this Bond, consents and agrees.

The principal of and interest on this Bond and the issue of which it forms a part are payable solely out of the Revenues as defined in the Resolution (the "Revenues"), and are secured by a charge and lien on such Revenues as provided for in the Resolution, and as and to the extent set forth in the Resolution. All such Revenues of the site to be acquired (the "Site") and the rehabilitating, renovating and improving the Building and Facilities situated thereon (the "Building and Facilities") with the proceeds derived from the sale of the Bonds, after the payment of reasonable Administrative Expense, are exclusively and irrevocably pledged to and constitute a trust fund in accordance with the terms hereof and the provisions of the Resolution and in accordance with the provisions of the Act, for the security and payment of, and for the security and payment of interest on, this Bond and all other parity Bonds that may hereafter be issued under the terms of the Resolution.

The Bonds maturing on January 1, 2006 are subject to mandatory redemption at par and accrued interest to the date fixed for redemption without premium on January 1 of each of the years 2003 to 2006, inclusive, such Bonds to be selected by the Bond Registrar as provided in the Resolution and in the amounts set forth in the Resolution.

The Bonds maturing on or after January 1, 1998 are redeemable prior to maturity at the option of the Commission in whole or in part on January 1, 1997, or on any interest payment date thereafter, and if less than all of the outstanding Bonds are to be redeemed, the Bonds to be called shall be called in the inverse order of their maturity, and if less than all of a single maturity is so redeemed then by lot within a maturity, in the manner hereinafter provided. Bonds called prior to January 1, 2000 shall be redeemed at a redemption price of 101% of the principal amount redeemed plus accrued interest to the date fixed for redemption. Bonds called on or after January 1, 2000 shall be redeemed at a redemption price of par plus accrued interest to the date fixed for redemption.

In the event of the redemption of less than all of the Bonds of like maturity, the aggregate principal amount thereof to be redeemed shall be \$5,000 and integral multiples thereof. Such redemption shall be conducted in such manner as shall be reasonably determined by the Bond Registrar.

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23

Notice of any such redemption shall be sent by the Bond Registrar on behalf of the Commission by registered or certified mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the registration books of the Commission maintained by the Bond Registrar, or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding under the Resolution.

The rights and obligations of the Commission and of the registered owners of the Bonds may be modified or amended at any time with the consent of the Commission and of the holders of not less than sixty-six and two-thirds per cent (66 $\frac{2}{3}$ %) in principal amount of outstanding Bonds in the manner, to the extent, and upon the terms provided in the Resolution, provided that no such modification or amendment shall extend the maturity of or reduce the interest rate on or otherwise alter or impair the obligation of the Commission to pay the principal or interest at the time and place and at the rate and in the currency provided therein or any Bond without the express consent of the registered owner of such Bond, or permit the creation by the Commission of any mortgage or pledge or lien on the Site or on any part of the Building and Facilities or property situated thereon, or any other lien upon any of the Revenues derived by the Commission from said Site, Building and Facilities except for additional bonds as provided by the Resolution, or permit the creation of a preference or priority of any Bond or Bonds over any other Bond or Bonds or reduce the percentage of Bonds required for the affirmative vote or written consent to an amendment or modification, all as more fully set forth in the Resolution.

Subject to the provisions for registration and transfer contained herein and in the Resolution, this Bond shall have all the qualities and incidents of a negotiable instrument under the laws of the State of Illinois. The Commission, its Treasurer, and the Trustee, Paying Agents, Bond Registrar and any other person may treat the registered owner of this Bond, as the absolute owner hereof and thereof for the purpose of receiving payment hereof and thereof and for all other

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24

purposes and shall not be affected by any notice to the contrary, whether this Bond be overdue or not.

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denominations of the same rate of interest and maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period of fifteen (15) days next preceding any interest payment date on such Bond, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The Bonds are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This Bond may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same rate of interest and maturity of other authorized denominations, upon the terms set forth in the Resolution.

The Commission covenants and agrees that so long as any of the Bonds remain outstanding, unless provision has been made for the payment thereof and the obligations of the Commission under the Resolution have been discharged in accordance with the provisions of the Resolution, it will establish and collect rentals for the use of the Site, Building and Facilities so that its Revenues will be sufficient at all times to provide for the payment of the Bonds through the Sinking Fund Account, and the payments into the Administrative Expense Account, Sinking Fund Account, Renewal, Replacement and Improvement Account and Surplus Account.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed, precedent to

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and in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner as required by the Constitution and Statutes of the State of Illinois. Neither the principal of nor interest on this Bond is an indebtedness or obligation of the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois, or any other political subdivision of or municipality within the State, or an obligation or an indebtedness or a claim against any of the property of the Commission within the purview of any statutory or constitutional limitation or provision.

The execution by the Trustee of its Certificate of Authentication hereon is essential to the validity of this Bond, and is conclusive evidence of the due execution and issue hereof under the aforesaid Resolution.

IN WITNESS WHEREOF the Public Building Commission of Chicago, by its Board of Commissioners, has caused this Bond to be executed with the facsimile signature of its Chairman, with the seal of the Commission or a facsimile thereof to be printed or impressed hereon, attested by the facsimile signature of its Secretary, all as of the first day of July, 1986.

FACSIMILE
SEAL

.....
Chairman

ATTEST:

.....
Secretary

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CERTIFICATE OF AUTHENTICATION

This is one of the Bonds of the issue designated therein and described in the within-mentioned Resolution of the Public Building Commission of Chicago.

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
TRUSTEE AND BOND REGISTRAR

DATE OF AUTHENTICATION:

By
Authorized Officer.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto.....

(Name and Address of Assignee)

the within Bond, and does hereby irrevocably constitute and appoint as attorney to transfer the said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

Signature guaranteed:

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

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27

ARTICLE 7.

CUSTODY AND APPLICATION OF CONSTRUCTION ACCOUNT.

SECTION 7.1. After payment of all interim borrowings incurred by the Commission with respect to the Commission's project JC-7, the balance of the proceeds derived from the sale of the Bonds authorized hereby, at the time of the delivery of the Bonds or of any part thereof to the purchaser, shall be promptly deposited by the Treasurer with the Trustee (the Trustee being hereby designated as the Depository therefor), and held by the Trustee in an account which is hereby created and designated "Public Building Commission of Chicago Building and Facilities (Series A of 1986) Construction Account" (the "Construction Account"), and all of the said funds realized from the sale of the Bonds and all Revenues realized from said project and deposited in said account shall be used and applied to the cost of acquiring the Site and of constructing and equipping the Building and Facilities as described in Section 2.1 for which the Bonds are being issued, subject to the restrictions and transfer provided for in Section 7.3.

All interest and any profit or proceeds realized on funds in the Construction Account shall be credited to the Construction Account. Pending their application as provided by this Resolution, all such funds shall be subject to a lien and charge in favor of the holders of the Bonds issued and outstanding under this Resolution and for the further security of such holders until paid out or transferred as herein provided.

SECTION 7.2. For the purpose of this Resolution the cost of acquiring the Site and of constructing and equipping the Building and Facilities herein provided for, shall include all appurtenances in connection therewith and, without intending to limit or restrict any definition of such acquisition, construction and equipping under the provisions of the Act, shall include the following:

- (a) Obligations incurred for labor, materials, supplies and services and to architects, engineers, contractors and materialmen and suppliers in connection with the acquiring of the Site

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28

and the construction and equipping of the Building and Facilities situated thereon;

(b) Interest accrued and to accrue on Bonds prior to the commencement of the Site acquisition and during the construction and equipping of the Building and Facilities thereon at any time there are no other funds available for that purpose;

(c) The fees and expenses of the Registrar and Paying Agent and the Trustee for all of their services under or in connection with this Resolution until the filing of the Certificate of Completion of the Site acquisition and the construction of said Building and Facilities thereon;

(d) The cost of preliminary investigations to determine the feasibility or practicability of acquiring the Site and constructing and equipping the Building and Facilities thereon and fees for consultants, and, by way of illustration and not in limitation thereof, fees for preparation of specifications, building performance guidelines and management consultants, and all fees and expenses of Architect-Engineer for making reports, estimates, plans and specifications, and other engineering services, and fees for any other consulting surveys and reports in connection with such work and the issuance of Bonds therefor, surveys and estimates of costs of Revenues and other estimates and for supervising the construction as well as the performance of all other duties of Architect-Engineer set forth herein in relation to construction and equipping the Building and Facilities or the issuance of Bonds therefor;

(e) Legal expenses and fees, financing costs, costs of audits and of preparing and issuing the Bonds, wages of office and clerical employees, general administrative expenses, pension requirements and health, hospitalization and other necessary insurance;

(f) All other items of expense not elsewhere in this Section specified incident to the construction and equipping of the Build-

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ing and Facilities, the financing thereof, the placing of the same in operation (including the initial premiums on any insurance required or obtained under the provisions of this Resolution), and the acquisition of the real property comprising the Site, property rights and franchises and including title insurance, if any, and costs of surveys, appraisals, relocation expenses authorized by statute and other expenses in connection with such acquisition; and

(g) Any expense heretofore or hereafter incurred by the Commission for any of the foregoing purposes, and also any amounts necessary for Administrative Expense during the period of acquiring the Site and constructing and equipping the Building and Facilities situated thereon and any other expenses reasonably necessary or incident to such Site acquisition and constructing and equipping the Building and Facilities situated thereon and the placing of the same in operation.

SECTION 7.3. The Trustee shall promptly, after receiving the funds referred to in Section 7.1 hereof, set aside from said funds referred to in Section 7.1 and credit to the Sinking Fund Account, provided for in Section 8.3 hereof, an amount sufficient to pay interest accrued and to accrue up to and including July 1, 1987. The balance of the proceeds derived from the sale of the Bonds shall be held in the Construction Account and used and applied, as provided in Section 7.2 hereof, for the acquisition of a Site and the construction and equipping of the Building and Facilities thereon for which the Bonds were issued.

