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**JOURNAL of the PROCEEDINGS
of the
CITY COUNCIL
of the
CITY of CHICAGO, ILLINOIS**

Regular Meeting—Tuesday, December 18, 1984

at 10:00 A.M.

(Council Chamber—City Hall—Chicago, Illinois)

OFFICIAL RECORD.

HAROLD WASHINGTON
Mayor

WALTER S. KOZUBOWSKI
City Clerk

Attendance at Meeting.

Present -- Honorable Harold Washington, Mayor, and Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone.

Absent -- None.

Call to Order.

On Tuesday, December 18, 1984 at 10:52 A.M. (the hour appointed for the meeting was 10:00 A.M.) Honorable Harold Washington, Mayor, called the City Council to order. Honorable Walter S. Kozubowski, City Clerk, called the roll of members and it was found that there were present at that time: Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Quorum present.

Invocation.

Father Edward Pajak, Holy Innocents Church, opened the meeting with prayer.

REPORTS AND COMMUNICATIONS FROM CITY OFFICERS.

Referred -- AMENDMENT OF MUNICIPAL CODE CHAPTER 99
CONCERNING REBATES FOR REFUSE COLLECTION.

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 18, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I transmit herewith an ordinance amending Chapter 99 of the Municipal Code of Chicago to provide rebates to owners of condominiums and co-operative apartments for refuse collection.

Your favorable consideration of this ordinance is appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

Referred -- AMENDMENT OF MUNICIPAL CODE CHAPTER
200.6 CONCERNING EXEMPTION OF CHICAGO SALES
TAX FOR MOTOR VEHICLE SALES TO
NONRESIDENTS OF CHICAGO.

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 18, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Acting Director of Revenue, I transmit herewith an ordinance amending Chapter 200.6 of the Municipal Code of Chicago, the Chicago Sales Tax, to provide for an exemption for motor vehicle sales to nonresidents of the City.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

Referred -- SUBSTITUTE 1985 ANNUAL APPROPRIATION ORDINANCE.

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 18, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I transmit herewith a substitute 1985 Annual Appropriation Ordinance.

Your favorable consideration of this ordinance is appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

Referred -- REDUCTION OF 1984 TAXES ON PUBLIC BUILDING
COMMISSION OF CHICAGO BUILDING REVENUE BONDS,
SERIES "B" OF 1971.

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 18, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Public Building Commission of Chicago, I transmit herewith an ordinance directing the County Clerks of Cook and DuPage Counties to reduce by \$388,043 the amount of 1984 taxes to be extended for the purpose of providing for the payment of rent due with respect to Public Building Commission of Chicago Building Revenue Bonds Series "B" of 1971.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

Referred -- AGREEMENT OF LIMITED AGENCY BETWEEN CITY
AND STATE CONCERNING AIRPORT IMPROVEMENTS AT
O'HARE INTERNATIONAL AIRPORT.

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Aviation*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 18, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of the Department of Aviation, transmitted herewith is an Agreement of Limited Agency between the City of Chicago and the State of Illinois for airport improvements at Chicago O'Hare International Airport.

Your favorable consideration of this matter will be greatly appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

Referred -- GRANT APPLICATION BETWEEN CITY AND
FEDERAL AVIATION ADMINISTRATION FOR AIRPORT
IMPROVEMENTS AT O'HARE INTERNATIONAL
AIRPORT.

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Aviation*:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 18, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of the Department of Aviation, transmitted herewith is a Grant Application between the City of Chicago and the Federal Aviation Administration for airport improvements at Chicago O'Hare International Airport.

Your favorable consideration of this matter will be greatly appreciated.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

Referred -- **CONDITIONAL APPROVAL OF INDUSTRIAL REVENUE
BOND FOR PROJECT BY HELIX, LIMITED.**

Honorable Harold Washington, Mayor, submitted the following communication, which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Economic Development*:

**OFFICE OF THE MAYOR
CITY OF CHICAGO**

December 18, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of the Department of Economic Development, I transmit herewith an ordinance providing for the conditional approval of an industrial revenue bond in the amount of \$3,200,000 for the financing of a project by Helix Limited.

Your favorable consideration of this matter will be appreciated.

Very truly yours,
(Signed) **HAROLD WASHINGTON,**
Mayor.

**City Council Informed As To Miscellaneous
Documents Filed Or Received In City
Clerk's Office.**

Honorable Walter S. Kozubowski, City Clerk, informed the City Council that documents have been filed or received in his office relating to the respective subjects designated as follows:

***Placed on File --* MAYORAL VETO OF 1985 ANNUAL
APPROPRIATION ORDINANCE.**

Honorable Harold Washington, Mayor, submitted the following communication:

**OFFICE OF THE MAYOR
CITY OF CHICAGO**

December 12, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I return herewith, without my approval, the 1985 Annual Appropriation Ordinance passed December 12, 1985. This Appropriation

Ordinance, adopted by the majority of the Committee on Finance, makes a number of changes from the proposed 1985 budget that I presented to you. These changes negatively affect the future fiscal condition of the City, also preserve wasteful work practices and featherbedding, and cut the heart of the City's ability to collect revenue. These changes further represent illegal and improper encroachments by the Legislative branch on Executive functions and threaten the City's ability to operate a Police Department free of political influence.

The Appropriation Ordinance, as adopted, decreases the City's revenue base through a small property tax decrease. At the same time, the ordinance proposes certain long-term personnel increases. The ordinance proposes to fund this continuing expense with a one-time revenue source, a tax amnesty program. It is clear that if this ordinance passed in its present form, the City would face a potential deficit in 1986 and would be returned to the position we found earlier this year with a need for either increased property taxes or a lay-off of other City workers.

The ordinance also makes severe cuts in important City departments which reduce or halt the productivity improvements which are necessary to make City government efficient and effective. Our goal must continue to be to do more with less for the benefit of the taxpayers of Chicago.

The Appropriation Ordinance, as amended by the Council, is defective in its analysis of the City's revenue and it cuts into the revenue base without regard for future taxes and necessary services.

For instance, it removes from the Department of Revenue the necessary field accountants, internal auditors and support staff on whom tax enforcement depends.

The amnesty ordinance mistakenly counts money already in the pipeline as new revenue. It forgives more than \$4 million in penalties and interest already due to the City as a result of City enforcement and Court decisions.

The Appropriation Ordinance, as amended by the Council, recklessly increases long-term expenses for new personnel while simultaneously reducing the revenue base with a property tax cut. These conflicting directives will quickly lead the City into fiscal danger, where mounting spending spirals far beyond the diminished revenue base.

At the same time, the fiscal irresponsibility of the amended Appropriation Ordinance reduces \$5 million in revenue to the Judgment Fund despite a Court Order that the City become current in its payments by June 1985.

The Appropriation Ordinance, as amended by the Council, further grants to the City Council encroachments on constitutional and necessary executive powers that would interfere with the operations of the Mayor's Office, the Department of Human Services and the Police Department.

In the Mayor's Office, the Council seeks control over travel by the Mayor, making his activities a creature of Council direction and whim.

The Ordinance improperly seeks to place under its administration an emergency shelter program which should be administered by the Department of Human Services.

Section 8 of the Appropriation Ordinance requires the maintenance of 25 Police Department districts and 1,260 patrol beats, none of which can be altered without Council approval.

In addition, the police are required to maintain the units and activities scheduled in the ordinance and the Superintendent of Police is required to hire 500 officers in two classes.

These provisions create a managerial nightmare and prevent the Superintendent from reorganizing his department or even meeting changed emergency situations without Council approval.

The Courts have held that the Council cannot grant to itself the power to hire police officers or to restrict or operate an executive department. These provisions constitute a legislative encroachment on an executive department and a fundamental change in the form of government, and are clearly unconstitutional and improper.

Further, Section 9 provides that one department may not use automobiles designated for another department without Council approval and other restrictions, and provides for Council removal of any department head who knowingly violates the section.

In granting itself executive powers of dismissal, the Council once again proposes a fundamental change in the form of government and exceeds its legal boundaries. Other areas of doubtful legality in the amended appropriation ordinance include Council determination of the proper size of street lamp crews and the reassignment of employees.

The ordinance makes capricious, uninformed and reckless reductions on necessary personnel in the Departments of Budget, Law, Revenue and the Mayor's Office which remove the trained professionals who are necessary to improve the productivity of all City workers.

For instance, in Revenue the ordinance removes the people who are necessary to collect the revenues from three new taxes, which would create a negative impact of more than \$13 million on revenue estimates -- a reduction of \$3 million in new revenue and further reduction of \$10 million from the existing revenue base.

In Law, the ordinance reduces positions in the face of increasing litigation while providing reduced funds for outside counsel. These reductions would create massive backlogs of necessary legal business and reduce the City's ability to defend itself against lawsuits, leading to massive losses.

At the same time, the ordinance removes the positions which are necessary for affirmative litigation which would enable the City to collect revenue which it is rightfully due.

It likewise reduces personnel who are necessary for Risk/Benefits Management in the Budget Office to control soaring benefit costs.

The amended ordinance also makes inappropriate or misplaced cuts in personnel and funding.

- 1) In Streets and Sanitation, reductions would curtail the installation of new vandal-proof parking meters and the operation of "Denver Boot" crews and actually reduce revenue to the City. While it is possible that additional reductions could be made in this Department, the approach of the Council majority is unacceptable. For example, the majority budget ends the garbage cart program designed to reduce expenditures of \$20 million when fully implemented by increased productivity and reduced crew size.
- 2) The reduction of \$5 million in the Department of Sewers would leave the Department short staffed and underequipped and will seriously affect the ability of the Department to respond to emergency sewer repairs and cleaning. The reduction in the purchase of new heavy machinery would actually increase the operating costs of the Sewer Department due to the additional expense required to sustain obsolete vehicles and equipment.
- 3) Reductions in the Office of Professional Standards and the Internal Affairs Division of the Police Department and the elimination of the Affirmative Litigation Division in the Law Department would block our fight against corruption and would reduce revenues. The result would be decreased ability of the City to conduct investigations of wrongdoing by employees and to engage in litigation aimed at the recovery of funds owed to the City from persons and companies engaged in corrupt practices.
- 4) The reduction of \$2.9 million in the Department of Law will severely limit the productivity of the Department and its ability to conduct successful litigation. In addition to the elimination of the Affirmative Litigation Division, this ordinance eliminates all funds for title searches, witness fees and the purchase of additional law books, all essential to the conduct of litigation. The elimination of additional personnel will result in increased costs due to the need for reliance on outside counsel.
- 5) Reductions in the Risk and Benefits Management Office would eliminate needed programs designed to contain increasing health costs to the City and to audit claims for overcharges. The reductions would also reduce the program designed to produce substantial savings to the City through the reduction in claims filed against the City. Thus, these reductions will prevent sound fiscal management together with a reduction in the City's ability to eliminate waste and fraud in our health benefit plans.
- 6) Reductions in the Office of the Mayor would require the City to close its offices in Springfield and Washington and would negatively affect the Administration's program to achieve productivity increases in all City agencies.

These are not the only areas affected by the reductions in the Appropriation Ordinance. Reductions in the Budget Office, Data Center, Office of Inquiry and Information, Economic Development, Personnel Department, Housing, Finance, Human Relations, Human Services, and Department of Purchases all would impact on the ability of the City to conduct its business and provide services to our citizens. Again, while economies might be possible in these departments, the wholesale reductions made by the Council majority create economies at the cost of essential City services. I cannot accept such an approach.

Finally, the Appropriation Ordinance itself has been amended to an unprecedented extent. This ordinance would place the day-to-day management of the Police Department in the City Council; would subject executive appointments to dismissal by the City Council; and would allow the City Council to determine the composition of work areas and the assignment of those crews. The ordinance also infringes on the role of the Corporation Counsel to conduct and settle lawsuits against the City and the role of departmental managers in day-to-day decisions on equipment leasing and office improvements. These amendments are designed to place the Executive departments under the direct control of the City Council. Such control would upset the checks and balances needed and found in all governments and would cripple the daily operation of the City. No chief executive, at any level of government could accept such legislative controls and I will not accept such controls here.

The 1985 amended Appropriation Ordinance, as passed by the Council, was prepared without consultation with the executive branch of government. As I read the sentiment of this ordinance, I find that Aldermen may now accept the compelling need to end featherbedding and improve productivity in all departments. I intend to hold you to the test. In the next few days I will present a substitute ordinance which provides outstanding City services, reasonable levels of police manpower, and increased productivity while also reducing total City jobs. I ask for your concurrence in this substitute ordinance so that the business of running this great City can go forward.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

PROVISION MADE FOR LEVY OF TAXES SUFFICIENT TO
PAY PRINCIPAL OF AND INTEREST ON ISSUANCE
OF \$114,500,000 GENERAL OBLIGATION SCHOOL
ASSISTANCE BONDS, SERIES E (1984).

Alderman Bloom moved to suspend the rules temporarily to go out of the regular order of business for the immediate consideration of a proposed ordinance, deferred and published in the Journal of the Proceedings of the City Council on December 12, 1984, pages 1171 thru 11813, concerning a levy of taxes sufficient to pay principal of and interest on an issuance of \$114,500,000 General Obligation School Assistance Bonds, Series E (1984).

The motion was lost by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, James, Hutchinson, Brady, Langford, Streeter, Kelley, Sherman, Henry, W. Davis, Smith, E. Davis, Frost, Natarus, Oberman, Volini, Orr -- 23.

Nays -- Aldermen Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Kellam, Slahane, Stemberk, Krystyniak, Marzullo, Nardulli, Hagopian, Mell, Kotlarz, Banks, Imamoto, Cullerton, Laurino, Pucinski, Hansen, McLaughlin, Orbach, Stone -- 23.

Alderman Burke then moved to *Suspend the Rules Temporarily* to go out of the regular order of business for the immediate consideration of a proposed ordinance, deferred and published in the Journal of the Proceedings of the City Council on December 12, 1984, pages 11751 thru 11813, concerning a levy of taxes sufficient to pay principal of and interest on an issuance of \$114,500,000 General Obligation School Assistance Bonds, Series E (1984).

The motion *Prevailed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Burke, Brady, Langford, Streeter, Kellam, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, O'Connor, Natarus, Oberman, Hansen, Orbach, Volini, Orr -- 40.

Nays -- Aldermen Madrzyk, Sheahan, Hagopian, Cullerton, Laurino, Pucinski, McLaughlin, Stone -- 8.

Alderman Burke next moved to *Concur In* the committee's report, recommending that the City Council pass the said proposed ordinance.

Aldermen Pucinski, McLaughlin and Cullerton then presented the following amendment to the said proposed ordinance:

Preamble To Ordinance

WHEREAS, The Supreme Court of Illinois did on December 7, 1984, in cause entitled Chicago School Finance Authority vs. The City Council of the City of Chicago, Case No. 61077 declared that this Council should perform its statutory duty to enact "etc;" and

WHEREAS, It is the sense of this Council that the enactment of any discretionary ordinance, and particularly any legislation providing for the levy of taxes, is wholly within the prerogative of the Council and its perception of what is in the best interests for the people in the City of Chicago; and

WHEREAS, It is the sense of the Council that the Supreme Court of Illinois does not have constitutional authority to compel such discretionary legislation; now, therefore,

Be It Resolved, That solely out of respect to the declaratory opinion of the Supreme Court does this Council enact the attached ordinance; and

Be It Further Resolved, That said ordinance is adopted only with deep reservations as to the propriety of the judiciary to compel this Council to enact purely discretionary legislation.

Alderman Pucinski moved to *Adopt* the foregoing proposed amendment. The motion *Prevailed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Kellam, Sheahan, Stemberk, Krystyniak, Marzullo, Nardulli, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Hansen, McLaughlin, Orbach, Schuler, Stone -- 30.

Nays -- Aldermen Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Streeter, Kelley, Sherman, Henry, W. Davis, Smith, D. Davis, Frost, Natarus, Oberman, Volini, Orr -- 20.

Alderman Burke then moved to *Pass* the said proposed ordinance, as amended. The motion *Prevailed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Burke, Brady, Langford, Streeter, Kellam, Kelley, Sherman, Stemberk, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Santiago, Gabinski, Mell, Frost, Kotlarz, Damato, Natarus, Oberman, Hansen, Orbach, Volini, Orr -- 36.

Nays -- Aldermen Huels, Majerczyk, Madrzyk, Sheahan, Krystyniak, Hagopian, Banks, Cullerton, Laurino, O'Connor, Pucinski, McLaughlin, Schuler, Stone -- 14.

Alderman Stemberk moved to reconsider the foregoing vote. The motion was lost.

Alderman Burke then requested that the record reflect said ordinance was transmitted to the Mayor who affixed his signature at 11:50 A.M.

The following is said ordinance as passed:

Preamble To Ordinance

WHEREAS, The Supreme Court of Illinois did on December 7, 1984, in cause entitled Chicago School Finance Authority vs. The City Council of the City of Chicago, Case No. 61077 declared that this Council should perform its statutory duty to enact "etc;" and

WHEREAS, It is the sense of this Council that the enactment of any discretionary ordinance, and particularly any legislation providing for the levy of taxes, is wholly within the prerogative of the Council and its perception of what is in the best interests for the people in the City of Chicago; and

WHEREAS, It is the sense of the Council that the Supreme Court of Illinois does not have constitutional authority to compel such discretionary legislation; now, therefore,

Be It Resolved, That solely out of respect to the declaratory opinion of the Supreme Court does this Council enact the attached ordinance; and

Be It Further Resolved, That said ordinance is adopted only with deep reservations as to the propriety of the judiciary to compel this Council to enact purely discretionary legislation.

WHEREAS, There has been filed with and there is before the City Council of the City of Chicago (the "City Council") a certified copy of a resolution adopted on April 29, 1980, as supplemented on December 9, 1980 and November 13, 1984 (the "Bond Resolution"), by the

Chicago School Finance Authority (the "Authority"), creating and establishing an issue of General Obligation School Assistance Bonds of the Authority (the "Bonds"), a conformed copy of which is attached as Exhibit A to this ordinance; and

WHEREAS, There has been filed with and there is before the City Council a certified copy of a resolution (the "Series E Resolution") adopted on November 13, 1984 by the Authority, authorizing the issuance of \$114,500,000 aggregate principal amount of General Obligation School Assistance Bonds of the Authority, Series E (1984) (the "Series E Bonds"), a conformed copy of which (with exhibits deleted) is attached as Exhibit B to this ordinance; and

WHEREAS, The Bond Resolution and the Series E Resolution were adopted pursuant to the authority of and in compliance with the Constitution and the laws of the State of Illinois including the School Finance Authority Act, as amended to the date hereof (the "Act"), of the State; and

WHEREAS, The City Council desires to provide for the levy of taxes sufficient to pay and discharge the principal of the Series E Bonds at maturity or on sinking fund installment dates and to pay interest on the Series E Bonds as it falls due; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. *Levy of Taxes.* In compliance with the demand and direction in the Series E Resolution that the City Council levy and provide for the collection of a direct annual tax sufficient to pay the principal of and interest on the Series E Bonds, there is levied and there shall be collected a direct annual tax upon all the taxable property within the City of Chicago (the "City"), being the school district named the Board of Education of the City of Chicago (the "Board"), for the purpose of paying principal of and interest on the Bonds, sufficient to pay and discharge the principal of the Series E Bonds at maturity or on sinking fund installment dates and to pay interest on the Series E Bonds as it falls due, and in particular, but not in limitation of the foregoing, including a tax sufficient to produce the following sums for the following years:

<i>Levy Year</i>	<i>Amount</i>	<i>Levy Year</i>	<i>Amount</i>
1984	\$11,211,001.25	1996	\$13,004,011.25
1985	12,793,256.25	1997	13,047,511.25
1986	12,807,806.25	1998	13,083,716.25
1987	12,823,106.25	1999	13,122,686.25
1988	12,838,746.25	2000	13,160,461.25
1989	12,857,746.25	2001	13,200,851.25
1990	12,875,586.25	2002	13,249,806.25
1991	12,891,361.25	2003	13,294,175.00
1992	12,912,161.25	2004	13,346,025.00
1993	12,931,581.25	2005	13,398,900.00
1994	12,956,331.25	2006	13,462,825.00
1995	12,982,011.25	2007	13,530,725.00

SECTION 2. *Additional Levy for Deficiencies.* The taxes which are levied by this ordinance (the "Series E Tax Levy Ordinance") include the additional sums provided in this Section, which are in addition to the dollar amounts specifically set forth in Section 1

of this Ordinance. For paying principal of and interest on the Bonds, and for the purpose of providing money to be deposited in the debt service reserve fund (the "Reserve Fund") established by the Bond Resolution for the Series E Bonds pursuant to the Act, there is levied and there shall be collected a direct annual tax upon all taxable property within the City, being the school district named Board of Education of the City of Chicago sufficient to produce the sums specified in this Section. The additional sums provided in this Section are levied for each levy year, beginning with the levy year 1985, and shall be collected in each year, beginning with calendar year 1986, while any of the Series E Bonds are outstanding and unpaid, either as to principal or interest. The additional amount levied for each year pursuant to this Section is the sum sufficient to produce the amount, if any, by which:

(i) the cumulative total principal amounts due on the Series E Bonds at maturity or on sinking fund installment dates and interest on the Series E Bonds as it shall have come due, in each case through December 1 of such levy year, less an amount equal to the interest paid from the Series E Capitalized Interest Account (all as provided in the Bond Resolution and the Series E Resolution) shall have exceeded

(ii) the cumulative total of the collections, up to and through December 1 of such levy year, of all taxes levied as provided by this Series E Tax Levy Ordinance (including taxes levied pursuant to this Section, and treating as tax collections the total amount of all such taxes which shall have been abated pursuant to Section 601 of the Bond Resolution with respect to extensions for all years through such December 1). The language following the comma in the foregoing parenthetical phrase is included as a clarification of the operation of this Section and does not effect any change in meaning from the corresponding sections in the ordinances levying taxes for previously issued series of Bonds.

No later than December 31 of each year, beginning in 1985, the Trustee under the Bond Resolution shall file in the offices of the county clerks of each county in which any taxable property in the City is located, a statement, certified by a corporate trust officer of that Trustee, of the amount of the additional taxes which are included in the levy for that year as provided in this Section. The failure of the Trustee to file the certificate referred to in the preceding sentence shall not affect the validity of the levy of taxes as provided in this Section and, whether or not the Trustee shall file the statement, the county clerks and collectors of each county in which any taxable property in the City is located are directed to cause to be extended and collected all the amounts levied by this Section, all as provided in this Section.

SECTION 3. *Filing of Ordinance.* After the adoption of this Series E Tax Levy Ordinance, the City Clerk of the City is directed to cause copies of this Series E Tax Levy Ordinance, duly certified by or on behalf of that officer, to be filed in the offices of the county clerks and of the county tax collectors of each county in which any taxable property in the City is located. Upon the filing of such copies of this Series E Tax Levy Ordinance with the county clerks, it shall be the duty of those county clerks to extend the taxes so levied for the Series E Bonds, all as provided in the Act, this Series E Tax Levy Ordinance, the Bond Resolution and the Series E Resolution. Except as specifically provided in the Bond Resolution, the Series E Resolution or this Series E Tax Levy Ordinance, the taxes levied as provided in this Series E Tax Levy Ordinance shall be computed, extended and collected in the same manner as is now or may subsequently be provided for the computation, extension and collection of ad valorem property taxes in the City generally.

The taxes to be levied as provided in this Series E Tax Ordinance shall be extended without limitation as to rate and shall be extended in amounts sufficient to produce the amounts so specified and provided for. No further action of this City Council shall be required for the levy of taxes as provided in this Series E Tax Levy Ordinance or for their extension and collection by the appropriate county officers.

SECTION 4. *Tax for Sole Benefit of Bondholders; Payment to Trustee.*

(a) As provided by the Act and the Bond Resolution, while any Series E Bonds remain outstanding and unpaid, the taxes levied by this Series E Tax Levy Ordinance shall be for the sole benefit of the holders of the outstanding Bonds. The Act and the Bond Resolution provide that such holders of Series E Bonds shall have a security interest in, and a lien upon, all rights, claims and interest of the Authority arising pursuant to the levy and all present and future proceeds of the levy and that the security interest in and lien upon those rights, claims and interests is valid and binding from the time the Series E Bonds are issued, without any physical delivery or further act, and shall be valid and binding as against, and prior to any claims, if any, of all other parties having claims of any kind in contract, tort or otherwise against the State, the Authority, the Board or the City, or any other person, irrespective of whether such other parties have notice of such lien or security interest.

(b) As provided by the Act and the Bond Resolution, all proceeds of the levy of taxes made by this Series E Tax Levy Ordinance shall be deposited by the county collectors of each county in which any taxable property in the City shall be located directly in the Debt Service Fund established with the Trustee by the Bond Resolution. The Bond Resolution provides that such amounts shall be applied solely for the payment and discharge of principal of the Bonds (at maturity or on sinking fund installment dates) and of interest on the Bonds as it falls due, or for redemption or purchase of Bonds as provided by the Bond Resolution, or for transfer to the Reserve Fund as provided by the Bond Resolution, and shall not be used for any other purpose.

SECTION 5. *Tax in Addition to and Separate from Other Taxes.* As provided by the Act, the taxes levied as provided in this Series E Tax Levy Ordinance shall be in addition to and exclusive to the maximum of all other taxes which the Authority, the Board or the City Council is now, or may hereafter be, authorized constitutionally or by law to levy for any and all school (or any other) purposes. The taxes so levied by this Series E Tax Levy Ordinance shall be separate and apart from all other taxes of the Authority, the Board and the City.

SECTION 6. *Bonds Not Obligations of City.* This Series E Tax Levy Ordinance is adopted in order to carry out the functions of the City Council as specified in the Act and the Series E Bonds shall not be deemed to constitute a debt or liability of the City, within the meaning of the Constitution and laws of the State, or a pledge of the full faith and credit of the City. The issuance of the Series E Bonds shall not directly, indirectly or contingently obligate the City to levy any form of taxation for the Series E Bonds or to make any appropriation for payment of the Series E Bonds, provided that this sentence does not affect the obligations of the City Council under the Act, the Bond Resolution, the Series E Resolution and this Series E Tax Levy Ordinance. The City shall not in any event be liable for the payment of principal, redemption price or interest on the Series E Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever which may be undertaken by the Authority. No breach of any such pledge, obligation or agreement may

impose any liability upon the City or any charge upon its general credit or against its taxing power.

SECTION 7. Allowance for Loss and Cost of Collection and Anticipated Deferred Collections. The Act, the Bond Resolution and the Series E Resolution provide that in extending the taxes levied by this Series E Tax Levy Ordinance, the county clerks of each county in which any taxable property in the City is located shall include in each year an amount to cover loss and cost of collection and anticipated deferred collections of the taxes so levied as is and shall be determined by the Authority pursuant to the Act, the Bond Resolution and the Series E Resolution. The Series E Resolution initially determines amounts to be so included in the extension of the taxes levied by this Series E Tax Levy Ordinance. The Bond Resolution and the Series E Resolutions provide for those determinations to be modified by the Authority as provided in those Resolutions. No action of the City Council shall be required with respect to any such determination or modification of the determination of the allowance for loss and cost of collection and anticipated deferred collections for taxes to be extended in any year.

SECTION 8. Covenants. It is covenanted and agreed with the Holders (as defined in the Bond Resolution) of all Bonds issued under the Bond Resolution as follows:

(a) The City Council will not take any action to repeal, abate or reduce the taxes levied by this Series E Tax Levy Ordinance, or otherwise to restrict the extension and collection of those taxes, except upon the direction of the Authority to the extent expressly permitted by the Bond Resolution.

(b) Without limiting any provisions of this Series E Tax Levy Ordinance, the City Council will take any or all additional steps, make any or all additional directions and cause to be filed any or all additional documents as may be or may become necessary to cause to be levied and extended for collection a direct annual tax upon all taxable property within the City, being the school district named the Board of Education of the City of Chicago, sufficient to pay and discharge the principal of the Series E Bonds, at maturity or on sinking fund installment dates, and interest on the Series E Bonds as it falls due.

SECTION 9. Conflict. To the extent that any ordinances, resolutions, or rules of the City Council are in conflict with this Series E Tax Levy Ordinance or its adoption, the provisions of this Series E Tax Levy Ordinance and its adoption shall be controlling.

SECTION 10. Effectiveness. This Series E Tax Levy Ordinance shall be effective and in force immediately upon its adoption.

Exhibits A and B attached to the foregoing ordinance read as follows:

EXHIBIT A.

A Resolution Creating And Establishing An Issue Of
General Obligation School Assistance Bonds Of The
Chicago School Finance Authority, Providing For The
Issuance From Time To Time Of Those
Bonds And Providing For The Payment
Of Principal Of And Interest On
Those Bonds.

Be It Resolved by the Board of Directors of the Chicago School Finance Authority as follows:

ARTICLE 1

Statutory Authority, Findings and Definitions.

101. *Definitions.* For purposes of this Resolution each of the following words and phrases shall have the following meanings, unless the context clearly indicates a different meaning:

- (1) The word "Act" means Article 34A of The School Code, as amended, of the State.
- (2) The word "Authority" means the Chicago School Finance Authority, a body politic and corporate and unit of local government of the State, established by the Act.
- (3) The phrase "Authorized Officer" in respect of any act or duties, means any director, officer or employee of the Authority authorized by resolution of the Authority to perform that particular act or duty. With respect to any investment of funds Authorized Officer also includes an investment advisor appointed by resolution of the Authority.
- (4) The word "Board" means the Board of Education of the City of Chicago, which is the school district comprising the City.
- (5) The word "Bonds" means any Bond, or the issue of the Bonds, as the case may be, established and created by this Resolution and issued pursuant to a Series Resolution or Series Resolutions.
- (6) The phrase "Capitalized Interest Accounts" means the series of accounts of that name in the Debt Service Fund, which accounts are established pursuant to Section 601 of this Resolution.
- (7) The word "Chairman" means the Chairman of the Authority.
- (8) The word "City" means the City of Chicago, Illinois.
- (9) The phrase "Cost of Issuance" means all fees and costs incurred by the Authority relating to the issuance of the Bonds, including without limitation, printing costs, administrative costs, Trustee's fees and charges, Paying Agents' fees, legal fees, accounting fees, and financial advisory fees, premiums for municipal bond insurance and costs of letters of credit or other credit facilities and related services with respect to the Bonds.

(10) The phrase "Cost of Issuance Accounts" means the series of accounts established pursuant to Section 503 of this Resolution.

(11) The phrase "Counsel's Opinion" shall mean an opinion signed by a lawyer or firm of lawyers selected by the Authority.

(12) The phrase "Debt Service Fund" means the fund established by Section 601 of this Resolution.

(13) The phrase "Debt Service Requirements" as applied to the Bonds or any Series of Bonds means, with respect to any date, all payments of principal of and interest on all such Bonds which are outstanding and which shall be due and payable on that date. In calculating the Debt Service Requirements for any date:

(a) there shall be included the Sinking Fund Installments on that date for Term Bonds;

(b) there shall be excluded the principal amount of Term Bonds maturing on that date but required to be redeemed prior to that date pursuant to Sinking Fund Installments; and

(c) there shall be excluded the interest which would be due on such date on the amount of Term Bonds required to be redeemed prior to that date pursuant to Sinking Fund Installments.

(14) The word "Holder" or "Bondholder" and the phrase "Holders of Bonds" (when used with respect to Bonds) means the bearer of any Bonds registered as to bearer or not registered, or the registered owner of any Bonds registered other than to bearer; the word "Holder" (when used with respect to coupons) shall be the bearer of any coupons.

(15) The phrase "Investment Obligations" means any of the following obligations which at the time of investment of any amounts in any Fund or Account established pursuant to this Resolution are legal investments under the laws of the State for those amounts:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America;

(b) direct and general obligations of, or obligations guaranteed by, the State, to the payment of the principal of and interest on which the full faith and credit of the State are pledged;

(c) negotiable or non-negotiable time deposits evidenced by certificates of deposit issued by banks, trust companies or national banking associations (which may include the Trustee or any Paying Agent) which are members of the Federal Deposit Insurance Corporation, or by savings and loan associations which are members of the Federal Savings and Loan Insurance Corporation, provided that such time deposits in any such bank, trust company, national banking association or savings and loan association are continuously secured by obligations described in subparagraphs (a) or

(b) of this definition, and provided further that such obligations at all times have a market value at least equal to the maturity value of the deposits so secured, including accrued interest; and

(d) repurchase agreements with banks (which may include the Trustee or any Paying Agent) described in subparagraph (c) of this definition or with governmentbond dealers reporting to, trading with, and recognized as primary dealers by a Federal Reserve Bank, the underlying securities of which are obligations described in subparagraph (a) of this definition, provided that the underlying securities are required to be physically held by the Trustee or its agent (which shall not be the bank or dealer with respect to which the agreement is made) or for which securities other steps are taken which shall have the effect of securing the Trustee to the same extent as if it or its agent were the physical holder of the underlying securities, in the opinion of counsel selected by the Authority, and are required to be continuously maintained at a market value not less than the amount so invested.

(16) The word "Outstanding" when used with reference to Bonds, shall mean, as of any date, Bonds theretofore or then being delivered under the provisions of this Resolution, except:

(a) any Bonds cancelled by the Trustee or any Paying Agent at or prior to such date,

(b) Bonds for the payment or redemption of which monies equal to the principal amount or Redemption Price of such Bonds, as the case may be, with interest to the date of maturity or redemption date, shall be held by the Trustee or the Paying Agents in trust (whether at or prior to the maturity or redemption date), provided that if such Bonds are to be redeemed, notice of such redemption shall have been given as provided in Article IV of this Resolution or provision satisfactory to the Trustee shall have been made for the giving of that notice,

(c) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Article III or Section 406 of this Resolution, and

(d) Bonds paid or deemed to have been paid as provided in Section 1101 of this Resolution.

(17) The phrase "Paying Agents" means the paying agents for the Bonds of any Series appointed pursuant to the Series Resolution for such Bonds, or their successors appointed pursuant to this Resolution.

(18) The phrase "Principal and Interest Account" means the account of that name in the Debt Service Fund, which account is established by Section 601 of this Resolution.

(19) The phrase "Redemption Account" means the account of that name in the Debt Service Fund, which account is established by Section 601 of this Resolution.

(20) The phrase "Redemption Price" shall mean, with respect to any Bond (or portion of any Bond) the price on any redemption date, exclusive of accrued and unpaid interest, at which that Bond (or a portion of it) may be redeemed pursuant to this Resolution and the Series Resolution pursuant to which the Bond was issued.

(21) The phrase "Reserve Fund" means the fund established by Section 602 of this Resolution.

(22) The phrase "Reserve Requirement" means, as of any date of calculation, an amount equal to one-half of the maximum amount of the sum of the Debt Service Requirements for the Outstanding Bonds for any twelve-month period ending on any June 1 after the date of calculation.

(23) The word "Resolution" shall mean this Resolution, as it may from time to time be supplemented by Supplemental Resolutions.

(24) The phrases "School Assistance Bonds Administrative Expenses" and "Administrative Expenses" means fees and costs incurred by the Authority relating to the investment of amounts in the various funds and accounts established pursuant to this Resolution (including, without limitation, investment advisory fees), relating to securing and paying of Bonds (including, without limitation, Trustee's and Paying Agent's fees not incurred as a Cost of Issuance), relating to the use and application of amounts in the School Construction Fund and the School Rehabilitation Fund (including, without limitation, costs of reviewing applications by the Board for disbursement of those funds) and relating to providing credit support for the Bonds (including, without limitation, premiums for municipal bond insurance and costs of letters of credit or other credit facilities and related services with respect to the Bonds, not incurred as a Cost of Issuance).

(25) The phrases "School Assistance Bond Administrative Fund" and "Administrative Fund" mean the fund established by Section 507 of this Resolution.

(26) The phrase "School Assistance Fund" means the fund established by Section 501 of this Resolution.

(27) The phrase "School Construction Fund" means the fund established by Section 505 of this Resolution.

(28) The phrase "School Construction Purposes" means the purposes of constructing new school buildings or providing additions to school buildings.

(29) The phrase "School Construction and Rehabilitation Purchases" means the purposes of constructing new school buildings and rehabilitating and accomplishing the deferred maintenance existing as of August 31, 1984, of school buildings, including without limitation, repairing, modernizing, providing additions to and facilities in, altering and reconstructing school buildings and equipment.

(30) The phrase "School Rehabilitation Fund" means the fund established by Section 506 of this Resolution.