Earnings received on the investment of the amount required to pay interest accrued or to accrue on the Bonds up to and including July 1, 1987 and deposited in the Sinking Fund Account pursuant to this Section 7.3 shall be credited to the Construction Account.

SECTION 7.4. Transfers or payments from the Construction Account referred to in Section 7.1, except those authorized and directed to be made under the provisions of Section 7.3, shall be made for payment of the cost of acquiring a Site and constructing and equipping the Building and Facilities in accordance with the provisions of this Section.

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All payments shall be made by check of the Trustee upon written order of the Board, signed by the Chairman and countersigned by the Treasurer, and each such order shall state in respect of such payments:

1. The item number of the payment and the project number;
2. The name of the person, firm or corporation to whom the payment is due;
3. The amount to be paid and the purpose for which the obligation is to be paid; and if for the acquisition of a Site, or portion thereof, the legal description of the real property;
4. That obligations in the stated amounts have been incurred by the Commission, for the payment of the cost of site acquisition or constructing and equipping the Building and Facilities and that each item thereof is a proper charge against the Construction Account and has not been paid; and
5. The amount of any notice of lien or liens on public funds made pursuant to the Illinois Mechanics' Lien Law which has not been released or will not be released simultaneously with the payment of such obligations. If such notice of lien on public funds will not be so released with the payment referred to in said order, the Trustee shall deduct the amount stated in such notice of lien on public funds (if not theretofore reserved from payment under a previous order) and reserve the same for the period required under the provisions of the Illinois Mechanics' Lien Law relating to liens on public funds (currently Ill. Rev. Stat. 1985, Ch. 82, par. 23), and upon the expiration of such statutory period, as certified by the Treasurer of the Commission, to forthwith make payment of the same to the party or parties entitled thereto.

If such order directs payment for work or materials stated therein to be under the supervision of the Architect-Engineer, it shall be accompanied by a certificate signed by the Architect-Engineer, certifying that the obligations in the amounts stated have been incurred by the Commission and that each item thereof is a proper charge against the Construction Account, shall identify the project on whose behalf the obligation was incurred, and indicate that the same has not been paid.

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Upon receipt of any such order and accompanying certificate, if required, the Trustee shall pay such obligation to the party named in the order and charge the same against the Construction Account.

Funds in the Construction Account shall not be expended for other than the cost of acquiring the Site and of constructing and equipping the Building and Facilities thereon and as herein provided.

The Commission will use its best efforts to acquire the Site and to complete the Building and Facilities thereon at the earliest possible date in accordance with the construction contracts therefor, provided that the Commission shall not be required to expend any moneys therefor which are not available from the proceeds derived from the sale of the Bonds and provided, further, that the failure to acquire the complete Site proposed to be acquired and the failure to complete or cause the completion of the Building and Facilities thereon, or any of them, will not give Lessee the right to cancel or terminate its Lease or to abate, reduce or make reduction from or offset against any rent payable under its Lease or to fail to perform or observe any of the other covenants or conditions of the Lessee thereunder.

In addition to the foregoing, the Trustee shall, upon order signed by the Chairman and countersigned by the Treasurer, at one time or from time to time until the Certificate of Completion is filed with the Trustee, pay to the Treasurer by check of the Trustee from the Construction Account a sum or sums not to exceed \$25,000, such sum or sums to be used by the Commission as the Building and Facilities (Series A of 1986) Revolving Fund (the "Revolving Fund") for payment of items of expense during construction which cannot be conveniently paid as herein otherwise provided. Such Revolving Fund shall be replenished from time to time upon written order of the Chairman, countersigned by the Treasurer, directed to the Trustee, accompanied by certificate signed by the Treasurer setting forth an itemized statement of the purposes for which the prior funds were expended and the balance remaining and that they were all proper charges against and payable from the Construction Account, it being the intent of this paragraph to provide a Revolving Fund for the Commission to be maintained at all times in an amount not to exceed \$25,000.

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SECTION 7.5. All orders, certificates and other papers received by the Trustee, as required in this Article 7 as conditions of payment from the Construction Account, may be relied upon by the Trustee, without any investigation, and shall be retained in the possession of the Trustee, subject at all reasonable times to the inspection of the Commission, the Treasurer of the City College, the Architect-Engineer, any Bondholder and the agents and representatives thereof.

SECTION 7.6. After all obligations of any kind or character, including all liens on public funds, have been fully paid on account of the acquisition of the Site and construction and equipping of the Building and Facilities, there shall be filed with the Trustee a certificate executed by the Chairman and Treasurer stating that all obligations incurred in connection with the acquisition of the Site, including liens on public funds for the construction and equipping of the Building and Facilities have been paid and satisfied, accompanied by a certificate of the Architect-Engineer that said construction and equipping of the Building and Facilities has been fully completed. Upon receipt of such certificates, the Trustee shall, without further order or direction, transfer the remaining funds in the Construction Account to the Sinking Fund Account.

SECTION 7.7. Moneys held by the Trustee for the credit of the Construction Account shall, as nearly as may be practicable, be continuously invested and reinvested by the Trustee in bonds, notes, certificates of indebtedness, Treasury bills or other securities guaranteed by the full faith and credit of the United States of America as to principal and interest or interest-bearing savings accounts, interest bearing certificates of deposit or interest-bearing time deposits constituting direct obligations of any bank as defined by the Illinois Banking Act and which deposits are insured by the Federal Deposit Insurance Corporation, or short term discount obligations issued by the Federal National Mortgage Association which shall mature, or which shall be subject to redemption by the holder thereof at the option of such holder, not later than the respective dates, as estimated by the Executive Director, when said moneys will be required for the purpose intended. It shall be the duty of the Executive Director to file

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with the Trustee from time to time the estimated dates when such funds will be required and the Commission covenants that it will cause to be filed such estimates and cause the Trustee to make investments of the moneys to the credit of the Construction Account as provided by this Section.

All interest accruing thereon and any profit or proceeds realized from any such investment shall be credited to the Construction Account, and any loss resulting from the sale of such investments shall be charged to the Construction Account. The Trustee shall sell at the best price reasonably obtainable or present for redemption any obligations so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment or transfer from such account. Neither the Trustee, the Treasurer nor the Commission shall be liable or responsible for any loss resulting from any such investment or from the sale of securities delivered to the Trustee by the Commission.

ARTICLE 8.

CUSTODY AND APPLICATION OF REVENUES.

SECTION 8.1. The Commission covenants and agrees that so long as any of the Bonds remain outstanding, unless provision has been made for the payment thereof and the obligations of the Commission under this Resolution have been discharged in accordance with the provisions of Section 18.1 of this Resolution, the Site, Building and Facilities shall be operated on a fiscal year basis commencing on the first day of January and ending on the last day of December of each year, and all Revenues derived by the Commission from the Site, Building and Facilities shall be deposited by the Treasurer with the Trustee (which Trustee is hereby designated as the Depositary therefor) within three full business days after receipt thereof. All sums so deposited with the Trustee shall be credited by the Trustee to the "Public Building Commission of Chicago Building and Facilities (Series A of 1986) Revenue Fund", which is hereby created (the "Revenue Fund"). Any advance rentals shall be held in the Revenue

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34

Fund and invested and be applied to the payment of the rent for the fiscal year or years for which the advance payment was made. Rentals payable on December 1 of each year shall be considered as rentals for the fiscal year commencing on the succeeding January 1.

SECTION 8.2. The Trustee in each fiscal year shall first, without further order or direction, transfer from said Revenue Fund to the Treasurer, to be deposited by him with the Depository in the separate commercial account which is hereby created by the Commission and designated the "Public Building Commission of Chicago Building and Facilities (Series A of 1986) Administrative Expense Account" (the "Administrative Expense Account"), the amount budgeted for such year as provided by Section 16.1 of this Resolution; provided that in no event shall the Trustee transfer to the Treasurer for deposit to said Administrative Expense Account in any fiscal year more than the amount for that particular fiscal year set forth in Section 16.1 of this Resolution plus any additional funds that may be transferred from the Surplus Account as authorized by Section 9.4 of this Resolution for such fiscal year. The funds in said Administrative Expense Account shall be used by the Commission to pay the reasonable Administrative Expense in connection with the Building and Facilities and a pro rata share of the Commission's general administrative expense for the current fiscal year as provided in the annual budget adopted in accordance with the provisions of Section 16.1 of this Resolution.

SECTION 8.3. After making the transfer of funds to the Treasurer as required by Section 8.2 hereof, the Trustee shall credit the balance of the Revenues referred to in Section 8.1 hereof in the following order of priority to the following respective accounts, that is:

Public Building Commission of Chicago Building Revenue Bonds (Series A of 1986), Sinking Fund Account (the "Sinking Fund Account")

Public Building Commission of Chicago Building and Facilities (Series A of 1986) Renewal, Replacement and Improvement Account (the "Renewal, Replacement, and Improvement Account")

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Public Building Commission of Chicago Building and Facilities (Series A of 1986) Surplus Account (the "Surplus Account")

Each of said accounts is hereby created and the Commission hereby covenants and agrees to cause each of them to be maintained and all moneys credited to each account shall be held in trust by the Trustee and applied, used, and withdrawn only for the purposes and as hereinafter authorized:

(a) There shall be credited in each fiscal year to the Sinking Fund Account an amount sufficient to pay the principal of and interest on all outstanding Bonds (including all Parity Bonds) authorized to be issued hereunder which will become due (either at maturity or by mandatory redemption) on January 1 and July 1 of each fiscal year. All moneys deposited pursuant to the provisions hereof in said account shall be used only for the purpose of paying the principal of and interest on the Bonds of this issue, or any Parity Bonds, as the same shall become due (either at maturity or by mandatory redemption), and funds sufficient to pay such maturing principal or interest, or both, shall be forwarded to the Paying Agent (prior to each current maturity date of such principal or interest, or both).

(b) After crediting the amount required to be credited to the Sinking Fund Account, there shall be credited in the fiscal year 1988 to the Renewal, Replacement and Improvement Account the sum of \$50,000 and in each fiscal year thereafter the sum of \$50,000 until said account aggregates the sum of \$500,000. Whenever any money is paid out of said account credits into said account shall be resumed and continued until the balance in said account again aggregates the sum established by this subparagraph.