(31) The phrase "School Rehabilitation Purposes" means School Construction and Rehabilitation Purposes other than School Construction Purposes.

(32) The phrase "Serial Bonds" shall mean Bonds which mature in annual installments of principal (which need not be equal).

(33) The phrase "Series of Bonds" or "Bonds of a Series" shall mean the Series of Bonds authorized by a Series Resolution.

(34) The phrase "Series Resolution" shall mean a resolution of the Authority authorizing the issuance of a Series of Bonds in accordance with the terms and provisions of this Resolution.

(35) The phrase "Sinking Fund Installments" means with respect to any date the principal amount of Term Bonds of any Series which are required to be paid at maturity or are required to be redeemed by the Authority on the date pursuant to and in the amounts provided by Section 204 of this Resolution and by the Series Resolution for that Series of Bonds.

(36) The phrase "Special Payments Account" means the account of that name in the Debt Service Fund, which account is established by Section 601 of this Resolution.

(37) The word "State" means the State of Illinois.

(38) The phrase "Supplemental Resolution" shall mean a resolution supplemented to this Resolution, adopted by the Authority in accordance with Article X of this Resolution.

(39) The phrase "Tax Levy Ordinance" with respect to any Series of Bonds means the ordinance which is required to be adopted by the City Council of the City levying taxes sufficient to pay such Series of Bonds as provided in Section 906 of this Resolution.

(40) The phrase "Term Bonds" shall mean Bonds payable pursuant to Sinking Fund Installments.

(41) The word "Trustee" means The First National Bank of Chicago, Chicago, Illinois, as trustee under this Resolution, or its successor as such Trustee.

(42) The phrase "Trustee's Annual Report" means the report required by Section 813 of this Resolution to be made by the Trustee to the Authority in December of each year, beginning in 1981.

(43) The phrase "Working Cash Fund" means the fund established by Section 504 of this Resolution.

102. *Findings.* It is found and declared as follows:

(a) The Authority has been established by the Act as a body politic and corporate and as a unit of local government for the purposes of exercising financial control over the Board and of furnishing financial assistance to the Board, in each case so that the Board can provide public education within the City while permitting the Board to meet its obligations to its creditors and holders of its bonds and notes.

(b) The Authority has been authorized by the Act to provide the Board with moneys for School Construction and Rehabilitation Purposes.

(c) It is necessary and in the best interest of the Authority and the public for the Authority to establish by this Resolution an issue of its General Obligation School Assistance Bonds and to provide for the issuance from time to time of those Bonds.

103. *Authority for this Resolution.* This Resolution adopted pursuant to the provisions of the Act.

104. *Resolution and Series Resolutions Constitute Contract.* In consideration of the purchase and acceptance of any and all of the Bonds issued under this Resolution by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Authority and the Holders of the Bonds and coupons. Each Series Resolution shall be deemed to be and shall constitute a contract between the Authority and the Holders of the Bonds and of the coupons pertaining to the Bonds. The liens and security interests provided for in this Resolution and the covenants and agreements set forth in this Resolution to be performed by the Authority shall be for the equal benefit, protection and security of the Holders of any and all of the Bonds and coupons, all of which, without regard to the time or times of their issue or maturity, shall be equal of equal rank without preference, priority or distinction of any of the Bonds or coupons over any other Bonds or coupons, except as expressly provided in or permitted by this Resolution.

ARTICLE II

Authorization and Issuance of Bonds.

201. *Authorization of Bonds.* There is established and created an issue of Bonds of the Authority to be known and designated as "General Obligation School Assistance Bonds". The Bonds may be issued as provided in this Resolution without limitation as to principal amount except as provided in this Resolution or as may be limited by law. All the Bonds are payable from the sources and are secured as provided in this Resolution. The Bonds shall be general obligations of the Authority. To the payment as it falls due of the interest on the Bonds and of the principal of the Bonds at maturity or on Sinking Fund Installment dates, the full faith and credit of the Authority are irrevocably pledged. The principal, Redemption Date and interest on the Bonds are payable solely (a) from the taxes levied as provided by this Resolution, (b) from the Debt Service Fund and the Reserve Fund, including from deposits in those Funds of proceeds from the sale of the Bonds and of amounts transferred from (i) the Working Cash Fund as provided in Section 504 of this Resolution, (ii) the School Construction Fund as provided in Section 505 of this Resolution, (iii) the School Rehabilitation Fund as provided in Section 506 of this Resolution, and (iv) the Administrative Fund as provided in Section 507 of this Resolution, and (c) from investment earnings on the Debt Service Fund and the Reserve Fund, all as provided in this Resolution and the various Series Resolutions; provided, however, nothing in this Resolution shall prohibit the use for any such payment of Bonds of any funds which lawfully may be used for that purpose.

202. *Bonds Not Obligations of State, City or Board.* The Bonds shall not be deemed to constitute a debt or liability of the State, the City or the Board or of any other political subdivision of the State (other than the Authority) within the meaning of the Constitution of the State or any State law, or a pledge of the full faith and credit of the State, the City or the Board or any other political subdivision of the State (other than the Authority). The issuance of the Bonds shall not directly, indirectly or contingently obligate the State, the

City or the Board, or any other political subdivision of the State (other than the Authority) to levy any form of taxation for the Bonds (except as explicitly provided in the Act, this Resolution, the various Series Resolutions and the various Tax Levy Ordinances) or to make any appropriation for payment of the Bonds. The State, the City and the Board shall not in any event be liable for the payment of principal, Redemption Price or interest on the Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever which may be undertaken by the Authority. No breach of any such pledge, obligation or agreement may impose any liability upon the State, the City or the Board or any charge upon their general credit or against their taxing power. The Bonds shall state on their face that they are payable solely from the funds and revenues provided for their payment in accordance with this Resolution and the various Series Resolutions; provided, however, nothing in this Resolution or in any Series Resolution shall prohibit the use for such payment of Bonds of any funds which lawfully may be used for that purpose.

203. *Pledge of State.* By the Act, the State pledges to and agrees with the Holders of the Bonds that the State will not limit or alter the rights and powers vested in the Authority by the Act so as to impair the terms of the contract made by this Resolution, the various Series Resolutions or the various Tax Levy Ordinances with the Holders of the Bonds and of the coupons pertaining to the Bond or so as in any way to impair the rights and remedies of the Holders of the Bonds and of the coupons pertaining to the Bonds until the Bonds are paid in full as to both principal and interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the Holders of the Bonds and of the coupons pertaining to the Bonds are fully met and discharged or provision is made for their payment.

204. *Provisions for Issuance of Bonds.* The Bonds may be issued in one or more Series. The issuance of the Bonds shall be authorized by one or more Series Resolutions of the Authority adopted subsequent to this Resolution. The Bonds of each Series shall, in addition to the title "General Obligation School Assistance Bonds", contain an appropriate Series designation.

The Bonds of each Series shall be executed by the Authority for issuance under the Resolution and delivered to the Trustee, authenticated by the Trustee, if authentication is required by the Series Resolution, and delivered by the Trustee to the Authority or upon its order, but only upon receipt by the Trustee of:

(1) A Counsel's Opinion of nationally recognized bond counsel to the effect that (a) the Authority has the legal right and power to adopt the Resolution and the Series Resolution pertaining to that Series of Bonds, and the Resolution has been duly and lawfully adopted by the Authority, is in full force and effect and is valid and binding upon the Authority, (b) the Series Resolution and the Tax Levy Ordinance pertaining to the Series of Bonds being issued have been duly and lawfully adopted, are in full force and effect and are valid and binding and conform to the requirements of this Resolution for such Series Resolutions and Tax Levy Ordinances, and (c) the Bonds of such Series are valid and binding obligations of the Authority as provided in the Resolution and entitled to the benefits of the Resolution and of the Act as amended to the date of such Counsel's Opinion, and that such Bonds have been duly and validly authorized and issued in accordance with law, including the Act as amended to the date of such Counsel's Opinion, and in accordance with the Resolution.

(2) A written order as to the delivery of such Series of Bonds, signed by an Authorized Officer of the Authority.

(3) In the case of each Series of Bonds, a copy of the Series Resolution authorizing such Bonds, certified by the Secretary of the Authority, which Series Resolution shall specify:

(a) The authorized principal amount of that Series of Bonds;

(b) The purposes for which the Series of Bonds is being issued, which may be for any purpose for which the Authority by law is (or may, at the time of issuance of such Series Bonds be) authorized to issue such Series of Bonds;

(c) The date, maturity dates and amounts of each maturity and the first interest payment date of the Bonds of the Series;

(d) The interest rate or rates for such Series of Bonds or the manner of determining such rate or rates;

(e) The denomination or denominations of, and the manner of numbering and lettering the Bonds of such Series, provided that each Bond shall be of the denominations of \$5,000 or an integral multiple of that principal amount, not exceeding the aggregate principal amount of the Bonds of such Series maturing in the year of maturity of the Bond for which the denomination is to be specified;

(f) The Paying Agents or the method of appointing the Paying Agents, if any, and the place or places of payment of the principal and Redemption Price, if any, of and interest on the Bonds of each Series;

(g) The Redemption Price or Redemption Prices, if any, and, subject to Article IV, the redemption terms, if any, for the Bonds of such Series;

(h) If so determined by the Authority, the provisions for the sale of the Bonds of such Series;

(i) The forms of the Bonds of such Series and the coupons to be attached to the coupon Bonds, if any, of such Series;

(j) The manner in which the Bonds of such Series are to be executed, including any provision for authentication of such Series of Bonds; and

(k) The amount and due date of each Sinking Fund Installment for Term Bonds of such Series of Bonds, if any.

Each Series Resolution shall demand and direct the City Council of the City to levy taxes sufficient to pay the Bonds of such Series as provided in Section 906 of this Resolution. Each Series Resolution shall determine an allowance for loss and cost of collection of taxes and anticipated deferred collections of those taxes in accordance with the provisions of Section 906 of this Resolution. Bonds of a Series may be either Serial Bonds or Term Bonds, or a combination of Serial and Term Bonds. Each Series Resolution shall provide for principal maturities or Sinking Fund Installments, or both,

as the case may be. All Bonds of each such Series of like maturity shall be identical in all respects, except as to denominations, numbers and letters, and except that they may be in either coupon or fully registered form.

(4) The amount, if any, necessary to deposit in the Reserve Fund so that the value of the Reserve Fund shall at least equal the Reserve Requirement calculated immediately after the delivery of such Series Bonds on all Bonds then to be Outstanding.

(5) The amount, if any, necessary to deposit in the Debt Service Fund to the credit of the Capitalized Interest Account for such Series of Bonds, all as provided in Section 909 of this Resolution.

(6) A copy of the Tax Levy Ordinance, certified by or on behalf of the City Clerk of the City, for such Series of Bonds levying taxes sufficient to pay the Bonds of such Series as provided in Section 906 of this Resolution.

(7) Such further documents and monies as are required by the provisions of Article X of this Resolution or by any Series Resolution or any Supplemental Resolution adopted pursuant to Article X of this Resolution.

ARTICLE III

General Terms and Provisions of Bonds.

301. *Medium of Payment; Form and Date.* (1) Principal, interest and the Redemption Price on the Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The Bonds are authorized to be issued in the form of coupon bonds, registrable as to principal only, or in the form of fully registered bonds without coupons, or in both such forms. A Series Resolution may provide that Bonds of that Series shall be issued solely in fully registered form, shall not be registrable to bearer and shall not be exchangeable for Bonds in coupon form. Bonds in coupon form shall each be exchangeable for Bonds in fully registered form and Bonds in fully registered form shall be exchangeable for Bonds in coupon form, all as provided in this Resolution.

(2) Bonds of each Series in coupon form shall be dated as of the date specified in the Series Resolution authorizing their issuance. Bonds of each Series in fully registered form issued before the first interest payment date for that Series shall be dated as of the date specified in the Series Resolution for Bonds of that Series in coupon form. Bonds in fully registered form issued on or after that first interest payment date shall be dated as of their date of issue if issued on June 1 or December 1, or if not issued on such a date, shall be dated as of the June 1 or December 1 next preceding their date of issue. However, notwithstanding the previous sentence, if the interest on Bonds shall be in default, as shown by the records of the Trustee, Bonds issued in fully registered form in exchange or transfer for Bonds in default shall be dated as of the date specified in the Series Resolution for Bonds of that Series in coupon form (or if no bonds are to be issued in coupon form, then on the date specified in the Series Resolution), or the date to which interest has been paid in full on the Bonds surrendered, whichever date is later. The Bonds shall bear interest from their date. All Bonds of each Series shall mature and each Sinking Fund Installment shall fall due on June 1 of the years as specified by the related Series Resolution. Interest on all Bonds of each Series shall be payable semi-annually on June 1 and December 1 of each year

as specified by a Series Resolution. The first interest payment date on the Bonds of a Series shall be such date as the Authority shall specify by the related Series Resolution.

302. *Interchangeability of Bonds.* Bonds in coupon form, upon their surrender at the corporate trust office of the Trustee with all unmatured coupons attached, may, at the option of their Holder, be exchanged for an equal aggregate principal amount of Bonds in fully registered form of the same Series and maturity of any authorized denomination. Bonds in fully registered form, upon their surrender at the principal trust office of the Trustee may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds in coupon form of the same Series and maturity with appropriate coupons attached, or for Bonds in fully registered form of the same Series and maturity of any other authorized denomination or denominations.

303. *Negotiability, Transfer and Registry.* All the Bonds issued under this Registration shall, as provided in the Act, be negotiable, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds. So long as any of the Bonds shall remain outstanding, the Authority shall maintain and keep, at the corporate trust office of the Trustee, books for the registration and transfer of Bonds. Upon presentation of any Bond for registration and transfer at the office, the Authority shall register or cause to be registered in those books, and shall permit to be transferred on those books, under such reasonable regulations as it or the Trustee may prescribe, any Bond entitled to registration or transfer. So long as any of the Bonds remain Outstanding, the Authority shall make all necessary provisions to permit the transfer and exchange of Bonds pursuant to this Resolution at the corporate trust office of the Trustee. The Trustee is appointed Bond Registrar for the Bonds.

304. *Transfer and Registration of Bonds in Coupon Form.* (1) All Bonds in coupon form shall pass by delivery, unless registered as to principal other than to bearer in the manner provided in this Section. Any Bond in coupon form may be registered as to principal on the books of the Authority at the corporate trust office of the Trustee, upon presentation of the Bond at that office and the payment of a charge sufficient to reimburse the Authority or the Trustee for any tax, fee or other governmental charge, other than one imposed by the Authority, required to be paid with respect to such registration, and such registration shall be noted on such Bond. No other charge shall be made by the Authority or the Trustee as a condition precedent to such registration. After the registration no transfer shall be valid unless made on the books of the Trustee by the registered owner in person or by the registered owner's attorney duly authorized in writing, and similarly noted on such Bond. Such a Bond may be discharged from registration by being in like manner registered to bearer after which it shall again become transferable by delivery. Thereafter such Bond may again, from time to time, be registered or discharged from registration in the same manner. Registration of any Bond in coupon form as to principal, however, shall not affect the negotiability by delivery of the coupons pertaining to such Bond, but each such coupon shall continue to pass by delivery and shall remain payable to bearer.

(2) As to any Bond in coupon form registered as to principal (other than to bearer), the person in whose name the Bond shall be registered upon the books of the Authority may be deemed and regarded as the absolute owner of the Bond, whether such Bond shall be overdue or not, for all purposes, except for the purpose of receiving payment of coupons. Payment of, or on account of, the principal or Redemption Price, if any, of such Bond shall be made only to, or upon the order of, such registered owner, but such registration may be changed as provided in this Article. All such payments shall be valid and effective to

satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. The Authority, the Trustee and any Paying Agent may treat the bearer of any coupon as the absolute owner of the coupon, whether the coupon shall be overdue or not, for the purpose of receiving payment of the coupon and for all other purposes whatsoever, and may treat the bearer of any Bond in coupon form which shall not at the time be registered as to principal other than to bearer, as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal or Redemption Price of that Bond and for all other purposes whatsoever except for the purpose of receiving payment of coupons, and neither the Authority, nor the Trustee nor any Paying Agent shall be affected by any notice to the contrary. The Authority agrees to indemnify and save the Trustee and each Paying Agent harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence under this Resolution, in so treating such bearer or registered owner.

305. Transfer of Bonds in Fully Registered Form. (1) Each Bond in fully registered form shall be transferable only upon the books of the Authority, which shall be kept for that purpose at the corporate trust office of the Trustee. Such a transfer may be made by the registered owner of the Bond in person or by such owner's attorney duly authorized in writing, upon surrender of the Bond together with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or such owner's duly authorized attorney. Upon the transfer of any such Bond in fully registered form, the Authority shall issue (and cause to be authenticated by the Trustee) new Bond or Bonds in fully registered form registered as directed by the instrument of transfer, or, at the option of the transferee, Bonds in coupon form, with appropriate coupons attached, of the same Series, aggregate principal amount and maturity as the surrendered Bonds.

(2) The Authority and the Trustee may deem and treat the person in whose name any outstanding Bond in fully registered form shall be registered upon the books of the Authority as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon such owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Authority, nor the Trustee shall be affected by any notice to the contrary. The authority agrees to indemnify and save the Trustee harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence under this Resolution, in so treating such registered owner.

306. Regulations with Respect to Exchange and Transfer. In all cases in which the privilege of exchanging Bonds or transferring registered Bonds is exercised, the Authority shall execute and cause to be authenticated and the Trustee shall deliver Bonds in accordance with the provisions of this Resolution. All Bonds in fully registered form surrendered in any such exchanges or transfers shall forthwith be cancelled by the Trustee. All Bonds in coupon form, and the coupons pertaining to such Bonds surrendered in any such exchange or transfer shall be retained in the possession of the Trustee for the purpose of reissuance upon subsequent exchanges. The Trustee, prior to reissuance of any such Bonds in coupon form, shall detach and cancel all matured coupons (as to dates as to which interest on Bonds of that Series have been paid) from those Bonds. For every such exchange or transfer of Bonds, whether temporary or definitive, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other

governmental charge, other than one imposed by the Authority, required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. No other charge shall be made by the Authority or the Trustee as a condition precedent to such exchange or transfer. The cost of preparing each new Bond in coupon form or Bond in fully registered form upon each exchange or transfer, and any other expenses of the Authority or the Trustee incurred in connection with the exchange or transfer (except any applicable tax, fee or other governmental charge, other than one imposed by the Authority), shall be paid by the Authority. The Authority shall not be obliged to make any such exchange or transfer of Bonds of any Series during the ten (10) days next preceding an interest payment date on the Bonds of that Series or, to make any such exchange or transfer in the case of any Bond proposed to be redeemed, after the first publication of notice of such redemption.

307. *Bonds Mutilated, Destroyed, Stolen or Lost.* In the case any Bonds of any Series shall become mutilated or be destroyed, stolen or lost, the Authority shall execute, cause to be authenticated by the Trustee, if authentication is required by the Series Resolution authorizing the Bonds of that Series, and deliver new Bonds (with appropriate coupons attached in the case of coupon Bonds) of like Series, maturity and principal amount as the Bonds and attached coupons, if any, so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bonds, upon surrender and cancellation of such mutilated Bonds and attached coupons, if any, or in lieu of and substitution for the Bonds and coupons, if any, destroyed, stolen or lost, upon filing with the Authority of evidence satisfactory to the Authority and the Trustee that such Bonds and attached coupons, if any, have been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Authority with indemnity satisfactory to it and complying with such other reasonable regulations as the Authority may prescribe and paying such expenses as the Authority may incur. All Bonds and coupons so surrendered to the Authority shall be cancelled by it. An Authorized Officer shall advise the Trustee and Paying Agents of the issuance of substitute Bonds or coupons.

308. *Preparation of Definitive Bonds; Temporary Bonds.* Until definitive Bonds of any Series are prepared, the Authority may execute and cause to be authenticated by the Trustee (if authentication is required by the Series Resolution authorizing the Bonds of that Series) in the same manner as is provided in this Resolution, and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions, as the definitive coupon or fully registered Bonds (except as to the denominations and as to exchangeability for registered Bonds) one or more temporary Bonds (which may be registrable as to principal and interest), substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, but with or without coupons, in denominations of \$5,000 or any integral multiples of that amount authorized by the Authority, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The installments of interest payable on such temporary Bonds in bearer form shall be payable only upon the presentation and surrender of the coupons pertaining to those Bonds or, if no coupons for such interest are attached, then only upon presentation of such temporary Bonds for notation on those Bonds of the payment of such interest. The Chairman or other Authorized Officer is authorized to enter into such agreements as may be necessary or desirable with the purchasers of any Series of Bonds for issuance of such temporary Bonds. The Authority at its own expense shall prepare, execute and cause to be authenticated by the Trustee (if authentication is required by the Series Resolution authorizing the Bonds of that Series) and, upon the surrender of such temporary Bonds,

with there being attached all unmatured coupons and all matured coupons for which no payment or only partial payment has been provided, for exchange and the cancellation of such surrendered temporary Bonds and coupons, without charge to the Holder of such Bonds and coupons, deliver in exchange, at the corporate trust office of the Trustee, definitive Bonds. Until so exchanged, the temporary Bonds shall in respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Resolution. All temporary Bonds surrendered in exchange for a definitive Bond or Bonds shall then be promptly cancelled by the Trustee.

ARTICLE IV

Redemption of Bonds.

401. *Privilege of Redemption and Redemption Price.* Bonds subject to redemption prior to maturity pursuant to the provisions of a Series Resolution shall be redeemable, upon published notice as provided in this Article IV, at such times, at such Redemption Prices and upon such terms as may be specified in the Series Resolution authorizing such Series.

402. *Redemption at the Election of the Authority.* In the case of any redemption of Bonds at the option of the Authority, an Authorized Officer shall give written notice to the Trustee of the Authority's election so to redeem such Bonds, of the redemption date, of the Series, of the principal amounts of the Bonds of each maturity of such Series so to be redeemed (the Series, maturities and principal amounts of the Bonds to be redeemed to be determined by the Authority, subject to the limitations with respect to such determination contained in this Resolution and any Series Resolution) and of the monies to be applied to the payment of the Redemption Price and the interest accrued and unpaid on the principal amount of the Bonds to be redeemed to the redemption date. That notice shall be given at least sixty (60) days prior to the redemption date or such shorter period (not less than thirty (30) days) as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as provided in Section 405 of this Resolution, the Trustee shall, if it holds the monies to be applied to the payment of the Redemption Price and the interest to the redemption date accrued and unpaid on the principal amount of the Bonds to be redeemed or otherwise the Authority shall, prior to the redemption date, pay to the Trustee and the appropriate Paying Agents an amount in cash which, together with other monies, if any, available for that payment held by the Trustee and those Paying Agents, will be sufficient to redeem all of the Bonds to be redeemed, on the redemption date and at the Redemption Price for those Bonds together with accrued and unpaid interest on those Bonds to the redemption date. The Authority shall promptly notify the Trustee in writing of all such payments made by the Authority to a Paying Agent other than the Trustee.

403. *Redemption Otherwise Than at Authority's Election.* Whenever by the terms of this Resolution and any Series Resolution the Authority is required to redeem Bonds pursuant to Sinking Fund Installments or otherwise, the Trustee shall select the Bonds to be redeemed, give the notice of redemption and pay out the Redemption Price and interest accrued and unpaid to the redemption date on those Bonds to itself and the appropriate Paying Agents in accordance with the terms of this Article IV in order to effect such redemption.

404. *Selection of Bonds to Be Redeemed by Lot.* In the event of redemption of less than all of the outstanding Bonds of any Series and maturity, the Trustee shall assign to each Outstanding Bond in fully registered form of the Series and maturity to be redeemed a

distinctive number for each \$5,000 of the principal amount of such Bond. The Trustee shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers of all such Bonds in coupon form of such maturity and the numbers assigned to those Bonds in fully registered form as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds of such Series and maturity to be redeemed. The Bonds to be redeemed shall be the Bonds in coupon form of the denomination of \$5,000 bearing the numbers so selected and the Bonds in fully registered form to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond in fully registered form of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

405. *Notice of Redemption.* When the Trustee shall receive notice from an Authorized Officer of the Authority's election to redeem Bonds pursuant to Section 402 of this Resolution, or when redemption of Bonds is required by this Resolution pursuant to Section 403 of this Resolution, the Trustee shall give notice, in the name of the Authority, of the redemption of such Bonds. The notice shall specify the Series and maturities of the Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds of any series and maturity are to be redeemed, the letters and numbers of such Bonds so to be redeemed. In the case of Bonds in fully registered form to be redeemed in part only, the notice shall also specify the respective portions of the principal amount to be redeemed. The notice shall further state that on the redemption date there shall become due and payable upon each Bond to be redeemed the Redemption Price, or in case of Bonds in fully registered form the Redemption Price of the specified portions of the principal to be redeemed, together with unpaid interest accrued to the redemption date on the principal of the Bonds to be redeemed, and that from and after that date interest on such principal amount shall cease to accrue and be payable. The notice shall be given by publication once a week for at least two (2) successive weeks in a daily newspaper of general circulation in the City of Chicago, Illinois, and in a financial newspaper of general circulation in the City of New York, New York, the first such publication to be not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. The Trustee shall also mail a copy of such notice, postage prepaid, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, to the registered owners of any Bonds or portions of Bonds which are to be redeemed at their last address, if any, appearing upon the registry books, but such mailing shall not be a condition precedent to such redemption and failure so to mail any such notice shall not affect the validity of the proceedings for the redemption of Bonds. A Series Resolution which provides for Bonds of the Series, to be issued solely in fully registered form may provide that, with respect to Bonds of that Series, notice of redemption need not be given by publication but may be given solely by mailing, all as provided by that Series Resolution.

406. *Payment of Redeemed Bonds.* Notice having been given by publication in the manner provided in Section 405 of this Resolution, the Bonds or portions of Bonds so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date on the principal of the Bonds to be redeemed, and, upon presentation and surrender of such Bonds at the offices specified in such notice, together with, in the case of Bonds registered other than to bearer presented by other than the registered owner, a written instrument of transfer duly executed by the registered owner or that owner's duly authorized attorney, and, in the case of Bonds in coupon form, all coupons pertaining to those Bonds maturing subsequent to the

redemption date, such Bonds, or portions thereof, as the case may be, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date on the Bonds to be redeemed to the extent that such interest is not represented by coupons for matured interest installments. All interest installments represented by coupons which shall have matured on or prior to the redemption date shall continue to be payable to the bearers of such coupons. If there shall be selected for redemption less than all of the principal amount of a Bond in fully registered form, the Authority shall execute and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed portion of the principal amount of the registered Bond so surrendered, at the option of the owner thereof, either Bonds in coupon form or Bonds in fully registered form of like Series and maturity in any of the authorized denominations. If, on the redemption date, monies for the redemption of all the Bonds or portions thereof of any Series and maturity to be redeemed, together with interest to the redemption date, shall be held by the Trustee and Paying Agents so as to be available for that redemption on that date and if notice of redemption shall have been published as provided in this Article, then, from and after the redemption date, interest on the Bonds or portions of Bonds of such Series and maturity so called for redemption shall cease to accrue and become payable, and the coupons for interest pertaining to those Bonds maturing subsequent to the redemption date shall be void. If those monies shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

ARTICLE V

Custody and Application of Certain Proceeds of Bonds.

501. *Establishment of and Deposits in School Assistance Fund.* There is created and established a separate and distinct fund to be maintained by the Trustee and entitled the "School Assistance Fund". To the credit of this Fund deposits shall be made as required in this Section. All proceeds of any Series of Bonds which are designated by the Series Resolution authorizing the issuance of that Series of Bonds to be used to provide financial assistance to the Board (including, without limitation, providing it with money for ordinary and necessary expenditures for educational purposes, maintenance of school facilities, and other operational needs of the Board), other than for School Construction and Rehabilitation Purposes, shall be deposited in the School Assistance Fund. In addition, there shall be deposited in the School Assistance Fund amounts required to be paid to and deposited in that Fund as provided in Section 503 of this Resolution. However, the portion of the proceeds of any Series of Bonds which is to be used to refund any Bonds or other notes and bonds of the Authority or is to be used to pay any debt obligations of the Board or of the City issued to provide financing for the Board shall be used and applied as provided in the Series Resolution authorizing the issuance of that Series of Bonds and may be applied by the Authority directly to such purposes without being deposited in the School Assistance Fund.

502. *Application of School Assistance Fund.* The amounts in the School Assistance Fund shall be paid by the Trustee from time to time to the Board upon the filing with the Trustee of a requisition of the Chairman or other Authorized Officer so authorizing the Trustee to pay amounts in that Fund. The Chairman or other Authorized Officer is authorized and directed so to file from time to time with the Trustee requisitions to pay amounts deposited in the School Assistance Fund to the Board if the Chairman or such other Authorized Officer shall find that such amounts are then required by the Board for

the purposes for which the Series Resolution authorizing the issuance of such Series of Bonds provides such amounts are to be used, all in accordance with the Board's budget or revised budget then in effect as approved by the Authority. The Chairman or other Authorized Officer and the Trustee shall not be responsible for the use or application of any amounts paid to the Board from the School Assistance Fund. Should there remain any amounts in the School Assistance Fund on June 1, 1985, the Trustee shall pay and deposit all such amounts to the Debt Service Fund to the credit of the Principal and Interest Account, and the School Assistance Fund shall then be closed.

503. *Establishment of, Deposits in and Application of Cost of Issuance Accounts.* There is created and established a series of separate and distinct accounts to be maintained by the Trustee and designated collectively as "School Assistance Bonds Cost of Issuance Accounts." Upon the issuance, sale and delivery of any Series of Bonds pursuant to this Resolution, the Series Resolution authorizing such Series of Bonds may (but is not required to) establish a separate account designated "Series Cost of Issuance Accounts" (inserting in the title the appropriate Series and any other necessary designation). The Series Resolution shall provide for the payment into the related Cost of Issuance Account of the amount of the proceeds from the sale of such Series of Bonds designated by that Series Resolution to be used to pay the Costs of Issuance of that Series of Bonds. That amount shall be expended for Costs of Issuance of that Series of Bonds upon a requisition signed by an Authorized Officer stating the amount and purpose of any such payment. Upon receipt by the Trustee of a certificate of an Authorized Officer stating that all Costs of Issuance for a Series of Bonds have been paid and that amounts remaining in the related Cost of Issuance Account are no longer needed for the payment of Costs of Issuance of that Series of Bonds, the Trustee shall pay such remaining amounts in that Account to and deposit them in the School Assistance Fund, or if it has been closed, then to the Debt Service Fund to the credit of the Principal and Interest Account. In any event, on the first business day of the twelfth month following the last date of delivery of a Series of Bonds, the Trustee shall pay any amounts remaining in the Cost of Issuance Account for that Series of Bonds to and deposit them in the School Assistance Fund, or if it has been closed then to the Debt Service Fund to the credit of the Principal and Interest Account. When all amounts in any Cost of Issuance Account have been expended or transferred as provided in this Section, that Account shall be closed.

504. *Establishment of, Deposits in and Application of Working Cash Fund.* (1) There is created and established a separate and distinct fund to be maintained by the Trustee and entitled the "Working Cash Fund." To the credit of the Working Cash Fund deposits shall be made as required in this Section. All proceeds of any Series of Bonds which are designated by the Series Resolution authorizing the issuance of that Series of Bonds to be used to provide or increase a working cash fund as provided by the Act shall be deposited in the Working Cash Fund.

(2) Amounts in the Working Cash Fund shall be used by the Authority (a) to make loans to the Board from time to time to enable the Board to cover anticipated cash flow deficiencies which it may experience, all as provided by the Act, as it may from time to time be amended, or (b) for any other lawful purpose for which the Act, as it may from time to time be amended, may permit amounts in the Working Cash Fund to be used. The Trustee shall, from time to time, apply amounts in the Working Cash Fund as specified by written direction of the Chairman or other Authorized Officer, which direction shall be accompanied by a certified copy of a resolution of the Authority so authorizing such loan or other application of amounts in the Working Cash Fund and, in the case any amounts are

to be applied in accordance with (b) above, by a Counsel's Opinion of nationally recognized bond counsel to the effect that such amounts may be used for that purpose.

(3) The Authority shall not at any time be obligated to make any loan to the Board from the Working Cash Fund. No interest need be charged on any such loan. Each loan made to the Board from the Working Cash Fund shall mature at such time or times, bear interest at such rate or rates, if any, be payable and be secured in such manner and have such other terms as shall be provided by the resolution of the Authority authorizing the loan and as shall be permitted by the Act, as it may from time to time be amended. A single resolution of the Authority may authorize one or more loans from the Working Cash Fund to be made as such times as the Chairman or other Authorized Officer shall determine. All payments of principal of and interest, if any, on any such loan shall be deposited in the Working Cash Fund.

(4) The Authority may, by resolution, at any time reduce the amount of or abolish the Working Cash Fund, all pursuant to the provisions of the Act, as it may from time to time be amended. Upon receipt by the Trustee of a certified copy of such a resolution of the Authority, the Trustee shall withdraw all amounts in the Working Cash Fund in excess of the amount which is to remain in the Working Cash Fund and deposit those excess amounts in the Debt Service Fund to the credit of the Special Payments Account. However, instead of paying those excess amounts into the Debt Service Fund, the Trustee shall apply those excess amounts in such other manner as may be directed in the resolution of the Authority reducing or abolishing the Working Cash Fund, but only upon receipt by the Trustee of a Counsel's Opinion of nationally recognized bond counsel to the effect that the directed application of the excess amounts is authorized by the Act, as amended to the date of the opinion.

505. *Establishment of, Deposits in and Application of School Construction Fund.* There is created and established a separate and distinct fund to be maintained by the Trustee and entitled the "School Construction Fund". To the credit of this Fund deposits shall be made of amounts received upon the issuance of a Series of Bonds as is provided by the Series Resolution for that Series of Bonds. Amounts in the School Construction Fund shall be used to provide the Board with money for School Construction Purposes or shall be used for other purposes as provided in this Section.

Prior to providing the Board with money from the School Construction Fund for any School Construction Purpose, the Authority shall have adopted a resolution determining that those amounts may be used for that School Construction Purpose. That resolution shall also contain a finding and determination of the Authority that money so to be provided to the Board is to be used for School Construction Purposes and not for providing the Board with money for its ordinary and necessary expenditures for educational purposes, maintenance of school facilities or other operational needs. The adoption of such a resolution shall be in the sole judgment and discretion of the Authority. That resolution may be adopted by the Authority to cover an entire program of School Construction and Rehabilitation Purposes and it shall not be necessary that a separate resolution be adopted for each individual School Construction Purpose. The Authority may, in making its findings and determinations, rely upon information provided by or on behalf of the Board. The Authority may from time to time make and amend regulations and issue directives, including to the Board, with respect to the use and application of moneys so to be provided the Board.

The Chairman or other Authorized Officer is authorized and directed to file from time to time with the Trustee directions to disburse amounts in the School Construction Fund for a School Construction Purpose. Such directions shall be filed only if (i) the Authority shall have adopted the resolution described in the preceding paragraph and (ii) the Chairman or other Authorized Officer shall have determined that, under the regulations of the Authority, it is then appropriate to provide the Board with that amount of money for that School Construction Purpose. The Chairman or other Authorized Officer is authorized to make that determination.

Amounts in the School Construction Fund shall be disbursed by the Trustee for School Construction Purposes from time to time upon the filing with the Trustee of a direction of the Chairman or Authorized Officer that the Trustee shall so disburse amounts in that Fund to the Board. The Trustee shall make the disbursements as so directed and shall not be obligated to examine the purposes for which the money is to be disbursed.

The Authority and its Chairman or other Authorized Officer and the Trustee shall not be responsible for the use or application of any amounts disbursed from the School Construction Fund for School Construction Purposes. The Authority and its directors, officers, members, agents and employees and the Trustee shall not be liable for any obligations incurred by the Board for School Construction Purposes.

On December 1 of each year beginning in 1988, the Trustee shall pay to and deposit in the Debt Service Fund to the credit of the Principal and Interest Account, or to one or more other accounts of that Fund as directed by resolution of the Authority, amounts in the School Construction Fund to the extent of all interests and other investment earnings accrued and received on or after December 1, 1987, on investments of the School Construction Fund and not previously transferred to the Debt Service Fund. The Authority, by resolution, in its sole judgment and discretion, may at any time direct that any or all amounts remaining unexpended in the School Construction Fund, in excess of the difference between (i) the minimum amount required by law to have been so deposited and (ii) the amount theretofore paid to the Board from the Fund for School Construction Purposes, be withdrawn from that Fund and be deposited in and credited to the School Rehabilitation Fund. In addition, the Authority by resolution, in its sole judgment and discretion, may at any time direct that any or all amounts in the School Construction Fund, which have not been or shall not have been by a certain date expended, be withdrawn from the School Construction Fund and be deposited in the Debt Service Fund to the credit of one or more accounts of that Fund, as designated by the resolution. Upon receipt by the Trustee of a certified copy of a resolution of the Authority directing a transfer of amounts from the School Construction Fund to the School Rehabilitation Fund or the Debt Service Fund, the Trustee shall withdraw the specified amounts from the School Construction Fund and deposit those amounts in the School Rehabilitation Fund or the Debt Service Fund (to the credit of the designated account or accounts), as directed by the resolution.

506. *Establishment of, Deposits in and Application of School Rehabilitation Fund.* There is created and established a separate and distinct fund to be maintained by the Trustee and entitled the "School Rehabilitation Fund". To the credit of this Fund deposits shall be made of amounts received upon the issuance of a Series of Bonds as is provided by the Series Resolution for that Series of Bonds. Amounts in the School Rehabilitation Fund shall be used to provide the Board with money for School Rehabilitation Purposes or shall be used for other purposes as provided below.

Prior to providing the Board with money from the School Rehabilitation Fund for any School Rehabilitation Purposes, the Authority shall have adopted a resolution determining that those amounts may be used for that School Rehabilitation Purpose. That resolution shall also contain a finding and determination of the Authority that money so to be provided to the Board is to be used for School Rehabilitation Purposes and not for providing the Board with money for its ordinary and necessary expenditures for educational purposes, maintenance of school facilities or other operational needs. The adoption of such a resolution shall be in the sole judgment and discretion of the Authority. That resolution may be adopted by the Authority to cover an entire program of School Construction and Rehabilitation Purposes and it shall not be necessary that a separate resolution be adopted for each individual School Rehabilitation Purpose. The Authority may, in making its finding and determinations, rely upon information provided by or on behalf of the Board. The Authority may from time to time make and amend regulations and issue directives, including to the Board, with respect to the use and application of moneys so to be provided the Board.

The Chairman or other Authorized Officer is authorized and directed to file from time to time with the Trustee directions to disburse amounts in the School Rehabilitation Fund for a School Rehabilitation Purpose. Such directions shall be filed only if (i) the Authority shall have adopted the resolution described in the preceding paragraph and (ii) the Chairman or other Authorized Officer shall have determined that, under the regulations of the Authority, it is then appropriate to provide the Board with that amount of money for that School Rehabilitation Purpose. The Chairman or other Authorized Officer is authorized to make that determination.

Amounts in the School Rehabilitation Fund shall be disbursed by the Trustee for School Rehabilitation Purposes from time to time upon the filing with the Trustee of a direction of the Chairman or other Authorized Officer that the Trustee shall so disburse amounts in that Fund to the Board. The Trustee shall make the disbursements as so directed and shall not be obligated to examine the purposes for which the money is to be disbursed.

The Authority and its Chairman or other Authorized Officer and the Trustee shall not be responsible for the use or application of any amounts disbursed from the School Rehabilitation Fund for School Rehabilitation Purposes. The Authority and its directors, officers, members, agents and employees and the Trustee shall not be liable for any obligations incurred by the Board for School Rehabilitation Purposes.

On December 1 of each year beginning in 1988, the Trustee shall pay to and deposit in the Debt Service Fund to the credit of the Principal and Interest Account, or to one or more other accounts of that Fund as directed by resolution of the Authority, amounts in the School Rehabilitation Fund to the extent of all interests and other investment earnings accrued and received on or after December 1, 1987, on investments of the School Rehabilitation Fund and not previously transferred to the Debt Service Fund. The Authority, by resolution, in its sole judgment and discretion, may at any time direct that any or all amounts remaining unexpended in the School Rehabilitation Fund, be withdrawn from that Fund and be deposited in and credited to the School Construction Fund, but only if the transfer shall not cause the amount which shall have been deposited in the School Construction Fund to exceed the maximum amount allowed by law to be used for School Construction Purposes. In addition, the Authority by resolution, in its sole judgment and discretion may at any time direct that any or all amounts in the School

Rehabilitation Fund, which have not been or shall not have been by a certain date expended, be withdrawn from the School Rehabilitation Fund and be deposited in the Debt Service Fund to the credit of one or more accounts of that Fund, as designated by the resolution. Upon receipt by the Trustee of a certified copy of a resolution of the Authority directing a transfer of amounts from the School Rehabilitation Fund to the School Construction Fund or the Debt Service Fund, the Trustee shall withdraw the specified amounts from the School Rehabilitation Fund and deposit those amounts in the School Construction Fund or the Debt Service Fund (to the credit of the designated account or accounts), as directed by this resolution.

507. Establishment of, Deposits in and Application of School Assistance Bonds Administrative Fund. There is created and established a separate and distinct fund to be maintained by the Trustee and entitled the "School Assistance Bonds Administrative Fund". To the credit of this Fund deposits shall be made of amounts received upon the issuance of a Series of Bonds as is provided by the Series Resolution for that Series of Bonds. Amounts in the Administrative Fund shall be used to pay Administrative Expenses or shall be used for other purposes as provided in this Section.

Amounts in the Administrative Fund shall be distributed by the Trustee for Administrative Expenses from time to time upon the filing with it of a requisition signed by the Chairman or other Authorized Officer stating the amount and purpose of any such payment. The Chairman or other Authorized Officer is authorized and directed to file such requisitions from time to time with the Trustee as needed to pay Administrative Expenses for the Authority.

The Authority, by resolution, in its sole judgment and discretion, may at any time direct that any or all amounts in the Administrative Fund, which have not been or shall not have been expended by a certain date, be withdrawn from the Administrative Fund and be deposited in the Debt Service Fund to the credit of one or more accounts of that Fund, as designated by the resolution. Upon receipt by the Trustee of a certified copy of a resolution of the Authority so directing a transfer of amounts from the Administrative Fund to the Debt Service Fund, the Trustee shall withdraw the specified amounts from the Administrative Fund and deposit those amounts in the Debt Service Fund (to the credit of the designated account or accounts) as directed by the resolution.

508. Separate Funds and Accounts. Except as allowed by the following sentence, the School Assistance Fund, the School Construction Fund, the School Rehabilitation Fund, the Administrative Fund, the Working Cash Fund and each Cost of Issuance Account shall be separate and segregated from all other funds and accounts of the Authority or the Board. Cash funds and investments in any Cost of Issuance Account, in the School Assistance Fund, in the School Construction Fund, in the School Rehabilitation Fund, in the Administrative or in the Working Cash Fund shall never be commingled with other funds or accounts of the Authority or the Board for any purpose whatsoever, except that the cash funds and investments of the School Construction Fund may be commingled with the cash funds and investments of the School Rehabilitation Fund.

ARTICLE VI

*Establishment and Application of Funds and
Accounts for Payment of Bonds.*

601. *Debt Service Fund.* (1) There is created and established a separate and distinct fund to be maintained by the Trustee and entitled the "School Assistance Bonds Debt Service Fund" (the "Debt Service Fund"). There are created and established in the Debt Service Fund as separate and distinct accounts to be maintained by the Trustee an account entitled "Principal and Interest Account", an account entitled "Redemption Account", an account entitled "Special Payments Account" and a series of accounts entitled collectively the "Capitalized Interest Accounts." Each series resolution authorizing the issuance of a Series of Bonds interest on which is required to be paid from a Capitalized Account pursuant to Section 909 of this Resolution shall create and establish such an account entitled "Series . . . Capitalized Interest Account" (inserting in the title the appropriate Series and any other necessary designation).

(2) There shall be deposited by the Trustee in the Debt Service Fund to the credit of the Principal and Interest Account:

(a) all collections of taxes to be levied as provided by this Resolution, the Series Resolutions and the Tax Levy Ordinances;

(b) all amounts required to be transferred and credited to the Principal and Interest Account from the Redemption Account as provided in paragraph (11) of this Section;

(c) all amounts required to be paid and deposited in the Debt Service Fund from the Reserve Fund as provided in paragraph (3) or paragraph (5) of Section 602 of this Resolution;

(d) all amounts transferred to the Principal and Interest Account from a Capitalized Interest Account as provided in paragraph (8) of this Section;

(e) all amounts transferred to the Principal and Interest Account from the Special Payments Account as provided in paragraph (11) or paragraph (12) of this Section; and

(f) all amounts transferred to the Principal and Interest Account pursuant to Article V of this Resolution.

(3) Amounts in the Principal and Interest Account shall be applied by the Trustee to the payment of the interest on the Bonds as it falls due (other than interest paid from a Capitalized Interest Account as provided in paragraph (8) of this Section), and the principal of the Bonds at maturity or on Sinking Fund Installment dates. Prior to June 1 and December 1 of each year (but not more than 5 days prior to such date), beginning with December 1, 1981, the Trustee shall pay out of the amounts in the Principal and Interest Account to itself and the appropriate Paying Agents, the amounts required for the payment by it and the Paying Agents for the Debt Service Requirements then coming due on the Bonds (other than interest to be paid from a Capitalized Interest Account as provided in paragraph (8) of this Section).

(4) In December of each year, after paying all interest due on the Bonds on December 1 of that year (but before making any deposits to the Principal and Interest Account from the Special Payments Account as provided in paragraph (12) of this Section), the Trustee shall

transfer from the Principal and Interest Account the following amounts in the following priority:

(a) to the Reserve Fund the amount, if any, by which the value of the Reserve Fund is less than the Reserve Requirement; and then

(b) to the Special Payments Account the aggregate amount of all previous transfers made to the Principal and Interest Account from the Special Payments Account pursuant to paragraph (11) of this Section which have not previously been retransferred to the Special Payments Account pursuant to the requirements of this sentence.

No transfer shall be made pursuant to this paragraph except to the extent that amounts in the Principal and Interest Account are in excess of the Debt Service Requirements on the Bonds for the next June 1.

(5) In December of each year (beginning in 1981), upon receipt of the Trustee's Annual Report and after all transfers required from the Principal and Interest Account to the Reserve Fund and the Special Payments Account, as provided by paragraph (4) of this Section, have been made and after the transfers of amounts from the Reserve Fund to the Principal and Interest Account as provided by paragraph (5) of Section 602 of this Resolution have been made, and after the transfers of amounts from the School Construction Fund and School Rehabilitation Fund to the Principal and Interest Account as provided in Sections 505 and 506, respectively, of this Resolution have been made, and after any transfers of amounts from the Special Payments Account to the Principal and Interest Account as provided by paragraph (12) of this Section have been made, the Authority (i) may by resolution direct the Trustee to transfer amounts from the Principal and Interest Account to the Redemption Account, (ii) may by resolution determine to abate the amount of taxes levied with respect to that year (and provided to be collected in the next calendar year) for payment of principal of the Bonds, at maturity or on Sinking Fund Installment dates, and of interest on Bonds as it falls due, or (iii) may so direct and determine a combination of such transfers and abatements. Upon a certified copy of such a resolution being filed with the Trustee directing such a transfer to the Redemption Account, the Trustee shall promptly make such a transfer. The total amount of any such abatement and transfer so directed and determined by resolution of the Authority in any year shall not exceed the amount, if any, by which the value of the Principal and Interest Account. After the transfers between the Principal and Interest Account and the Special Payments Account of the Reserve Fund referred to in the first sentence of this paragraph, exceeds the sum of:

(a) the Debt Service Requirements for the next June 1, plus

(b) the amount, if any, by which all taxes levied pursuant to all Tax Levy Ordinances and received by the Trustee through December 1 of each year exceeds the sum of (i) the amount of principal of Bonds due at maturity or on Sinking Fund Installment dates, and of the interest due on the Bonds, through such December 1 (other than interest which was paid from a Capitalized Interest Account) plus (ii) the Debt Service Requirements for the next June 1.

(6) At any time after any December 1, the Trustee, in its sole discretion, may, and upon direction of an Authorized Officer shall, withdraw moneys from the Principal and

Interest Account and purchase Bonds or portions of Bonds, which Bonds mature or are subject to mandatory redemption pursuant to Sinking Fund Installments on the next June 1. The principal amount of Bonds so purchased within any period after any December 1 and prior to the next June 1 shall not exceed the sum of the Sinking Fund Installments on Term Bonds due on that June 1 and the principal amount of Serial Bonds maturing on that June 1. The principal amount of Term Bonds so purchased shall be a credit against and reduction of the amount of the Sinking Fund Installments on those Bonds on the next June 1. No purchase of Bonds shall be made after notice of redemption of those Bonds shall have been given as provided in this Resolution. No such purchase shall be made at a price in excess of the principal amount of the Bonds purchased plus accrued and unpaid interest on those Bonds to the date of purchase.

(7) The Authority shall pay to and deposit in the Debt Service Fund to the credit of the Capitalized Interest Account for each Series of Bonds the amount from proceeds of that Series of Bonds provided in the Series Resolution for that Series of Bonds. The Trustee shall pay to and deposit in the Capitalized Interest Account for each Series of Bonds all amounts required to be paid to such Account from the Reserve Fund as provided in paragraph (4) of Section 602 of this Resolution. A series Resolution may provide for the temporary deposit of proceeds of a Series of Bonds in the Capitalized Interest Account for a Series of Bonds until the exact amount of the deposit required is ascertained and may provide for any excess amounts then to be deposited, as if the deposit were a deposit directly from proceeds of the sale of that Series of Bonds, in the School Assistance Fund, or for the use of such excess amounts for other purposes for which Bonds may be or may then be issued.

(8) Amounts in a Capitalized Interest Account for any Series of Bonds shall be used to pay all or a portion of the interest, as specified in the Series Resolution for that Series of Bonds, on that Series of Bonds coming due on the date specified in the Series Resolution for that Series of Bonds. After all interest to be paid from a Capitalized Interest Account for a Series of Bonds has been paid in full (or the payment of that interest has been provided for) any remaining amounts in that Account shall be transferred by the Trustee to the Principal and Interest Account. Prior to any interest payment date on Bonds of any Series for which interest is so to be paid from a Capitalized Interest Account, the Trustee shall pay out of the amounts in that Account to itself and the Paying Agents for that Series of Bonds the amounts required then to pay that interest on the Bonds of that Series then coming due.

(9) There shall be deposited by the Trustee in the Debt Service Fund to the credit of the Redemption Account all amounts transferred to the Redemption Account from the Principal and Interest Account pursuant to paragraph (5) of this Section and from the Special Payments Account pursuant to paragraph (12) of the Section and all amounts transferred to the Debt Service Fund to the credit of the Redemption Account pursuant to Article V of this Resolution.

(10) Amounts at any time in the Redemption Account may be used by the Trustee at the direction of an Authorized Officer to redeem Bonds or to purchase Bonds. No purchase of Bonds shall be at a price in excess of the Redemption Price of the Bonds for an optional redemption at the next optional redemption date, plus accrued and unpaid interest on the principal of the Bonds to be redeemed to the date of redemption. An Authorized Officer may direct the Trustee as to the method of making any such purchase. No purchase of any Bonds from the Redemption Account shall be made by the

Trustee within the period of forty-five (45) days next preceding a date on which those Bonds are subject to redemption. The Series Resolution authorizing a Series of Bonds which includes Term Bonds may provide for such redemption or purchase of Term Bonds pursuant to this paragraph (10) to be a credit against and reduction of such Sinking Fund Installments as is determined by that Series Resolution.

(11) If at any time the amounts in the Principal and Interest Account are insufficient to pay interest on the Bonds as it falls due and to pay principal on Bonds at maturity or on Sinking Fund Installment dates, the Trustee shall transfer to the Principal and Interest Account moneys from the Redemption Account which, when added to funds in the Principal and Interest Account, shall be sufficient to make such payments. If, after that transfer, the amounts in the Principal and Interest Account remain insufficient to make such payments, the Trustee shall transfer amounts from the Special Payments Account to the Principal and Interest Account sufficient to make such payments. If after that transfer the amounts in the Principal and Interest Account still remain insufficient to make such payments, the Trustee shall transfer amounts from the Reserve Fund to the Principal and Interest Account sufficient to make such payments.

(12) There shall be deposited by the Trustee to the credit of the Special Payments Account all amounts required to be paid to and deposited in the Debt Service Fund from the Working Cash Fund as provided in Section 504 of this Resolution, all amounts required to be transferred and credited to the Special Payments Account pursuant to paragraph (4) of this Section and any other amounts which the Authority shall cause to be deposited in the Special Payments Account pursuant to law. The authority may at any time by resolution direct the Trustee to transfer amounts from the Special Payments Account to the Redemption Account. At any time after December 1 of any year and prior to June 1 of the next year, the Authority may by resolution direct the Trustee to transfer amounts from the Special Payments Account to the Principal and Interest Account. The amounts so to be transferred to the Principal and Interest Account shall not exceed the total amount of the principal of Bonds due at maturity or pursuant to Sinking Fund Installments on the next June 1, plus interest to be paid on those Bonds on that June 1. The amounts so transferred shall be used to pay principal of Bonds on that June 1 interest on those Bonds on that date. Upon a certified copy of a resolution of the Authority being filed with the Trustee so directing a transfer of amounts in the Special Payments Account to either the Redemption Account or the Principal and Interest Account, the Trustee shall make the directed transfer. In December of each year in which there are amounts in the Special Payments Account, prior to the adoption of any resolution as provided in paragraph (5) of this Section, the Authority shall determine whether or not then to transfer any amounts in the Special Payments Account to the Principal and Interest Account, but that determination shall not preclude the Authority from making any subsequent transfers to the Principal and Interest Account pursuant to this paragraph.

(13) As long as any of the Bonds remain outstanding and unpaid as to either principal or interest, in whole or part, all amounts in the Debt Service Fund shall be held in trust by the Trustee for the sole benefit of the Holders of Bonds or coupons and shall be applied solely for the payment, redemption or purchase of the Bonds or coupons, all as provided in this Section, and shall not be used for any other purpose.

(14) The Debt Service Fund and each Account in it shall be separate and segregated from all other funds and accounts of the Authority or the Board. Cash funds and

investments in the Debt Service Fund and each Account in it shall never be commingled with other funds or accounts of the Authority or the Board for any purpose whatsoever.

602. *Reserve Fund.* (1) There is established and created a separate and distinct fund to be maintained by the Trustee and entitled the "School Assistance Bonds Debt Service Reserve Fund" (the "Reserve Fund"). The Authority shall pay to the Trustee for deposit in the Reserve Fund that portion of the proceeds of the sale of any Series of Bonds as shall be provided by the Series Resolution authorizing that Series of Bonds. The Trustee shall pay to and deposit in the Reserve Fund all amounts provided to be transferred to the Reserve Fund from the Principal and Interest Account pursuant to paragraph (4) of Section 601 of this Resolution.

(2) All amounts on deposit in the Reserve Fund shall be held in trust for the sole benefit of the Holders of the Bonds and coupons as provided in this Resolution and shall be applied and used solely for the payment of principal of the Bonds, at maturity or on Sinking Fund Installment dates, and for the payment of interest on the Bonds as it falls due, or for transfer to the Principal and Interest Account for application as provided by this Resolution, and shall not be used for any other purpose.

(3) Amounts in the Reserve Fund shall be transferred by the Trustee to the Debt Service Fund to the credit of the Principal and Interest Account at the times and in the amounts as required by paragraph (11) of Section 601 of this Resolution, in order to pay principal of the Bonds at maturity or on Sinking Fund Installment dates and to pay interest on the Bonds as it falls due.

(4) On or prior to December 1, 1980, and on or prior to June 1, 1981, the Trustee shall pay to and deposit in the Debt Service Fund to the credit of the Capitalized Interest Account for each Series of Bonds for which interest on those dates is provided by the Series Resolutions for those Series of Bonds to be paid from such an Account, all interest or investment earnings, if any, received through those dates on the Investment Obligations purchased from amounts deposited from proceeds of that Series of Bonds in the Reserve Fund pursuant to Section 909 of this Resolution.

(5) On December 1 of each year beginning in 1981 the Trustee shall pay to and deposit in the Debt Service Fund to the credit of the Principal and Interest Account all amounts in the Reserve Fund to the extent the value of the Reserve Fund is in excess of the Reserve Requirement.

(6) Whenever the Trustee shall determine that the total amount in the Reserve Fund, together with all amounts in the Debt Service Fund, will be sufficient to pay or to redeem or to provide for the payment or redemption of all the Outstanding Bonds, the Trustee shall pay to and deposit in the Debt Service Fund to the credit of the Redemption Account such remaining amounts in the Reserve Fund.

(7) The Reserve Fund shall be separate and segregated from all other funds and accounts of the Authority or the Board. Cash funds and investments in the Reserve Fund shall never be commingled with other funds or accounts of the Authority or the Board for any purpose whatsoever.

603. *Lien and Security Interest in Debt Service Fund and Reserve Fund.* The Debt Service Fund, including all its accounts, and the Reserve Fund shall be funds held in trust for the Holders of the Bonds and coupons as provided in this Resolution. The Holders of the Bonds and coupons shall have and are granted a security interest in and lien upon all cash and investments of such Funds, and such Funds shall be applied solely as provided in this Resolution, except that only the Holders of Bonds and coupons of a particular Series shall have and are granted such a security interest in and lien upon amounts in the Capitalized Interest Account for that Series of Bonds. The security interests and liens described in this Section are valid and binding from the date the Bonds are issued, without any physical delivery or further action, and shall be valid and binding as against, and prior to any claim of all other parties having claims of any kind in tort, contract or otherwise against the State, the Authority, the Board, the City, or any other person, irrespective of whether such other parties have notice of the lien or security interest.

604. *Disposition of Bonds and Coupons Upon Payment.* All Bonds paid and redeemed, or purchased by the Trustee, under the provisions of this Resolution, either at or before maturity, together with all unmatured coupons, if any, pertaining to those Bonds, shall be cancelled when such payment, redemption or purchase is made, and such Bonds and coupons, unless then held by the Trustee, shall be delivered to the Trustee. All interest coupons shall be cancelled upon their payment and delivered to the Trustee. All cancelled Bonds and coupons shall from time to time, upon direction of an Authorized Officer, be cremated or otherwise destroyed by the Trustee. The Trustee shall execute a certificate of cremation or other destruction in duplicate describing the Bonds and coupons so cremated or otherwise destroyed, listing their numbers, and one executed certificate shall be filed with the Authority and the other executed certificate shall be retained by the Trustee.

605. *Notice to Bond Insurer.* With respect to any Series of Bonds for which the Authority shall have notified the Trustee that it has purchased bond insurance, the Trustee shall give that insurer prompt notice of the failure for there to be on deposit with the Trustee money, at the times, in the amounts and in the Funds and Accounts under the Resolution, as shall be sufficient to allow the Trustee to pay in full the interest as it comes due and the principal, at maturity or pursuant to sinking fund installments, on such Series of Bonds.

ARTICLE VII

Security for Deposits and Investment of Funds.

701. *Security for Deposits.* All moneys held under this Resolution by the Trustee or any Paying Agent shall be continuously and fully secured for the benefit of the Authority and the Holders of the Bonds and the coupons, as their respective interests may appear, by Investment Obligations of a market value equal at all times to the amount of the deposit so held by the Trustee. However, it shall not be necessary for the Trustee or any Paying Agent to give security for such amount of moneys as is insured by Federal deposit insurance, for the Trustee to give security for any moneys which shall be represented by Investment Obligations purchased under the provisions of this Resolution as an investment of such moneys or for any moneys loaned to the Board from the Working Cash Fund, or for any Paying Agent to give security for the deposit of any moneys held by it in trust for the Holders of Bonds and coupons.

702. *Investment of Funds and Accounts Held by the Trustee.* (1) Upon direction of the Authorized Officer, moneys in the Funds and Accounts established by this Resolution shall be invested by the Trustee in Investment Obligations so that the maturity date or date of redemption at the option of the holder of such Investment Obligations shall coincide, as nearly as practicable, with the times at which moneys in these Funds and Accounts will be required for the purposes provided in this Resolution.

(2) Moneys in the Reserve Fund shall be invested by the Trustee upon direction of an Authorized Officer, in Investment Obligations the maximum maturity of which shall not be more than ten (10) years from the date of such investment; provided, however, that at least 25% of the moneys in the Reserve Fund shall from time to time be invested in Investment Obligations the average maturity of which shall not be more than two (2) years from the date of any investment.

(3) Obligations purchased as an investment of moneys in any Fund or Account held by the Trustee under the provisions of this Resolution shall be deemed at all times to be a part of such Fund or Account and the income or interest earned by a Fund or Account due to the investment thereof shall be deposited in and credited to such Fund or Account.

(4) In computing the value of any Fund or Account held by the Trustee under the provisions of this Resolution, except the Reserve Fund, obligations purchased as an investment of moneys therein shall be valued at the cost or market price thereof, whichever is lower, exclusive of accrued interest. In computing the value of the Reserve Fund, obligations purchased as an investment of moneys therein shall be valued at par, or if purchased at less than par, at their cost to the Authority.

(5) The Trustee shall sell at the best price obtainable, or present for redemption, any obligation purchased by it as an investment whenever it shall be necessary in order to provide moneys to meet any payment or transfer from the Fund or Account for which such investment was made. The Trustee shall advise the Authority in writing, on or before the last day of each calendar month, of the details of all investments held for the credit of each Fund and Account in its custody under the provisions of this Resolution as of the end of the preceding month.

(6) The Trustee shall continuously invest all amounts deposited in a Capitalized Interest Account for a Series of Bonds in such Investment Obligations referred to in subparagraphs (a) or (d) of the definition of Investment Obligations in Section 101 of this Resolution, as directed in writing by an Authorized Officer pursuant to Section 909 of this Resolution, until all the interest to be paid from the Account has been paid. The Trustee shall continuously invest all amounts deposited in the Reserve Fund from proceeds of any Series of Bonds for which interest is payable from a Capitalized Interest Account on December 1, 1980, or June 1, 1981, in Investment Obligations referred to in subparagraphs (a) or (d) of the definition of Investment Obligations in Section 101 of this Resolution as directed in writing by an Authorized Officer pursuant to Section 909 of this Resolution.

703. *Liability of Trustee for Investments.* The Authority shall authorize, direct and confirm in writing by an Authorized Officer, all investments by the Trustee. If the Authority fails to direct investments, the Trustee shall invest such amount at its discretion in such Investment Obligations as is permitted by this Resolution. The Trustee shall not be liable or responsible for the making of any investment authorized by the provisions of this

Article, in the manner provided in this Section, or for any loss resulting from any such investment so made, except for its own gross negligence or willfull default.

ARTICLE VIII

The Trustee and Paying Agents.

801. *Trustee; Appointment and Acceptance of Duties.* The First National Bank of Chicago, Chicago, Illinois is appointed Trustee under this Resolution. The Trustee shall signify its acceptance of the duties and obligations imposed on it by this Resolution by a written instrument of acceptance deposited with the Authority prior to issuance of the first Series of Bonds.

802. *Paying Agents; Appointment and Acceptance of Duties.* (1) The Authority shall appoint one or more Paying Agents for the Bonds of any Series in the Series Resolution authorizing such Bonds, and may at any time or from time to time appoint one or more other Paying Agents in the manner and subject to the conditions set forth in Section 811 of this Resolution for the appointment of a successor Paying Agent. The Trustee may be appointed to act as Paying Agent notwithstanding that it may then be acting in the capacity of the Trustee. Moneys paid to Paying Agents pursuant to this Resolution shall be held in trust for the Holders of the Bonds and coupons and any risk of loss of such amounts shall be the risk of such Holders and not the Authority.

(2) Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by written instrument of acceptance deposited with the Authority and the Trustee.

(3) The corporate trust offices of the Paying Agents are designated as the respective agencies of the Authority for the payment of the interest and principal and Redemption Price of the Bonds, except that interest, principal and Redemption Price of all Bonds in fully registered form and principal and Redemption Price of all Bonds in coupon form registered as to principal (other than to bearer) shall be payable at the corporate trust office of the Trustee. Interest on Bonds in fully registered form shall be payable by check mailed by the Trustee to the Holder of those Bonds at their address as shown on the registry books of the Authority maintained at the Trustee.

803. *Responsibilities of Trustee and Paying Agents.* The recitals of fact in this Resolution, the Series Resolutions, the Tax Levy Ordinances and the Bonds shall be taken as the statements of the Authority (or the City Council in the case of the Tax Levy Ordinances), and neither the Trustee nor any Paying Agent assumes any responsibility for their correctness. Except as explicitly provided in this Resolution, neither the Trustee nor any Paying Agent shall be deemed to make any representations as to the validity or sufficiency of this Resolution, the Series Resolutions, the Tax Levy Ordinances or the Bonds or in respect of the security afforded by such documents. Except as explicitly provided in this Resolution, neither the Trustee nor the Paying Agent shall have any responsibility or duty with respect to the issuance of the Bonds or the application of the proceeds of the Bonds or the application of any moneys paid to the Board. Neither the Trustee nor any Paying Agent shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect of its duties and obligations under this Resolution, or to advance any of its own moneys unless properly indemnified to its reasonable satisfaction. Neither the Trustee nor any Paying

Agent shall be liable in connection with the performance of its duties and obligations under this Resolution except for its own gross negligence or willful default or breach of trust. Neither the Trustee nor any Paying Agent shall have any responsibility or duty with respect to the application of any moneys paid by any of them to any other.

804. *Evidence on Which Trustee and Paying Agents May Act.* The Trustee and any Paying Agent may act upon any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties and shall not be liable for any such action. The Trustee and any Paying Agent may consult with counsel of recognized competency in such matters who may or may not be counsel to the Authority, and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee or any Paying Agent under this Resolution in good faith and in accordance with such opinion or advice. Whenever the Trustee or any Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Resolution, any Series Resolution, or any Tax Levy Ordinance, such matter (unless other evidence is specifically prescribed by such document) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Authority, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of such document, but in its discretion the Trustee or any Paying Agent may in lieu of such certificate accept other evidence of such fact or matter or may require such further or additional evidence as may seem reasonable to it. Except as otherwise expressly provided in this Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision of this Resolution by the Authority to the Trustee or any Paying Agent shall be sufficiently executed if executed in the name of the Authority by an Authorized Officer.

805. *Compensation.* The Authority shall pay to the Trustee and to each Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents and employees, incurred in the performance of their powers and duties under this Resolution. The Authority further agrees to defend, indemnify and save the Trustee or any Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties under this Resolution, and which are not due to the Trustee's gross negligence or willful default. Such payment of fees and indemnification of the Trustee and each Paying Agent shall be from available funds of the Authority. The Trustee and the Paying Agents shall have no right to use any amounts in the Debt Service Fund or the Reserve Fund or to have any set-off, lien or other right to any such amounts for such purposes.

806. *Permitted Acts and Functions.* The Trustee and any Paying Agent may buy, own, hold and sell (including acting as an underwriter in respect of) any Bonds or other bonds or notes of the Authority; any may engage or be interested in any financial or other transaction with the Authority with like effect and with the same rights as if it were no such Trustee or Paying Agent.

807. *Resignation or Removal of Trustee.* (1) The Trustee may at any time, except during such time as the Authority shall have failed to pay (and shall continue to fail to pay) principal on any Bonds at maturity or on Sinking Fund Installment dates or to pay interest on any Bond as it comes due, resign and be discharged of the duties and obligations created

by this Resolution by giving not less than sixty (60) days' written notice to the Authority and publishing notice of the resignation, specifying the date when such resignation shall take effect, once in a daily newspaper of general circulation in the City. Such resignation shall take effect upon the day specified in such notice unless previously a successor shall have been appointed, as provided in Section 808 of this Resolution, in which event such resignation shall take effect immediately on the appointment of the successor.

(2) The Trustee shall be removed by the Authority if at any time the Authority is so requested by an instrument or concurrent instruments in writing filed with the Trustee and the Authority, and signed by Holders of a majority in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Authority. The Authority may remove the Trustee at any time, except during such time as the Authority shall have failed to pay (and shall continue to fail to pay) principal of any Bond at maturity or in Sinking Fund Installments dates) or to pay interest on any Bond as it falls due, for such cause as shall be determined by the Authority by filing with the Trustee an instrument of removal signed by an Authorized Officer of the Authority.

808. *Appointment of Successor Trustee.* 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, the Authority covenants and agrees that it will then by resolution appoint a successor Trustee. The Authority shall publish notice of any such appointment made by it in a daily newspaper of general circulation in the City, such publication in each case to be made within twenty (20) days after such appointment. The Authority shall also promptly give notice as to the appointment of the successor Trustee to the county collector of each county in which any taxable property in the City is located. If appointment of a successor Trustee shall not be made as required by the foregoing provisions of this Section within forty-five (45) days after the Trustee shall have given to the Authority written notice, as provided in Section 807 of this Resolution, or after a vacancy in the office of the Trustee shall have otherwise occurred, the Trustee or any Holder of the Bonds may apply to any court of competent jurisdiction to appoint a successor Trustee. That court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee. A copy of the order of court so appointing a successor Trustee shall be given promptly by an Authorized Officer to the county collector of each county in which any taxable property in the City is located. Any Trustee appointed under the provisions of this Section 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, State of Illinois, and having a capital and undivided surplus aggregating at least Twenty Million Dollars (\$20,000,000), and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

809. *Transfer of Rights and Property to Successor Trustee.* Any successor Trustee appointed under this Resolution shall execute, acknowledge and deliver to its predecessor as Trustee, and also to the Authority, 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 it originally named as Trustee, but the Trustee ceasing to act shall nevertheless, on the written request of the Authority 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 or right held by it under this Resolution, and shall pay over, assign and deliver to the successor Trustee any moneys or other property subject to the trusts and conditions set forth in this Resolution. Should any deed, conveyance or instrument in writing from the Authority be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Chairman or other Authorized Officer. Any successor Trustee shall promptly notify the Paying Agents of its appointment.

810. *Merger, Conversion or Consolidation.* Any company into which the Trustee or any Paying Agent 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 the Trustee or any Paying Agent may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee or Paying Agent without the execution or filing of any paper or the performance of any further act, provided with the respect to the Trustee that such company shall be a bank or trust company organized under the laws of the State, and otherwise qualifying under Section 808 of this Resolution for appointment as a Trustee and shall be authorized by law to perform all the duties imposed upon it by this Resolution.

811. *Resignation or Removal of Paying Agents and Appointment of Successors.* Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) days' written notice to the Authority and the Trustee. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the Trustee and signed by an Authorized Officer of the Authority. Any successor Paying Agent shall be appointed by the Authority and shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, having a capital and surplus aggregating at least Twenty Million Dollars (\$20,000,000), and willing and able to accept the office of Paying Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution. In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any monies held by it as Paying Agent to its successor, or if there be no successor then appointed, to the Trustee until such successor is appointed. At all times at least one Paying Agent shall be a bank or trust company which maintains its corporate trust office in the City. The Authority shall notify the Trustee as to the appointment of a successor Paying Agent.

812. *Powers of Bondholder or Trustee to Enforce Compliance.* The Trustee shall have all the rights, duties and powers as provided in other sections of this Resolution. In addition, the Trustee shall have power, in its sole discretion, but shall not be obligated, to bring any legal proceedings on behalf of any Holders of the Bonds to enforce the provisions of the Act, this Resolution, any Series Resolution or any Tax Levy Ordinance or any security for the Bonds or coupons as provided by such documents, but this provision shall not exclude any Holder of the Bonds from bringing any such legal proceedings in his or her own name. The Trustee and any Holder of the Bonds may bring any legal proceedings to compel the performance by any person of the obligations, duties and responsibilities imposed under the Act, the Resolution, any Series Resolution or any Tax Levy Ordinance

or the Bonds. Those legal proceedings may include, without limitation, actions for injunctive or other equitable relief or for a writ or writs of mandamus. It shall not be necessary in order for any such proceeding to be brought that Bonds have not been paid as to principal due either at maturity or on Sinking Fund Installment dates or as to interest then due.