The funds of said account shall be withdrawn from said account from time to time and used for the purpose of renewing, replacing and improving any part of the Building and Facilities which have become obsolete, worn out or otherwise unusable, or to provide extraordinary repairs whenever no other funds are available for that purpose. Payments shall be made by the Trustee from such fund only upon submission to the Trustee of a certified copy of a resolution adopted by the Commission reciting that

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funds are to be used for renewing, replacing or improving part of the Building or Facilities which have become obsolete and worn out or otherwise unusable, identifying the Building or Facilities to be renewed, replaced or improved. The funds held in said account to the extent necessary shall also be used to prevent or remedy a default in the payment of the interest on or principal of the Bonds and shall by resolution of the Board be transferred by the Trustee to the Sinking Fund Account when no other funds are available for that purpose.

(c) All moneys remaining in the Revenue Fund as established by this Resolution, after crediting the requirements in each fiscal year to the respective accounts hereinabove provided for, shall be credited as soon as, and as often as, received to the Surplus Account and shall be used in the order and for the purposes as follows.

(1) to credit the Sinking Fund Account in order to make up or prevent any deficiency therein.

(2) to credit the Administrative Expense Account with any additional funds that the Commission may direct be transferred from the Surplus Account to the Administrative Expense Account, as authorized by Section 9.4.

(3) to credit the Renewal, Replacement and Improvement Account to make up any deficiency in the current fiscal year's required credits thereto and at the discretion of the Commission to credit the Renewal, Replacement and Improvement Account with additional funds whenever such crediting may, in the opinion of the Commission, be desirable or necessary.

(4) at the discretion of the Commission, if the proceeds of any insurance shall be insufficient to repair, replace or reconstruct damaged or destroyed property, for credit to the Public Building Commission of Chicago Building and Facilities (Series A of 1986) Insurance Account referred to in Section 11.1 and applied for the purposes therein stated.

(5) if for any reason the construction and equipping of the Building and Facilities provided for in this Resolution,

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and for which Bonds have been issued, shall not have been fully completed as contemplated by the plans and specifications therefor, then, at the discretion of the Commission, moneys in this account may be credited to the Construction Account and used for the completion thereof in accordance with such plans and specifications or as such plans and specifications may have been modified.

(6) not less than forty-five (45) days prior to the end of each fiscal year, if there are funds remaining in the Surplus Account after making up any deficiency existing in the Sinking Fund Account, the same shall be credited to the next annual rental payment due from the City College, and the Certificate of the Treasurer of the Commission certifying as to the amount of said surplus funds available for credit to the next annual rental payment due from the City College, shall be filed with the Treasurer of the City College, as notice of such credit on the next succeeding rental payment due from the City College. An additional copy of such certification shall be filed with the Trustee and upon receipt of such the Trustee shall, prior to the date the rental is due and without further order or direction, transfer said sum as certified from the Surplus Account to the Revenue Fund for credit to the accounts as provided by Sections 8.2 and 8.3.

SECTION 8.4. Money in the Administrative Expense Account created in Section 8.2 may be invested by the Treasurer, and money in any of the accounts hereinabove created in Section 8.3 shall be invested by the Trustee from time to time, in bonds, notes, certificates of indebtedness, Treasury bills or other securities guaranteed by the full faith and credit of the United States of America as to principal and interest or interest bearing savings accounts, interest bearing certificates of deposit or interest bearing time deposits constituting direct obligations of any bank as defined by the Illinois Banking Act and which deposits are insured by the Federal Deposit Insurance Corporation, or such bank obligations secured by such classes of investments of the United States of America above referred to, which investments shall mature, or which shall be subject to redemption by

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38

the holder thereof at the option of such holder, prior to the date on which the moneys in said accounts will be needed, but in no event later than two years from the date of any such investment. Such securities shall be sold from time to time without further direction from the Commission whenever funds are needed for the purpose for which said account has been created. All investments purchased under the provisions of this Section 8.4 until sold shall be deemed at all times to be a part of the account from the moneys of which they shall have been purchased. All earnings received on any funds so invested, or profit or loss resulting from the sale of any such investments, shall be credited or charged to the account for which the investment was made, except that earnings received on the investment of the amount required to pay interest accrued or to accrue on the Bonds up to and including July 1, 1987, and deposited in the Sinking Fund Account pursuant to Section 13 of this Resolution, shall be credited to the Construction Account. The Board, the Treasurer, or the Trustee shall not be liable or responsible for any loss resulting from any such investment.

SECTION 8.5. So long as any of the Bonds remain outstanding, unless provision has been made for the payment thereof and the obligations of the Commission under the Resolution have been discharged in accordance with the provisions of Section 18.1 of this Resolution, Revenues derived by the Commission from the ownership of the Site, Building and Facilities, and all income, interest, and profits thereon, and all other moneys and securities under the terms of this Resolution paid or to be paid to or held or to be held by the Treasurer, or the Trustee, are, until paid out or transferred as provided by this Resolution, hereby pledged to and charged with and subjected to a lien for the payments of the principal of and interest on all Bonds in accordance with their terms and the provisions of this Resolution and are hereby subjected to a lien and charge in favor of all present and future holders of all Bonds as security for the performance and observance of all of the covenants, agreements, and conditions in the Bonds and herein contained for the equal and proportionate benefit, protection, and security of all present and future holders of any and all of the Bonds issued and to be issued under this Resolution, without preference, distinction, or priority as to lien or

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otherwise of any one Bond over any other of the Bonds authorized by this Resolution, by reason of priority in time of authorization, issue, sale, or negotiation thereof or otherwise.

ARTICLE 9.

TRANSFERS AND DISBURSEMENTS FROM ACCOUNTS OF THE PUBLIC BUILDING COMMISSION OF CHICAGO CREATED BY ARTICLE 8.

SECTION 9.1. The funds of the Administrative Expense Account may be transferred by the Treasurer to a separate bank account in an amount not to exceed the amount budgeted each fiscal year for Administrative Expenses of the Site, Building and Facilities and be disbursed by the Treasurer on the written order of the Board, signed by the Chairman and countersigned by the Treasurer. It shall be the duty of the Treasurer not later than one hundred twenty (120) days after the end of each fiscal year to file an accounting of the expenditure of funds from said separate account with the Trustee setting forth an itemized statement of the purposes for which such funds were expended and that they were all for proper charges against and payable from said Administrative Expense Account.

SECTION 9.2. The Trustee, without further order or direction, shall, as Paying Agent, apply the moneys to the credit of the Sinking Fund Account to the payment of interest and principal and applicable redemption premium, if any, from time to time becoming due on the Bonds.

SECTION 9.3. Disbursements from the Renewal, Replacement and Improvement Account shall be made by check of the Trustee in accordance with the provisions of Sections 7.4 and 8.3(b) of this Resolution.

SECTION 9.4. Moneys to the credit of the Surplus Account shall be transferred by the Trustee at any time and from time to time without further order or direction for making up any deficiencies in the Sinking Fund Account. If the Sinking Fund Account has been credited with all amounts required to be credited, the Board may by resolution direct the transfer of moneys in the Surplus Account for

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the credit of additional funds to the Administrative Expense Account for the purposes provided for by Section 8.2, or, upon first receiving a certification from the Architect-Engineer that it is necessary and essential to the efficient operation of the Building and Facilities that such funds be used for one or more of the purposes referred to in subparagraphs 3, 4 and 5 of paragraph (c) of Section 8.3, together with an estimate of cost thereof, may by resolution direct the transfer of said funds to the credit of any one or more of the accounts referred to in subparagraphs 3, 4 and 5 of paragraph (c) of Section 8.3. The Board may also by resolution direct the transfer of funds for the purpose of the redemption and payment of any Bonds which are called for redemption prior to maturity and by such resolution shall direct the transfer of funds for such purpose to the Sinking Fund account. A certified copy of such resolution, or resolutions, accompanied by a certified copy of the certificate of the Architect-Engineer, if necessary, as herein provided, shall be filed with the Trustee and the Trustee, upon receipt of such instruments shall make the proper transfer and credit as herein provided.

No such transfers shall be made by the Trustee, nor shall the Board adopt any resolution providing for such transfers within forty-five (45) days prior to the end of each fiscal year and any funds remaining in the Surplus Account within forty-five days prior to the end of each fiscal year shall be credited to the rental payment of the City College as provided by subparagraph (6) of paragraph (c) of Section 8.3.

SECTION 9.5. Notwithstanding any other provision contained in this Resolution, the Trustee, for the purposes, under the circumstances, and in accordance with the provisions specified in Section 3 of the Lease, shall transfer to the Sinking Fund Account all moneys on hand in the Construction Account, the Renewal, Replacement and Improvement Account and the Surplus Account.

SECTION 9.6. The Treasurer in making any disbursements under Section 9.1 hereof may rely upon the orders and certificates required in this Section and neither the Trustee nor the Depository shall have any liability with respect to such disbursements nor any duty to inquire into the propriety or application thereof.

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ARTICLE 10.

COVENANTS WITH BONDHOLDERS.

SECTION 10.1. The Commission covenants that it will fix and establish rentals and other charges for the use of the Site, Building and Facilities so that the Revenues of the Commission will be sufficient at all times to pay the Bonds and the interest thereon, as the same shall become due and payable, and all other requirements herein provided.

The Commission further covenants that it will promptly pay the principal of, and interest on, all Bonds issued under the provisions of this Resolution at the place, on the dates, and in the manner provided herein, and in said Bonds.

SECTION 10.2. The Commission covenants that it will acquire and own fee title to the Site herein provided to be acquired and it will forthwith proceed to rehabilitate, renovate, and improve the Building and Facilities situated thereon as described in Section 2.1, for which Bonds have been issued, according to the Architect-Engineers' report based on the preliminary plans and specifications heretofore approved and placed on file in the office of the Commission, and in conformity with the Act, and that it will complete such work with all practicable expediency, free and clear of all liens.

The Commission covenants that all of its contracts for the rehabilitation, renovation and improvement of the certain Building and Facilities herein provided for shall be submitted to the Architect-Engineer and that no such contracts shall be entered into and no partial or final payments on such contracts will be made without the approval of the Architect-Engineer.

The Commission covenants that, except as otherwise provided in this Resolution, each such contract for labor or materials or construction will also provide that payments thereunder shall not be made by the Commission in excess of ninety per cent (90%) of current estimates approved by the Architect-Engineer until the aggregate amount of payments withheld equals five per cent (5%) of the contract price, which amount shall be payable as follows:

(a) Upon certification by the Architect-Engineer of "substantial completion" of the work, payment may be made

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42

upon certification and approval by the Architect-Engineer of such portion of such withheld funds as will not reduce such withheld funds below an amount representing 2% of the adjusted contract price; and

(b) The balance shall be payable upon "final acceptance" of the work by the Architect-Engineer.

Nothing in this Section 10.2 shall be interpreted as in any way affecting the right or obligation of the Commission to withhold funds in addition to the retained percentage provided for in this paragraph, on account of notices of lien on public funds as provided in this Resolution.

SECTION 10.3. The Commission covenants that it will require that the City College keep the Building and Facilities repaired and maintained in strict compliance with the recommendations of the Architect-Engineer or building management firm or technical staff employed by the Commission for that purpose except for such amounts as the Commission shall expend from the Renewal, Replacement and Improvement Account set forth in Section 8.3(b). The Commission also covenants to require the City College to provide services, including, but not to the exclusion of other items not specified, water, heat, light, electricity, air conditioning, repairs, replacements, janitor, cleaning and caretaking services, all at City College expense and without right of reimbursement from the Commission therefor; and that it will observe and perform all of the applicable terms and conditions contained in the Act, in this Resolution, the Lease and any other leases covering the premises upon which the Building and Facilities are located.

SECTION 10.4. The Commission covenants that, so long as any of the Bonds remain outstanding, unless provision has been made for the payment thereof, and the obligations of the Commission under this Resolution have been discharged in accordance with the provisions of Section 18.1 of this Resolution, it will not issue any bonds or other evidences of indebtedness, except pursuant to the provisions of this Resolution, secured by a pledge of the Revenues of said Commission from the Site, Building and Facilities; and that it will not create or suffer to be created any lien or charge upon the Site, Building,

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Facilities or property or any part thereof or upon the Revenues therefrom except the lien and charge of the Bonds secured hereby upon such Revenues, or such additional Parity Bonds that may be issued pursuant to the provisions of this Resolution, and that, from such Revenues or other available funds, it will pay or cause to be discharged, or will make adequate provision to satisfy and discharge, within sixty days after the same shall become payable, all lawful claims and demands for labor, materials, supplies or other objects; provided, however, that nothing in this Section contained shall require the Commission to pay or cause to be discharged, or make provision for, any lien or charge so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings which stay the enforcement thereof.

SECTION 10.5. The Commission covenants that it will, for the purpose of performing and carrying out the duties imposed upon the Architect-Engineer by this Resolution, employ an Architect-Engineer from time to time to perform the duties required by this Resolution.

The Commission further covenants that it will cause the respective Architect-Engineer or building management firm or technical staff employed by the Commission for that purpose, to make an inspection of the Building and Facilities during each even numbered year (commencing in 1990), and submit to the Commission their respective reports not later than ninety days preceding the end of each such even numbered year setting forth their findings as to whether the Building and Facilities have been maintained by the City College, as required in this Resolution and in the Lease, in good repair, working order and condition, and their recommendations as to:

(a) Proper maintenance, repair and operation to be performed by the Lessee during the ensuing fiscal years;

(b) Any other recommendations they deem in their judgment should be carried out by the Lessee to keep the Building and Facilities in proper repair in order to assure an efficient operation thereof;

(c) The insurance to be carried on the respective Building and Facilities under the provisions of this Resolution.

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A copy of such report shall be filed with the Trustee and the City College.

SECTION 10.6. The Commission covenants that, except as in this Resolution otherwise permitted, it will not sell or mortgage the Site, Building and Facilities or any part thereof. The Commission may, however, from time to time sell any of its machinery, fixtures, apparatus, instruments or other movable property, if the Commission shall determine that such articles are no longer needed or are no longer useful in connection with the Building and Facilities and the net proceeds thereof shall, as soon as practicable, be applied to the replacement of the articles so sold or disposed of, or shall be deposited to the credit of the Sinking Fund Account; provided that prior to the completion of the construction and equipping of the Building and Facilities the net proceeds of any such sale of machinery, fixtures, apparatus, tools, instruments or other movable property acquired by the Commission from the proceeds of Bonds issued on account of said Building and Facilities or from other income or Revenues shall not be so applied or deposited, but shall be credited to the Construction Account.

SECTION 10.7. The Commission covenants that it will faithfully, diligently and punctually do all things required of it, and will comply with all reasonable requests, and will file all schedules and reports provided by this Resolution.

SECTION 10.8. The Commission covenants that all payments under the Lease entered into by and between the Commission and the City College, and pertaining to the Site, Building and Facilities referred to in this Resolution, shall inure to the benefit of the holder of any of the Bonds authorized hereunder and the Commission further agrees that it will properly enforce all obligations of the City College with respect to the Site, Building and Facilities and it will not make or consent to any change or modification of the aforesaid Lease which would reduce the rates, rentals, fees or charges of the City College thereunder, extend the time for payment of rentals provided therein, nor permit any change in operation or occupancy which would reduce the required payments under the lease to the Commission, except as herein and in the Lease provided.

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SECTION 10.9. The commission further covenants and agrees that any provisions in this Resolution to the contrary notwithstanding, it will take no action which would result in making the interest payable on any of the Bonds hereby authorized subject to federal income taxes by reason of the Bonds being classified as "arbitrage bonds" within the meaning of the provisions of Section 103(c) of the Internal Revenue Code of 1954, as amended (the "Code"), relating to arbitrage bonds.

SECTION 10.10. The Commission recognizes that the initial purchasers and the registered owners from time to time of the Bonds will have accepted them on, and paid therefor a price which reflects, the understanding that interest thereon is exempt from federal income taxation under the laws in force at the time the Bonds shall have been delivered. In this connection, the Commission agrees that it will take no action which may render the interest on any of the Bonds subject to federal income taxation.

The Commission further recognizes that Section 103(j) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under the laws in force at the time the Bonds are delivered. In this connection, the Commission agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

ARTICLE 11.

INSURANCE AND RECORDS.

SECTION 11.1. The Commission covenants that:

It will maintain an appropriate policy or policies of insurance against builders' risk during the construction of the Building and Facilities or any portion of the Building and Facilities. Upon completion the Commission will procure from a responsible insurance company or companies, qualified to assume the risk thereof, such insurance coverage against physical loss or damage to the property, including without limiting the generality of the foregoing, fire and extended coverage, vandalism, malicious mischief, and against other risks as may be deemed necessary or advisable by the Commission,

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46

with such exceptions as are ordinarily required by insurers of facilities of similar type, in an amount equal to the full replacement value thereof, as certified by the Architect-Engineer in writing filed with the Commission and the Trustee; provided, however, that the requirement to maintain insurance as hereinabove set forth may be waived by the express agreement of the Lessee in writing approved by the Commission and filed with the Trustee, to assume any and all liability and risks of every kind and nature against physical loss or damage to the Building and Facilities and provided, further, that the waiver of such insurance requirement shall not release, impair or diminish the obligation of the Lessee to pay annual rentals in the amounts thereunder set forth in Section 3 of the Lease. Such policy or policies of insurance as may be obtained by the Commission shall contain a waiver by the insurer of the right of subrogation against the contractor, his or its subcontractors, the architect, engineers, and the Lessee, their respective commissioners, board members, officers, agents and employees. The Commission will not carry insurance of any kind on furniture or furnishings or on any fixtures, equipment, improvements, or appurtenances owned by the City College, or leased by the City College, from other than the Commission and located in the Building and Facilities; and the Commission shall not be obligated to repair any damage thereto resulting from fire or other casualty or to replace the same if destroyed by fire or other casualty.

All such policies shall be for the benefit of the Commission, shall be made payable to the Commission, and shall be received by the Treasurer and by him forthwith deposited with the Trustee. The Commission shall have the sole right to receive the proceeds of such insurance and to receipt for and settle claims thereunder and shall deposit the same with the Trustee. The proceeds of any and all such insurance shall be held by the Trustee as security for the Bonds issued hereunder until paid out as hereinafter provided.

The Commission covenants that, immediately after any substantial damage to or destruction of any part of the Building and Facilities, it will cause the Architect-Engineer to prepare plans and specifications for repairing, replacing or reconstructing the damaged or destroyed property (either in accordance with the original or a

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different design) and an estimate of the cost thereof, and to file copies of such estimate with the Trustee and the Lessee.

The proceeds of all insurance referred to in this Section 11.1 received by the Trustee during the renovation of the Building and Facilities shall be held by the Trustee, credited to the Construction Account, and shall be available for and disbursed by the Trustee in the manner and on the showings provided in Section 7.4 for payments from the Construction Account. The proceeds of all insurance referred to in this Section 11.1 received by the Trustee after the construction and equipping of the Building and Facilities has been fully completed, shall be credited by the Trustee to a special account which is hereby created and designated "Public Building Commission of Chicago, Building and Facilities (Series A of 1986) Insurance Account" (the "Insurance Account"), and said proceeds shall be available for, and shall to the extent necessary be applied to the repair, replacement, or reconstruction of the damaged or destroyed property, and shall be disbursed by check of the Trustee in the manner and upon the showings, so far as reasonably applicable, provided in Section 7.4 for payments from the Construction Account. The Trustee shall not be liable for disbursement so made. If such proceeds are more than sufficient for such purpose, the balance remaining shall be by order of the Board deposited by the Trustee to the credit of the Surplus Account. If such proceeds shall be insufficient for such purpose, then the deficiency shall be supplied by the Commission from any moneys available for that purpose in the Surplus Account.