813. *Trustee's Annual Valuation of Funds and Report and Tax Levy Certificate.* As promptly as practicable after December 1 in each year (beginning in 1981) but in any event on or prior to December 15 of such year, the Trustee shall determine the value of the cash and investments in the Principal and Interest Account, the Special Payments Account and the Reserve Fund and shall prepare and submit to the Authority a Trustee's Annual Report. The Trustee's Annual Report shall contain a full and complete report on all receipts and expenditures of all Funds and Accounts established under this Resolution and of all transfers between such Funds and Accounts for the year ending the previous November 30. The report shall also include all expenditures and transfers to be made in December of the year of the Report pursuant to Sections 505 and 506 paragraph (4) and (11) of Section 601 and paragraph (5) of Section 602 of this Resolution. In addition, the Report shall state:

(a) The value of the Principal and Interest Account and the Special Payments Account as of such December 1, after payment of the interest then due on the Bonds and after giving effect to any transfers in that December pursuant to Sections 505 and 506 paragraphs (4) and (11) of Section 601 or to paragraph (5) of Section 602 of this Resolution.

(b) The value of the Reserve Fund as of such December 1 after giving effect to any transfers pursuant to paragraph (4) of Section 601 or paragraph (5) of Section 602 of this Resolution.

(c) The total amount of taxes received by the Trustee in all years prior to the date of the Report, shown by year of receipt.

(d) The total amount if any, of all taxes required to be collected in the next calendar year pursuant to paragraph (3) of Section 906 of this Resolution.

(e) The total amount of all taxes required to have been collected pursuant to this Resolution in all years, up to and including the year of the Report (less any abatements of those taxes allowed by this Resolution).

(f) The Debt Service Requirements for the next June 1.

(g) The percentage by which the total ad valorem property taxes on taxable property in the City collected during the preceding calendar year was less than the total of such taxes extended for collection in that year.

The Trustee's annual report shall remind the Authority of its obligations under Section 908 of this Resolution. In addition, no later than December 31 of each year, beginning in 1981, the Trustee shall file in the offices of the county clerks of each county in which any taxable property in the City shall be located a statement, certified by a corporate trust officer of the Trustee, of the amount of the taxes which are to be included in the levy for that year pursuant to paragraph (3) of Section 906 of this Resolution.

ARTICLE IX

Covenants of the Authority.

The Authority covenants and agrees with the Holders of the Bonds and coupons as follows:

901. *Payment of Bonds.* The Authority shall duly and punctually pay or cause to be paid the principal of the Bonds at maturity or on Sinking Fund Installment dates and the interest thereon, at the dates and places and in the manner provided in the Bonds and in the coupons pertaining to the Bonds, according to the true intent and meaning of the Bonds and coupons.

902. *Offices for Payment and Registration of Bonds and Coupons.* The Authority shall at all times maintain an office or agency in the City of Chicago, State of Illinois, where Bonds and coupons may be presented for payment. The Authority may by a Series Resolution designate an additional Paying Agent or Paying Agents where Bonds and coupons of the Series authorized by that Series Resolution may be presented for payment. The Authority shall at all times maintain an office or agency in the City of Chicago, State of Illinois, where Bonds and coupons may be presented for registration, transfer or exchange. The Trustee is appointed as its agent to maintain such office or agency for the registration, transfer or exchange of Bonds and coupons.

903. *Further Assurances and Actions.* At any and all times the Authority shall, so far as it may be authorized or permitted by law, pass, make, do, execute, acknowledge and deliver all and every such further resolutions, acts, assignments, grants, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, confirming and effecting all and singular the liens upon and security interests in all rights, claims and interests in any levy of taxes for payment of any Bonds and coupons or in any present or future proceeds of those levies or in any Funds or Accounts created or established by this Resolution or by any Series Resolution pursuant to this Resolution for the Holders of the Bonds and coupons. It will take all necessary actions of all kinds to cause the taxes which are to be levied as provided in Section 906 of this Resolution to be extended and collected as provided by that Section.

904. *Security Interests and Liens.* The Authority shall not assign, pledge or grant a security interest in or lien upon any of its rights, claims or interests arising pursuant to any levy of taxes made pursuant to this Resolution with respect to the Bonds or in any present or future proceeds of such levies or in any Fund or Account created or established by this Resolution or any Series Resolution except as provided by this Resolution, for the payment of principal, Redemption Price or interest on the Bonds.

905. *Issuance of Additional Obligations.* (1) The Authority shall not create or permit the creation of or issue any obligations or create any indebtedness which will be secured by a lien upon or security interest in any rights, claims or interests of the Authority to any levy of taxes for payment of Bonds or in any present or future proceeds of those levies or by a lien upon or security interest in any Funds or Accounts created or established by or pursuant to Article VI of this Resolution, or which will be payable from the Debt Service Fund or the Reserve Fund, except that Series of Bonds may be issued from time to time pursuant to a Series Resolution under this Resolution on a parity with the Outstanding Bonds and secured by an equal and ratable charge and payable equally and ratably from the Debt

Service Fund and Reserve Fund for any lawful purposes (except that Capitalized Interest Accounts shall be established for paying interest solely on particular Series Bonds).

(2) No Series of Bonds shall be issued under this Resolution unless

(a) the principal amount of the Bonds then to be issued, together with the principal amount of the obligations of the Authority theretofore issued and outstanding, will not exceed in aggregate principal amount any limitation imposed by law;

(b) there is at the time of the issuance of such additional Bonds no deficiency in the amounts required by this Resolution or any Series Resolution to be paid into the Capitalized Interest Account for such additional Series of Bonds (as provided in Section 909 of this Resolution);

(c) the value of the Reserve Fund, upon the issuance and delivery of such additional Bonds and the depositing in the Reserve Fund of any amount provided so to be deposited by the Series Resolution authorizing the issuance of such additional bonds, shall not be less than the Reserve Requirements;

(d) the Series Resolution authorizing the issuance of such Series of Bonds shall demand and direct the City Council of the City to levy taxes sufficient to pay the Bonds of the Series as provided in Section 906 of this Resolution;

(e) the City Council of the City shall have duly adopted a Tax Levy Ordinance levying taxes sufficient to pay the Bonds of that Series as provided in Section 906 of this Resolution which Tax Levy Ordinance shall include as Exhibits a copy of this Resolution and a copy of the related Series Resolution (exhibits to a Series Resolution may be deleted from the copy attached to the Tax Levy Ordinance);

(f) certified copies of the Tax Levy Ordinance shall have been duly filed in the offices of the clerks and the collectors of each county in which any taxable property in the City is located;

(g) the various requirements specified in Section 204 for issuance of Bonds under this Resolution shall have been fulfilled with respect to such additional Bonds; and

(h) there shall be no maturity of any Serial Bonds or any Sinking Fund Installments on any term Bonds of any Series on any date as to which interest on Bonds of that Series is to be paid from a Capitalized Interest Account.

(3) No Bonds, except Bonds issued to pay principal or interest on Bonds or to redeem Bonds (whether issued at or before the time of payment or redemption), to provide deposits to the Reserve Fund, or to pay costs of issuance, shall be issued after 1984.

906. *Levy of Taxes.* (1) Prior to the issuance of any Series of Bonds, the Authority shall by the Series Resolution authorizing that Series of Bonds, demand and direct the City Council of the City to provide by ordinance (the "Tax Levy Ordinance") for the levy and collection of a direct annual tax upon all taxable property within the City, being the School District named the Board of Education of the City of Chicago, without limitation as to rate or amount, sufficient to pay and discharge the principal of Bonds of that Series, at maturity or on Sinking

Fund Installment dates, and to pay interest on Bonds of that Series as it falls due, and in particular, but not in limitation of the foregoing, sufficient to produce the amounts set out or described in paragraphs (2) and (3) of this Section. Prior to the issuance of any such Series of Bonds, the City Council shall have adopted such a Tax Levy Ordinance with respect to such Series of Bonds.

(2) The Series Resolution and the Tax Levy Ordinance for such Series of Bonds shall specify the amounts of taxes to be levied for each year for the purpose of providing for the payment of the principal of Bonds at maturity or on Sinking Fund Installment dates, and for payment of interest on Bonds as it falls due. The amount of the tax which shall be so specified for the levy provided for each year shall be an amount (which dollar amount shall be stated in the Series Resolution and the related Tax Levy Ordinance) sufficient to produce a sum equal to the Debt Service Requirements on that Series of Bonds on December 1 of the year following the year of levy and on June 1 of the next succeeding year. No tax need be levied to pay any interest on any Bonds, which interest is to be paid from a Capitalized Interest Account as provided in Section 909 of this Resolution.

(3) The taxes which the Series Resolution shall provide to be collected and which the Tax Levy Ordinance shall levy for the purpose of paying and discharging the principal of the Bonds at maturity or on Sinking Fund Installment dates and paying interest on the Bonds as it falls due, and for the purpose of providing money to be deposited in the Reserve Fund pursuant to the Act, shall include the additional sums provided in this paragraph (3). These amounts shall be in addition to the dollar amounts specifically required by paragraph (2) of this Section to be set forth. The additional amounts provided in this paragraph shall be collected in each year while any of the Bonds are outstanding and unpaid, either as to principal or interest, beginning with the tax levy for 1981. The additional amount required by this paragraph (3) to be levied for each such year shall be the sum sufficient to produce the amount, if any, by which

(a) the cumulative total of Debt Service Requirements on that Series of Bonds authorized by that Series Resolution through December 1 of such levy year, less an amount equal to the interest paid from a Capitalized Interest Account shall have exceeded

(b) the cumulative total of the collections of all taxes levied as provided by the Tax Levy Ordinance with respect to that Series of Bonds (including taxes levied pursuant to this paragraph) for all years up to and through December 1 of such levy year, treating as tax collections the total amount of all such taxes which shall have been abated pursuant to Section 601 of this Resolution with respect to extensions for all years through such December 1).

Section 813 of this Resolution provides for the Trustee to file statements in December of each year (beginning in 1981) as to the amount of taxes to be included in the levy under this paragraph in the year of filing. The failure of the Trustee to file the certificate referred to in that Section 813 shall not affect the validity of the levy of taxes as provided for by this paragraph and whether or not the Trustee shall file the statement, the county clerks and collectors of each county in which any taxable property in the City shall be located shall be directed by the Tax Levy Ordinances to cause to be extended and collected all the amounts provided to be collected in each year pursuant to this paragraph and the Tax Levy Ordinances.

(4) After the adoption and effectiveness of this Resolution and each Series Resolution, the Secretary of the Authority shall cause to be filed a copy of each such resolution duly certified by or on behalf of the Secretary of the Authority with the City Clerk of the City. After the adoption and effectiveness of any Tax Levy Ordinance, the City Clerk of the City shall cause copies of that Tax Levy Ordinance, duly certified by or on behalf of that officer, to be filed in the offices of the county clerks and county collector of each county in which any taxable property in the City is located. Upon filing of such copies of the Tax Levy Ordinance with the offices of such county clerks, it shall be the duty of those county clerks to extend the taxes so levied by that Tax Levy Ordinance, all as provided in the Act, the Series Resolution, this Resolution and the Tax Levy Ordinance. Except as specifically provided in this Resolution, the taxes so to be levied as provided in this Resolution shall be computed, extended and collected in the same manner as is now or may subsequently be provided for the computation, extension and collection of *ad valorem* property taxes in the City generally. The taxes to be levied as provided by this Resolution, the Series Resolution and Tax Levy Ordinances shall be extended without limitation as to rate and shall be extended in amounts sufficient to produce the taxes as so levied.

(5) In extending the taxes provided by this Resolution and the Series Resolution to be levied and the taxes levied by Tax Levy Ordinances, the county clerks of each county in which any taxable property in the City is located, shall include in each year an amount to cover loss and cost of collection and anticipated deferred collections of the taxes so levied. Such amount shall be determined by the Authority pursuant to the Act, this Resolution and the Series Resolutions. The amount so determined by the Authority shall be expressed as a percentage of the amounts of taxes required to be collected in such year as provided by the Act, this Resolution, the Series Resolutions and the Tax Levy Ordinances. Each Series Resolution shall determine the amounts so to be included in each extension year as an allowance which the Authority shall reasonably estimate to be needed to cover loss and cost of collection and anticipated deferred collections of such taxes as extended in the collector's books, for such years. The amount so determined shall be based on the actual recent experience of tax collections of levies of taxes in the City, as of the adoption of the Series Resolution giving account to the time in which levies for any year have been collected. The amounts as so determined by any Series Resolution for inclusion in the taxes to be extended in any year shall be subject to change as provided in Section 908 of this Resolution.

(6) The taxes to be levied as provided in this Resolution, the Series Resolutions and the Tax Levy Ordinances shall be in addition to and exclusive of the maximum of all other taxes which the Authority, the Board or the City Council of the City is now, or may hereafter be, authorized by law to levy for any and all school (or any other) purposes. The taxes so to be levied as provided in this Resolution, the Series Resolutions and the Tax Levy Ordinances shall be separate and apart from all other taxes of the Authority, the Board and the City and shall be separately identified as such by the proper tax collectors for such taxes.

(7) While any Bonds remain Outstanding and unpaid, the tax levies to be made as provided by this Resolution, the Series Resolutions and the Tax Levy Ordinances shall be for the sole benefit of the Holders of the Outstanding Bonds and the coupons pertaining to such Bonds and such Holders shall have and are granted a security interest in, and a lien upon, all rights, claims and interests of the Authority arising pursuant to those levies and all present and future proceeds of such levies. The security interest in and lien upon those rights, claims and interests are valid and binding from the time the Bonds are issued, without any physical delivery or further act, and shall be valid and binding as against, and

prior to any claims of, all other parties having claims, if any, of any kind in contract, tort or otherwise against the State, the Authority, the Board or the City, or any other person, irrespective of whether such other parties have notice of such lien or security interest.

(8) Upon all Bonds of any Series being paid in full as to both principal and interest, or provision having been made for such payment as provided in Section 1101 of this Resolution, the Trustee shall give notice of that fact to the county clerks of each county in which any taxable property of the City is located, and all further taxes levied pursuant to the Series Resolution and the Tax Levy Ordinance for that Series of Bonds shall then be abated. However, if any Series of Bonds are issued to refund any Outstanding Bonds, the Series Resolution and the Tax Levy Ordinance for that refunding Series of Bonds may provide that the taxes which have been levied pursuant to the Series Resolution and Tax Levy Ordinance for the Bonds being refunded for years prior to the year in which the Tax Levy Ordinance for the refunding Bonds is adopted and filed with the appropriate county clerks, will continue to be extended, collected and paid to the Trustee and deposited in the Debt Service Fund. The amount of any such levy in a prior year for Bonds being refunded which shall not be required to pay principal on those Bonds being refunded at maturity or on Sinking Fund Installment dates or interest on those Bonds being refunded as it falls due may reduce the required amounts of taxes to be levied for the refunding Bonds for those years.

(9) As to tax payments made with respect to estimated tax bills which are computed on the basis of a prior year's extension of taxes, the county collectors of taxes are directed to pay to the Trustee not less than the percentage of such tax receipts which the prior year's extension of levies for the Bonds was of all extensions of taxes of the Authority in that prior year.

(10) All proceeds from the levy of any taxes by any Tax Levy Ordinance shall be deposited by the county collector of each county in which any taxable property in the City is located directly in the Debt Service Fund with the Trustee and shall be applied, as provided by this Resolution, solely for the payment and discharge of the Bonds (at maturity or on Sinking Fund Installment dates) and of interest on the Bonds as it falls due, or for the redemption or purchase of Bonds as provided by this Resolution or for transfer to the Reserve Fund as provided by this Resolution and shall not be used for any other purpose.

907. Abatement of Taxes. The Authority will not repeal, abate or reduce the taxes levied pursuant to the Act, this Resolution, any Series Resolution or any Tax Levy Ordinance, or otherwise take any action to restrict the extension and collection of those taxes, except that the Authority may take action to cause those taxes to be abated to the following extent:

(a) The Authority may abate any such taxes to the extent that taxes are levied to pay principal of or interest on Bonds which at the time of the abatement shall have been paid or redeemed in full as to both principal and interest or for the payment or redemption of which provision shall have been made as provided in Article XI of this Resolution;

(b) The Authority may abate any such taxes as provided pursuant to Section 601 of this Resolution.

908. Allowance for Loss. (1) Pursuant to Section 906 of this Resolution the Authority is required in each Series Resolution to determine an amount to be included in the extension of taxes levied by the related Series Tax Levy Ordinance, for an allowance for loss and cost

of collection and anticipated deferred collections of those taxes. The allowance for such loss and cost of collection and anticipated deferred collections is to be expressed as a percentage of the taxes required to be produced in any year, all as provided in Section 906 of this Resolution.

(2) The Authority may, and when required by this Resolution shall, in accordance with this Section from time to time by resolution modify the determination of the allowance for loss and cost of collection and anticipated deferred collections made by a Series Resolution. In December of each year, beginning in 1981, the Authority shall by resolution determine whether to modify the allowance for loss and cost of collection and anticipated deferred collections for all those taxes to be extended in any future year or years. The Series Resolution may contain restrictions on the powers of the Authority to reduce the allowance as determined by that Series Resolution. A certified copy of any resolution of the Authority modifying the determination of the allowance for loss and cost of collection and anticipated deferred collections shall be filed by the Secretary of the Authority or an Authorized Officer in the offices of the county clerks of each county in which any taxable property in the City is located prior to December 31 of the year in which the resolution is adopted.

(3) The allowance for loss and cost of collection and anticipated deferred collections for any extension of taxes levied with respect to any Series of Bonds for any year shall not in any event be less than the percentage which would have been needed to be added to the total of all property taxes collected in the City for the second full calendar year preceding the year of extension to equal the total of the gross property taxes in the City extended in such preceding calendar year. In any event, the Authority shall for each tax levy with respect to each Series of Bonds for each year determine an allowance for loss and cost of collection and anticipated deferred collections of taxes of an amount which the Authority shall by resolution find to be sufficient so that the amount of taxes to be collected will produce the amounts required to be produced pursuant to this Resolution.

909. *Capitalized Interest.* (1) Each Series Resolution authorizing any Series of Bonds shall determine the interest payment dates on which interest from the Bonds of that Series shall be paid from a Capitalized Interest Account for that Series of Bonds. All interest payable on any interest payment date on or prior to the June 1 of the year succeeding the year of the first levy of taxes with respect to that Series of Bonds shall be paid from a Capitalized Interest Account (except, with respect to a Series of Bonds issued to refund Outstanding Bonds, to the extent that taxes levied for the Outstanding Bonds being refunded will be available for payment of interest on the refunding Bonds).

(2) Upon the issuance of any Series of Bonds there shall be deposited into the Capitalized Interest Account for that Series of Bonds, from the proceeds of that Series, an amount as shall be sufficient to purchase Investment Obligations of any types described in subparagraphs (a) or (d) of paragraph 15 of Section 101 of this Resolution as shall be designated in writing to the Trustee by an Authorized Officer, the principal of and interest on which, when due, will provide money which (when added to any money to be transferred to the Capitalized Interest Account for that Series from the Reserve Fund) will produce money sufficient to pay interest on the Bonds of that Series in the amounts and on the interest payment dates on which interest is to be paid from that Capitalized Interest Account, as specified in the Series Resolution for that Series of Bonds. The amount of money which shall be treated as transferable from the Reserve Fund shall be calculated on the basis of the amount of interest and investment earnings to be received in time to make such transfer on Investment Obligations to be purchased by the Trustee as designated in

writing by an Authorized Officer from amounts deposited in the Reserve Fund from proceeds of such Bonds.

910. *Arbitrage.* The Authority will not use or invest any proceeds of the sale of any of the Bonds or any other funds in any manner which would cause any Bonds to be "arbitrage bonds" within the meaning of Section 103(c) of the United States Internal Revenue Code of 1954, as amended, and any lawful regulations promulgated under the Section.

911. *Application of Taxes, Funds and Accounts.* The Authority shall faithfully apply pursuant to the terms of this Resolution all proceeds of taxes levied with respect to the Bonds and all moneys and Investment Obligations in the Debt Service Fund and the Reserve Fund pursuant to this Resolution and the Series Resolutions.

912. *Payment of Trustee and Paying Agents.* The Authority will promptly pay all amounts owed by it under this Resolution to the Trustee and the Paying Agents.

ARTICLE X

Series Resolutions and Supplemental Resolutions.

1001. *Adoption and Filing.* The Authority may adopt at any time or from time to time Series Resolutions to provide for the issuance of a Series of Bonds in accordance with the provisions of this Resolution and to prescribe the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed. The Authority may adopt at any time or from time to time Supplemental Resolutions for any one or more of the following purposes:

(1) To add additional covenants and agreements of the Authority for the purpose of further securing the payment of the Bonds, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Authority contained in this Resolution;

(2) To prescribe further limitations and restrictions upon the issuance of Bonds and the incurring of indebtedness by the Authority which are not contrary to or inconsistent with the limitations and restrictions on such issuance or incurring of indebtedness in effect prior to the adoption of such Supplemental Resolution;

(3) To surrender any right, power or privilege reserved to or conferred upon the Authority by the terms of this Resolution;

(4) To confirm as further assurance any covenant, lien or security interest created or recognized by the provisions of this Resolution;

(5) To take any further action necessary or desirable for the levy, collection and application of taxes sufficient to pay the Bonds as to principal at maturity or on Sinking Fund Installment dates and to pay interest on the Bonds as it falls due;

(6) With the consent of the Trustee, to correct any ambiguity or defect or inconsistent provisions in this Resolution or any Series Resolution or to insert such provisions clarifying matters or questions arising under this Resolution or any Series Resolution as are necessary or desirable in the event any such modifications are not contrary to or

inconsistent with this Resolution or such Series Resolution as in effect prior to the adoption of any such Supplemental Resolution; or

(7) To create one or more sub-accounts within the Principal and Interest Account, to provide for the crediting of amounts in the Principal and Interest Account to the various sub-accounts and to provide for the order in which amounts in the various sub-accounts shall be applied for the purposes for which the Principal and Interest Account is to be applied as provided in this Resolution; provided, however, that a Supplemental Resolution adopted pursuant to this paragraph (7) shall not in any way affect the rights or duties of the Authority or the Trustee to pay amounts to, deposit amounts in or credit them to the Principal and Interest Account or to apply amounts in that Account at the times, in the manner and for the purposes all as provided in this Resolution.

Any Series Resolution or Supplemental Resolution shall become effective in accordance with its terms upon the filing with the Trustee of a copy certified by an Authorized Officer.

1002. *General Provisions Relating to Series Resolutions and Supplemental Resolutions.* This Resolution shall not be modified or amended in any respect except in accordance with and subject to the provisions of this Article X. Nothing contained in this Article X shall affect or limit the right or obligation of the Authority to adopt, make, do, execute or deliver any resolution, act or other instrument pursuant to the provisions of Section 903 of this Resolution or the right or obligation of the Authority to execute and deliver to the Trustee or any Paying Agent any instrument elsewhere in this Resolution provided or permitted to be delivered to the Trustee or any Paying Agent. A copy of every Supplemental Resolution adopted by the Authority when filed with the Trustee shall be accompanied by a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the act as amended to the date of the Counsel's Opinion, is authorized or permitted by the Act as so amended and by this Resolution and is valid and binding upon the Authority. The Trustee is authorized to accept delivery of a certified copy of any Series Resolution or Supplemental Resolution permitted or authorized pursuant to the provisions of this Resolution and to make all further agreements and stipulations which may be contained in that Series Resolution or Supplemental Resolution. In taking such action, the Trustee shall be fully protected in relying on Counsel's Opinion that such Series Resolution or Supplemental Resolution is authorized or permitted by the provisions of this Resolution. No Series Resolution or Supplemental Resolution changing, amending or modifying any of the rights, duties or obligations of the Trustee or any Paying Agent may be adopted by the Authority without the written consent of the Trustee or Paying Agent affected by the Series Resolution or Supplemental Resolution.

ARTICLE XI

Defeasance.

1101. *Defeasance.* (1) If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of the Bonds and coupons then Outstanding, the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated in the Bonds, the Bond Resolution and the Series Resolutions, then and in that event the covenants, agreements and other obligations of the Authority to the Holders of the Bonds and the coupons pertaining to the Bonds, shall be discharged and

satisfied. In such event, the Trustee shall, upon request of the Authority, execute and deliver to the Authority all such instruments as may be desirable to evidence such release and discharge and the Trustee and the Paying Agent shall pay over or deliver to the Authority all monies or securities held by them pursuant to the Bond Resolution which are no longer required for the payment or redemption of Bonds or coupons not theretofore surrendered for such payment or redemption.

(2) Bonds or coupons for the payment or redemption of which monies shall have been set aside and shall be held in trust by the Trustee or any Paying Agents (through deposit by the Authority of funds for such payment or redemption or otherwise), whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning and with the effect expressed in paragraph (1) of this Section 1101. All Outstanding Bonds of any Series and all coupons pertaining to those Bonds shall, prior to their maturity or redemption date, be deemed to have been paid within the meaning and with the effect expressed in paragraph (1) of this Section 1101 if (a) there shall have been deposited with such Trustee or Paying Agents either monies in an amount which shall be sufficient, or Investment Obligations the principal of and interest on which when due will provide monies which, when added to the monies, if any, deposited with such Trustee or Paying Agents at the same time, shall be sufficient to pay the principal of those Bonds at maturity or on Sinking Fund Installment dates or the Redemption Price, if applicable, and interest due and to become due on those Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (b) in case any of the Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee, in form satisfactory to it, irrevocable instructions to publish or give as provided in Article IV of this Resolution notice of redemption on that date of such Bonds, and (c) in the event those Bonds are not by their terms subject to redemption and do not mature within the next succeeding 60 days, the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to publish, as soon as practicable, at least twice, at an interval of not less than seven days between publication, in a daily newspaper of general circulation in the City and in a financial newspaper of general circulation in the City of New York a notice to the Holders of such Bonds and coupons that the deposit required by (b) above has been made with the Trustee and that those Bonds and coupons are deemed to have been paid in accordance with paragraph (1) of this Section 1101 and stating such maturity or redemption date upon which monies are to be available for the payment of the principal or Redemption Price, if applicable, on those Bonds. Neither Investment Obligations nor monies deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Investment Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on those Bonds; provided that any cash received from such principal or interest payments on such Investment Obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Investment Obligations maturing at times and in principal amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on those Bonds on and prior to such redemption date or maturity date thereof, as the case may be.

(3) Anything in the Bond Resolution to the contrary notwithstanding, any moneys held by the Trustee or Paying Agents in trust for the payment and discharge of any of the Bonds or coupons which remain unclaimed for six years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier

redemption, if such moneys were held by the Trustee or Paying Agents at such date, or for six years after the date of deposit of such moneys if deposited with the Trustee or Paying Agents after the date when the Bonds became due and payable, shall, at the written request of the Authority, be repaid by the Trustee or Paying Agents to the Authority, as its absolute property and free from trust, and the Trustee or Paying Agents shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the Authority for the payment of such Bonds and coupons; provided, however, that before being required to make any such payment to the Authority, the Trustee or Paying Agents shall, at the expense of the Authority, cause to be published at least twice, at any interval of not less than seven days between publications, in a daily newspaper of general circulation in the City and in a financial newspaper of general circulation in the City of New York, a notice that those moneys remain unclaimed and that, after a date named in the notice, which date shall be not less than 30 days after the date of the first publication of the notice, the balance of such moneys then unclaimed will be returned to the Authority.

(4) For the purpose of this Section 1101 Investment Obligations shall mean only direct obligations of the United States of America.

ARTICLE XII

Miscellaneous.

1201. *Preservation and Inspection of Documents.* All documents received by the Trustee or any Paying Agent under the provisions of this Resolution, any Series Resolution or any Tax Levy Ordinance shall be retained in its possession and shall be subject to all reasonable times to the inspection of the Authority, the Trustee or any Paying Agent, any Bondholders and their agents and representatives duly authorized in writing, any of whom may make copies of such documents.

1202. *Parties in Interest.* Nothing expressed or implied in this Resolution, in any Series Resolution or any Tax Levy Ordinance adopted pursuant to the provisions of this Resolution is intended to or shall be construed to confer upon or to give to any person or party other than the Authority, the Trustee, the Paying Agents and the Holders of the Bonds and coupons pertaining to the Bonds any rights, remedies or claims under or by reason of this Resolution, any Series Resolution or any Tax Levy Ordinance or any covenants, condition or stipulation of those documents; and all covenants, stipulations, promises and agreements in this Resolution, any Series Resolution or any Tax Levy Ordinance by or on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee, the Paying Agents and the Holders from time to time of the Bonds and the coupons pertaining to the Bonds.

1203. *No Recourse Under Resolution and Series Resolution or on Bonds.* All covenants, stipulations, promises, agreements and obligations of the Authority contained in this Resolution and the Series Resolutions shall be deemed to be the covenants, stipulations, promises, agreements and obligation of the Authority and not of any Director, officer or employee of the Authority in that person's individual capacity. No recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claim based on that payment or on this Resolution against any Director, officer or employee of the Authority or any person executing the Bonds or coupons on behalf of the Authority.

1204. *Severability.* If any one or more of the covenants, stipulations, promises, agreements, or obligations provided in this Resolution on the part of the Authority, Trustee or any Paying Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant(s), stipulation(s), promise(s), agreement(s) or obligation(s) shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations contained in this Resolution and shall in no way affect the validity of the other provisions of this Resolution.

1205. *Headings.* Any headings preceding the texts of the several Articles and Sections of this Resolution or any Series Resolution, and any table of contents or marginal notes appended to copies of this Resolution or any Series of Resolution, shall be solely for convenience or reference and shall not constitute a part of this Resolution or such Series Resolution, nor shall they affect its meaning, construction or effect.

1206. *Conflict.* All resolutions or parts of resolutions or other proceedings of the Authority in conflict with this Resolution are repealed to the extent of the conflict.

1207. *Effectiveness.* This Resolution is effective immediately upon its adoption.

Certificate

I, Lawrence Block, certify that I am the duly qualified and acting Secretary of the Chicago School Finance Authority (the "Authority") and as Secretary I am the keeper of its books and records. I certify that attached to this Certificate is a true and complete copy of a Resolution entitled

A RESOLUTION CREATING AND ESTABLISHING AN ISSUE OF GENERAL OBLIGATION SCHOOL ASSISTANCE BONDS OF THE CHICAGO SCHOOL FINANCE AUTHORITY, PROVIDING FOR THE ISSUANCE FROM TIME TO TIME OF THOSE BONDS AND PROVIDING FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THOSE BONDS

which Resolution was duly adopted by the Board of Directors of the Authority at its regular meeting of April 29, 1980, at which a quorum was present and voting throughout, and was supplemented by Supplemental Resolutions duly adopted by the Board of Directors of the Authority at its reconvened regular meeting of December 9, 1980, and at its reconvened regular meeting of November 13, 1984, at all of which meetings a quorum was present and voting throughout. The Resolution as adopted on April 29, 1980 and the Supplemental Resolutions as adopted on December 9, 1980, and November 13, 1984, were all adopted by the affirmative vote of not less than three Directors. The Resolution as adopted on April 29, 1980 and supplemented on December 9, 1980, and on November 13, 1984, has not been otherwise amended, altered or repealed and remains in full force and effect.

Signed this 13th day of November, 1984.

Secretary
Chicago School Finance Authority

Exhibit B.

A Series Resolution Authorizing the Issuance of \$114,500,000
General Obligation School Assistance Bonds, Series E
(1984), of Chicago School Finance Authority.

ARTICLE I

Authority and Definitions.

101. *Series E Resolution and Bond Resolution.* This Series Resolution (the "Series E Resolution") is adopted in accordance with the provisions of the School Assistance Bond Resolution of the Authority adopted April 29, 1980, as supplemented by the Authority on December 9, 1980 and on November 13, 1984 (the "Bond Resolution") and pursuant to the authority contained in the Act, as amended to the date of this resolution.

102. *Definitions.* (1) All terms which are defined in Article I of the Bond Resolution shall have the same meanings, respectively, in this Series E Resolution as such terms are given in Article I of the Bond Resolution.

(2) In this Series E Resolution, the following terms shall have the following meanings:

(a) "Series E Bonds" means the General Obligation School Assistance Bonds authorized by Article II of this Series E Resolution.

(b) "Series E Resolution" means this Resolution.

(c) "Series E Tax Levy Ordinance" means the ordinance which is to be adopted pursuant to Section 503 of this Series E Resolution.

103. *Findings.* It is found and declared as follows:

(a) The Board of Directors of the Authority, by the Bond Resolution, has created and established an issue of General Obligation School Assistance Bonds of the Authority.

(b) The Bond Resolution authorizes the issuance of General Obligation School Assistance Bonds in one or more Series pursuant to Series Resolutions authorizing Series of Bonds.

(c) It is necessary and required that the Authority issue at this time a Series of Bonds to be designated "General Obligation School Assistance Bonds, Series E (1984)", to provide moneys to carry out certain of the purposes of the Authority.

(d) The Board is in need of additional moneys for School Construction and Rehabilitation Purposes.

(e) It is necessary and in the best interests of the Authority and the public for the Authority to borrow the sum of \$114,500,000 and in evidence of its obligations to repay that borrowing to issue the Series E Bonds, as provided in this Series E Resolution, and for the Authority to use the amounts received from the sale of the Series E Bonds as provided in this Series E Resolution. The only previous issues of any notes or bonds of

the Authority are its issues of \$220,000,000 General Obligation School Assistance Bonds, 1980 Series A, \$150,000,000 General Obligation School Assistance Bonds, 1980 Series B, \$120,000,000 General Obligation School Assistance Bonds, 1980 Series C, and \$83,000,000 General Obligation School Assistance Bonds, 1980 Series D, each issued under the Bond Resolution and a Series Resolution.

(f) The Authority has been advised by its financial advisor that the purchase of municipal bond insurance on the Series E Bonds is likely to result in a reduction in the present value of debt service on the Series E Bonds, even with the premium on the insurance being treated as interest. The financial advisor estimates that the greatest savings will result from the purchase of insurance from the Municipal Bond Insurance Association. It is in the best interests of the Authority and the public for the Authority to purchase a policy of bond insurance from the Municipal Bond Insurance Association.

(g) The Authority has advertised for proposals to purchase the Series E Bonds. Those advertisements appeared, among other places, in The Chicago Sun-Times, a daily newspaper published in the City, and in The State Journal-Register, a daily newspaper published in the City of Springfield, Illinois. Each of those advertisements was published not less than ten days prior to the date of the opening of the bids for the Series E Bonds. In addition, the Authority has caused there to be distributed to prospective purchasers of the Series E Bonds a Preliminary Official Statement and a Notice of Sale and Official Bid Form.

(h) The Authority has received 3 sealed bids for the Series E Bonds. The bid of Continental Illinois National Bank and Trust Company of Chicago, a copy of which bid is attached as Exhibit A and is made a part of this Series E Resolution, is the highest and best bid. It is in the best interests of the Authority and the public for the Authority to accept that bid and to issue and deliver the Series E Bonds to the purchasers named in that bid, all in accordance with the terms of the bid and this Series E Resolution.

(i) It is necessary and in the best interests of the Authority and the public for the Authority to demand and direct the City Council of the City to provide by ordinance for the levy and collection of direct annual taxes sufficient to pay the principal of and interest on the Series E Bonds, all as provided in the Act, the Bond Resolution and this 1984 Series E Resolution, and for the Authority to determine an amount for loss and cost of collection of taxes and anticipated deferred collections of taxes, as extended on the collectors' books, all as provided in the Act, the Bond Resolution and this Series E Resolution.

(j) The interest cost to the Authority of the proceeds of the Series E Bonds, taking into account the discount on their purchase price, the interest rates as specified in this Series E Resolution and treating the municipal bond insurance premium of 0.62% of total debt service on the Series E Bonds (determined after deduction of capitalized interest and accrued interest) as interest on the Bonds computed to stated maturity according to standard tables of bond values does not exceed 125% of the 20 G.O. Bond Index published by The Bond Buyer most recently before the adoption of this Series E Resolution.

ARTICLE II

Authorization of Series E Bonds.

201. *Principal Amount, Designation and Series.* Pursuant to the provisions of the Bond Resolution, a Series of Bonds is authorized in the aggregate principal amount of \$114,500,000. Those Bonds shall be designated as "General Obligation School Assistance Bonds, Series E (1984)."

202. *Purposes.* The purposes for which the Series E Bonds are being issued are (i) to provide the Board money for School Construction and Rehabilitation Purposes as provided by the Act and to pay into the School Construction Fund and the School Rehabilitation Fund, respectively, amounts as provided in this Series E Resolution to be used by the Authority to provide the Board money in the manner and for the purposes as provided in the Bond Resolution and in the Act, or otherwise as provided in the Act as it may from time to time be amended, (ii) to pay into the Reserve Fund an amount sufficient so that the amount on deposit in the Reserve Fund upon the issuance of the Series E Bonds will be at least equal to the Reserve Requirement, (iii) to establish and pay into a Capitalized Interest Account with respect to the Series E Bonds an amount, together with other amounts to be deposited in that Account, sufficient to pay interest on the Series E Bonds on June 1, 1985, and to pay \$1,569,030 of interest on the Series E Bonds on December 1, 1985; (iv) to establish and pay into a Cost of Issuance Account with respect to the Series E Bonds an amount to pay costs of Issuance of those Bonds, including but not limited to, the payment of the premium for bond insurance on the Series E Bonds; and (v) to pay into the School Assistance Bonds Administrative Fund amounts, which together with interest and other investment earnings, are estimated to be sufficient to pay School Assistance Bonds Administrative Expenses (including fees of the Trustee and costs of reviewing applications by the Board for disbursements of amounts in the School Construction Fund and School Rehabilitation Fund) expected to be incurred on or prior to June 1, 1995, all to the extent and in the manner provided in Article III of this Series E Resolution.

203. *Date, Form, Maturities and Interest Rates.* The Series E Bonds issued prior to June 1, 1985 shall be dated November 15, 1984. The Series E Bonds shall be issued solely in fully registered form, shall not be registerable to bearer, and shall not be subject to exchange for Series E Bonds in coupon form. The Series E Bonds shall mature on June 1, of each year in the following years and principal amounts and shall bear interest at the following rates per year:

<i>Due June 1</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Due June 1</i>	<i>Principal Amount</i>	<i>Interest Rate</i>
1986	\$1,335,000	6.50%	1996	\$3,170,000	9.60%
1987	1,435,000	7.00	1997	3,500,000	9.80
1988	1,550,000	7.40	1998	3,865,000	10.00
1989	1,680,000	7.70	1999	4,295,000	10.10
1990	1,825,000	8.00	2000	4,765,000	10.20
1991	1,990,000	8.40	2001	5,290,000	10.25
1992	2,175,000	8.70	2002	5,870,000	10.30
1993	2,380,000	9.00	2003	6,515,000	10.30
1994	2,615,000	9.20	2004	7,235,000	10.375
1995	2,875,000	9.40	2009	50,135,000	10.50

204. *Sinking Fund Installments.* The amounts and due dates of Sinking Fund Installments for the Series E Bonds maturing on June 1, 2009, are as follows:

<i>Year</i>	<i>Amount</i>
2005	\$8,030,000
2006	8,925,000
2007	9,915,000
2008	11,020,000
2009 [Maturity]	12,245,000

The total principal amount of any Series E Bonds of any maturity which shall have been redeemed by the Authority pursuant to optional redemption provisions or which shall have been purchased by the Trustee pursuant to paragraph (10) of Section 601 of the Bond Resolution shall be a credit against and reduction of the Sinking Fund Installments for the Series E Bonds of that maturity in inverse order of those Sinking Fund Installments.

205. *Interest Payments.* The Series E Bonds shall bear interest from their dates until paid, payable semiannually on June 1, and December 1 of each year, with the first interest payment date being June 1, 1985.

206. *Denominations, Numbers and Letters.* The Series E Bonds will be issued in denominations of \$5,000 or integral multiples of that amount not exceeding the aggregate principal amount of Series E Bonds maturing in the year of maturity from which the denomination is to be specified for Series E Bonds in fully registered form. The Series E Bonds shall be lettered ER and shall be numbered from one (1) consecutively upwards.

207. *Places of Payment.* The principal and Redemption Price of all Series E Bonds shall be payable at the corporate trust office of the First National Bank of Chicago, in the City of Chicago, Illinois, as Trustee. The Trustee shall be considered the paying agent for the Series E Bonds. Interest on the Series E Bonds shall be payable by check mailed by the Trustee to the holders of those Bonds at their addresses as shown on the registration books of the Authority maintained at the Trustee. The interest payable on Series E Bonds on each interest payment date will be paid to the persons in whose names they are registered at the close of business on the applicable record date (the May 15 or November 15, as the case may be, next preceding the interest payment date.)

208. *Redemption Prices, Notice and Terms.* The Series E Bonds maturing on or after June 1, 1995, shall be subject to redemption, on or after June 1, 1994, at the option of the Authority, in whole on any such date, or in part on any such interest payment date, in the inverse order of maturity and within a maturity by lot, at the respective Redemption Prices (expressed as percentages of the principal amount of the Series E Bonds or portions of Series E Bonds to be redeemed) set forth below, plus in each case accrued interest to the date of redemption:

<i>Redemption Dates</i>	<i>Redemption Prices</i>
On June 1, 1994, through May 31, 1995	103%
On June 1, 1995, through May 31, 1996	102 1/2
On June 1, 1996, through May 31, 1997	102

<i>Redemption Dates</i>	<i>Redemption Prices</i>
On June 1, 1997, through May 31, 1998	101 1/2
On June 1, 1998, through May 31, 1999	101
On June 1, 1999, through May 31, 2000	100 1/2
On June 1, 2000, and after that date	100

The Series E Bonds maturing on June 1, 2009, are subject to mandatory redemption in part on June 1, 2005 and on each June 1 after that date to and including June 1, 2008, at their principal amount plus unpaid accrued interest, without premium, in amounts of the Sinking Fund Installments for each of the years as set forth in Section 204 of this Series E Resolution.

Notice of Redemption shall be given as provided in the Form of Series E Bond and need not be given by publication.

209. *Sale of Series E Bonds.* The bid of Continental Illinois National Bank and Trust Company of Chicago to purchase the Series E Bonds is accepted, a copy of which bid is attached as Exhibit A. That bid is approved in all respects. The Chairman is authorized and directed to execute an acceptance of that bid for and on behalf of and in the name of the Authority. The distribution to the public of the Preliminary Official Statement dated November 2, 1984 and of the Notice of Sale relating to the Series E Bonds is ratified, confirmed and approved. The Official Statement of the Authority substantially in the form attached to this Series E Resolution as Exhibit B is approved. The Chairman is authorized to sign a copy of that Official Statement in the name of and on behalf of the Authority and to deliver the executed Official Statement to the purchasers of the Series E Bonds. The Chairman, the Treasurer or another Authorized Officer of the Authority is authorized and directed to take all action necessary or appropriate to carry out the issuance, sale and delivery of the Series E Bonds as provided in the Bond Resolution and this Series E Resolution including without limitation, to make such representations and certifications as such officer deems proper to the Trustee pursuant to the Bond Resolution and such representations and certifications as such officer deems proper to establish that the Series E Bonds shall not constitute "arbitrage bonds" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, and lawful regulations promulgated under that Section.

210. *Additional Bonds.* The Authority covenants and agrees with the Holders of the Series Bonds that it will not issue any additional Series of Bonds under the Bond Resolution, except for purposes for which Bonds may be so issued after 1984 pursuant to Section 905(3) of the Bond Resolution.

ARTICLE III

Disposition of Series E Bond Proceeds.

301. *School Construction Fund; School Rehabilitation Fund.* Upon receipt of the proceeds of the sale of the Series E Bonds, the Authority shall deposit in the School Construction Fund the sum of \$32,000,000, and shall deposit in the School Rehabilitation fund the lesser of (i) \$63,000,000 or (ii) all amounts received upon the sale of the Series E Bonds, which are not required by this Article to be deposited in the School Construction

Fund, the Reserve Fund, the Series E Cost of Issuance Account, the School Assistance Bonds Administrative Fund or the Series E Capitalized Interest Account.

302. *Reserve Fund.* Upon receipt of the proceeds of the sale of the Series E Bonds, the Authority shall deposit in the Reserve Fund the sum of \$6,257,599 derived from these proceeds.

303. *Cost of Issuance Account.* There is created and established a separate account to be deposited with and held by the Trustee, pursuant to Section 503 of the Bond Resolution, and designated the Series E Cost of Issuance Account. Upon receipt of the proceeds of the sale of the Series E Bonds, the Authority shall deposit in the Series E Cost of Issuance Account the sum of \$2,592,779 derived from these proceeds. The Authority shall purchase a policy of municipal bond insurance for the Series E Bonds from the Municipal Bond Insurance Association. The Chairman or the Treasurer of the Authority is authorized and directed on behalf of the Authority so to obtain that insurance and to cause the premium for it to be paid from the Series E Cost of Issuance Account.

304. *School Assistance Bonds Administrative Fund.* Upon receipt of the proceeds of the sale of the Series E Bonds, the Authority shall deposit in the School Assistance Bonds Administrative Fund the sum of \$1,450,000 derived from those proceeds.

305. *Capitalized Interest Account.* There is established and created a separate account in the Debt Service Fund pursuant to Section 601 of the Bond Resolution and designated the Series E Capitalized Interest Account. Upon receipt of the proceeds of the sale of the Series E Bonds, the Authority shall deposit in the Debt Service Fund to the credit of the Series E Capitalized Interest Account an amount derived from those proceeds which, when invested as provided in Section 305 of this Series E Resolution, shall be sufficient, together with interest and investment earnings to be received on investments of such amount to pay the interest on the Series E Bonds as it falls due on June 1, 1985, plus the sum of \$1,569,030 to pay a portion of the interest on the Series E Bonds coming due on December 1, 1985.

306. *Investments of Capitalized Interest Account.* All amounts provided by this Article III to be deposited in the Debt Service Fund to the credit of the Series E Capitalized Interest Account shall be invested by the Trustee in Investment Obligations of the type referred to in subparagraphs (a) and (d) of the definition of Investment Obligations in Section 101 of the Bond Resolution as shall be stated in writing by an Authorized Officer to the Trustee at or prior to the issuance of the Series E Bonds. All amounts so deposited to be used to pay interest on the Series E Bonds on June 1, 1985, shall be continuously invested only in those Investment Obligations until June 1, 1985, so that the amount of money available in the Series E Capitalized Interest Account for paying that interest (including interest and investment earnings to be received on those amounts so invested in that Account) shall be sufficient to pay the interest on the Series E Bonds in full as it comes due on June 1, 1985. At or prior to the issuance of the Series E Bonds, an Authorized Officer shall direct the Trustee to invest amounts deposited in the Series E Capitalized Interest Account for paying that interest, and shall provide a schedule listing such investments and showing that the principal and interest coming due on the Investment Obligations so to be purchased from deposits in the Series E Capitalized Interest Account will be sufficient, without further reinvestment, to pay interest on the Series E Bonds as it comes due on June 1, 1985 and to pay \$1,569,030 of the interest on the Series E Bonds coming due on December 1, 1985 (together with a statement of a firm of independent certified public accountants retained by the Authority verifying the mathematical computations in the schedule).

307. *Principal and Interest Account.* Upon receipt of the proceeds of the sale of the Series E Bonds, the Authority shall deposit in the Debt Service Fund to the credit of the Principal and Interest Account all amounts not required by this Article to be deposited in any other fund or account.

ARTICLE IV

Forms and Execution of Series E Bonds.

401. *Form of Series E Bonds.* Subject to the provisions of the Bond Resolution, Series E Bonds in fully registered form, and the Trustee's form of authentication, shall be in substantially the following form and tenor:

United States of America

State of Illinois

Cook and DuPage Counties

Chicago School Finance Authority

General Obligation School Assistance Bond

Series E (1984)

Number ER-

\$

DATE OF BOND:

DATE OF MATURITY:

INTEREST RATE PER YEAR:

Know All Persons By These Presents, that the Chicago School Finance Authority, Cook and DuPage Counties, Illinois (the "Authority"), for value received, promises to pay to , or that person's registered assignee, the principal sum of _____ DOLLARS on the Date of Maturity, unless this Bond is redeemed prior to that date as provided in this Bond, together with interest on that sum from the Date of Bond specified above until it is paid or earlier redeemed, at the interest rate per year specified above, payable semiannually on June 1 and December 1 in each year, with the first interest payment date being June 1, 1985. No interest shall accrue on this Bond after its Date of Maturity unless this Bond shall have been presented for payment at maturity and shall have not then been paid.

Principal, redemption price, if any, and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The interest payable on this Bond on each interest payment date will be paid to the person in whose name it is registered at the close of business on the applicable record date (the May 15 or November 15, as the case may be, next preceding the interest payment date). Principal and redemption price are payable at

the corporate trust office of The First National Bank of Chicago, in the City of Chicago, Illinois, as Trustee. Interest on this Bond shall be payable by check mailed by the Trustee to the registered owner of this Bond at his or her address as shown on the registration books of the Authority maintained by the Trustee.

This bond is one of a duly authorized issue of bonds of the Authority designated "General Obligation School Assistance Bonds" (the "Bonds"), issued and to be issued in various series under and pursuant to the School Finance Authority Act of the State of Illinois, as amended (the "Act"), and under and pursuant to the School Assistance Bond Resolution of the Authority duly adopted April 29, 1980, as supplemented by the Authority on December 9, 1980 and November 13, 1984 (the "Bond Resolution"), series resolutions authorizing each such series, and ordinances of the City Council of the City of Chicago levying taxes to pay principal of and interest on the Bonds.

This Bond is one of a series of Bonds designated "General Obligation School Assistance Bonds, Series E (1984)" (the "Series E Bonds"), issued in the aggregate principal amount of \$114,500,000 under the Bond Resolution and a series resolution authorizing the issuance of such series (the "Series E Resolution"). As provided in the Bond Resolution, the Bonds may be issued from time to time pursuant to series resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and, subject to the provisions of the Bond Resolution, may otherwise vary. The aggregate principal amount of Bonds which may be issued under the Bond Resolution is not limited except as provided in the Bond Resolution and the Act, as amended from time to time, and all Bonds issued and to be issued under the Bond Resolution are and will be equally and ratably secured by the covenants, liens and security interests made or provided for in the Bond Resolution (except as to Capitalized Interest Accounts which are for the purpose of paying interest on particular Series of Bonds).

The Series E Bonds are general obligations of the Authority. To the payment when due of the interest on the Series E Bonds and of the principal of the Series E Bonds, at stated maturity or on sinking fund installment dates, the full faith and credit of the Authority are irrevocably pledged. The Series E Bonds are not obligations of the City of Chicago (the "City"), the Board of Education of the City (the "Board"), the State of Illinois (the "State") or any other political subdivision of the State (other than the Authority) or any charge upon the general credit or against the taxing power of the City, the Board, the State or any other political subdivision of the State (other than the Authority).

The Series E Bonds are issued for the purpose of providing the Board with money for school construction and rehabilitation purposes, for the purpose of paying interest on the Series E Bonds, for the purpose of depositing in the debt service reserve fund established under the Bond Resolution an amount to secure the Bonds, for the purpose of paying certain administrative expenses of the Authority, and for the purpose of paying costs of issuance of the Series E Bonds, all as provided by the Act, the Bond Resolution, and the Series E Resolution. The Series E Bonds have been issued by the Authority upon full payment for the Series E Bonds as provided in the Series E Resolution.

The City Council of the City has by duly adopted ordinances levied direct annual taxes upon all taxable property in the City sufficient to pay the interest, not to be paid from capitalized interest accounts, on the outstanding Bonds issued under the Bond Resolution, including the Series E Bonds, as it falls due and to pay the principal of the outstanding Bonds, including the Series E Bonds, at maturity or on sinking fund installment dates.

The Series E Bonds, together with the outstanding Bonds issued under the Bond Resolution, are payable solely from taxes levied or to be levied to pay the principal of and interest on such Bonds and from funds and revenues as provided in the Bond Resolution and the series resolutions. Nothing in this Bond or in the Bond Resolution or the Series E Resolution prohibits the use for such payment of any funds which lawfully may be used for that purpose.

The issuance by the Authority of the Series E Bonds will not cause the Authority to exceed or violate any applicable limitation or condition regarding the issuance of obligations of the Authority imposed by the Constitution or laws of the State.

Series E Bonds maturing on or after June 1, 1995, are subject to redemption at the option of the Authority, on or after June 1, 1994, as a whole on any such date, or in part on any such interest payment date, in the inverse order of maturity and by lot within a maturity, if less than a whole maturity is redeemed, at the respective redemption prices (expressed as percentages of the principal amounts of the Series E Bonds to be redeemed) on the dates, all as set forth below, plus interest accrued on such Series E Bonds to the date fixed for redemption:

<i>Redemption Dates</i>	<i>Redemption Prices</i>
On June 1, 1994, through May 31, 1995	103%
On June 1, 1995, through May 31, 1996	102 1/2
On June 1, 1996, through May 31, 1997	102
On June 1, 1997, through May 31, 1998	101 1/2
On June 1, 1998, through May 31, 1999	101
On June 1, 1999, through May 31, 2000	100 1/2
On June 1, 2000, and after that date	100

Series E Bonds maturing on June 1, 2009, are subject to mandatory redemption in part on June 1, 2005 and on each June 1 after that date to and including June 1, 2008, at their principal amount plus accrued interest, without premium, in the years and amounts of the sinking fund installments for each of such years as set forth in the Series E Resolution.

Notice of redemption of any of the Series E Bonds shall be given by mailing a copy of the notice, postage prepaid, to the registered owners of the Series E Bonds which are to be redeemed at their last addresses appearing on the registration books. The notice shall be mailed not less than thirty nor more than sixty days prior to the date fixed for redemption. The failure of any person to receive the notice shall not affect the validity of the redemption. When any of the Series E Bonds, including this Bond, shall have been called for redemption, and payment made or provided for, interest thereon shall cease to accrue from and after the date so specified.

It is certified and recited that all acts, conditions and things required to be done, to happen, or to be performed precedent to and in the issuance of this Bond, have been done, have happened and have been performed in regular and due form of law. The Authority covenants with the holder of this Bond that it will keep and perform all covenants and agreements contained in the Bond Resolution and the Series E Resolution.

This Bond is transferable by the registered owner of this Bond in person or by such owner's attorney duly authorized in writing at the principal office of The First National Bank of Chicago, as Bond Registrar, in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Resolution, and upon surrender and cancellation of this Bond.

The Authority and the Trustee may deem and treat the registered holder as the absolute owner of this Bond (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal of this Bond and the redemption price, if any, and interest due on this Bond and for all other purposes and neither the Authority nor the Trustee shall be affected by any notice to the contrary.

The Series E Bonds are issuable only in fully registered form without coupons in denominations of \$5,000 or integral multiples of that sum. The Series E Bonds are not registrable to bearer. Subject to the limitations and upon payment of the charges provided in the Bond Resolution, Series E Bonds in fully registered form without coupons may be exchanged for a like aggregate principal amount of Series E Bonds in fully registered form of other authorized denominations.

This Bond shall not be valid for any purpose until the certificate of authentication on this Bond shall have been executed by the Trustee.

In Witness Whereof, the Authority has caused this Bond to be executed by the facsimile signatures of its Chairman and Secretary, its corporate seal to be affixed to this Bond (or a facsimile of the seal printed on this Bond), this Bond being dated as of the DATE OF BOND set forth above.

(facsimile signature)

Chairman

Chicago School Finance Authority

Attest:

(facsimile signature)

Secretary

Chicago School Finance Authority

This Bond is one of the Series E Bonds described in the Bond Resolution and the Series E Resolution to which reference is made in this Bond.

The First National Bank of Chicago,
as Trustee

By _____
Authorized Officer

402. *Execution of Series E Bonds.* The Series E Bonds shall be executed by the facsimile signatures of the Chairman and the Secretary of the Authority and shall have the corporate seal of the Authority affixed (or a facsimile thereof printed thereon). The Chairman and Secretary of the Authority are authorized and directed to file or to retain on file with the Illinois Secretary of State their manual signatures certified by them pursuant to the Uniform Facsimile Signature of Public Officials Act, as amended, and the use of their facsimile signatures to execute the Series E Bond is authorized upon such filing. Each Series E Bond so executed by the facsimile signatures of the Chairman and Secretary shall be as effective as if executed by the hand of such officer.

No Series E Bonds shall be valid for any purpose unless and until a certificate of authentication of the Series E Bonds substantially in the form set forth in the form of Series E Bonds set forth in Section 401 of this Series E Resolution shall have been duly executed by the Trustee with respect to that Series E Bond. That certificate upon any such Series E Bond shall be conclusive evidence that such Series E Bond has been authenticated and delivered under the Act, the Bond Resolution and this Series E Resolution. The Trustee's certificate of authentication on any Series E Bond shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same officer or signatory sign the certificate of authentication of all of the Series E Bonds. The Trustee is authorized and directed to cause Series E Bonds executed by the Authority to be authenticated in accordance with the provisions of the Bond Resolution and this Series E Resolution.

ARTICLE V

Tax Levy with Respect to Series E Bonds.

501. *Levy for Principal and Interest.* For the purpose of providing for the payment of the principal of and interest on the Bonds, there shall be collected a direct annual tax upon all taxable property located within the City, being the school district named the Board of Education of the City of Chicago, sufficient to pay the principal of the Series E Bonds at maturity or on Sinking Fund Installment dates and to pay the interest on the Series E Bonds as it falls due and, in particular, but not in limitation of the foregoing, a tax sufficient to produce the following sums for the following years:

<i>Levy Year</i>	<i>Amount</i>
1984 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1985 (less the amount to be deposited in the Series E Capitalized Interest Account for paying interest on the Series E Bonds on that date) and June 1, 1986)	\$11,211,001.25
1985 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1986 and June 1, 1987)	12,793,256.25

<i>Levy Year</i>	<i>Amount</i>
1986 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1987 and June 1, 1988)	12,807,806.25
1987 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1988 and June 1, 1989)	12,823,106.25
1988 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1989 and June 1, 1990)	12,838,746.25
1989 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1990 and June 1, 1991)	12,857,746.25
1990 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1991 and June 1, 1992)	12,875,586.25
1991 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1992 and June 1, 1993)	12,891,361.25
1992 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1993 and June 1, 1994)	12,912,161.25
1993 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1994 and June 1, 1995)	12,931,581.25
1994 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1995 and June 1, 1996)	12,956,331.25
1995 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1996 and June 1, 1997)	12,982,011.25
1996 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1997 and June 1, 1998)	13,004,011.25
1997 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1998 and June 1, 1999)	13,047,511.25

<i>Levy Year</i>	<i>Amount</i>
1998 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 1999 and June 1, 2000)	13,083,716.25
1999 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 2000 and June 1, 2001)	13,122,686.25
2000 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 2001 and June 1, 2002)	13,160,461.25
2001 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 2002 and June 1, 2003)	13,200,851.25
2002 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 2003 and June 1, 2004)	13,249,806.25
2003 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 2004 and June 1, 2005)	13,294,175.00
2004 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 2005 and June 1, 2006)	13,346,025.00
2005 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 2006 and June 1, 2007)	13,398,900.00
2006 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 2007 and June 1, 2008)	13,462,825.00
2007 (an amount sufficient to pay Debt Service Requirements on the Series E Bonds on December 1, 2008 and June 1, 2009)	13,530,725.00

502. *Additional Levy.* The taxes to be collected as provided in this Article V for the purpose of paying the principal of and interest on the Bonds, and for the purpose of providing money to be deposited in the Reserve Fund pursuant to the Act, shall include the additional amounts provided in this Section, in accordance with paragraph (3) of Section 906 of the Bond Resolution. These amounts shall be in addition to the dollar amount specifically set forth in Section 501 of this Series E Resolution. The additional amounts provided in this Section shall be levied for each levy year beginning with the tax levy for 1985, and shall be collected in each year thereafter while any of the Series E Bonds are outstanding and unpaid, either as to principal or interest. The additional amount to be

levied for each such year shall be the sum sufficient to produce the amount, if any, by which

(a) the cumulative total of Debt Service Requirements on the Series E Bonds through December 1 of such levy year less an amount equal to the interest paid from the Series E Capitalized Interest Account shall have exceeded.

(b) the cumulative total of collections of all taxes levied as provided by the Series E Tax Levy Ordinance with respect to the Series E Bonds (including taxes levied pursuant to this Section) for all years up to and through December 1 of such levy year (treating as tax collections the total amount of all such taxes which shall have been abated pursuant to Section 601 of the Bond Resolution with respect to extensions for all years through such December 1).

No later than December 31 of each year, beginning in 1985, the Trustee shall file in the offices of the county clerks of each county in which any taxable property in the City is located, a statement certified by a corporate trust officer of the Trustee, of the amount of the taxes which are to be included in the levy in that year as provided in this Section. The failure of the Trustee to file the certificate referred to in the preceding sentence shall not affect the validity of the levy of taxes as provided in this Section and, whether or not the Trustee shall file the statements, the county clerks and collectors of each county in which any taxable property in the City is located are directed to cause to be extended and collected all the amounts provided to be collected in each year, pursuant to this Section.

503. *Direction and Demand to City Council.* Pursuant to the Act, demand is made upon the City Council of the City and the City Council is directed to provide by ordinance for the levy and collection of a direct annual tax upon all taxable property within the City, being the school district named the Board of Education of the City of Chicago, without limitation as to rate or amount, sufficient to pay and discharge the principal of the Series E Bonds at maturity or on Sinking Fund Installment dates and to pay the interest on the Series E Bonds as it falls due and to make deposits in the Reserve Fund, and in particular, but not in limitation of the foregoing, sufficient to produce the amounts set out and described in Sections 501 and 502 of this Article.

504. *Filing of Tax Levy Ordinance; Extension of Taxes.* After the adoption of this Series E Resolution, the Secretary of the Authority is authorized and directed to file a copy of it duly certified by or on behalf of the Secretary, with the City Clerk of the City. After the adoption and effectiveness of the Series E Tax Levy Ordinance of the City Council levying the taxes described in this Article, the City Clerk of the City is directed to file copies of that Series E Tax Levy Ordinance duly certified by or on behalf of that officer, in the office of the County Clerk of DuPage County, Illinois, and in the office of the County Clerk of Cook County, Illinois (which are all the counties in which any taxable property in the City is located) and in the offices of the County Collectors for those counties. Upon the filing of such copies of the Series E Tax Levy Ordinance with those County Clerks, it shall be the duty of those County Clerks to extend the taxes so levied for the Series E Bonds, all as provided in the Act, the Series E Tax Levy Ordinance, the Bond Resolution and this Series E Resolution. Except as specifically provided in the Bond Resolution, this Series E Resolution or the Series E Tax Levy Ordinance, the taxes levied as provided in this Series E Resolution shall be computed, extended and collected in the same manner as is now or may subsequently be provided for the computation, extension and collection of ad valorem taxes in the City generally. The taxes to be levied as provided by this Series E Resolution shall

be extended without limitation as to rate and shall be extended in amounts sufficient to produce the taxes as so levied.

505. *Allowance for Loss and Cost of Collection and Anticipated Deferred Collections.* In extending the taxes provided by this Series E Resolution and the Series E Tax Levy Ordinance to be levied, the county clerks of each county in which any taxable property in the City is located shall include in each year an amount to cover loss and cost of collection and anticipated deferred collections of the taxes so levied. Such amount is and shall be determined by the Authority pursuant to the Act, the Bond Resolution and this Series E Resolution. The amount so determined by the Authority is and shall be expressed as a percentage of the amounts of taxes required to be collected in such year as provided by the Bond Resolution, this Series E Resolution and the Series E Tax Levy Ordinance. It is determined that the amounts so to be included in extensions for the following years of extension as an allowance which the Authority shall reasonably estimate to be needed to cover loss and cost of collection and anticipated deferred collections of such taxes as extended in the collectors' books are the following accounts:

Extension Year	Allowance
1985	7.0%
1986 (and each succeeding year)	4.5%

These amounts for 1985 and 1986 are not less than the percentage which would have been needed to have been added to the total of all property taxes collected in the City in 1983 to equal the total of the gross property taxes in the City extended in 1983. The amounts as so determined are found to be presently sufficient so that the amounts of taxes to be levied and collected will produce the amounts required to be produced pursuant to this Article V.

The amounts in respect of the Series E Bonds determined in this Section 505 for inclusion in the taxes to be extended in any year shall be subject to change as provided in Section 908 of the Bond Resolution, but no decrease of such allowance shall be made for extensions for the years 1985 or 1986.

ARTICLE VI

Miscellaneous.

601. *Effectiveness.* This Series E Resolution shall take effect immediately upon its adoption.

REGULAR ORDER OF BUSINESS RESUMED.

*Placed on File -- MAYORAL VETO OF ORDINANCE CREATING
NEW CHAPTER 10.1 OF MUNICIPAL CODE ENTITLED
"UNIFORM REVENUE PROCEDURES".*

Honorable Harold Washington, Mayor, submitted the following communication:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 17, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I return herewith, without my approval, an ordinance establishing Chapter 10.1 of the Municipal Code of Chicago entitled the "Uniform Revenue Procedures Ordinance" passed December 12, 1984. This ordinance was introduced on September 6, 1984, and was designed to provide uniform enforcement procedures, lien power, and enforcement rights in the collection of revenue by the City.

This ordinance was amended in the Finance Committee and eliminated most of the enforcement powers including the elimination of the Director of Revenue's police power. The amended ordinance also placed a 3 year statute of limitations on audits and also provides that the Finance Committee will oversee the daily operations of the Department of Revenue.

Because this ordinance, as originally submitted, is needed for the efficient and effective collection of City revenues, I submit to the Council a substitute ordinance and urge its adoption.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

The proposed ordinance attached to the foregoing communication was transmitted to the Committee on Finance.

*Placed on File -- MAYORAL VETO OF ORDINANCE AMENDING
CHAPTER 99 OF MUNICIPAL CODE ENTITLED
"REIMBURSEMENT FOR REFUSE COLLECTION".*

Honorable Harold Washington, Mayor, submitted the following communication:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 17, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I return herewith, without my approval, an ordinance amending Chapter 99 of the Municipal Code of Chicago entitled "Reimbursement for Refuse Collection" passed December 12, 1984. This ordinance gives a rebate to

condominium and co-operative apartment associations for a portion of their refuse collection expenses.

While I support this concept, I believe that the ordinance as passed is flawed and accordingly I will shortly be introducing a new ordinance on this subject.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

*Placed on File -- MAYORAL VETO OF ORDINANCE
AMENDING CHAPTER 104 OF MUNICIPAL CODE
CONCERNING EXPANSION OF TAX TO INCLUDE
SUBSCRIPTION AND CABLE TELEVISION.*

Honorable Harold Washington, Mayor, submitted the following communication:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 17, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I return herewith, without my approval, an ordinance amending Chapter 104 of the Municipal Code passed December 12, 1984. This ordinance was presented to the City Council on October 16, 1984 and provided for the elimination of various exemptions to the tax including exemptions to resident and professional theatre companies. This ordinance as amended by the Finance Committee restored this exemption and I accept the arguments for continuing these exemptions.

Because increased revenue is needed in 1985, I submit to the City Council a substitute ordinance which eliminates the exemption from the amusement tax of the first ninety cents of motion picture admissions and I urge its adoption.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

The proposed ordinance attached to the foregoing communication was transmitted to the Committee on Finance.

*Placed on File -- MAYORAL VETO OF ORDINANCE
AMENDING CHAPTER 104.2 OF MUNICIPAL CODE
CONCERNING TAX ON AUTOMATIC
AMUSEMENT DEVICES.*

Honorable Harold Washington, Mayor, submitted the following communication:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 17, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I return herewith, without my approval, an ordinance amending Chapter 104.2 of the Municipal Code passed December 12, 1984. This ordinance was presented to the Council on October 16, 1984 and provided for an increase in the annual tax on Automatic Amusement Devices from \$75.00 to \$100.00. This increase was eliminated by the Finance Committee, thus reducing needed revenue to the City.

Because this increased revenue is needed for 1985, I submit to the Council a substitute ordinance and urge its adoption.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

—
The proposed ordinance attached to the foregoing communication was transmitted to the Committee on Finance.

—
Placed on File -- MAYORAL VETO OF ORDINANCE
AMENDING CHAPTER 185 OF MUNICIPAL CODE
CONCERNING RATES FOR WATER SERVICES.

Honorable Harold Washington, Mayor, submitted the following communication:

OFFICE OF THE MAYOR
CITY OF CHICAGO

December 18, 1984.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I return herewith, without my approval, an ordinance amending Chapter 185 of the Municipal Code of Chicago regarding the rate for water services passed December 12, 1984. This ordinance was amended by the Finance Committee to provide for a 9% increase in water rates. While I agree that increases in water rates should be below those originally sought, a 9% increase will provide insufficient funds to maintain the quality water service our citizens expect. Accordingly, I submit to the City a substitute ordinance calling for a 12% water rate increase and urge its adoption.

Very truly yours,
(Signed) HAROLD WASHINGTON,
Mayor.

The proposed ordinance attached to the foregoing communication was transmitted to the Committee on Finance.

OATHS OF OFFICE.

Also oaths of office of the following:

Chicago Police Board.

David Rivera as a member; filed on December 12, 1984;

Aurie Pennick as a member; filed on December 12, 1984;

Norval Morris as a member; filed on December 12, 1984;

Nancy Jefferson as a member; filed on December 12, 1984;

Sister Ann Ida Gannon as a member; filed on December 12, 1984;

Wilbur N. Daniel as a member; filed on December 12, 1984.

ACCEPTANCES AND BONDS UNDER ORDINANCES.

Also acceptances and bonds under ordinances as follows:

Chicago Tribune Company: Acceptance and bond under an ordinance passed on September 6, 1984 (elevator hatchway, vaulted machine room, and loading platforms); filed on December 13, 1984;

Newberry Venture: Acceptance and bond under an ordinance passed on September 6, 1984 (viaduct or elevated switchtrack); filed on December 13, 1984.

City Council Informed As To Publication Of Journal.

The City Clerk informed the City Council that all those ordinances, etc., which were passed by the City Council on December 12, 1984, and which were required by statute to be published in book or pamphlet form or in one or more newspapers, were published in pamphlet form on

December 18, 1984 by being printed in full text in printed pamphlet copies of the Journal of the Proceedings of the City Council of the regular meeting held on December 12, 1984, published by authority of the City Council in accordance with the provisions of Section 5-5 of the Municipal Code of Chicago, as passed on December 22, 1947, which printed pamphlet copies were delivered to the City Clerk on December 18, 1984.

**Miscellaneous Communications, Reports, Etc., Requiring
Council Action (Transmitted To City Council
By City Clerk).**

The City Clerk transmitted communications, reports, etc., relating to the respective subjects listed below, which were acted upon by the City Council in each case in the manner noted, as follows:

ZONING RECLASSIFICATIONS OF PARTICULAR AREAS.

Applications (in triplicate) together with the proposed ordinances for amendment of the Chicago Zoning Ordinance, as amended, for the purpose of reclassifying particular areas, which were *Referred to the Committee on Zoning*, as follows:

First American Realty Company -- to classify as a Business Planned Development instead of M1-1 Restricted Manufacturing and M2-2 General Manufacturing Districts the area shown on Map No. 9-1 bounded by

W. Addison Street; a line 630.05 feet east of N. Sacramento Avenue; a line 621.57 feet south of W. Addison Street; and N. Sacramento Avenue;

One Financial Place Partnership -- to classify as a Communications Planned Development by supplementing all the B6-7 Restricted Central Business District symbols and indications shown on Map No. 2-F for the erection of an Earth Station Teleport in area of 440 S. LaSalle Street (One Financial Place);

Dennis Ross -- to classify as a B4-1 Restricted Service District instead of an R2 Single-Family Residence District the area shown on Map No. 28-J bounded by

a line 600 feet south of and parallel to W. 111th Street, S. Kedzie Avenue; a line 630 feet south of and parallel to W. 111th Street; and the alley next west of and parallel to S. Kedzie Avenue;

Jerzy Ryciewicz -- to classify as a B4-1 Restricted Service District instead of an R3 General Residence District the area shown on Map No. 12-J bounded by

a line 87 feet 10 inches east of and parallel to S. Sawyer Avenue; and W. 51st Street, a line 117 feet 1 inch east of and parallel to S. Sawyer Avenue; and alley next south of and parallel to W. 51st Street;

10th Ward Auto Sales, Inc. -- to classify as a C2-1 General Commercial District instead of a C1-1 Restricted Commercial District the area shown on Map No. 32-B bounded by

a line 260 feet south of and parallel to E. 134th Street; S. Houston Avenue; S. Brainard Avenue; and the alley next west of and parallel to S. Houston Avenue.

APPROVAL BY CHICAGO PLAN COMMISSION AND
DEPARTMENT OF PLANNING OF CERTAIN
PROPOSALS.