The Commission covenants that, in the case of any substantial damage to or destruction of any part of the Building and Facilities, it will cause the Building and Facilities to be renewed, replaced or reconstructed to the extent possible from the proceeds of insurance and other moneys available for such purpose, and that it will forthwith commence and diligently proceed with such renewal, replacement or reconstruction of the damaged or destroyed property according to plans and specifications prepared or approved by the Architect-Engineer.

The proceeds of any such insurance not applied within eighteen months after their receipt by the Commission to renewing, replacing

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or reconstructing the damaged or destroyed property (unless it has been prevented from so doing because of conditions beyond its control) shall be credited by the Trustee upon order of the Commission to the Sinking Fund Account.

SECTION 11.2. The Commission covenants that it will at all times carry or cause to be carried with a responsible insurance company or companies qualified to assume the risk thereof:

(a) Such worker's compensation or employers' liability insurance covering its employees, as may be deemed necessary or advisable under law.

(b) Public and other liability insurance of such character and amount (if any) as shall be adequate, in the judgment of the Commission, to insure the Commission against risks (if any) to which it may reasonably be or become subject to in the work of constructing and equipping the Building and Facilities, and in leasing the same, but the Commission shall not be required to maintain any such insurance to the extent such insurance is carried for its benefit by any lessee, licensee or other person operating the Building and Facilities or by contractors. The proceeds of any such insurance not applied directly in settlement of such liability shall be promptly deposited with the Trustee and by it credited to the Administrative Expense Account in case of risks to which the Commission is subject in operation, and credited to the Construction Account or Insurance Account, as the case may be, in case of risks to which it is subject in the construction and equipping of the Building and Facilities.

(c) All officers and employees of the Commission authorized to receive or retain the custody of money or to sign vouchers, checks, warrants, or evidences of indebtedness on behalf of the Commission, shall be bonded for the faithful performance of their duties and the faithful accounting of all moneys and other property that may come into their hands, in an amount to be fixed and in a form to be approved by the Commission.

All policies of insurance required by this Section 11.2 shall name as the insured parties thereunder the Commission, the

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Architect-Engineer and the Lessee, as their interests may appear.

All insurance provided under Sections 11.1 and 11.2, above, shall provide for fifteen days' prior written notice to the Commission and the Trustee of the cancellation or material modification of any such insurance, and shall further provide that, as to the interest of the Commission, such insurance shall not be altered or impaired by any act or omission of anyone other than the Commission.

SECTION 11.3. Within ninety days after the delivery of the Bonds and within the first three months of each subsequent fiscal year the Commission shall file with the Trustee a schedule of all insurance policies referred to in Sections 11.1 and 11.2 which are then in effect, stating with respect to each policy the name of the insurer, the amount, number and expiration date, and the hazards and risks covered thereby. Copies of such schedule shall be mailed to the Lessee. All such insurance policies shall be open to the inspection of the Trustee, the Lessee, the Bondholders and their agents and representatives.

Any appraisal or adjustment of any loss or damage under any policy payable to the Commission and any settlement or payment of indemnity under any policy in which the Commission is interested, which may be agreed upon between the Commission and any insurer shall be evidenced to the Trustee by a certificate, signed by the Chairman and Secretary, which certificate may be relied upon by the Trustee as conclusive. The Trustee shall not in any way be liable or responsible for any breach by the Commission of insurance requirements of this Resolution or for the collection and applications of insurance moneys in case of any loss or damage or liability and the Trustee need make no inquiry with respect to the performance of such requirements or such collections and applications.

SECTION 11.4. The Commission covenants that it will keep accurate records, of the total cost of acquiring, constructing and equipping the Site, Building and Facilities; the Revenues collected and of the application of such Revenues; and that it will maintain the following records which shall be open at all reasonable times at the office of the Commission to the inspection of the Trustee, Treasurer of

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the City College, the purchasers or holders of the Bonds, and their agents and representatives:

- (a) An income and expense account.
- (b) Record of all deposits to the credit of and withdrawals from each account created under the provisions of this Resolution.
- (c) The details of all Bonds issued, paid, purchased or redeemed.
- (d) A balance sheet as of the end of each such year.
- (e) Record of revisions (if any) in rentals and other charges.

The Commission further covenants that not later than one hundred and twenty (120) days after the close of each fiscal year it will cause an audit to be made of its books and accounts relating to the Site, Building and Facilities, including a detailed report and financial statement of its operations and of its assets and liabilities, by an Independent Public Accountant. Promptly thereafter copies of each such audit report shall be filed with the Trustee, and also with the Secretary. Copies of such audit report shall also be mailed to the City College, and all Bondholders who shall have filed their names and addresses with the Commission for such purpose. Each such audit report shall set forth the findings of the Independent Public Accountant whether the moneys received by the Commission under the provisions of this Resolution have been applied in accordance with the provisions of this Resolution, and whether any payments or liabilities for administrative expense in the preceding fiscal year were in excess of the annual budget for such fiscal year.

Such audit report shall be open at all reasonable times to the inspection of the Bondholders and their agents and representatives.

The Commission further covenants that it will cause any additional reports or audits relating to the Site, Building and Facilities to be made as required by law and that, as often as may be requested, it will furnish to the Trustee, and the holder of any Bond issued hereunder, such other information concerning the Site, Building and Facilities or the operation thereof as any of them may reasonably request. The cost of such reports and audits shall be treated as an Administrative Expense of the Commission.

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ARTICLE 12.

ADDITIONAL BONDS.

SECTION 12.1. To the extent necessary to pay the cost of acquiring the Site and constructing and equipping the Building and Facilities, funds shall be advanced and disbursed from the Construction Account as provided in and by this Resolution, to the end that the work provided for and authorized by the preamble and Article 2 of this Resolution shall be completed according to said plans and specifications therefor, provided, that if sufficient funds are not available in the Construction Account to complete the Building and Facilities provided for in said preamble and Article 2 for which Bonds have been issued under the limitations prescribed by this Resolution, additional bonds to the extent necessary to provide additional funds for completing payment of the cost of such work and the equipping of the Building and Facilities may be issued under and secured by this Resolution at any time or from time to time ranking on a parity with the Bonds then outstanding and issued under this Resolution. Under no circumstances may any prior lien bonds be issued. Such additional bonds shall be designated "Public Building Commission of Chicago, Building Revenue Bonds Series A of 1983" with such appropriate particular designation added to said title as the Commission may determine, and shall be dated and bear such interest rate or rates (not in excess of maximum rate provided by law) payable on January 1 and July 1 of each year as may be determined by the Commission, and shall mature serially on January 1. Any such additional bonds shall be authorized by resolution to be adopted by the Commission, which shall direct their issue, execution, authentication and delivery to a purchaser, and such additional bonds shall be in the form as provided for in such resolution, but before such bonds shall be issued or authenticated there shall be filed with the Trustee the following:

(a) A certificate signed by an Independent Public Accountant setting forth the amounts set aside from the Construction Account that were required to be set aside for purposes other than acquiring the Site and constructing and equipping the Building and Facilities under Section 7.3, the amounts expended

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for acquiring the Site and constructing and equipping the Building and Facilities described in the preamble and Article 2 to date of such certificate, and the amount of money in the Construction Account then available for such construction and equipping of the Building and Facilities.

(b) A certificate signed by the Architect-Engineer stating that additional funds are necessary to complete the acquisition of the Site and the construction and equipping of the Building and Facilities, and that the balance of the funds to the credit of the Construction Account is insufficient to pay the cost of the acquisition of the Site and the construction and equipping of the Building and Facilities, and setting forth the amount of additional funds that will be required and that said additional funds will be sufficient to pay the balance of the cost of completion of such work.

(c) A certificate signed by Counsel for the Commission that a Supplemental Lease or Supplemental Leases have been executed between the City College and the Commission providing for additional annual payments, for use and occupancy of the Site, Building and Facilities involved, which will be sufficient to amortize the additional bonds that are to be issued.

SECTION 12.2. The Commission further covenants that except for the issuance of additional bonds to complete such work as provided for in Section 12.1, no additional bonds to share ratably and equally in the income and revenue of the Site, Building and Facilities may be issued so long as any of the Bonds remain outstanding, unless provision has been made for the payment thereof and the obligations of the Commission under this Resolution have been discharged in accordance with the provisions of Section 18.1 of this Resolution.

ARTICLE 13.

CONCERNING THE TRUSTEE, PAYING AGENT AND BOND REGISTRAR, APPOINTMENT.

SECTION 13.1. Continental Illinois National Bank and Trust Company of Chicago, in the City of Chicago, is hereby appointed as

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Trustee and Bond Registrar. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Resolution as Trustee and Bond Registrar by executing a Certificate of Authentication endorsed upon the Bonds, and, by executing such certificate upon any Bond, the Trustee shall have been deemed to have accepted such duties and obligations not only with respect to the Bonds so authenticated, but with respect to all Bonds authorized to be issued by this Resolution, but only, however, upon the terms and conditions set forth in this Resolution.

Any right or immunity conferred upon, and any reference in this Resolution to, the Trustee shall be deemed to be a right or immunity conferred upon or a reference to the Trustee in its capacity as Trustee, Bond Registrar and Paying Agent unless the context clearly makes such reference inapplicable to the Trustee acting in one or more of such capacities.

SECTION 13.2. Continental Illinois National Bank and Trust Company of Chicago, in the City of Chicago, Illinois, is hereby designated and appointed as the Paying Agent.

SECTION 13.3. The recitals, statements, covenants and representations contained in this Resolution or in the Bonds (exclusive of the Trustee's certificate on the Bonds) shall be taken as the recitals, statements, covenants and representations of the Commission, and the Trustee assumes no responsibility and shall not be liable for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Resolution or of any supplemental resolution directing the issue of any Bonds hereunder, or of any Bonds issued thereunder or as to the application of proceeds of the Bonds or of the Revenues or other funds of the Commission or of the moneys paid by the Trustee to or for the account of the Commission, or in respect of the lien or security or availability of remedies afforded by this Resolution, and shall not incur any responsibility in respect thereof or with respect to performance by the Commission of its covenants and agreements in this Resolution set forth. The Trustee shall be under no responsibility or duty with respect to the issuance of the Bonds for value. The Trustee shall not be liable for any interest on moneys deposited with it pursuant to the provisions of this Resolution

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except interest actually collected by it from investments made pursuant to this Resolution.

In the absence of a written notice to the Trustee from the holders of not less than ten per cent (10%) in principal amount of all Bonds then outstanding, which states that they have information or other reasons which lead them to suspect the existence of a default and which states such information or other reasons, the Trustee shall be under no duty to make any investigation or inquiry regarding defaults by either the Commission or the Treasurer or any other employee of the Commission in any of the matters or things to be done or performed by any thereof, and, further, the Trustee may conclusively assume that there has been no default by either the Commission or the Treasurer or any other employee of the Commission in any of the matters or things to be done or performed by any of them (except for default in payment of moneys to the Trustee which the Commission or the Treasurer is required to pay or transmit to the Trustee on or before a specified date or the failure to file audits or reports of insurance policies required to be filed with the Trustee) unless and until the Trustee is notified in writing of a default by the holders of not less than ten per cent (10%) in principal amount of all Bonds then outstanding, specifying the default.

The Trustee shall be under no obligation or duty to make any investigation or inquiry regarding defaults, or to commence any action or suit or to perform any remedial act which would involve it in any expense or liability, or to institute or defend any suit in respect hereof, or to advance any of its own moneys, unless in each case indemnified to its reasonable satisfaction.

The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence.

SECTION 13.4. The Trustee shall, without making any investigation or inquiry, be protected (a) in relying and acting upon, and in assuming the correctness and truth of, any statement contained in any notice, ordinance, resolution, request, consent, order, certificate, estimate, report, opinion, Bond, budget or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties, either in his, her or their

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rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Resolution, whether or not any such committee shall represent the holders of a majority in principal amount of the Bonds then outstanding.

SECTION 13.6. The Commission shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges and other disbursements, including those of its attorneys and agents and experts retained by it, incurred in and about the performance of the Trustee's powers and duties under this Resolution and the Trustee shall have a lien therefor on any and all funds at any time to the credit of the Administrative Expense Account. The Commission further agrees to indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its own negligence or default.

All compensation, expenses, charges and other disbursements of the Trustee paid during the acquisition of the Site and constructing and equipping the Building and Facilities as described in Section 2.1 hereof shall be paid from the Construction Account and thereafter all compensation, expenses, charges and other disbursements of the Trustee shall be paid from the Administrative Expense Account provided by Section 8.2 of this Resolution.

SECTION 13.7. The Trustee may at any time resign and be discharged of the duties and obligations created by this Resolution by giving not less than sixty days written notice to the Commission and to each Bondholder by registered or certified mail and publishing notice thereof specifying the date when such resignation shall take effect, once in each week for two successive calendar weeks in a daily newspaper published in the English language and of general circulation in the City of Chicago, Illinois, and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the Commission.

SECTION 13.8. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, upon sixty days' notice, filed with the Trustee and signed by the holders of a majority in principal amount of the Bonds then outstanding, or by their attorneys-in-fact duly authorized.

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SECTION 13.9. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the Board or, if the Board does not act within thirty days, then by the holders of a majority in principal amount of the Bonds then outstanding, by an instrument in writing signed and acknowledged by the Board or by such Bondholders or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the predecessor Trustee. The Commission shall publish notice of any such appointment made by it once in each week for two consecutive calendar weeks, in one daily newspaper published in the English language and of general circulation in the City of Chicago, Illinois, and in the City of New York, New York, the first publication to be made within twenty days after such appointment and shall give written notice thereof to each Bondholder by registered or certified mail.

If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article 13 within forty-five days after the Trustee shall have given to the Commission written notice as provided in this Article 13, or after a vacancy in the office of the Trustee shall have occurred by reason of removal or its inability to act, the Trustee or the holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Any Trustee appointed under the provisions of this Article 13 in succession to the Trustee shall be a bank or trust company organized under the laws of the State of Illinois or a national banking association, doing business and having its principal office in the City of Chicago, Illinois, and having a capital and surplus aggregating at least \$10,000,000, if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed on it by this Resolution.

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SECTION 13.10. Any successor Trustee appointed under this Resolution shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Commission, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties, and obligations of such predecessor Trustee, with like effect as if originally named as Trustee, and the predecessor Trustee shall promptly furnish an accounting, to and permit the successor Trustee to secure from the records of the predecessor Trustee, such information as may be required by the successor Trustee to perform its duties and obligations as such successor, and shall deliver to the successor Trustee instruments then in its possession for the inspection of the holders of Bonds; but the Trustee ceasing to act shall nevertheless, on the written request of the Commission, or of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under this Resolution, and shall pay over, assign and deliver to the successor Trustee any money or other property held by it under this Resolution subject to the trusts and conditions herein set forth, including all records and books of registry.

SECTION 13.11. Any company into which any Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of the State of Illinois or a national banking association and shall have an office for the transaction of its business in the City of Chicago and State of Illinois, and shall be authorized by law to perform all the duties imposed upon it by this Resolution, shall be the successor to such Trustee without the execution or filing of any paper or the performance of any further act.

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SECTION 13.12. In case any of the Bonds contemplated to be issued under this Resolution shall have been authenticated but not delivered, any successor Trustee may adopt the Certificate of Authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which is in said Bonds or in this Resolution provided that the certificate of the Trustee shall have.

SECTION 13.13. The Commission shall promptly notify the Trustee, in writing, of the names and signatures of those of its officers and employees who are authorized by law and this Resolution to sign, countersign or execute all orders, certificates and other documents required to be signed, countersigned or executed by this Resolution.

All orders, certificates and other documents required by this Resolution to be signed, countersigned, executed or attested by a designated officer or employee of the Commission shall be equally effective if signed, countersigned, executed or attested by any other officers or employees of the Commission who may now or hereafter be authorized by law to sign, countersign, execute or attest to such orders, certificates and other instruments, upon submission to the Trustee of satisfactory evidence of such authority.

SECTION 13.14. Any moneys held by the Paying Agent which have not been disbursed in the payment of the principal or interest or applicable redemption premium, if any, on the Bonds within ten years from the final maturity of the Bonds issued under this Resolution shall be transferred to the Commission by the Paying Agent, and at the time of making such transfer the Paying Agent shall furnish the Commission with a schedule of the matured Bonds and the aggregate amount of the matured interest for each applicable interest maturity for the payment of which such moneys were being held. Upon making the transfer of such moneys, together with a schedule of unpaid or unredeemed Bonds, the Paying Agent shall be relieved of any further duty with respect to said matured Bonds; provided, however, the Paying Agent before paying over such moneys may require publica-

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tion of notice in a newspaper published in the English language and of general circulation in the City of Chicago, Illinois, that on a date specified such moneys will be turned over to the Commission pursuant to the provisions of this Section and thereafter holders of outstanding Bonds shall look only to the Commission for payment.

ARTICLE 14.

EVENTS OF DEFAULT.

SECTION 14.1. The Commission shall be in default under this Resolution if one or more of the following events (herein called "events of default") shall happen, to-wit:

(a) Failure to make due and punctual payment of the principal of any Bond when and as the same shall become due and payable whether by maturity or upon redemption prior to maturity;

(b) Failure to make due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable, and such default shall have continued for a period of thirty days;

(c) Failure to make due and punctual payment or satisfaction of any required payments to the Sinking Fund Account within the fiscal year within which such payments shall become due and payable, and such failure shall have continued for a period of one hundred eighty days;

(d) The Commission shall for any reason be rendered incapable of fulfilling its obligation hereunder;

(e) Judgment for the payment of money shall be rendered against the Commission as a result of its ownership of the Site Building and Facilities and any such judgment shall not be discharged within ninety days from the entry thereof or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to set aside or stay the execution of or levy under such judgment, order, decree or process or the enforcement thereof;

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(f) Any proceeding shall be instituted, with the consent or acquiescence of the Commission, for the purpose of effecting a composition between the Commission and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any Federal or State statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the revenues of the Building and Facilities; or

(g) The Commission shall fail in the due and punctual performance of any other of the covenants, conditions, agreements or provisions contained in the Bonds or in this Resolution required on the part of the Commission to be performed, and such failure shall have continued for a period of ninety days after written notice specifying such failure and requiring same to be remedied shall have been given to the Commission by the Trustee, which may (but need not) give such notice in its discretion, and shall give notice at the request of the holders of not less than ten per cent (10%) in aggregate principal amounts of the Bonds then outstanding.

SECTION 14.2. If an event of default shall happen and be continuing, then and in each and every such case the holders of not less than twenty-five per cent (25%) in aggregate principal amount of the Bonds at the time outstanding shall be entitled, upon notice in writing to the Commission and to the Trustee to declare the principal of all of the Bonds then outstanding hereunder and the interest accrued thereon to be due and payable immediately, and upon such declaration the same shall be immediately due and payable, anything in this Resolution or in the Bonds contained to the contrary notwithstanding.