Also copies of resolutions adopted by the Chicago Plan Commission on December 13, 1984, and reports of the Department of Planning, approving the following proposals, which were *Placed on File*:

Department of Finance

Disposition of Vacant City-Owned Properties

Referral Number	Address
84-165-02	830 South Oakley Boulevard
84-166-02	3917 West Roosevelt Road
84-168-02	6954 South Harvard Avenue
84-169-02	1317 West 109th Street
84-170-02	11401 South Watkins Avenue
84-172-02	2144 West Dickens Avenue
84-173-02	1701 North Washtenaw Avenue
84-174-02	1421 West Erie Street
84-175-02	1106-08 West 58th Street/5758 South Aberdeen Street

Department of Economic Development

Referral Number	Project
84-171-20	Amendment No. 1 to the Lawrence-Pulaski Redevelopment Plan

Public Building Commission of Chicago

Referral Number	Project
84-161-21	Central Library Land Acquisition and Design.

Placed on File --REPORT OF VOUCHER PAYMENTS FOR
PERSONAL SERVICES FOR MONTH OF
NOVEMBER, 1984.

The City Clerk transmitted the following report received from Walter K. Knorr, City Comptroller, which was *Placed on File* and ordered published:

[Voucher printed on page 12003 of this Journal].

Rules Suspended -- CONGRATULATIONS EXTENDED TO
APPACHES PLAYERS AS 1984 ALL CHICAGO
FOOTBALL LEAGUE CHAMPIONS.

Alderman Tillman moved to *Suspend the Rules Temporarily* to take up out of the regular order of business a proposed resolution congratulating the Appaches, Inc. Football Team as 1984 All Chicago Football League Champions. The motion *Prevailed*.

Alderman Tillman presented the following proposed resolution:

WHEREAS, On November 25, 1984 The Appaches, Inc. football team won the 1984 All Chicago Football League Championship by the score of 8 to 7; and

WHEREAS, The Apache team was founded June 20, 1980 as a not-for-profit organization by Coach Ivory Green in an effort to provide constructive and positive alternatives to the negative social conditions that exist in Chicago Housing Authority; and

WHEREAS, The ultimate goal is to provide an alternative, against gang involvement, through athletics, to the Robert Taylor male population 17 years and over by instilling a sense of pride, dignity, honor and self worth as individuals; and

WHEREAS, Through Ivory Green's ingenious coaching, the football players' inspirational playing, the team overcame insurmountable odds by capturing the 1984 All Chicago Football League Championship in only their first season; now, therefore,

Be It Resolved, That Alderman Dorothy Tillman, the near north coalition of Community Organizations and members of the Chicago City Council in meeting this 18th day of December, 1984 A.D. do hereby urge all citizens to join in paying public tribute and honor for the Apaches' great achievements; and

Be It Further Resolved, That a suitable copy of this resolution be prepared and presented to the Apache football team.

Alderman Tillman moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Tillman, seconded by Alderman Evans, the foregoing proposed resolution was *Adopted*, unanimously.

Honorable Harold Washington, Mayor, introduced the coach and team to the City Council. The participants were warmly applauded.

12/18/84

COMMUNICATIONS, ETC.

12003

PERSONAL SERVICES PAID BY VOUCHER FOR NOVEMBER 1984

NAME	ADDRESS	DEPARTMENT	TITLE	ACCOUNT	RATE	p/h	NOV. 1984
Amos Myrick	2822 S. Calumet	Consumer Services	Farmers' Mkt. Mgr.	100	8.00	p/h	1,132.00
Michael Rembert	4739 W. Monroe	"	Consumer Service Aide	"	7.50	p/h	997.50
Ralph Boyce	7358 N. Osceola	Fire	Fireman	100	5,913.95	Settlement	5,913.95
Wendell Burrell	9054 S. Euclid	"	"	"	5,803.48	"	5,803.48
Archie Chaney	8124 S. Saginaw	"	"	"	3,936.43	"	3,936.43
James Cliff	3917 W. Hayford	"	"	"	7,267.40	"	7,267.40
Richard Flanagan	7413 W. Devon	"	"	"	6,449.80	"	6,449.80
Ronald Gniadek	3790 W. 75 Pl	"	"	"	7,047.87	"	7,047.87
Frederick Noack	5410 W. Pensacola	"	"	"	8,016.18	"	8,016.18
Russell Pickett	5859 S. Francisco	"	"	"	1,863.23	"	1,863.23
Maxine Leftwich	5000 S. Cornell	Mayor's Office	Prof. Services	"	2,278.50	B/P	2,278.50
Henry Brown Jr.	10950 S. Beverly	Police	Policeman	"	64,251.41	"	64,251.41
John Dziura	4955 N. Mason	"	"	"	1,943.67	"	1,943.67
Alan E. Houser	5923 S. Princeton	"	"	"	42,999.30	"	42,999.30
Jerome Whaley	4800 S. Lake Park	"	"	"	6,157.29	Settlement	6,157.29
Robert Fitzgerald	6040 S. Nagle	Sts & San.	Asst. Chief Oper. Engr.	"	2,146.80	"	2,146.80
John Landise	5055 W. Argyle	"	"	"	2,289.92	"	2,289.92

COMMUNICATIONS, ETC.

22 6 11 61 330 4631

RECEIVED

REGULAR ORDER OF BUSINESS RESUMED.

REPORTS OF COMMITTEES.

COMMITTEE ON FINANCE.

CHAPTER 36 OF MUNICIPAL CODE AMENDED CONCERNING
REQUIREMENTS FOR CONDUCTING CHARITABLE
SOLICITATIONS IN CITY.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith authorizing the amendment of Chapter 36 of Municipal Code concerning the requirements for conducting charitable solicitations in the City of Chicago.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Frost, Kotlarz, Banks, Laurino, O'Connor, Natarus, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 40.

Nays -- None.

Alderman Stemberk moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Chapter 36 of the Municipal Code of Chicago is hereby amended by deleting therefrom in their entirety Sections 36-11, 36-12, 36-13, 36-14, 36-15, 36-16, 36-17 and 36-18, and by inserting in their proper sequence new Sections 36-8, 36-9, 36-10, 36-11, 36-12, 36-13, 36-14, 36-15, 36-16 and 36-17 in italics, as follows:

36-8. No person shall solicit or collect contributions of funds for charitable purposes upon any portion of the public way without first having obtained a permit for such purpose from the Committee on Finance.

36-9. No permit for solicitation of charitable contributions on the public way shall be issued to any person unless such person is either (a) a benevolent, philanthropic, patriotic or eleemosynary organization registered and in good standing with the Attorney General of the State of Illinois under "An Act to regulate solicitation and collection of funds for charitable purposes, providing for violations thereof, and making appropriations

therefor," effective July 26, 1963, as amended; or (b) an organization exempt from compliance with said Act pursuant to section 3 thereof, as amended.

36-10. Application for a charitable solicitation permit shall be made on a form issued by Committee on Finance. The application shall include the name, address and telephone number of the soliciting organization; proof of registration and good standing, or proof of initial registration and exemption as described in Section 36-9(b) of this code, issued by the Attorney General of the State of Illinois; the names, residence addresses and telephone numbers of the officers of the organization; the dates and locations of the solicitation; the approximate number of persons engaging in the solicitation; a description or facsimile of the tag, badge, emblem or other token (if any) which will be distributed as part of the solicitation; and such other information as the Committee on Finance may require. Application for a charitable solicitation permit shall be made no less than 30 days before the commencement of the solicitation. The application shall be signed and verified by at least one officer of the organization.

36-11. The Committee on Finance shall review each application for a charitable solicitation permit at the first meeting following filing of the application. The Committee may continue the hearing on an application if additional proceedings are necessary to determine the applicant's compliance with the requirements of this Chapter. If all requirements of this Chapter have been met, the Committee shall issue the permit. If all requirements have not been met, the Committee shall deny the application and shall notify the applicant of its decision and the grounds therefor. Notice of the denial shall be sent by mail, addressed to the applicant at the address stated in the application. All decisions of the Committee shall be reported to the City Council at the next regular meeting thereof.

36-12. If more than one organization applies for a permit to solicit charitable contributions on the same date and at the same location, the Committee on Finance shall resolve the conflict. Preference shall be given to organizations whose fundraising activities are well recognized, so as to promote the efficiency and coordination of such activities. Any organization which has engaged in solicitation of charitable contributions on the public way in the same manner and at the same approximate time of year for five consecutive years shall be permitted to select its dates one year in advance of actual solicitation. The Committee may offer alternate dates and/or sites as a means of resolving conflicts.

36-13. A charitable solicitation permit shall bear the legend "City of Chicago Charitable Solicitation Permit" and shall state the name of the organization to which it is issued and the dates and places of the permitted solicitation. Each permit shall be sequentially numbered to indicate the year of its issuance and the number of permits then outstanding. Each permit shall be signed by the Chairman of the Committee on Finance.

36-14. Each person who engages in the solicitation of charitable contributions on the public way shall display on his person a tag or card no smaller than two inches by four inches, indicating the name of his organization to which the permit is issued, the number of the permit and the effective dates thereof. A facsimile of the permit may be used instead of the tag or card.

36-15. Each organization which receives a charitable solicitation permit pursuant to Chapter shall, within 60 days after the completion of the activities conducted under the

permit, file with the Committee on Finance a statement of all receipts and disbursements from such activities.

36-16. The Committee on Finance may adopt rules and regulations consistent with the provisions of this Chapter governing the solicitation of charitable contributions on the public way.

36-17. Any person who violates any provision of this Chapter relating to solicitation of charitable contributions on the public way shall be fined not more than \$1,000. Each day that a violation is committed shall be considered a separate and distinct offense. The Corporation Counsel, upon learning of violations of the provisions of this Chapter relating to solicitation of charitable contributions on the public way, may institute an action in the appropriate court to seek an injunction against such violation in addition to the fines authorized by this Section.

SECTION 2. This ordinance shall be in full force and effect ten days after its passage and publication.

SITE DESIGNATION AUTHORIZED FOR ACQUISITION
AND CONSTRUCTION OF SOUTH CHICAGO
LEARNING SKILLS CENTER.

The Committee on Finance submitted a report recommending that the City Council pass a proposed ordinance transmitted therewith, authorizing the site designation for acquisition and construction of South Chicago Learning Skills Center in the vicinity of 92nd and Houston Streets, to be operated by Junior College District Number 508.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Frost, Kotlarz, Banks, Laurino, O'Connor, Natarus, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 40.

Nays -- None.

Alderman Stemberk moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The Legislature of the State of Illinois found and declared it to be necessary and desirable to make possible the acquisition, construction or enlargement of public improvements, buildings and facilities at convenient locations within the county seats and municipalities for use by governmental agencies in the furnishing of essential governmental, health, safety and welfare services to its citizens; and

WHEREAS, The Public Building Commission Act of the State of Illinois, approved July 5, 1955, as amended, provides a means for funding and constructing buildings, improvements and facilities required by local public bodies in rendering essential governmental services; and

WHEREAS, Pursuant to said Act, the City Council of the City of Chicago, on March 28, 1956, by ordinance, created the Public Building Commission of Chicago to assist in the funding and construction of public improvements; and

WHEREAS, The Board of Trustees of Community College District No. 508, County of Cook and State of Illinois, by resolution adopted October 4, 1983, has requested that the Public Building Commission of Chicago undertake the planning, funding and construction of a new Learning Skills Center located in the vicinity of 92nd & Houston, affording essential governmental services to the citizens of Chicago, to be operated by the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois; and

WHEREAS, The Board of Trustees of Community College District No. 508, County of Cook and State of Illinois, has agreed to enter into a net lease or leases, non-cancellable in any event with the Public Building Commission of Chicago, under the terms of which the Board of Trustees of Community College District No. 508 will be required to pay such amounts of rent as will be sufficient to amortize all principal and interest on revenue bonds to be issued by the Public Building Commission of Chicago in connection with the planning, funding and construction of the project; and

WHEREAS, The Public Building Commission of Chicago, pursuant to the provisions of said Public Building Commission Act, has selected, located and designated the following-described site lying wholly within the territorial limits of the City of Chicago for acquisition and construction of the South Chicago Learning Skills Center; and

WHEREAS, Said site is conveniently located and of sufficient size to accomplish and effectuate the aforesaid purposes and provide appropriate architectural setting and adequate landscaping for such facilities; and

WHEREAS, The Public Building Commission of Chicago has requested, pursuant to the requirements of Section 14 of the said Public Building Commission Act, that the City Council of the City of Chicago approve said site so selected, located and designated; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City Council of the City of Chicago does hereby approve the following-described site, heretofore selected, located and designated by the Public Building Commission of Chicago at the request of the Board of Trustees of the Community College No. 508, County of Cook and State of Illinois, as a site to be acquired for the planning, funding, and construction of the South Chicago Learning Skills Center (Project JC-6):

Lots 1-9 inclusive and Lots 41-46 inclusive Block 85 of South Chicago, a subdivision by the Calumet and Chicago Canal & Dock Co., of the east 1/2 of the west 1/2 and parts of the east fractional 1/2 of the Fractional Section 6 north of the Indian Boundary Line, and that part of Fractional Section 6, south of the Indian Boundary Line, lying north of the Michigan Southern Railroad, and Fractional Section 5, north

of the Indian Boundary Line, all in Township 37 North, Range 15 East of the Third Principal Meridian, Cook County, Illinois.

SECTION 2. This ordinance shall be effective immediately upon the passage thereof.

Action Deferred -- TRANSFER OF COMMUNITY
DEVELOPMENT BLOCK GRANT FUNDS FROM
THE YEAR IX MULTI-UNIT LOAN
PROGRAM, TO GANG CRIME
ENFORCEMENT UNIT.

The Committee on Finance submitted the following report which was, on motion of Alderman Sawyer and Alderman Kelley, *Deferred* and ordered published:

CHICAGO, December 18, 1984.

To the President and Members of the City Council:

Your Committee on Finance to which was referred an ordinance authorizing a transfer of Community Development Block Grant Funds from the Year IX Multi- Unit Loan Program, Fund Number 982-1201 to Gang Crime Enforcement Unit, Fund Number 572-6600 in the amount of: \$800,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by 21 members of the committee with 4 dissenting votes.

Respectfully submitted,
(Signed) EDWARD M. BURKE,
Chairman.

The following is said ordinance transmitted with the foregoing committee report:

WHEREAS, Gang Crime in the City of Chicago has reached epidemic proportions; and

WHEREAS, The City of Chicago wishes to address this problem with the widest array of resources possible; and

WHEREAS, There has been identified at least \$800,000 in salvage and or reprogrammable funds in the Community Development Block Grant Program; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Director of the Office of Budget and Management and the Comptroller are hereby directed to transfer \$800,000:

SECTION 1. That the City Comptroller and the City Treasurer are authorized and directed to make the following transfer of funds for the year 1984. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during the year 1984 payable from such appropriations.

FROM:

Account	Number	Amount
Personnel Services	100-1220-000	\$12,365.00

TO:

Account	Number	Amount
Contractual Services	100-1220-100	\$265.00
Commodities	100-1220-300	\$12,100.00

SECTION 2. That the sole purpose of this transfer of funds is to cover furniture expenses, court reporting bills and the purchase of a computer for committee activities.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

COMMITTEE ON INTERGOVERNMENTAL RELATIONS.

CONDEMNATION OF APARTHEID.

The Committee on Intergovernmental Relations submitted the following report:

CHICAGO, December 18, 1984.

To the President and Members of the City Council:

Your Committee on Intergovernmental Relations, having had under consideration a resolution (which was referred on December 3, 1984) condemning apartheid and calling for the immediate release of all illegally detained persons who participate in trade unions and oppose apartheid. The resolution also calls for the Department of Purchasing for the City of Chicago to study the feasibility of barring any vendor or parent company who is doing business in South Africa and report the findings to the Committee on Intergovernmental Relations

This recommendation, as amended, was concurred in unanimously by the members of the committee.

(Signed) Respectfully submitted,
ROMAN C. PUCINSKI,
Chairman.

On motion of Alderman Pucinski, the said proposed resolution transmitted with the foregoing committee report was *Adopted* by a viva voce vote.

The following is said resolution as adopted:

WHEREAS, The Republic of South Africa is the only nation whose laws mandate discrimination and deprivation of basic human and political rights solely on the basis of race and color under a legal system called apartheid; and

WHEREAS, The Republic of South Africa has recently passed and put into effect a new constitution which continued this illegal system of apartheid by excluding Black South Africans from participation in the national government; and

WHEREAS, Malnutrition, high unemployment, and a lack of all political rights are the reality for Black people in South Africa, while white South Africans enjoy the highest standard of living in the world; and

WHEREAS, Over 3.5 million Blacks - Africans, Asians and "Coloreds" (people of mixed descent) - have been forcibly relocated under apartheid; over 2.5 million Africans have been resettled to remote barren areas known as "homelands"; that in these "homelands" 50% of all children die before the age of five; and

WHEREAS, The laws of South Africa make it illegal even to express opposition to apartheid, and its political and economic ramifications; allow for the detention of persons without charge, denies access to counsel or trial; and allows many persons held in detention never to be heard from, beaten and otherwise tortured; and

WHEREAS, In the Republic of South Africa, some independent Black trade unions do exist but they operate under strict government control and their leaders are frequently harassed, detained and tortured; and

WHEREAS, Following a two day strike on November 5 - 6, 1984, 13 South African labor union leaders were placed in detention and have not been heard from since; now, therefore,

Be It Resolved, That the Chicago City Council do hereby condemn the illegal and immoral system known as apartheid and we join with other voices across the world calling for the immediate release of all illegally detained persons who were arrested either for their participation in the trade union movement, and specifically the recent strike, or for their opposition to apartheid; and

Be It Further Resolved, That the City of Chicago Department of Purchasing study the feasibility of barring any vendor who is doing business in South Africa or whose parent company is doing business in South Africa from bidding on any City of Chicago contract and report such findings to the Committee on Intergovernmental Relations as soon as possible.

COMMITTEE ON LAND ACQUISITION AND DISPOSITION.

ACCEPTANCE OF JUDGMENT ORDER FOR ACQUISITION OF
PROPERTY AT 1801-1803 SOUTH BLUE ISLAND AVENUE/
1347 WEST 18TH STREET (PILSEN
LIBRARY BRANCH).

The Committee on Land Acquisition and Disposition submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith:

WHEREAS, On June 17, 1981, the City Council of the City of Chicago ordained that it is useful, desirable and necessary to the City of Chicago that said City acquire for public use for the Chicago Public Library, various described property for a new Pilsen Branch Library, payment for the property to be made from appropriations from fund 471-6117-144, Project N-O-013 W.O. 127; and

WHEREAS, Among these parcels is Parcel 1 comprising:

Lots 10 and 11 in Stewart's Subdivision of Block 7 in Johnston and Lee's Subdivision of the Southwest 1/4 of Section 20, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois, commonly known as 1801-1803 South Blue Island Avenue/1347 West 18th Street, Chicago, Illinois; and

WHEREAS, The Commissioner of Public Works was thereby authorized to negotiate the acquisition of various parcels; and

WHEREAS, Upon the inability of the Commissioner of Public Works to agree with the owner or owners of said property, pursuant to authority of said ordinance, the Corporation Counsel instituted condemnation proceedings in the name of and on behalf of the City of Chicago for the purpose of acquiring title to said property under the City's right of Eminent Domain on August 13, 1982; and

WHEREAS, On October 30, 1984, after a jury trial, Judge Thomas P. Cawley of the Circuit Court of Cook County, entered a Judgment Order determining that just compensation be paid to the owner or owners of Parcel 1 in the amount of Fifty-five Thousand Dollars (\$55,000.00); and

WHEREAS, The Judgment Order further stated that within one hundred twenty (120) days from the entry of said order, the City of Chicago shall pay to the County Treasurer of Cook County, Illinois for the owner or owners and parties interested in said Parcel, Fifty-five Thousand Dollars (\$55,000.00) for Parcel 1; and

WHEREAS, Upon such payment, the City of Chicago shall be vested with fee simple absolute title to said real property and shall be authorized and empowered to enter upon and take immediate possession of said real estate so paid for; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago is hereby authorized to pay within one hundred-twenty (120) days from the entry of the Judgment Order of October 30, 1984, Fifty-five Thousand Dollars (\$55,000.00), for Parcel 1, plus statutory interest from the date of the entry of the Judgment Order of October 30, 1984 and Court costs of \$29.00 to the County

Treasurer of Cook County, Illinois for the benefit of the owner or owners and parties interested in said Parcel.

SECTION 2. This ordinance shall be in effect from and after its passage.

On motion of Alderman Banks, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

ACCEPTANCE OF BID FOR PURCHASE OF CITY-OWNED
PROPERTY AT 54 WEST HUBBARD STREET.

The Committee on Land Acquisition and Disposition submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith:

WHEREAS, The improved property commonly known as 54 West Hubbard Street is owned by the City of Chicago and offered for sale by competitive bid; and

WHEREAS, Bids were opened on September 6, 1984 and have been considered in light of analysis and recommendations of the Corporation Counsel, Budget Director, Commissioner of Planning, Commissioner of Public Works, Director -- Commission on Chicago Historical and Architectural Landmarks, City Comptroller and in view of the City budget; and

WHEREAS, The bid of Albert M. Friedman, Solomon Tax, Leon Weiss and Samuel Robbins, in the amount of \$2,800,000.00 has been determined to be the bid representing the highest value and to be advantageous to the City of Chicago; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The City of Chicago accepts of the bid of Albert Friedman, 70 West Hubbard Street, Chicago, Illinois, 60610; Solomon Tax, 163 N. Detroit Street, Los Angeles, California, 90036; Leon Weiss, 1517 Calle Alta, La Jolla, California, 92037; and Samuel Robbins, 312 West Randolph Street, Chicago, Illinois 60606, to purchase for the sum of \$2,800,000.00 the City-owned improved property previously advertised pursuant to Council authority passed June 6, 1984, page 7235, described as follows:

The South 99 feet of that part of Lots 18 to 25, Lot 26 (except the West 8 feet thereof), together with the 10 foot strip of land lying West of and adjoining Lots 18 to 22

inclusive and East of and adjoining Lot 23 vacated by City ordinance passed September 26, 1872, all in Block 7 of John S. Bussing's Subdivision of Blocks 7 and 10 in Wolcott's Addition to Chicago, in the East half of the Northeast quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois. (commonly known as 54 West Hubbard Street)

Subject to covenants, zoning and building restrictions, easements and conditions, if any, of record, including easement for ingress, egress and public utilities over, under and across the north 12 feet of the above described property in favor of the City of Chicago.

SECTION 2. The Corporation Counsel is authorized and directed to prepare all documentation necessary to convey said property.

SECTION 3. Contemporaneous with the conveyance of title from the City of Chicago to Albert M. Friedman, Solomon Taxy, Leon Weiss and Samuel Robbins, the parties shall execute a Deed of Architectural Facade Easement and Conservation Right relative to the exterior facade of the building which faces to the south, east and west and referred to in the Agreement as the "Designated Feature".

SECTION 4. The Mayor and the City Clerk are authorized to deliver the two (2) deposit checks totaling \$280,000.00 submitted by said bidder to the City Comptroller, who is authorized to deliver said deed to the purchaser upon receipt of the balance of the purchase price of said property.

SECTION 5. The City Clerk is further authorized and directed to refund the deposit checks to the unsuccessful bidders for the purchase of said property.

SECTION 6. This ordinance shall be in effect from and after its passage.

On motion of Alderman Banks, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

CITY COMPTROLLER AUTHORIZED TO EXERCISE HOME RULE POWERS
IN SALE OF CITY-OWNED PROPERTY AT 4540-4544
SOUTH MICHIGAN AVENUE TO ADA S. McKINLEY
COMMUNITY SERVICES.

The Committee on Land Acquisition and Disposition submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith:

WHEREAS, The City of Chicago is a Home Rule Unit by virtue of the Constitution of the State of Illinois of 1970, and as a Home Rule Unit may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The City of Chicago desires to encourage the development of low and moderate income housing for the developmentally disabled within the City for the benefit of the public; and

WHEREAS, The Ada S. McKinley Community Services, Inc., an Illinois not-for-profit corporation has obtained a preliminary financial commitment from the United States Department of Housing and Urban Development for housing assistance for 40 units of low and moderate income housing for the developmentally disabled; and

WHEREAS, The City of Chicago has acquired title to numerous parcels of vacant real property located throughout the City pursuant to its responsibility to protect the public health, safety and welfare; and

WHEREAS, Many parcels of City-owned vacant real property are suitable for residential development under a United States Housing and Urban Development Low and Moderate Rental Housing Program for the developmentally disabled; and

WHEREAS, The City of Chicago desires to sell its vacant real property for the fair market value and thereby return said property to the tax rolls; and

WHEREAS, The Ada S. McKinley Community Services, an Illinois not-for-profit corporation, is willing to pay the City of Chicago, the fair market value for certain parcels of City-owned vacant real property for the purpose of constructing low and moderate income rental housing under a program of the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937, as amended; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That pursuant to the powers and authority granted under Article VII of the Constitution of the State of Illinois of 1970, and the home rule powers granted thereunder the City of Chicago, a Home Rule Unit, does hereby authorize and approve the sale of the vacant parcels of real property described herein, which are owned by the City of Chicago, to Ada S. McKinley Community Services, Inc., an Illinois not-for-profit corporation, for the consideration cited herein the amount of \$16,800.00:

City Real Estate Numbers 2133 and 3677
4540-4544 South Michigan Avenue

Lots 7, 8 and 9 and the North half of Lot 10 in Block 2 in Winston's Subdivision of the South 34 acres of the West half of the Southwest quarter of Section 3, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

SECTION 2. That the sale of these City of Chicago parcels of vacant real property to the Ada S. McKinley Community Services, an Illinois not-for-profit corporation, is solely for the purpose of construction of low and moderate income rental housing for the developmentally disabled under a program of the United States Department of Housing and Urban Development. Failure to use these parcels of vacant real property for this express purpose will result in title to said properties reverting to the City of Chicago.

SECTION 3. That upon payment to the City of Chicago of the consideration cited herein, the Mayor is authorized to execute quitclaim deeds conveying said parcels of real property to Ada S. McKinley Community Services, an Illinois not-for-profit corporation, with the City Clerk attesting to said conveyances.

SECTION 4. This ordinance shall be effective upon its passage.

On motion of Alderman Banks, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

COMMITTEE ON LEASES.

CITY COMPTROLLER AUTHORIZED TO EXECUTE LEASES OF CERTAIN PROPERTY FOR MUNICIPAL PURPOSES.

The Committee on Leases submitted three proposed ordinances (under separate committee reports) recommending that the City Council pass said proposed ordinances transmitted therewith, to authorize the City Comptroller to lease specified parcels of property for use by City departments and agencies.

On separate motions made by Alderman Kellam, *each* of the said proposed ordinances was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances as passed read respectively as follows (the italic heading in each case not being a part of the ordinance):

*Department of Health
(11250 S. Halsted Street).*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the City Comptroller is authorized to execute on behalf of the City of Chicago, a lease from Mary Anne Mills, sole owner for approximately 4,100 square feet of office space and approximately 7,025 square feet of parking space at 11250 S. Halsted Street, to be used by the Department of Health, such lease to be approved by the Commissioner of the Department of Health, and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

[Lease printed on page 12018 of this Journal.]

SECTION 2. This ordinance shall be effective from and after the date of its passage.

Rider attached to this ordinance reads as follows:

Rider.

Notification Provisions.

In every instance where it shall be necessary or desirable for the Lessor to serve any notice or demand upon the Lessee, it shall be necessary to send a written or printed copy thereof by United States registered or certified mail, postage prepaid, addressed to the Lessee at the premises and, in addition, to the Director of Real Estate, Department of Finance, 320 North Clark Street, Suite 505, Chicago, Illinois, 60610, or at such other place as the Lessee from time to time may appoint in writing in which event the notice or demand shall be deemed to have been served at the time copies are received at said locations.

Legal Description of Parking Lot.

Lot 31 (except the North 30 feet thereof) all of Lot 32 and the North 10 feet of Lot 33 in Block 12 in 1st Addition, to Sheldon Heights West a subdivision in the East 1/2 of the Northeast 1/4 of Section 20, Township 37 North, Range 14 East of the Third Principal Meridian in Cook County, Illinois.

Rental Payment Provisions.

Lessee shall pay rent for said premises during the continuance of this lease at the rental rate of:

(Continued on page 12019)

LEASE-Short Form Lease No. 10014

Form C O No. 1B

City of Chicago

This Agreement,

Made this..... day of.....

A. D. 1984, between Mary Anne Mills, sole owner

and the CITY OF CHICAGO, a Municipal Corporation, as Lessee:

Witnesseth: That the Lessor does hereby lease to the Lessee the following described premises situated in the City of Chicago, County of Cook and State of Illinois, to-wit: approximately 4,100 square feet of office space located at 11250 S. Halsted Street by the Department of Health, also, approximately 7,025 square feet of vacant land adjacent to said building to be used exclusively by the Department of Health for parking purposes.

To have and to hold said premises unto the Lessee for a term beginning on the 1st day of November A. D. 1984, and ending on the 31st day of October A. D. 1987. Lessee has the right to terminate this lease upon thirty (30) days prior written notice at the address cited herein.

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy thereof to the Lessor at Mary Anne Mills, 1802 Preston St., Rockford, IL 61102 or at such other place as the Lessor from time to time in writing may appoint. For Lessor to Lessee Notification See Rider Attached Hereto and Made a Part Hereof.

For Rental Payment Provisions See Rider Attached Hereto and Made a Part Hereof. Assessments for water tax levied against said premises for all or part of the term of this lease shall be paid by the.....

Lessor during the entire term of this lease shall keep in a condition of thorough repair and good order at own expense, said demised premises and appurtenances, including catch basins, vaults and sidewalks. If the Lessor shall refuse or neglect to make needed repairs within ten days after written notice thereof sent by the Lessee, the Lessee is authorized to make such repairs and to deduct the cost thereof from rentals accruing under this lease.

For Responsibilities of Lessor and Lessee

See Rider Attached Hereto and Made a Part Hereof.

Lessee shall not assign this lease or sublet said premises or any part thereof without the written consent of the Lessor, and upon the termination of this lease shall surrender said premises to the Lessor in as good condition as at the beginning of the term of this lease, loss by fire or other casualty, ordinary wear and repairs chargeable to the Lessor, excepted.

Lessor shall have the right of access at reasonable times for examining or exhibiting said premises and for making repairs, and shall be allowed to place thereon notices of "To Rent" for sixty days prior to the termination of this lease, and of "For Sale" at all times, but all such notices shall be placed in positions acceptable to the Lessee.

Lessee shall have the right to make such alterations, additions and improvements on said premises as it shall deem necessary, provided that such additions and improvements whether made during the term of this lease or prior thereto, shall be regarded as removable fixtures, all or any part of which the Lessee at its election may leave on said premises, or remove prior to the termination of this lease.

In case said premises shall be rendered untenable by fire or other casualty during said term, Lessor may rebuild said premises within thirty days, but failing so to do, or if said premises shall be destroyed by fire or other casualty, this lease thereby shall be terminated; in the event of such a termination of this lease, Lessee shall be chargeable with rent only to the date of such fire or other casualty, and if Lessor shall rebuild within thirty days, Lessee shall be excused from payment of rent for the period of such rebuilding.

In Witness Whereof, this lease is signed by or on behalf of the parties hereto the day and year first above written. Approved as to form and legality, except as to property description and execution.

Approved: _____
Assistant Corporation Counsel,
Acting Director, _____
Real Estate Agent.

By: _____
Mary Anne Mills, Sole Owner

CITY OF CHICAGO

By: _____
Comptroller,

Approved: _____
Commissioner, Department of Health

(Continued from page 12017)

Two Thousand Forty-one and 20/100 Dollars (\$2,041.20) per month for the period beginning on the 1st day of November, 1984 and ending on the 31st day of October, 1985;

Two Thousand One Hundred Eighty-four and 09/100 Dollars (\$2,184.09) per month for the period beginning on the 1st day of November, 1985 and ending on the 31st day of October, 1986;

Two Thousand Three Hundred Thirty-six and 98/100 Dollars (\$2,336.98) per month for the period beginning on the 1st day of November, 1986 and ending on the 31st day of October, 1987.

Rent is payable in advance on the 1st day of each calendar month by the Office of the City Comptroller to Mary Anne Mills, 1802 Preston Street, Rockford, Illinois, 61102.

Lessor and Lessee Responsibilities.

Lessor under this lease shall:

Paint entire premises and plaster where necessary thirty (30) days after execution of lease.

Provide and pay for window washing on a semi-annual basis.

Repair and maintain parking lot adjacent to building when necessary.

Comply with all applicable fire prevention provisions contained in City ordinances and/or state statutes.

Provide and pay for heat; maintain plant and equipment in good operable condition.

Provide and pay for hot and domestic water and maintain plumbing in good operable condition.

Provide central air-conditioning unit and maintain the same.

Provide and pay for janitorial service for the maintenance of the exterior and interior of building, including maintenance of all mechanical components. Janitorial service shall not be construed to mean cleaning, washing, or sweeping of any kind; or moving of furniture, replacing of light bulbs, etc., but shall refer strictly to service for the maintenance of the physical plant.

Lessor under this lease shall:

Maintain exterior and interior of building, including maintenance of all mechanical components.

Provide and pay for prompt removal of snow and ice from sidewalks which immediately abut said demised premises.

Comply with the provisions of the Municipal Building Code in the repair and maintenance of said premises.

Pay all real estate taxes and other tax levies assessed against said premises within deadlines established by governmental taxing bodies.

Provide and maintain at all times public liability insurance \$500,000 combined single limit; with the City to receive a certificate of insurance for said insurance coverage prior to lease execution. Said annual insurance coverage shall be renewed for each year during the term of this lease with Lessee to receive a certificate of insurance for said annual renewal at least thirty (30) days prior to annual renewal date. Should any of the above described policies be cancelled before the expiration date, the Lessor shall mail to the Lessee at the addresses cited herein a copy of the cancellation notice within fifteen (15) days upon receipt thereof.

Lessee under this lease shall:

Provide and pay for electricity as metered on said premises including electricity for air-conditioning.

Provide and pay for plate glass insurance.

Provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs or sweeping of any kind.

Provide and pay for exterminator service when necessary.

Additional terms and conditions:

In the event of breach of the covenants, terms and conditions contained herein by Lessor, Lessee shall have the right to terminate this lease immediately upon giving written notice by certified or registered mail to Lessor at address cited herein. Failure or neglect of Lessee to act upon a breach of one or more of the covenants, terms and conditions of this lease shall not constitute or be construed as a waiver of subsequent breach of the Lessor of any right created thereby.

In the event the Lessor should fail to furnish any alterations, repairs or services as required by this lease, or fail to remove and/or correct any fire hazards or violations of the Municipal Building Code not caused by the acts of negligence of the Lessee, and the failure continues ten (10) days after Lessee has notified the Lessor by written notice of such failure, the Lessee may at its own option make the necessary repairs or supply the maintenance or service itself or have the hazards or building code violations corrected and deduct the cost and expense thereof from rental herein due under this lease or immediately terminate this lease by providing the Lessor written notice by certified or registered mail at the address cited herein.

*Department of Police
(7922 S. Ashland Avenue)*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the City Comptroller is authorized to execute on behalf of the City of Chicago, a lease from Jesse T. Jones, Maye F. Jones, Rudolph A. James and Velma R. James as beneficiaries under Chicago Title and Trust Company, Trust No. 63697, dated January 22, 1974 for approximately 1,328 square feet on the first (1st) floor at 7922 South Ashland Avenue for use as an Area Center for the Beat Representative Program of the Department of Police; such lease to be approved by the Superintendent of the Department of Police and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

[Lease printed on page 12022 of this Journal.]

SECTION 2. This ordinance shall be effective from and after the date of its passage.

Rider attached to this ordinance reads as follows:

Rider

In every instance where it shall be necessary or desirable for the Lessor to serve any notice or demand upon the Lessee, it shall be necessary to send a written or printed copy thereof by United States registered or certified mail, postage prepaid, addressed to the Lessee at the premises and, in addition, to the acting Director of Real Estate, Department of Finance, 320 North Clark Street, Suite 505, Chicago, Illinois, 60610, or at such other place as the Lessee from time to time may appoint in writing in which event the notice or demand shall be deemed to have been served at the time copies are received at said locations.

Rental Payment Provisions.

Lessee shall pay for said premises during the continuance of this lease at the rate of:

Four Hundred and no/100 Dollars (\$400.00) per month for the period beginning on the 1st day of November, 1984, or date of occupation (with said monthly rental rate being prorated on a per diem basis if the initial term does not commence on the 1st day of a month) and ending on the 31st day of October, 1985;

Four Hundred Eighty-eight no/100 Dollars (\$488.00) per month for the period beginning on the 1st day of November, 1985 and ending on the 31st day of October, 1986;

Five Hundred Thirty-seven and no/100 Dollars (\$537.00) per month for the period beginning on the 1st day of November, 1986 and ending on the 31st day of October, 1987.

(Continued on page 12023)

LEASE--Short Form Lease No. 12028

Form C. O. No. 18

City of Chicago

This Agreement,

Made this..... day of.....

A. D. 1984, between Jesse T. Jones, Maye F. Jones, Rudolph A. James and Velma R. James as
beneficiaries under Chicago Title & Trust Co., Trust#63697, dated January 22, 1974 as Lessor,
 and the CITY OF CHICAGO, a Municipal Corporation, as Lessee:

Witnesseth: That the Lessors do hereby lease to the Lessee the following described premises situated in the
 City of Chicago, County of Cook and State of Illinois, to-wit: Approximately 1,328 square feet of office space
located on the first (1st) floor at 7922 S. Ashland Avenue for use as an Area Center
for the Department of Police, Beat Representative Program.

To have and to hold said premises unto the Lessee for a term beginning on the 1st day of November
or date of occupation
 A. D. 1984/ and ending on the 31st day of October A. D. 1987. Lessee has the right to
 terminate this lease upon thirty (30) days prior written notice

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy thereof to the Lessor at
Ebony Real Estate, 8 Rudolph James, 7924 S. Ashland Ave., Chicago, IL 60620 or at such other place as the Lessor from time
 to time in writing may appoint. For Lessor to Lessee Notification Provision See Rider Attached Hereto
and Made a Part Hereof.
Provisions See Rider Attached Hereto and Made a Part Hereof.
Assessments for water tax
 levied against said premises for all or part of the term of this lease shall be paid by the Lessor.

Lessor during the entire term of this lease shall keep in a condition of thorough repair and good order at Lessor's
 own expense, said demised premises and appurtenances, including catch basins, vaults and sidewalks. If the Lessor shall
 refuse or neglect to make needed repairs within ten days after written notice thereof sent by the Lessee, the Lessee is author-
 ized to make such repairs and to deduct the cost thereof from rentals accruing under this lease.

For Responsibilities of Lessor and Lessee

See Rider Attached Hereto and Made a
Part Hereof

Lessee shall not assign this lease or sublet said premises or any part thereof without the written consent of the Les-
 sor, and upon the termination of this lease shall surrender said premises to the Lessor in as good condition as at the
 beginning of the term of this lease, loss by fire or other casualty, ordinary wear and repairs chargeable to the Lessor, excepted.

Lessor shall have the right of access at reasonable times for examining or exhibiting said premises and for making
 repairs, and shall be allowed to place thereon notices of "To Rent" for sixty days prior to the termination of this lease, and
 of "For Sale" at all times, but all such notices shall be placed in positions acceptable to the Lessee.

Lessee shall have the right to make such alterations, additions and improvements on said premises as it shall deem nec-
 essary, provided that such additions and improvements whether made during the term of this lease or prior thereto, shall be
 regarded as removable fixtures, all or any part of which the Lessee at its election may leave on said premises, or remove prior
 to the termination of this lease.

In case said premises shall be rendered untenable by fire or other casualty during said term, Lessor may rebuild
 said premises within thirty days, but failing so to do, or if said premises shall be destroyed by fire or other casualty, this lease
 thereby shall be terminated; in the event of such a termination of this lease, Lessee shall be chargeable with rent only to the
 date of such fire or other casualty, and if Lessor shall rebuild within thirty days, Lessee shall be excused from payment of
 rent for the period of such rebuilding.

In Witness Whereof, this lease is signed by or on behalf of the parties hereto the day and year first above written.
 Approved as to form and legality, except
 as to property description and execution. Beneficiaries Under Trust No. 63697

Approved: _____
 Assistant Corporation Counsel
 Acting Director, _____
 Real Estate Section

By: _____
 Rudolph A. James

By: _____
 Jesse T. Jones

Approved: _____
 Superintendent, Department of Police

By: _____
 Comptroller

(Continued from page 12021)

Rent is payable in advance on the 1st day of each month by the Office of the City Comptroller to Ebony Real Estate, c/o Rudolph A. James, 7924 S. Ashland Avenue, Chicago, Illinois, 60620.

Lessor and Lessee Responsibilities.

Lessor under this lease shall:

Provide and pay for carpeting prior to execution of Lease

Provide and pay for heat; maintain plant and equipment in good operable condition

Provide and pay for hot and domestic water and maintain plumbing in good operable condition

Provide one air-conditioning unit and maintain the same

Provide and pay for janitorial service for the maintenance of the exterior and interior of building, including maintenance of all mechanical components. Janitorial service shall not be construed to mean cleaning, washing, or sweeping of any kind; or moving of furniture, replacing of light bulbs, etc., but shall refer strictly to service for the maintenance of the physical plant

Maintain exterior and interior of building, including maintenance of all mechanical components

Provide and pay for prompt removal of snow and ice from sidewalks which immediately abut said demised premises

Comply with the provisions of the Municipal Building Code in the repair and maintenance of said premises

Pay all real estate taxes and other levies assessed against said premises within deadlines established by governmental taxing bodies

Lessor under this lease shall:

Provide and maintain at all times public liability insurance \$500,000 combined single limit; with the City to receive a certificate of insurance for said insurance coverage prior to lease execution. Said annual insurance coverage shall be renewed for each year during the term of this lease with Lessee to receive a certificate of insurance for said annual renewal at least thirty (30) days prior to annual renewal date. Should any of the above described policies be cancelled before the expiration date, the Lessor shall mail to the Lessee at the addresses cited herein a copy of the cancellation notice within fifteen (15) days upon receipt thereof.

Lessee under this lease shall:

Pay for electricity as metered including electricity for air conditioning

Provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacing of light bulbs or sweeping of any kind

Provide and pay for plate glass insurance

Additional clauses to be included in lease:

It is mutually agreed and understood by and between the parties hereto that the remuneration mentioned in the lease is payable solely from funds when made available by the federal government. If said funds are not made available from the federal government and as a result, Lessee defaults in the payment of any sums required to be paid under this lease, the sole remedy of Lessor shall be for possession of the demised premises.

In the event of any breach of the covenants, terms and conditions contained herein by the Lessor, Lessee shall have the right to terminate this lease immediately upon notice by certified or registered mail, to Lessor at the address cited herein. Failure or neglect of Lessee to act upon a breach of one or more of the covenants, terms and conditions of this lease shall not constitute or be construed as a waiver of subsequent breach by the Lessor or of any right created thereby.

In the event the Lessor should fail to furnish any of the alterations, repairs or services as required by this lease or fails to remove and correct any fire or health hazards not caused by the acts of negligence of the Lessee, and the failure continues ten (10) days after Lessee has notified the Lessor by written notice of such failure, the Lessee may at its own option make the necessary repairs or supply the maintenance or service itself or have the hazards corrected and deduct the cost and expense thereof from rental herein due under this lease or, immediately terminate this lease by providing the Lessor written notification by certified or registered mail at the address cited herein.

*Department Of Police.
(1718 W. 95th Street).*

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the City Comptroller is authorized to execute on behalf of the City of Chicago, a lease from Dr. Alfred Bean as sole beneficiary under Heritage Standard Bank & Trust Company Trust, Trust No. 8856, dated January 14, 1984, for approximately 1,086 square feet of office space located at 1718 West 95th Street, for use by the Department of Police/Beat Representative Program, such lease to be approved by the Superintendent of Police and to be approved as to form and legality by the Corporation Counsel in substantially the following form:

[Lease printed on page 12025 of this Journal.]

12/18/84

REPORTS OF COMMITTEES

12025

LEASE-Short Form Lease No. 12009

Form C. O. No. 18

City of Chicago

This Agreement,

Made this..... day of.....

A. D. 19..... between Dr. Alfred T. Bean, as Sole Beneficiary under Heritage Standard Bank & Trust Company Trust, Trust No. 8856, Dated January 14, 1984..... as Lessor
and the CITY OF CHICAGO, a Municipal Corporation, as Lessee:

Witnesseth: That the Lessor does hereby lease to the Lessee the following described premises situated in the City of Chicago, County of Cook and State of Illinois, to-wit: approximately 1,086 square feet of ground floor office space located at 1718 West 95th Street for use as an Area Center for the Department of Police, Beat Representative Program.

To have and to hold said premises unto the Lessee for a term beginning on the 1st day of May A. D. 1983, and ending on the 30th day of April A. D. 1986. Lessee has the right to terminate this lease Upon thirty (30) days prior written notice to the lessor at the address cited herein.

Any notice from Lessee to Lessor under or in regard to this lease may be served by mailing a copy thereof to the Lessor at Dr. Alfred T. Bean, 1720 W. 95th Street, Chgo., IL 60643 or at such other place as the Lessor from time to time in writing may appoint. For Lessor to Lessee Notification Provisions See Rider Attached Hereto and Made a Part Hereof.
Provisions See Rider Attached Hereto and Made a Part Hereof.
payable in advance on the first day of each calendar month by the office of the City Comptroller. Assessments for water tax levied against said premises for all or part of the term of this lease shall be paid by the Lessee

Lessor during the entire term of this lease shall keep in a condition of thorough repair and good order at Lessors own expense, said demised premises and appurtenances, including catch basins, vaults and sidewalks. If the Lessor shall refuse or neglect to make needed repairs within ten days after written notice thereof sent by the Lessee, the Lessee is authorized to make such repairs and to deduct the cost thereof from rentals accruing under this lease.

For Responsibilities of Lessor and Lessee
See Rider Attached Hereto and Made a Part
Hereof.

Lessee shall not assign this lease or sublet said premises or any part thereof without the written consent of the Lessor, and upon the termination of this lease shall surrender said premises to the Lessor in as good condition as at the beginning of the term of this lease, loss by fire or other casualty, ordinary wear and repairs chargeable to the Lessor, excepted.

Lessor shall have the right of access at reasonable times for examining or exhibiting said premises and for making repairs, and shall be allowed to place thereon notices of "To Rent" for sixty days prior to the termination of this lease, and of "For Sale" at all times, but all such notices shall be placed in positions acceptable to the Lessee.

Lessee shall have the right to make such alterations, additions and improvements on said premises as it shall deem necessary, provided that such additions and improvements whether made during the term of this lease or prior thereto, shall be regarded as removable fixtures, all or any part of which the Lessee at its election may leave on said premises, or remove prior to the termination of this lease.

In case said premises shall be rendered untenable by fire or other casualty during said term, Lessor may rebuild said premises within thirty days, but failing so to do, or if said premises shall be destroyed by fire or other casualty, this lease thereby shall be terminated; in the event of such a termination of this lease, Lessee shall be chargeable with rent only to the date of such fire or other casualty, and if Lessor shall rebuild within thirty days, Lessee shall be excused from payment of rent for the period of such rebuilding.

In Witness Whereof, this lease is signed by or on behalf of the parties hereto the day and year first above written. Approved as to form and legality, except as to property description and execution.

Approved: _____
Director, _____ Real Estate

Dr. Alfred T. Bean, as Sole Beneficiary under
Heritage Standard Bank & Trust Company Trust,
Trust No. 8856, Dated January 14, 1984

By _____

Approved: _____
Superintendent, Department of Police

By _____
Comptroller

SECTION 2. This ordinance shall be effective from and after the date of its passage.

Rider attached to this ordinance reads as follows:

Rider.

Notification Provisions.

In every instance where it shall be necessary or desirable for the Lessor to serve any notice or demand upon the Lessee, it shall be necessary to send a written or printed copy thereof by United States registered or certified mail, postage prepaid, addressed to the Lessee at the premises and, in addition, to the Director of Real Estate, Department of Finance, 320 North Clark Street, Suite 505, Chicago, Illinois 60610, or at such other place as the Lessee from time to time may appoint in writing in which event the notice or demand shall be deemed to have been served at the time copies are received at said locations.

Rental Payment Provisions.

Lessee shall pay rent for said premises during the continuance of this lease at the rate of:

Three Hundred Seventy-five and 00/100 Dollars (\$375.00) per month for a period beginning on the 1st day of May, 1983 and ending on the 30th day of April, 1984;

Four Hundred and 00/100 Dollars (\$400.00) per month for a period beginning on the 1st day of May, 1984 and ending on the 30th day of April, 1985;

Four Hundred Twenty-five and 00/100 Dollars (\$425.00) per month for a period beginning on the 1st day of May, 1985 and ending on the 30th day of April, 1986.

Rent is payable in advance on the 1st day of each calendar month by the Office of the City Comptroller to Dr. Alfred T. Bean, 1720 West 95th Street, Chicago, Illinois 60643.

Lessor and Lessee Responsibilities.

Lessor under this lease shall:

Provide and pay for heat; maintain plant and equipment in good operable condition

Provide hot and domestic water and maintain plumbing in good operable condition

Provide central air conditioning unit, replace unit when necessary

Provide and pay for janitorial service for the maintenance of the exterior and interior of building including maintenance of all mechanical components, excluding maintenance of air conditioning plant and equipment. Janitorial service shall not be construed to mean cleaning, washing, or sweeping of any kind; or moving of furniture, replacing of light bulbs, etc., but shall refer strictly to service for the maintenance of the physical plant

Comply with the provisions of the Municipal Building Code in the repair and maintenance of said premises

Pay all real estate taxes and other tax levies assessed against said premises within deadlines established by governmental taxing bodies

Provide and maintain at all times public liability insurance in the amount of \$500,000 combined single limit; with the City to receive a certificate of insurance for said insurance coverage prior to lease execution. Said annual insurance coverage shall be renewed for each year during the term of this lease with the Lessee to receive a certificate of insurance for said annual renewal at least thirty (30) days prior to annual renewal date. Should any of the above described policies be cancelled before the expiration date, the Lessor shall mail to the Lessee at the addresses cited herein a copy of the cancellation notice within fifteen (15) days upon receipt thereof.

Lessee under this lease shall:

Pay for electricity as metered including electricity for air conditioning

Provide and pay for nightly custodial services which shall be construed as cleaning, washing, emptying wastepaper baskets, replacement of light bulbs or sweeping of any kind

Provide and pay for prompt removal of snow and ice from sidewalks which immediately abut the demised premises

Maintain air conditioning plant and equipment in good operable condition
This does not include replacement of air conditioning unit

Provide and maintain smoke detectors for demised premises.

Additional terms and conditions:

In the event of breach of the covenants, terms and conditions contained herein by Lessor, Lessee shall have the right to terminate this lease immediately upon giving written notice by certified or registered mail to the Lessor at address cited herein. Failure or neglect of Lessee to act upon a breach of one or more of the covenants, terms and conditions of this lease shall not constitute or be construed as a waiver of subsequent breach by the Lessor of any right created thereby.

In the event the Lessor should fail to furnish any alterations, repairs or services as required by this lease, or fail to remove and/or correct any fire hazards, or violations of the Municipal Building Code not caused by the acts of negligence of the Lessee, and the failure continues ten (10) days after the Lessee has notified the Lessor by written notice of such failure, the Lessee may at its own option make the necessary repairs or supply the maintenance or service itself or have the hazards or Building Code violations corrected and deduct the cost and expense thereof from rental herein due under this lease or immediately terminate this lease by providing the Lessor written notice by certified or registered mail at the address cited herein.

COMMITTEE ON TRAFFIC CONTROL AND SAFETY.

**COMMISSIONER OF PUBLIC WORKS INSTRUCTED TO
CANCEL AGREEMENT CONCERNING REVERSE
BUS LANES.**

The Committee on Traffic Control and Safety submitted the following report:

CHICAGO, December 18, 1984.

To the President and Members of the City Council:

Your Committee on Traffic Control and Safety having had before it a resolution introduced June 30, 1982, to cease the use of Reverse Flow Bus Lanes, begs leave to recommend an amended resolution which recommends single direction bus lanes, in the right lanes to flow with traffic, cancellation of the agreement adopted July 7, 1977, pages 5531 and 5532 of the Journal of Proceedings.

This was concurred by 7 members of the committee.

Respectfully submitted,
(Signed) ANTHONY C. LAURINO,
Chairman.

On motion of Alderman Laurino, the proposed resolution as amended, transmitted with the foregoing committee report was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said resolution as adopted:

WHEREAS, The City of Chicago is presently conducting the experimental trial of reverse flow bus lanes in the downtown area; and

WHEREAS, Information has been furnished to the City Council indicating that the incidents of accidents have doubled since the implementing of this trial use; and

WHEREAS, In spite of many steps by the City of Chicago to correct the shortcomings of this proposal and alleviate the accident count, it has continued to cause the injury count to mount; now, therefore,

Be It Resolved, That the Commissioner of Public Works be instructed to take such steps as may be necessary to cancel the agreement authorized by the City Council under an ordinance adopted July 7, 1977, on pages 5531 and 5532 in the City Council Journal of Proceedings, and to take such steps as may be necessary and provide for the operation of bus lanes in the right hand lane of the four one-way streets presently being used; Washington, Madison, Adams and Jackson, where traffic in said bus lanes running in the same direction as other motor vehicle traffic.

MUNICIPAL CODE CHAPTER 27 AMENDED
REGARDING TEMPORARY REMOVAL
OF PARKING METERS DURING
CONSTRUCTION PERIODS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance previously referred to the committee on September 6, 1984):

SECTION 1. That Chapter 27 of the Municipal Code of Chicago is hereby amended by inserting in its proper numerical sequence a new section to be known as Section 27-411.2, to read as follows:

27-411.2 Removal of Parking Meters temporarily for authorized construction periods. The Commissioner of Public Works is hereby authorized to order temporary removal of parking meters during construction periods provided a permit for work in a public way has been issued. The Permittee shall pay a fee of fifty (\$50.00) dollars in advance for the removal and reinstallation of each parking meter. In addition, there shall be a monthly surcharge per meter based upon the average revenue during the preceding year in that parking meter area.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

On motion of Alderman Laurino, the foregoing substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

AMENDMENT OF CHAPTER 27 OF THE MUNICIPAL CODE
PERTAINING TO RESTRAINT SYSTEMS IN MOTOR
VEHICLES AND SCHOOL BUSES.

The Committee on Traffic Control and Safety submitted the following report:

CHICAGO, December 18, 1984.

To the President and Members of the City Council:

Your Committee on Traffic Control and Safety having had before it various ordinances, amending Chapter 27 of the Municipal Code pertaining to seat belts, safety harness and child restraint systems in motor vehicles and school buses;

Begs leave to recommend a substitute ordinance, amending Chapter 27. By adding thereto a new Section 27-342.1 to 27-342.4.

Respectfully submitted,
(Signed) ANTHONY C. LAURINO,
Chairman.

On motion of Alderman Laurino, the proposed substitute ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago is a Home Rule Municipality pursuant to the Illinois Constitution, Article VII, Section 6 (a); and

WHEREAS, The use of seat safety belts has caused a significant decrease in bodily injuries and deaths to motor vehicle passengers and operators involved in automobile accidents in those countries, provinces and cities where such laws exist; and

WHEREAS, Deaths and personal injuries from automobile collisions occurring on the streets of the City of Chicago will likely be reduced by requiring the wearing of seat safety belts; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That Chapter 27 of the Municipal Code of the City of Chicago is amended by adding the language in italics as follows:

27-342.1 Each driver and front seat passenger of a passenger motor vehicle operated in the City of Chicago shall wear properly adjusted and fastened seat safety belts, except that a child less than six years of age shall be protected as required by the Child Passenger Protection Act of the State of Illinois. Each driver of a passenger motor vehicle transporting a child six years of age or more, but less than fifteen years of age, in the front seat of a passenger motor vehicle shall be responsible for securing such child in a properly adjusted and fastened seat safety belt. For purposes of Sections 342.1, 342.2, 342.3 and 342.4 use of seat safety belts shall include the use of shoulder harnesses where such is a standard part of the equipment of the passenger motor vehicle.

27-342.2 All school buses, as defined in Illinois Revised Statute, Chapter 95 1/2, Paragraph 12-800 et. seq., operated in the City of Chicago for the purposes of transporting students to and from school and school related activities shall be equipped with a seat safety belt system for each passenger in the school bus. No school bus shall be operated unless the driver of the school bus has properly adjusted and fastened the seat safety belts of all student passengers.

27-342.3 Sections 27-342.1 and 27-342.2 shall not apply to any of the following:

- 1. A driver or passenger frequently stopping and leaving the vehicle or delivering property from the vehicle, if the speed of the vehicle between stops does not exceed fifteen miles per hour.*
- 2. A driver or passenger possessing a written statement from a physician that he or she is unable for medical or physical reasons to wear a seat safety belt.*
- 3. A driver or passenger possessing a certificate or license endorsement issued by the Motor Vehicle Division or a similar agency in another state or county indicated that the driver or passenger is unable for medical, physical or other valid reasons to wear a seat safety belt.*
- 4. A driver operating a passenger motor vehicle in reverse.*
- 5. A passenger motor vehicle manufactured before January 1, 1965.*
- 6. A motorcycle or motortricycle.*
- 7. A moped.*
- 8. Any passenger motor vehicle which is not required to be equipped with seat safety belts under state or federal law.*
- 9. A passenger motor vehicle operated by a postal carrier of the United States Postal Service while such carrier is performing his or her duties as a postal carrier.*

27-342.4 This ordinance shall be enforced as a secondary action when the driver of a passenger motor vehicle or school bus has been detained for some other offense. This

ordinance also shall be enforced at such time when school buses are inspected by State or Federal Safety Inspection Agencies as may be required under State or Federal law. Any person who shall violate the provisions of 27-342.1 and 27-342.2 shall be fined Twenty-five (\$25.00).

SECTION 2. This ordinance shall be effective sixty (60) days from and after its due passage and publication.

MUNICIPAL CODE CHAPTER 27 AMENDED
CONCERNING FUNERAL PROCESSION
REGULATIONS.

The Committee on Traffic Control and Safety submitted the following report:

CHICAGO, December 18, 1984.

To the President and Members of the City Council:

Your Committee on Traffic Control and Safety, having had before it a proposed ordinance, introduced December 18, 1981, to amend Chapter 27-234 of the Municipal Code which was deferred by committee on February 23, 1982, begs leave to recommend a substitute ordinance, by striking sections 27-234, 235, 272, 273, and 274, and inserting in lieu thereof two new sections, 27-234 and 27-235, funeral procession regulations.

This recommendation was concurred in by 7 members of the committee.

Respectfully submitted,
(Signed) ANTHONY C. LAURINO,
Chairman.

On motion of Alderman Laurino, the proposed substitute ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That Chapter 27 of the Municipal Code of Chicago be amended by striking

in their entirety Sections 27-234, 235, 272, 273 and 274 and inserting two new Sections 27-234 and 27-235 to read in italics as follows:

27-234 (a) All motor vehicles participating in a funeral procession, shall have their headlights lighted and shall display on the right-hand side of the windshield thereof a square or rectangular card or sticker, which shall be bright orange, and upon which shall be printed, stamped, or stained in black a cross, a star, or the word "funeral". The reverse side of the sticker shall contain the following statement:

ALERT

In order to ensure a safe funeral procession, the distance between vehicles should not be too small or too great. Please be attentive and maintain a reasonable distance between your vehicle and the vehicle in front of yours according to the speed of the vehicles.

It shall be the duty of the funeral director having charge of the funeral procession to supply each vehicle in such procession with a card or sticker as described herein.

(b) Vehicles in a funeral procession may be equipped with flashing, oscillating, or rotating amber lights which may be used only during such funeral processions. As required by section 27-116 (d) of the Illinois Vehicle Code, all such lights shall be of sufficient intensity, when illuminated, to be visible at 500 feet in normal sunlight.

(c) Vehicles in a funeral procession may be equipped with pennants, flags, cards, or stickers, in addition to the card or sticker described herein which shall further identify such vehicles as being part of a funeral procession.

(d) The decision to use such lights, or pennants or flags, or additional cards or stickers shall be made only by the funeral director, and the lights, pennants, flags, cards, or stickers if used shall be furnished only by the funeral director and must be the same for each vehicle in the procession, except that the lead vehicle in a funeral procession may be equipped with a flashing, oscillating, or rotating light without necessitating that each vehicle in the procession be so equipped.

27-235 (a) All vehicles participating in a funeral procession shall have the right-of-way at all intersections and on all streets, boulevards and roadways in the City, subject to the following conditions:

(1) The operator of the first or lead vehicle in a funeral procession shall comply with all stop signs and traffic control signals. But after the lead vehicle has stopped as required by a stop sign or when required by a traffic signal and has started to proceed through an intersection, then all other vehicles in such procession shall have the right-of-way and may proceed, with proper caution, through that intersection without stopping, regardless of the sign or signal.

(2) Operators of vehicles in a funeral procession shall yield the right-of-way upon the approach of authorized emergency vehicles, such as police or fire vehicles or ambulances, when such emergency vehicles are making an audible or visible signal or when a police officer directs the operators of vehicles in a funeral procession to do so.

(b) *No operator of a vehicle shall drive between the vehicles, persons, or animals comprising a funeral procession except when otherwise directed by a police officer. This provision shall not apply to authorized emergency vehicles as defined in this chapter.*

(c) *Operators of vehicles that are not part of a funeral procession may not form a procession or convoy and have their headlights lighted for the purpose of securing the right-of-way this section grants to funeral processions.*

(d) *Operators of vehicles that are not part of a funeral procession may overtake and pass the vehicles that are in such a procession if such overtaking and passing will not cause a traffic hazard or interfere with such procession.*

(e) *Funeral processions shall not form on or use the major arterial streets between the hours of 7:00 A.M. and 9:00 A.M. and between the hours of 4:00 P.M. and 7:00 P.M.*

(f) *Each driver in a funeral procession shall drive as near to the right-hand edge of the roadway as practical and follow the vehicle ahead as is practical and safe.*

27-272 (Repealed)

27-273 (Repealed)

27-274 (Repealed)

SECTION 2. This ordinance shall be in effect from and after its passage and publication.

AUTHORITY GRANTED TO CLOSE TO TRAFFIC PORTION OF SPECIFIED PUBLIC WAY.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed order previously referred to the committee on September 6, 1984):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of Public Works is hereby authorized and directed to give consideration to the closing of vehicular traffic at the following locations:

Public Way	Area
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W. Flournoy Street	Between S. Loomis Street and S. Ada Street, also the north-south alley adjacent to the school premises: W. Flournoy -- 11:45 A.M. to 12:35 P.M. -- North-south alley 8:00 A.M. to 8:30 A.M. and from 2:30 P.M. to 3:00 P.M. all school days for 1984/1985;
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Public Way

Area

S. Wells Street

Between W. 30th Street and W. 31st
Street -- 7:45 A.M. to 8:20 A.M. and 1:30
P.M. to 2:00 P.M.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

ESTABLISHMENT OF LOADING ZONES.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for proposed ordinances previously referred to the Committee on September 6, 1984):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That in accordance with the provisions of Section 27-410 of the Municipal Code of Chicago, the following locations are hereby designated as loading zones for the distances specified, during the hours designated:

Public Way

Distance and Hours

West Grand Avenue (ss)

From a point 11 feet east of North
Hamlin Avenue, to a point 43 feet east
thereof -- 9 A.M. to 6 P.M. -- Monday thru
Saturday;

North Harlem Avenue (es)

From a point 70 feet north of West
Cortland Street, to a point 50 feet north
thereof -- no exceptions;

North Sheffield Avenue (es)

From a point 30 feet south of West North
Avenue, to a point 70 feet south thereof --
7 A.M. to 6 P.M. -- Monday thru Friday;

Public Way

Distance and Hours

North Southport Street (ws)

At 3432, from a point 20 feet north of West Newport Avenue, to a point 25 feet north thereof -- 3 A.M. to 6 P.M. 6-Days -- Monday thru Saturday;

West Victoria Street (ss)

From a point 20 feet east of North Clark Street, to a point 84 feet east thereof -- 8 A.M. to 6 P.M. -- Monday thru Saturday;

West Walton Street (ns)

From a point 20 feet west of Grand Avenue to a point 90 feet west thereof -- 6 A.M. to 6 P.M. -- Monday thru Saturday.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

AMEND TRAFFIC TO SINGLE DIRECTION ON PORTIONS
OF SUNDRY STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for proposed ordinances previously referred to the committee on September 6, 1984):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That an ordinance passed by the City Council on June 26, 1941, printed on page 5179 of the Journal of Proceedings of said date, restricting the movement of vehicular traffic to a single direction on portions of designated streets, be and the same is hereby amended by striking therefrom, the following: "West Pierce Avenue between North Leavitt Street and North Damen Avenue -- easterly" and inserting in lieu thereof: West Pierce Avenue between North Leavitt Street and the 1st north-south alley west of North Damen Avenue -- easterly.

SECTION 2. Repeal ordinance passed 5-9-84, page 6456, which reads: 1st north-south alley west of North Sheridan Road between West Albion Avenue and West North Shore Avenue -- northerly.

SECTION 3. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

RESTRICTION OF VEHICULAR TRAFFIC TO SINGLE DIRECTION
ON SOUTH CORNELL AVENUE.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for proposed ordinances previously referred to the committee on August 10, 1984):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-403 of the Municipal Code of Chicago, the operator of a vehicle shall operate such vehicle only in the direction specified below on the public ways between the limits indicated:

Public Way	Limits and Direction
South Cornell Avenue	From the 1st alley north of East 56th Street to East 55th Street -- Northerly.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

PARKING METERS AMENDED ON PORTIONS
OF SUNDRY STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for a proposed ordinance and order previously referred to the committee on September 6, 1984):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That an ordinance heretofore passed by the City Council which established Meter Area No. 302-WIK on West Pierce Avenue (both sides) from North Damen Avenue to the first north-south alley west thereof, be and the same is hereby amended by striking the words (both sides) and inserting in lieu thereof (south side).

SECTION 2. That an order heretofore passed by the City Council which established the installation of the following numbered meters located on the (north side) of East Superior Street between North Michigan Avenue and the Neiman Marcus building garage entrance be removed: (meter numbers 224-1137, 224-1136, 224-1135, 224-1134, 224-1133, 224-1132, 224-1131).

SECTION 3. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows;

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

ESTABLISHMENT OF SERVICE DRIVE/DIAGONAL PARKING
ON PORTIONS OF SUNDRY STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for proposed ordinances and orders previously referred to the committee on December 22, 1983 and September 6 and 18, 1984):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-306 of the Municipal Code of Chicago, a portion of the below-named street is hereby designated as a service drive and further pursuant to said Section diagonal parking is hereby permitted in said newly designated location:

Street	Limits
West Catalpa Avenue	From North Cumberland Avenue to North Chester Avenue -- Service Drive.
West Catherine Avenue	From North Cumberland Avenue to North Chester Avenue -- Service Drive.
South Drexel Avenue	Between East 58th Street and East 57th Street -- Service Drive.
South Neva Avenue (es)	From West Archer Avenue to the 1st alley south thereof -- Service Drive/Diagonal Parking.
North Oketo Avenue (ws)	From West Addison Street to the 1st alley north thereof -- Diagonal Parking.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

TRAFFIC LANE TOW-AWAY ZONES ESTABLISHED ON PORTIONS
OF SPECIFIED STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed ordinance transmitted therewith (as a substitute for proposed ordinances referred to the committee on September 6, 1984):

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-414 of the Municipal Code of Chicago, the following location is hereby designated as a Traffic Lane Tow Away Zone between the limits and during the times standing or parking of any vehicle shall be considered a definite hazard to the normal movement of traffic. The Commissioner of Public Works is hereby authorized and directed to install traffic signs designating the hour of prohibition along said route:

Public Way	Limits and Time
West Ardmore Avenue (bs)	From the Lake to North Sheridan Road -- Tow-away-zone.
South Kedzie Avenue (es)	From West Marquette Road to West 71st Street -- Tow-away-zone.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

TRAFFIC WARNING SIGNS AMENDED ON CORNER OF WEST
43RD STREET AND SOUTH CALIFORNIA AVENUE.

The Committee on Traffic Control and Safety submitted a report recommending that the

City Council pass the following proposed order transmitted therewith (as a substitute for a proposed order previously referred to the committee on October 16, 1984):

Ordered, That the Commissioner of Public Works is hereby authorized and directed to give consideration to the removal of a "No Turn On Red -- 7 A.M. to 7 P.M." signs on the northeast corner of West 43rd Street and South California Avenue.

On motion of Alderman Laurino, the foregoing proposed substitute order was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

**REGULATIONS PRESCRIBED AND AMENDED IN
REFERENCE TO PARKING OF VEHICLES
ON SUNDRY STREETS.**

The Committee on Traffic Control and Safety submitted six proposed ordinances (under separate committee reports) recommending that the City Council pass said ordinances transmitted therewith (as substitutes for proposed ordinances previously referred to the committee) in reference to the parking of vehicles.

On separate motions made by Alderman Laurino, *each* of the said proposed ordinances was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Said ordinances, as passed, read respectively as follows (the heading in each case not being a part of the ordinance):

**PROHIBITION AGAINST PARKING OF VEHICLES
AT ALL TIMES.**

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-413 of the Municipal Code of Chicago, the operator of a vehicle shall not park such vehicle at any time upon the following public ways in the areas indicated:

Public Way	Area
North Albany Avenue (ws)	From a point 50 feet north of West Roscoe Street, to a point 25 feet north thereof -- (3406 North Albany Avenue) -- Handicapped Permit 853.
West Agatite Avenue (ss)	From a point 20 feet west of North Lawndale Avenue, to a point 25 feet west thereof -- (3701 West Agatite Avenue) -- Handicapped Permit 860.
South Artesian Avenue (ws)	From a point 390 feet south of West 53rd Street, to a point 25 feet south thereof -- (5340 South Artesian Avenue) -- Handicapped Permit 833.
West Belle Plaine Avenue (ss)	From a point 70 feet west of North Laramie Avenue, to a point 25 feet west thereof -- (5207 West Belle Plaine Avenue) -- Handicapped Permit 830.
North Bernard Street (ws)	From a point 230 feet south of West Irving Park Road, to a point 20 feet south thereof -- (3932 North Bernard Street) -- Handicapped Permit 839.
West Berteau Avenue (ss)	From a point 230 feet west of North Spaulding Avenue, to a point 25 feet west thereof -- (3323 West Berteau Avenue) -- Handicapped Permit 838.
South Burley Avenue (es)	From a point 123 feet south of East 85th Street, to a point 31 feet south thereof -- (Driveway).
North California Avenue (es)	From West Montrose Avenue to a point 150 feet south thereof.
North Campbell Avenue (es)	From a point 265 feet north of West Albion Avenue to a point 25 feet north thereof -- (6629 North Campbell Avenue) -- Handicapped Permit 912.

Public Way	Area
South Carpenter Street (ws)	From a point 262 feet north of the first east-west alley south of 32nd Street, to a point 24 feet north thereof -- (3350 South Carpenter Street) -- Handicapped Permit 845.
North Clark Street (ws)	From a point 20 feet north of West Illinois Street, to a point 76 feet north thereof.
West Cullom Avenue (ss)	From a point 60 feet east of North Bernard Avenue, to a point 25 feet east thereof -- (3423 West Cullom Street) -- Handicapped Permit 692.
South Eberhart Avenue (ws)	From a point 336 feet south of East 104th Street, to a point 25 feet south thereof -- (10434 South Eberhart Avenue) -- Handicapped Permit 827.
South Ellis Avenue (ws)	From a point 263 feet south of East 54th Street, to a point 45 feet south thereof -- Driveway.
West Ferdinand Street (ss)	From a point 241 feet west of North Laramie Avenue, to a point 25 feet west thereof -- (5225 West Ferdinand Street) -- Handicapped Permit 858.
West Haddon Avenue (ns)	From a point 109 feet west of North Damen Avenue, to a point 25 feet west thereof -- (2020 West Haddon Avenue) -- Handicapped Permit 832.
West Homer Street (ss)	From a point 140 feet east of North Leavitt Street, to a point 25 feet east thereof -- (2145 West Homer Street) -- Handicapped Permit 841.
South Hoyne Avenue (es)	From a point 95 feet north of West 57th Street, to a point 25 feet north thereof -- (5649 South Hoyne Avenue) Handicapped Permit 847.
South Ingleside Avenue (es)	From a point 168 feet north of E. 54th Place, to a point 30 feet north thereof -- Driveway.