SECTION 14.3. From and after the date of notice in writing of a default as hereinabove provided in Section 14.2, all of the Revenues and all sums then held or thereafter received by the Treasurer hereunder, shall be applied by the Treasurer and, to the extent then held or thereafter received by the Trustee, shall be applied by the Trustee in the order following and, if payment is made upon Bonds, upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

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First, to the payment of current obligations incurred by the Commission for Administrative Expense prior to said written notice of default, including all compensation claims and expenses of the Trustee in carrying out the provisions of this Section 14.3 and all other services performed under this Resolution including reasonable compensation to its agents, attorneys and counsel, and then to the payment of the costs and expenses of the holders of the Bonds in declaring such event of default, including reasonable compensation to their agents, attorneys and counsel;

Second, in case the principal of the Bonds shall not have matured by their terms, or by declaration, to the payment of the interest in default in the order of the maturity of the installments of such interest, with interest on the overdue installments at the rate specified in the Bonds, such payments to be made ratably to the persons entitled thereto without preference or priority;

Third, in case the principal of the Bonds shall have matured by their terms, or by declaration, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal at the rate of interest specified in such Bonds and on installments of interest at the rate specified in the Bonds on which said interest is overdue, and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid, then to the payments so far as may be of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

SECTION 14.4. Subject to any contractual limitations binding upon the holders of any of the Bonds (including the provisions of Sections 14.1, 14.2 and 14.5 hereof and any other limitations herein upon the exercise of any remedy to holders holding a specific proportion or percentage of the Bonds), any holder of Bonds shall have the right, for the equal benefit and protection of all holders of Bonds similarly situated:

(a) By suit at law or proceedings in equity to compel observance by the Commission or by any of its officers, agents and

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employees of any contract or covenant made by the Commission with the holders of Bonds as provided in this Resolution, and to compel the Commission and any of its officers, agents, and employees, to perform any duties required to be performed for the benefit of the holders of the Bonds as provided by this Resolution and the Act, and to enjoin the Commission and any of its officers, agents or employees from taking any action in conflict with any contract or covenant with the holders of the Bonds as provided by this Resolution and the Act;

(b) By action or suit in equity to require the Commission to account as if it were the trustee of an express trust; or

(c) By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the holders of Bonds.

No remedy conferred hereby upon the Trustee or any holder of Bonds is intended to be exclusive of any other remedy, but each such remedy is cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred hereby. No waiver of any default or breach of duty or contract by the holder of any Bond shall extend to or shall affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of the Trustee or the holder of any Bond to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every right and every remedy conferred upon the Trustee or the holders of Bonds may be enforced and exercised from time to time and as often as may be deemed expedient. In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and then discontinued or abandoned, or shall be determined adversely to the Trustee or the holders of Bonds, then, and in every such case, the Commission, the Trustee and the holders of Bonds shall be restored to their former positions and rights and remedies as if no such suit, action or proceeding had been brought or taken.

SECTION 14.5. The Trustee appointed hereunder may, but need not, act as a trustee to represent the Bondholders in the matter of exercising and prosecuting on their behalf such rights and remedies

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as may be available to such holders under the provisions of the Bonds and this Resolution as well as under the Act or other provisions of applicable law (and the successive respective holders of the Bonds and by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee). Upon the event of any default or other occasion giving rise to a right in such Trustee so to represent the Bondholders, such Trustee may, but need not, take such action on behalf of the Bondholders as may seem appropriate to it and, upon the request in writing of the holders of not less than twenty-five per cent (25%) in principal amount of all the Bonds then outstanding, which request shall specify such default or occasion and the action to be taken by the Trustee, and upon being furnished with indemnity satisfactory to it, such Trustee shall take such action on behalf of the Bondholders as may have been so requested.

Except as in Section 14.4 provided, no holder of any Bond shall have any right by virtue or by availing of any provision of this Resolution or the Act or other provisions of applicable law to institute any suit, action or proceeding, at law or in equity, for the appointment of any trustee in bankruptcy, receiver, liquidator or custodian of the Revenues and other funds pledged or held hereunder, unless such holder shall previously have given to the Trustee written notice of an existing default, and unless, also, there shall have been tendered to the Trustee security and indemnity satisfactory to it against all costs, expenses and liabilities which might be incurred in or by reason of such action, suit or proceeding, and unless, also, the holders of not less than twenty-five per cent (25%) in aggregate principal amount of all the Bonds then outstanding shall have requested the Trustee in writing to take action with respect to such default and the Trustee shall have declined (and the Trustee may decline) to take such action or failed so to do within thirty days thereafter; it being intended that no one or more holders of Bonds shall have any right in any manner to institute or prosecute any action, suit or proceeding for the appointment of a trustee in bankruptcy, receiver, liquidator or custodian of the Revenues and other funds pledged or held hereunder, except in the manner herein provided, and for equal, proportionate benefit of all holders of outstanding Bonds; provided that nothing contained in this Resolution or in the Bonds shall affect or impair the obligation to

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pay the principal of and the interest on the Bonds as in this Resolution provided, or shall affect or impair the right of action, which is absolute and unconditional, of the holders of the Bonds otherwise to enforce payment thereof by virtue of the contract embodied in the Bonds and in this Resolution and the Act and other applicable statutes and provisions of law, or to enforce any of the covenants or provisions in the Bonds, this Resolution, the Act, or other applicable statutes or provisions of law, except as hereinabove provided with respect to suits, actions or proceedings for the appointment of any trustee in bankruptcy, receiver, liquidator or custodian of the Revenues and other funds pledged or held hereunder.

SECTION 14.6. The Trustee is hereby appointed (and the successive respective holders of the Bonds issued hereunder, by taking and holding the same, shall be conclusively deemed to have so appointed it) the true and lawful attorney-in-fact of the respective holders of the Bonds, with authority, which it may but need not exercise, to make or file, irrespective of whether the Bonds or any of them are in default as to payment of principal or interest, in the respective names of the holders of the Bonds, or in behalf of all holders of the Bonds, as a class or classes, any proof of debt, amendment of proof of debt, petition or other document, to receive payment of any sum or sums becoming distributable on account thereof, and to execute any and all other papers and documents and to do and perform any and all acts and things for and in behalf of the respective holders of the Bonds, or in behalf of such holders as a class or classes, as may be necessary or advisable in the opinion of any such attorney-in-fact in order to have the respective claims of such holders of Bonds allowed in any equity receivership, insolvency, liquidation, bankruptcy or other similar proceedings to which the State of Illinois or the Commission may at any time be a party, and to receive payment of or on account of such claims; and each and every receiver, assignee or trustee in bankruptcy is hereby authorized by each of the respective holders of the Bonds to make such payments to such attorney-in-fact, and, in the event that such attorney-in-fact shall consent to the making of such payments directly to such holders, to pay to such attorney-in-fact any amount which may be due to it for compensation and expenses, including counsel fees, incurred by it up to the date of such distribution.

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Anything in the foregoing to the contrary notwithstanding, the Trustee need not act or advance its own moneys unless in each case indemnified to its reasonable satisfaction.

ARTICLE 15.

MODIFICATION AND AMENDMENT.

SECTION 15.1. This Resolution and the rights and obligations of the Commission and of the holders of the Bonds may be modified or amended at any time by resolution supplemental hereto adopted by the Board pursuant to an affirmative vote at a meeting of the Bondholders held in accordance with this Section, or with the written consent, without a meeting, of the holders of sixty-six and two thirds per cent (66 $\frac{2}{3}$ %) of the principal amount of all of the Bonds then outstanding; provided that no such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter or impair the obligation of the Commission to pay the principal or interest at the time and place and at the rate and in the currency provided therein of any Bond, without the express consent of the holder of such Bond, nor permit the creation by the Commission of any mortgage or pledge or lien upon the Site Building or Facilities, or upon the Revenues held or pledged hereunder, other than the lien and pledge created by this Resolution, nor permit the creation of a preference or priority of any Bond or Bonds over any other Bond or Bonds, nor reduce the percentage of Bonds required for the affirmative vote or written consent to an amendment or modification, nor, without the written assent of the Trustee thereto, modify any of the rights, immunities or obligations of the Trustee at any time acting hereunder.

SECTION 15.2. The Commission may at any time call a meeting of the holders of the Bonds. Every such meeting shall be held in the City of Chicago, State of Illinois, at such time and place as may be specified in the notice calling such meeting. Written notice of such meeting, stating its time and place and in general terms the business to be submitted, shall be given by the Secretary to the Trustee who shall mail a copy of such notice, postage prepaid, not less than thirty nor more than sixty days before such meeting, to each registered owner of

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67

Bonds then outstanding, at his address, if any, appearing on the books of registration, and such notice shall be published by the Secretary at least once a week for two successive calendar weeks in a daily newspaper having a general circulation in the City of Chicago, Illinois, and in New York City, New York, the first publication to be not less than thirty nor more than sixty days prior to the meeting.

SECTION 15.3. Attendance and voting by Bondholders at such meeting may be in person or by proxy. Owners of registered Bonds may, by an instrument in writing under their hands, appoint any person as their proxy to vote at any meeting for them.

SECTION 15.4. The Commission may with the consent of the Trustee make and from time to time vary such rules and regulations as it shall deem proper for the authentication of proxy voters, including rules and regulations covering authentication of Bondholders' consents by fiduciaries and other representatives, and shall keep copies of such rules and regulations on file in the office of the Trustee and of the Secretary. Representatives of the Commission and the Trustee may attend such meetings and take part therein, but shall not be entitled to vote thereat.

SECTION 15.5. Persons named by the Commission shall act as temporary chairman and secretary of any Bondholders' meeting. A permanent chairman and secretary shall be selected by the Bondholders and proxies present by a majority vote of the aggregate principal amount of Bonds represented. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting, except votes on the election of chairman and secretary as aforesaid, and who shall make and file with the secretary of the meeting their verified written report of the votes so cast at the meeting. The ballots, if any, cast at the meeting shall not be attached to such election report but shall be filed separately with the Commission.

SECTION 15.6. The holders of not less than sixty-six and two-thirds per cent (66 $\frac{2}{3}$ %) in principal amount of all Bonds outstanding shall constitute a quorum for the transaction of business. Less than a quorum, however, shall have power to adjourn from time to time

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68

without any other notice than the announcement thereof at the meeting; provided, however, that if such meeting is adjourned by less than a quorum for more than thirty days, notice thereof shall forthwith be mailed by the Secretary at least seven days prior to the adjourned date of the meeting, in the manner provided in Section 15.2 and such notice shall be published by the Secretary in the manner provided in said Section 15.2 at least once in each thirty-day period of such adjournment.

SECTION 15.7. A record, in duplicate, of the proceedings of each meeting of Bondholders shall be prepared by the permanent secretary thereof and shall have attached thereto the original reports of the inspectors of votes and affidavits by a person or persons having knowledge of the facts, showing a copy of the notice of the meeting and setting forth the facts with respect to the mailing and publication thereof under the provisions of Section 15.2 and, in a proper case, under the provisions of Section 15.6. Such a record shall be signed and verified by the affidavits of the permanent chairman and the permanent secretary and shall be delivered to the Trustee and the Secretary. Any records so signed and verified shall be conclusive proof of the matters therein stated. Copies of any resolution adopted by such meeting shall be furnished to and mailed by the Trustee to each registered owner of Bonds and notice of the fact of the adoption of such resolution (stating that a copy thereof is available for inspection at the office of the Trustee) shall be published by the Secretary at least once a week for two successive calendar weeks in a daily newspaper published in the English language and having a general circulation in Chicago, Illinois, and also by like publication in a newspaper published in New York City, New York, the first publication in each case to be made not more than ten days after the date of the adoption of such resolution. Proof of such mailing and publication by the affidavit or affidavits of a person or persons having knowledge of the facts shall be filed with the Trustee and the Secretary. No such resolution adopted by such meeting shall be binding unless a valid resolution of the Commission be passed containing the modifications or amendments authorized by the resolution adopted by such meeting. A copy of said resolution of the Commission, certified by its Secretary, shall be filed with the Trustee. If such resolution of the Commission is adopted,

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then it shall be deemed conclusively to be binding upon the Commission, and the holders of all Bonds (except as otherwise hereinabove specifically provided in this Section) at the expiration of sixty days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside the resolution adopted by such meeting of Bondholders or annulling the action taken thereby in a legal action or equitable proceeding for such purpose commenced within such sixty-day period. Nothing in this Section shall be deemed to authorize or permit, by reason of any call of a meeting of Bondholders or of any right expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee, or to the Bondholders, under any of the provisions of this Resolution or of any resolution amendatory hereof or supplemental hereto or of the Bonds issued hereunder.

SECTION 15.8. The Commission may at any time adopt a valid resolution amending the provisions of the Bonds or of this Resolution or of any resolution amendatory hereof or supplemental hereto to the extent that such an amendment is permitted by the provisions of Section 15.1, to take effect when and as provided in this Section. A copy of such resolution, together with a request of the Commission to Bondholders for their consent thereto, shall be mailed by the Trustee to each registered owner of Bonds and notice of the adoption thereof shall be published in the manner provided in Section 15.2 for the mailing and publication referred to in that Section. Such resolution shall not be effective unless and until there shall have been filed with the Trustee the written consents of the percentage of holders of outstanding Bonds specified in Section 15.1, and a notice shall have been published as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 15.4. Any such consent shall be binding upon the holder of the Bonds giving such consent and on any subsequent holder of such Bonds (whether or not such subsequent holder has notice thereof) unless such consent is revoked in writing by the holder giving such consent or a subsequent holder by filing such revocation with the Trustee prior to the first date when the notice hereinafter in

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this Section provided for has been published. After the holders of the required percentage of Bonds shall have filed their consents to the resolution, the Trustee shall mail and the Secretary shall publish a notice to the Bondholders in the manner provided in Section 15.2 for the mailing of notice of the resolution adopted at a meeting of Bondholders and publication of a notice of adoption thereof referred to in said Section stating in substance that the resolution has been consented to by the holders of the required percentage of Bonds and will be effective as provided in this Section. A certificate of the Trustee reciting compliance with the provisions hereof shall be filed with the Commission and shall be conclusive proof of the matters therein stated and the resolution shall be deemed conclusively binding upon the Commission, the Trustee and the holders of all Bonds at the expiration of sixty days after the filing with the Commission of the certificate as aforesaid, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

SECTION 15.9. Bonds authenticated and delivered after the effective date of any action taken as provided in this Article 15 may bear a notation, by endorsement or otherwise, in form approved by the Commission and the Trustee as to such action, and in that case, upon demand of the holder of any Bond outstanding at such effective date and presentation of his Bond for the purpose at the office of the Trustee, a suitable notation shall be made on such Bond by the Trustee as to any such action. If the Commission shall so determine, new Bonds so modified as to conform to such Bondholders' action shall be prepared and authenticated, and upon demand of the holder of any Bond then outstanding shall be exchanged at the principal office of the Trustee in the City of Chicago, Illinois, without cost to any Bondholder, for Bonds then outstanding, upon surrender of such Bonds.

SECTION 15.10. Bonds owned or held by or for the account of the Commission shall not be deemed outstanding for the purpose of any vote or consent or other action or any calculation of outstanding Bonds in this Article provided for, and shall not be entitled to vote or consent or take any other action in this Article provided for.

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71

ARTICLE 16.

ADMINISTRATIVE EXPENSE BUDGET.

SECTION 16.1. The Commission at least 60 days prior to the beginning of each fiscal year, commencing with the fiscal year beginning January 1, 1988 and continuing through each fiscal year thereafter until all of the Bonds are paid, shall prepare and adopt a budget covering Administrative Expense for the ensuing fiscal year in an amount not to exceed \$300,000 for each of said fiscal years, plus any unencumbered amount the Commission may reasonably estimate will remain to the credit of the Administrative Expense Account at the end of the then current fiscal year plus any additional funds that may be transferred from the Surplus Account as authorized by Section 9.4 of this Resolution.

A certified copy of such annual budget as adopted shall be filed prior to the beginning of the fiscal year with the Lessee and the Trustee, and be mailed by the Commission to any Bondholder who shall have filed his name and address with the Secretary for that purpose.

Expenses in any fiscal year shall not be incurred in excess of the budget for said fiscal year.

ARTICLE 17.

SALE OF BONDS.

SECTION 17.1. After this Resolution becomes effective, the Bonds herein authorized shall be sold by the Board in such manner as it may determine and the award of the sale of said Bonds shall be made to the acceptable bidder on the basis of the lowest interest cost to the Commission; provided, however, that the price for such Bonds shall be not less than par and accrued interest to date of delivery. The execution and delivery of said Bonds shall be subject to the prior execution of the Lease by and between the Public Building Commission of Chicago and the City College for use and occupancy of the Site, Building and Facilities and providing for annual rental payments sufficient to pay the Commission's costs of operation and which is to be

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72

applied toward its Administrative Expenses, the annual requirements of the Renewal, Replacement and Improvement Account in connection with the Site, Building and Facilities, and to amortize and pay the principal of and interest on the Bonds herein authorized as the same become due.

If the acceptable bidder offers to purchase said Bonds bearing interest at a lower rate or rates than the maximum herein provided, then the Board shall adopt a supplementary resolution fixing the interest rate or rates on such Bonds in accordance with the terms of the acceptable offer to purchase the same and directing the officers of the Commission to execute and deliver the Bonds to such purchaser bearing interest at such lower rate or rates so specified by the acceptable bidder.

ARTICLE 18.

SATISFACTION AND DISCHARGE OF RESOLUTION.

SECTION 18.1. If the Commission shall pay and discharge the entire indebtedness on all outstanding Bonds in any one or more of the following ways:

(a) by paying or causing to be paid the principal of (including redemption premium, if any) and interest on all outstanding Bonds, as and when same become due and payable;

(b) by depositing with the Trustee, in trust, at or before maturity, money in the necessary amount to pay or redeem (when redeemable) all outstanding Bonds;

(c) by delivering to the Trustee, for cancellation by it, all outstanding Bonds; or

(d) by depositing with the Trustee, in trust, bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of the United States of America, or securities or obligations the prompt payment of principal and interest of which is fully guaranteed by a pledge of the full faith and credit of the United States of America (the "Government Securities") or cash in such amount as the Trustee shall determine

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will, together with the income or increment to accrue thereon, without consideration of any reinvestment of the principal amount thereof or the interest earned thereon, be fully sufficient to pay or redeem (when redeemable) and discharge the indebtedness on all Bonds at or, at the option of the Commission, before their respective maturity dates;

and if the Commission shall also pay or cause to be paid all other sums payable hereunder by the Commission, or make adequate provision therefor, then and in that case the obligations of the Commission under this Resolution shall become null and void, and thereupon the Trustee shall, forthwith execute proper instruments acknowledging satisfaction of the and discharging the Commission from its obligations hereunder. The satisfaction and discharge of this Resolution shall be without prejudice to the rights of the Trustee to charge and be reimbursed by the Commission for any expenditures which it may thereafter incur in connection herewith.

Any moneys, funds, securities, or other property remaining on deposit in any fund or investment under this Resolution (other than the cash and Government Securities deposited in trust as above provided) shall, upon such satisfaction by and discharge of the Commission from its obligations hereunder, forthwith be transferred, paid over and distributed to the Commission and the City College as their respective interests may appear.

The Commission or the City College may at any time surrender to the Trustee for cancellation by it any Bonds previously authenticated and delivered which the Commission or the City College may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Upon the deposit with the Trustee, in trust, at or before maturity, of cash or Government Securities in the necessary amount to pay or redeem all outstanding Bonds (whether upon or prior to their maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Article 3 herein, or

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74

provisions satisfactory to the Trustee shall have been made for the giving of such notice, this Resolution may be discharged but the liability of the Commission in respect of such Bonds shall continue but the holders thereof shall thereafter be entitled only to payment out of the cash or Government Securities deposited with the Trustee as aforesaid.

None of the outstanding Bonds hereunder may be advance refunded by the deposit of cash or Government Securities with the Trustee as aforesaid nor may this Resolution be discharged if by reason thereof the interest on such refunded Bonds becomes subject to federal income taxation to the recipient thereof. In determining the foregoing, the Trustee may rely upon an opinion of Bond Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that the interest on the Bonds being refunded will not be subject to federal income taxation, notwithstanding such satisfaction.

ARTICLE 19.

PARTIAL INVALIDITY.

SECTION 19.1. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

ARTICLE 20.

EFFECTIVE DATE.

SECTION 20.1. This Resolution shall be in full force and effect immediately upon its adoption as provided by law.

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