Public Way	Area
South Justine Street (es)	From a point 170 feet north of West 93rd Street to a point 25 feet north thereof -- (9241 South Justine Street) -- Handicapped Permit 850.
West Kamerling Avenue (ns)	From a point 155 feet east of North Karlov Avenue, to a point 25 feet east thereof -- (4042 West Kamerling Avenue) -- Handicapped Permit 848.
South Karlov Avenue (ws)	From a point 45 feet south of West 50th Street, to a point 25 feet south thereof -- (5004 South Karlov Avenue) -- Handicapped Permit 905.
North Kedzie Avenue (es)	From West Devon Avenue to first alley north thereof.
North Kilpatrick Avenue (es)	Between West Belle Plaine Avenue and West Berteau Avenue.
South Lockwood Avenue (es)	From a point 35 feet north of West 65th Street, to a point 25 feet north thereof - (6457 South Lockwood Avenue) -- Handicapped Permit 844.
South Lyman Street (ns)	From a point 112 feet west of South Bonfield Street, to a point 25 feet west thereof -- (2976 South Lyman Street) -- Handicapped Permit 846.
North Mason Avenue	At 2405, at Driveway for Handicapped Person.
West Morse Avenue (ss)	From a point 155 feet east of North Lakewood Avenue to a point 123 feet east thereof.
North Natoma Avenue (ws)	From a point 145 feet north of West Imlay Street, to a point 25 feet north thereof -- (6514 North Natoma Avenue) -- Handicapped Permit 836.
North Natoma Avenue (es)	From a point 90 feet south of West Armitage Avenue, to a point 25 feet south thereof -- Handicapped Permit 849.

Public Way	Area
West Newport Avenue (ns)	From a point 55 feet east of North Kedvale Avenue, to a point 25 feet east thereof -- (4142 West Newport Avenue) -- Handicapped Permit 851.
East Ohio Street (ss)	From a point 218 feet east of North St. Clair Street, to a point 45 feet east thereof.
West Pierce Avenue (ns)	North Damen Avenue to the first north-south alley west thereof.
South Peoria Street (ws)	From a point 20 feet north of West Jackson Boulevard, to a point 128 feet north thereof.
North Richmond Street (ws)	From 2920 to 2922 -- Handicapped Parking.
North Rutherford Avenue (es)	From a point 40 feet north of West Roscoe Street, to a point 25 feet north thereof -- (3403 North Richmond Avenue) -- Handicapped Permit 842.
West Summerdale Avenue (ns)	From a point 360 feet east of North Clark Street, to a point 25 feet east thereof -- (1450 West Summerdale Avenue) -- Handicapped Permit 843.
West Thomas Street (ss)	From a point 51 feet east of North Lamon Avenue, to a point 25 feet east thereof -- (4853 West Thomas Street) -- Handicapped Permit 859.
West Thome Avenue (ss)	From a point 215 feet east of North Greenvew Avenue to a point 25 feet east thereof -- (1437 West Thome Avenue) -- Handicapped Permit 837.
South Tripp Avenue (es)	From a point 60 feet north of West 64th Street, to a point 25 feet north thereof -- (6353 South Tripp Avenue) -- Handicapped Permit 828.
West West End Avenue (ns)	From a point 135 feet west of North Keeler Avenue, to a point 23 feet west thereof -- (4212 West West End Avenue) - Handicapped Permit 822.

Public Way

Area

West 63rd Street (bs)

From South Austin Avenue to South
Nottingham Avenue -- Trucks Only.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

PROHIBITION AGAINST PARKING OF VEHICLES
DURING SPECIFIED HOURS.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-414 of the Municipal Code of Chicago, the operator of a vehicle shall not park such vehicle upon the following public ways in the areas indicated, during the hours specified:

Public Way

Limits and Time

West Pryor Avenue (ns)

From South Esmond Avenue to the first
alley east thereof -- 8:00 A.M. to 4:00
P.M. -- Monday thru Friday.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

AMEND PROHIBITION AGAINST PARKING OF
VEHICLES AT ALL TIMES.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Amend ordinance passed 2-10-82, page 9533 which reads: "West Pryor Avenue (both sides) from South Esmond Street to the alley east of South Esmond Street" by striking:

"(both sides)"

and inserting in lieu thereof:

(south side).

SECTION 2. Amend ordinance passed 5-10-78, page 7740 by striking:

"West 63rd Street (south side) between South Oak Park Avenue and South Nottingham Avenue -- Trucks Only".

SECTION 3. Repeal Ordinance passed 5-10-78, page 7740 which reads: "West 63rd Street (south side) between Rutherford Avenue and Nashville Avenue -- Trucks Only".

SECTION 4. Amend ordinance passed 5-10-78, page 7740 by striking:

"West 63rd Street (north Side) between South Rutherford Avenue and South Nashville Avenue -- Trucks Only".

SECTION 5. Amend ordinance passed 11-14-75, page 1536 by striking:

"West 63rd Street (both sides) between South Natchez Avenue and South Narragansett Avenue"

and inserting in lieu thereof:

West 63rd Street (north side) between South Narragansett Avenue and South Nagle Avenue -- "Trucks Only".

SECTION 6. Repeal ordinance passed 7-7-78, page 8086 which reads: "West 63rd Street (north side) between Neenah Avenue and Nashville Avenue -- Trucks Only".

SECTION 7. This ordinance shall take effect and be in force hereinafter its passage and publication.

AMEND PROHIBITION AGAINST PARKING OF
VEHICLES DURING SPECIFIED HOURS.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Amend ordinance passed 3-21-77, pages 5078-5079 related to South Kilpatrick Avenue (both sides) from South Archer Avenue to the first alley north thereof -- 8:00 A.M. to 6:00 P.M. -- Monday thru Friday, by striking:

"(both sides)"

and inserting in lieu thereof:

(east side).

SECTION 2. That an ordinance passed by the City Council on May 27, 1982, printed on page 10885 of the Journal of Proceedings of said date, prohibiting the parking of vehicles on portions of sundry streets during specified hours, be and the same is hereby amended by striking therefrom the following:

"South Park Terrace (west side) from West Polk Street to West Roosevelt Road -- 8:00 A.M. to 10:00 A.M. -- Monday thru Friday."

and inserting in lieu thereof:

South Park Terrace (west side) from West Polk Street to West Roosevelt Road -- 9:00 A.M. to 11 A.M. -- Monday thru Friday.

SECTION 3. That an ordinance passed by the City Council on May 27, 1982, page 10885 of the Journal of Proceedings of said date, prohibiting the parking of vehicles on portions of sundry streets during specified hours, be and the same is hereby amended by striking therefrom the following:

"South Plymouth Court (east side) from West Roosevelt Road to West Polk Street -- 8:00 A.M. to 10:00 A.M. -- Monday thru Friday."

and inserting in lieu thereof:

South Plymouth Court (east side) from West 9th Street to West Polk Street - - 9:00 A.M. to 10:00 A.M. -- Monday thru Friday and South Plymouth Court (west side) from West Roosevelt Road to West 9th Street -- 9:00 A.M. to 11:00 A.M. -- Monday thru Friday.

SECTION 4. Amend ordinance passed 3-21-77, pages 507-508 of the Journal of Proceedings of said date, prohibiting the parking of vehicles during "rush hours" on portions of sundry streets, be and the same is hereby amended by striking therefrom the following:

"North Western Avenue (both sides) from West Howard Street to a point 265 feet south thereof -- 7:00 A.M. to 9:00 A.M. -- Monday thru Saturday."

SECTION 5. Amend ordinance passed 12-6-61, page 5874 by striking:

"West 63rd Street (north side) from South Leavitt Street to South St. Louis Avenue -- 4:00 P.M. to 6:00 P.M. except Saturday, Sunday, and holidays"

and inserting in lieu thereof:

West 63rd Street (north side) from South Leavitt Street to South Kedzie Avenue -- 4:00 P.M. to 6:00 P.M. -- Monday thru Friday and West 63rd Street (north side) from South Kedzie Avenue to South St. Louis Avenue -- 7:00 A.M. to 9:00 A.M. -- Monday thru Friday.

SECTION 6. This ordinance shall take effect and be in force hereinafter its passage and publication.

ESTABLISHMENT OF RESIDENTIAL PARKING ON SUNDRY STREETS.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-317 of the Municipal Code of Chicago, a portion of the below-named street is hereby designated as Residential Parking, for the following location:

Street	Limits
North Drake Avenue (bs)	Between West Ardmore Avenue and West Hollywood Avenue -- Extension to Zone 1.
South Menard Avenue (bs)	Between West 55th Street and the first alley south of South Archer Avenue -- 8 A.M. to 5 P.M. -- Mondays thru Fridays extension to Zone 29.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

AMENDMENT OF RESIDENTIAL PERMIT PARKING ZONES.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That an ordinance passed by the City Council on June 6, 1984, page 7256 of the Journal of Proceedings of said date, which established residential permit parking zones on portions of designated streets, be and the same is hereby amended by striking therefrom the following:

"South Park Terrace (west side) from East Polk Street to East 9th Street -- Zone 40."

and inserting in lieu thereof:

South Park Terrace (west side) from W. Polk Street to West Roosevelt Road --Zone 40.

SECTION 2. That an ordinance passed by the City Council on June 6, 1984, page 7256 of the Journal of Proceedings of said date, which established residential permit parking zones on portions of designated streets, be and the same is hereby amended by striking therefrom the following:

"South Plymouth Court (east side) from East Polk Street to East Roosevelt Road -- Zone 40".

and inserting in lieu thereof:

South Plymouth Court (east side) from Polk Street to 9th Street and South Plymouth Court (west side) from 9th Street to Roosevelt Road.

SECTION 3. This ordinance shall take effect and be in force from and after its passage and publication.

PARKING LIMITATION DURING SPECIFIED HOURS
ON PORTION OF NORTH WESTERN AVENUE.

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. Pursuant to Section 27-414 of the Municipal Code of Chicago, the operator of a vehicle shall not park such vehicle upon the following public ways in the areas indicated, during the hours specified:

Public Way	Limits and Times
North Western Avenue	From a point 150 feet north of West Roscoe Street to a point 100 feet north thereof -- 30-Minute Parking -- no exceptions.

SECTION 2. This ordinance shall take effect and be in force hereinafter its passage and publication.

TRAFFIC WARNING SIGNS ESTABLISHED ON PORTIONS OF SUNDRY STREETS.

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed order transmitted therewith (as a substitute for proposed orders previously referred to the committee on August 17, 1983, February 8, July 9, September 6 and September 25, 1984):

Ordered, That the Commissioner of Public Works be and he is authorized and directed to erect traffic warning signs and signals on the following streets, of the types specified:

Street	Type of Sign or Signal
S. Albany Avenue and W. 56th Street, stopping northbound traffic on Albany Avenue	"Stop" signs;
At the intersection of Archer Avenue and S. Pulaski Road	Installation of Turn Signal on existing automatic traffic Control Signals;
W. Berteau Avenue and N. Bell Avenue	"All-Way Stop" signs;
W. Bradley Place and N. Leavitt Street	"Stop" signs;
Stopping Southbound 1-Way N. Wayne Avenue at W. Bryn Mawr Avenue	"1-Way Stop" sign;
S. Canal Street and W. 29th Street, stopping northbound	"Stop" signs;

Street	Type of Sign or Signal
traffic on Canal Street	
S. Canal Street and W. 30th Street, stopping north/south traffic on Canal Street	"2-Way Stop" signs;
S. Claremont Avenue and W. 66th Street stopping north/south traffic on Claremont Avenue	"2-Way Stop" signs;
W. Cullom Avenue and N. Bell Avenue	"All-Way Stop" signs;
W. Farragut Avenue and N. Washtenaw Avenue stopping eastbound traffic on Farragut Avenue	"Stop" sign;
Stopping Francisco Avenue for W. 46th Street	"Stop" signs;
S. Forest Avenue and E. 104th Street, stopping southbound traffic on Forrest Avenue	"Stop" signs;
W. Illinois Street and N. Franklin Street	"4-Way Stop" signs;
Stopping McLean Avenue for N. Lawndale Avenue	"1-Way Stop" sign;
W. Newport Avenue and N. Seminary Avenue, stopping Newport Avenue	"Stop" signs;
Stopping W. Oakdale Avenue for N. Ridgeway Avenue	1-Way Stop" signs;
N. Oconto Avenue and W. Peterson Avenue	"4-Way Stop" signs;
Stopping Oleander Avenue for Roscoe Street	"1-Way Stop" sign;
N. Oliphant Avenue and N. Olmstead Avenue,	"1-Way Stop" sign;

Street	Type of Sign or Signal
stopping southwest bound traffic on Oliphant Avenue at Olmstead Avenue	
N. Oliphant Avenue and N. Olmstead Avenue stopping northwest and southeast bound Olmstead Avenue for Oliphant Avenue	"2-Way Stop" signs;
W. Patterson Avenue and N. Wolcott Street stopping traffic on Patterson Avenue	"Stop" signs;
N. Sauganash Avenue and N. Lowell Avenue	"Stop" signs;
W. Seminole Avenue and N. Austin Avenue	"All-Way Stop" signs;
Stopping W. Shakespeare Avenue for N. Hoyne Avenue	"2-Way Stop" signs;
W. Sunnyside Avenue for N. Richmond Street	"2-Way Stop" signs;
W. Touhy Avenue and N. Wolcott Avenue	"All-Way Stop" signs;
W. 16th Street and S. Morgan Street	"All-Way Stop" signs;
W. 18th Street and S. Fairfield Avenue	"All-Way Stop" signs;
W. 19th Street and S. Allport Street	"4-Way Stop" signs;
W. 24th Street and S. Homan Avenue	"4-Way Stop" signs
W. 25th Street and S. Trumbull Avenue	"All-Way Stop" signs;
W. 32nd Street and S. Ridgeway Avenue	"4-Way Stop" signs;
W. 34th Street and	"4-Way Stop" signs;

Street	Type of Sign or Signal
S. Justine Street	
W. 46th Place and S. Wallace Street, stopping east-west traffic on 46th Place	"Stop" signs;
W. 46th Street and S. Wallace Street stopping all directions	"All-Way Stop" signs;
W. 48th Street and S. Ada Street, stopping westbound 48th Street	"Stop" signs;
W. 56th Street and S. St. Louis Avenue stopping 56th Street	"Stop" signs;
W. 57th Street and S. Keeler Avenue stopping 57th Street	"Stop" signs;
E. 62nd Street and S. Dorchester Avenue, stopping east and west traffic on 62nd Street	"2-Way Stop" signs;
W. 66th Street and S. Whipple Street	"Stop" signs;
Stopping S. Prairie Avenue for E. 68th Street	"Stop" signs;
W. 71st Street and S. Washtenaw Avenue	"Automatic traffic control" signals;
Stopping W. 108th Street for S. Albany Avenue (NE and SW corners)	"2-Way Stop" signs.

On motion of Alderman Laurino, the foregoing proposed substitute order was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuller, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

**AUTHORITY GRANTED TO ALLOW CERTAIN TRAFFIC ON
STATE STREET MALL DURING CHRISTMAS SEASON.**

The Committee on Traffic Control and Safety submitted a report recommending that the City Council pass the following proposed substitute ordinance transmitted therewith:

WHEREAS, The City Council of the City of Chicago passed an ordinance on April 21, 1978 printed on page 7605 of the Journal of Proceedings restricting the vehicular traffic on the State Street Mall to Chicago Transit Authority and emergency vehicles; and

WHEREAS, The prohibited operations of taxicabs have been permitted on the State Street Mall since November 1981, and the prohibited operations of horse-drawn carriages have been permitted during the 1982 and 1983 Christmas seasons, both concessions resulting without negative results; and

WHEREAS, The City Council finds that it is in the public interest that additional transportation needs be met, and the City Council finds that the formerly prohibited taxicabs and horse-drawn carriages can operate safely and efficiently together with the CTA buses; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the ordinance passed by the City Council on April 21, 1978, and published on page 7605 of the Journal of Proceedings of said date, restricting the vehicular traffic of the State Street Mall to Chicago Transit Authority and emergency vehicles, be and the same is hereby amended by deleting the language bracketed and inserting the language in italics as follows:

SECTION 1. That all those parts of North and South State lying between the south line of Wacker Drive and the north line of Haddock Place; between the south line of Haddock Place and the north line of Lake Street; between the south line of Lake Street and the north line of Benton Place; between the south line of Benton Place and the north line of Randolph Street; between the south line of Randolph Street and the north line of Washington Street; between the south line of Washington Street and the north line of Madison Street; between the south line of Madison Street and the north line of Monroe Street; between the south line of Monroe Street and the north line of Adams Street; between the south line of Adams Street and the north line of Jackson

Boulevard; between the south line of Jackson Boulevard and the north line of Van Buren Street; and between the south line of Van Buren Street and the north line of Congress Parkway be and are hereby closed to vehicular traffic, except for *taxis and horse-drawn carriages, at the below specified times, and for the continued operation of all facilities of the Chicago Transit Authority, as well as Police, Fire, and other casualty vehicles.*

SECTION 2. Taxis may only pick up and drop off passengers, but not stand, on the State Street Mall daily from 7:00 P.M. to 6:00 A.M. Taxis may enter and exit the Mall from Lake Street, Randolph Street, Washington Street, Madison Street, Monroe Street, Adams Street, Jackson Boulevard, or Van Buren Street. They may exit, but not enter, the Mall from Wacker Drive or Congress Parkway.

SECTION 3. Horse-drawn carriages may operate on the State Street Mall seasonally, from the Friday immediately following Thanksgiving to December 30. Operating hours will be 7:30 P.M. to 12:00 Midnight weekdays, 5:30 P.M. to 12:00 Midnight Saturdays, and 12:00 Noon to 12:00 Midnight Sundays. The carriages moving along the State Street Mall will yield to the turning movements of Chicago Transit Authority buses. Passengers will board or leave carriages only at the Benton Place staging area.

SECTION [2] 4. It is further provided that emergency vehicles required for building maintenance, repair, and other similar services shall have restricted access to said parts of State Street herein closed, subject to the issuance of a permit by the Commissioner of [Streets and Sanitation] *Public Works*, said permit to be restricted to certain hours as prescribed by said Commissioner.

SECTION [3] 5. It is further provided that delivery vehicles required to service loading facilities along W. Quincy Street at State Street shall have restricted access to Quincy Street via State Street between Adams Street and Jackson Boulevard, said access to be restricted to certain hours prescribed by the Commissioner of [Streets and Sanitation] *Public Works*.

SECTION [4] 6. It is further provided that the City of Chicago shall file or cause to be filed for record in the Office of the Recorder of Deeds of Cook County, Illinois, a certified copy of this ordinance.

SECTION 2. This ordinance shall take effect and be in force from and after its passage and approval, subject, however, to the provisions of Section (4) 6, and provided that all necessary traffic control devices have been erected restricting vehicular traffic on the subject portions of State Street.

On motion of Alderman Laurino, the foregoing proposed substitute ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

*Failed to Pass -- VARIOUS TRAFFIC REGULATIONS,
TRAFFIC SIGNS, ETC.*

(Adverse Committee Recommendations).

The Committee on Traffic Control and Safety submitted a report recommending that the City Council *Do Not Pass* sundry proposed ordinances and proposed orders (transmitted with the committee's report) relating to traffic regulations, traffic signs, etc.

Alderman Laurino moved to *Concur In* the committee's recommendations. The question in reference to each proposed ordinance or proposed order thereupon became: "*Shall the proposed ordinances or proposed orders Pass, notwithstanding the committee's adverse recommendations?*" and the several questions being so put, each of the said proposed ordinances and proposed orders *Failed to Pass*, by yeas and nays as follows:

Yeas -- None.

Nays -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone -- 50.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The committee report listing said ordinances and orders which *Failed to Pass*, reads as follows:

CHICAGO, December 18, 1984.

To the President and Members of the City Council:

Your Committee on Traffic Control and Safety, begs leave to recommend that Your Honorable Body *Do Not Pass* sundry proposed ordinances and orders submitted herewith which were referred to Your Committee (June 28, August 10, and August 17, 1984, April 25, May 9, July 9, September 6, and September 18, 1984) concerning traffic regulations and traffic signs etc. as follows:

Parking Prohibited At All Times:

South Carpenter Street (both sides)

West 16th Street to West 18th Street;

West Division Street (north side)

From North Monitor to 5822 West Division Street;

Parking Prohibited At All Times:

South Drexel Boulevard (east side)	At 4901;
North Franklin Street	At 900-920;
South Vernon Avenue (east side)	Between East 29th Place and East 30th Street;
East 30th Street (both sides)	From South Vernon Avenue to South Cottage Grove Avenue;
West 48th Street (both sides)	From South Campbell Avenue to South Talman Avenue;
West 81st Street	At 1416.

Loading Zones:

West Diversey Avenue	At 3659 -- 8 A.M. to 8 P.M.;
79th Street	At 215-225 -- 8 A.M. to 8 P.M. -- Monday thru Friday.

Single Direction:

South Cornell Avenue	From East 54th Street to East 55th Street -- southerly.
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Residential Parking:

South Michigan Avenue (both sides)	At 9300 and 9400 blocks.
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Traffic Warning Signs:

(September 6, 1984) "Stop" sign -- East/westbound traffic on West Altgeld Street at the intersection of North Spaulding Avenue;

(September 6, 1984) "Stop" sign -- West Berteau Avenue at intersection of North Keystone Avenue (east/westbound traffic);

(September 6, 1984) "3-Way Stop" sign -- West Byron Street and North Kostner Avenue;

(September 6, 1984) "Stop" sign -- North/southbound traffic on N. California Avenue at the intersection of West Grace Street;

(September 6, 1984) "Stop" sign -- North Central Park Avenue (southerly) at intersection of West Waveland Avenue;

(September 6, 1984) "2-Way Stop" sign -- South Eberhart Avenue and East 105th Street, stopping north/south traffic on Eberhart Avenue;

(September 6, 1984) "All-Way Stop" sign -- South Escanaba Avenue and East 98th Street;

(April 25, 1984) "Stop" sign -- Southwest corner of West Jackson Boulevard and South Peoria Street (eastbound);

(September 6, 1984) "Stop" sign -- North Kenneth Avenue and West Ainslie Street, stopping southbound traffic on Kenneth Avenue;

(September 6, 1984) "1-Way Stop" sign -- Northeast corner of North Nordica Avenue and West Roscoe Street stopping Nordica Avenue;

(September 6, 1984) "Stop" sign -- North Nottingham Avenue (southerly) at intersection of West Waveland Avenue;

(September 6, 1984) "Stop" sign -- Southbound traffic on North Oketo Avenue at intersection of West Grace Street;

(June 20, 1984) "Stop" sign -- West Palmer Square and North Whipple Street, stopping eastbound traffic on West Palmer Square;

(September 28, 1984) "4-Way Stop" sign -- West Pershing Road and South Sacramento Avenue;

(September 6, 1984) "Stop" sign -- West Roscoe Street (easterly) and North Nottingham Avenue (southerly);

(September 6, 1984) "Stop" sign -- North Rutherford Avenue and West Foster Avenue, stopping traffic on Rutherford Avenue;

(September 6, 1984) "Stop" sign -- West Waveland Avenue (easterly) at intersection of North Kilpatrick Avenue;

(September 6, 1984) "Stop" sign -- West 25th Street and South St. Louis Avenue, stopping 25th Street;

(September 6, 1984) "Stop" sign -- West 39th Place and South Archer Avenue;

(September 6, 1984) "Stop" sign -- Northeast corner of 40th Street and South Vincennes Avenue;

Traffic Warning Signs:

(June 28, 1983) "3-Way Stop" sign -- East 53rd Street and South University Avenue;

(September 6, 1984) "2-Way Stop" sign -- East 62nd Street and South Dorchester Avenue, stopping east/west traffic on 62nd Street;

(September 6, 1984) "All-Way Stop" sign -- East 81st Street and South St. Lawrence Avenue;

(September 6, 1984) "Stop" sign -- East 91st Street and South Indiana Avenue;

(September 6, 1984) "Stop" sign -- East 96th Street and South Michigan Avenue;

(September 6, 1984) "4-Way Stop" sign -- West 107th Street and South Campbell Street;

(September 6, 1984) "2-Way Stop" sign -- West 107th Street and South Rockwell Street.

Do Not Enter Signs:

40th Street

and South Vincennes Avenue.

Traffic Lane Tow-Away Zone:

East Superior Street (both sides)

Between North Michigan Avenue and
the entrances to the Neiman-Marcus
Garage.

Slow-Children Crossing:

South Hoyne Avenue

From West 98th Street to West 99th
Street.

This recommendation was concurred in by the members of the Committee with no
dissenting vote.

Respectfully submitted,
(Signed) ANTHONY C. LAURINO,
Chairman.

MATTERS PRESENTED BY THE ALDERMEN

(Presented by Wards, in Order, Beginning with the First Ward).

Arranged under the following subheadings:

1. Traffic Regulations, Traffic Signs and Traffic-Control Devices.
2. Zoning Ordinance Amendments.
3. Claims.
4. Unclassified Matters (arranged in order according to Ward numbers).
5. Free Permits, License Fee Exemptions, Cancellation of Warrants for
Collection and Water Rate Exemptions, Etc.

**1. TRAFFIC REGULATIONS, TRAFFIC SIGNS AND
TRAFFIC-CONTROL DEVICES.**

*Referred -- ESTABLISHMENT OF LOADING ZONE AT 914 SOUTH
WABASH AVENUE.*

Alderman Roti (1st Ward) presented a proposed ordinance to establish a loading zone at 914 S. Wabash Avenue at all times; which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- REMOVAL OF TWO PARKING METERS AT
914 SOUTH WABASH AVENUE.

Alderman Roti (1st Ward) presented a proposed order for the removal of two parking meters from in front of 914 S. Wabash Avenue (for the establishment of a loading zone); which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- LIMITATION OF PARKING OF VEHICLES
DURING SPECIFIED HOURS ON PORTION OF
NORTH WESTERN AVENUE.

Alderman Stone (50th Ward) presented a proposed ordinance to limit the parking of vehicles to thirty minute periods on the east side of N. Western Avenue from W. Jarvis Avenue to a point 100 feet north thereof from 8:00 A.M. to 8:00 P.M. on Mondays through Saturdays; which was *Referred to the Committee on Traffic Control and Safety*.

Referred -- PROHIBITION AT ALL TIMES FOR PARKING
OF VEHICLES AT SPECIFIED LOCATIONS.

The aldermen named below presented proposed ordinances to prohibit at all times the parking of vehicles at the locations designated, for the distances specified; which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location and Distance
BEAVERS (7th Ward)	S. Kingston Avenue (east side) at 8743 (except for handicapped);
MAJERCZYK (12th Ward)	S. Kedzie Avenue (west side) from W. 39th Street to W. 42nd Street -- Trucks Only;
BURKE (14th Ward)	S. Wolcott Avenue at 5128 (except for handicapped); S. Marshfield Avenue at 5437 (except for handicapped);
MARZULLO (25th Ward)	W. 21st Place at 2320 (except for handicapped);

Alderman	Location and Distance
PUCINSKI (41st Ward)	W. Bryn Mawr Avenue (both sides) between N. Delphia Avenue and N. East River Road;
STONE (50th Ward)	W. Touhy Avenue (south side) from corner of N. Western Avenue to a point 10 feet east of the first alley east thereof.

***Referred -- PROHIBITION AGAINST PARKING OF VEHICLES
DURING SPECIFIED HOURS AT SPECIFIED LOCATION.***

Alderman Huels (11th Ward) presented a proposed ordinance to limit the parking of vehicles to two hour periods on both sides of W. 35th Street from S. Morgan Street to the first alley east thereof from 7:00 A.M. to 9:00 A.M. on Mondays through Sundays; which was *Referred to the Committee on Traffic Control and Safety.*

***Referred -- AMEND PROHIBITION AGAINST PARKING OF
VEHICLES ON PORTION OF NORTH WESTERN
AVENUE.***

Alderman Stone (50th Ward) presented a proposed ordinance to prohibit the parking of vehicles on N. Western Avenue from W. Birchwood Avenue to a point 30 feet north thereof (instead of N. Western Avenue -- west side -- from W. Birchwood Avenue to a point 30 feet north thereof); which was *Referred to the Committee on Traffic Control and Safety.*

Referred -- ESTABLISHMENT OF TOW AWAY ZONE.

Alderman Natarus (42nd Ward) presented a proposed order to establish a "Tow Away Zone" on the south side of E. Illinois Street between N. Lake Shore Drive (lower level) and the west property line of N. McClurg Court (projected) -- at all times, which was *Referred to the Committee on Traffic Control and Safety.*

Referred -- INSTALLATION OF TRAFFIC SIGNS.

The aldermen named below presented proposed orders for the installation of traffic signs, of the nature indicated and at the locations specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location and Type of Sign
MAJERCZYK (12th Ward)	Alley bounded by W. 46th Street, S. California Avenue, S. Mozart Street and

Alderman	Location and Type of Sign
	W. 47th Street -- "Through Traffic Prohibited";
	W. 46th Street and S. Sawyer Avenue -- "3-Way Stop";
KRYSTYNIAK (23rd Ward)	W. 56th Street and S. Hamlin Avenue -- "4-Way Stop";
MARZULLO (25th Ward)	18th Place and S. Hoyne Avenue -- "All-Way Stop";
SMITH (28th Ward)	Northwest corner of N. Lamont Avenue and W. Race Avenue -- "Stop";
BANKS (36th Ward)	Southeastbound traffic on W. Grand Avenue, east of the Milwaukee Railroad (at 6600 west) -- Yield;
CULLERTON (38th Ward)	N. Ozark Avenue (one-way street/northerly) and W. Roscoe Street -- "Stop";
OBERMAN (43rd Ward)	W. Eugenie Street and N. Wells Street -- "All-Way Stop".

***Referred -- WEIGHT LIMIT OF FIVE TONS FOR VEHICLES
ON PORTIONS OF SPECIFIED STREETS.***

The aldermen named below presented proposed ordinances to fix a weight limit of five tons for trucks and commercial vehicles at the locations designated and for the distances specified, which were *Referred to the Committee on Traffic Control and Safety*, as follows:

Alderman	Location and Distance
MAJERCZYK (12th Ward)	S. Bell Avenue, between W. 33rd Street and W. 35th Street;
STREETER (17th Ward)	S. Lowe Avenue, from W. 79th Street to W. 80th Street;
SMITH (28th Ward)	W. Gladys Avenue, 4700 block.

2. ZONING ORDINANCE AMENDMENTS.

*Referred -- ZONING RECLASSIFICATION IN
PARTICULAR AREA.*

Alderman Orbach (46th Ward) presented a proposed ordinance for amendment of the Chicago Zoning Ordinance, for the purpose of reclassifying a particular area, which was *Referred to the Committee on Zoning*, as follows:

To classify as a C1-5 Restricted Commercial District instead of a B4-5 Restricted Service District the area shown on Map No. 11-G bounded by

W. Wilson Avenue; a line 275.5 feet east of N. Sheridan Road; a line 194 feet south of W. Wilson Avenue; and a line 175.5 feet east of N. Sheridan Road.

3. CLAIMS.

Referred -- CLAIMS AGAINST CITY OF CHICAGO.

The aldermen named below presented three proposed claims against the City of Chicago for the claimants named as noted respectively, which were *Referred to the Committee on Claims and Liabilities*, as follows:

Alderman	Claimant
SHERMAN (21st Ward)	Vanessa Lane;
SMITH (28th Ward)	Mrs. Daisy Robinson;
SANTIAGO (31st Ward)	Mr. and Mrs. John Dodrow.

4. UNCLASSIFIED MATTERS
(Arranged in Order According to Ward Number).

Proposed ordinances, orders and resolutions were presented by the aldermen named below respectively, and were acted upon by the City Council in each case in the manner noted as follows:

Presented by

ALDERMAN ROTI (1st Ward):

Referred -- GRANT OF PRIVILEGE IN PUBLIC WAY.

A proposed ordinance to grant permission and authority to Acme Barrel Company to install and maintain a standard size manhole in the sidewalk area near South Oakley Avenue and

adjacent to the premises at 2300 West 13th Street, which was *Referred to the Committee on Streets and Alleys*.

Referred -- INSTALLATION OF SIGN/SIGNBOARD AT
6 EAST RANDOLPH STREET.

Also a proposed order to direct the Commissioner of Inspectional Services to issue a sign permit to Federal Sign and Signage to install a sign/signboard at 6 East Randolph Street for Diamond Vision, which was *Referred to the Committee on Zoning*.

Presented by

**ALDERMAN ROTI (1st Ward) and
ALDERMAN STONE (50th Ward):**

**TRIBUTE TO LATE ANNA MADRZYK, MOTHER OF
ALDERMAN JOHN S. MADRZYK.**

A proposed resolution reading as follows:

WHEREAS, The Lord in his infinite wisdom has called to her eternal rest, Anna Madrzyk; and

WHEREAS, Anna Wojcik Madrzyk born in Poland in 1906 was the devoted wife of the late John, and loving mother of Lottie Jagla and John, Alderman of the 13th Ward, and grandmother of Michael, Donna and Ronald Jagla, and Diana and John Madrzyk, and fond sister of Frank Wojcik; and

WHEREAS, Anna Madrzyk was active in charitable and church groups in Brighton Park and at St. Pancratius Catholic Church; and

WHEREAS, Anna Madrzyk leaves a distinguished legacy of love and caring for her family and friends; now, therefore,

Be It Resolved, That we, the Mayor and members of the Chicago City Council in meeting this 18th day of December, 1984, do hereby mourn her passing and take note of her many worthy contributions and acknowledge the passing of a woman of valor; and

Be It Further Resolved, That a suitable copy of this resolution be prepared and presented to her family.

Alderman Stone moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Stone, the foregoing proposed resolution was *Adopted* by a rising vote.

Presented by

ALDERMAN RUSH (2nd Ward):

Referred -- 1992 WORLD'S FAIR AUTHORITY URGED NOT TO
EXTEND INVITATION TO SOUTH AFRICA FOR 1992
WORLD'S FAIR TO BE HELD IN CHICAGO.

A proposed resolution urging the 1992 World's Fair Authority not to extend an invitation to South Africa for the 1992 World's Fair due to their apartheid system of government and further urging the World's Fair Authority to refrain from letting contracts to corporations that do business in South Africa, which was *Referred to the Committee on Special Events and World's Fair*.

Presented by

ALDERMAN VRDOLYAK (10th Ward):

Referred -- GRANTS OF PRIVILEGE IN PUBLIC WAYS.

Two proposed ordinances to grant permission and authority to the organizations listed below, which were *Referred to the Committee on Streets and Alleys*, as follows:

Badger Pipe Line Company -- to maintain, operate and use, remove, replace, and repair as now constructed a private pipe line for the transmission of oil and petroleum products under and across portions of public streets and highways, et cetera;

Republic Steel Corporation -- to maintain and use a railroad switch track along and across street grade at East 122nd Street near South Carondelet Avenue.

Presented by

**ALDERMAN VRDOLYAK (10th Ward) and
ALDERMAN SCHULTER (47th Ward):**

Referred -- AMENDMENT OF CHAPTER 194A, ARTICLE 11.11-1(Q)
OF CHICAGO MUNICIPAL CODE CONCERNING ERECTION, ET
CETERA OF CERTAIN RECEIVING DISHES.

A proposed ordinance to amend Chapter 194A, Article 11.11-1(q) of the Chicago Municipal Code which would include microwave relay dishes in the description therein, which was *Referred to the Committee on Zoning*.

Presented by

ALDERMAN MAJERCZYK (12th Ward):

**BUILDING DECLARE PUBLIC NUISANCE
AND ORDERED DEMOLISHED.**

A proposed ordinance reading as follows:

WHEREAS, The building located at 2350 West 48th Place (Highlander Ice Cream Building), is so deteriorated and weakened that it is structurally unsafe and a menace to life and property in its vicinity; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The building located at 2350 West 48th Place, is declared a public nuisance, and the Commissioner of Buildings is authorized and directed to demolish the same.

SECTION 2. This ordinance shall be effective upon its passage.

On motion of Alderman Majerczyk, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Referred -- INSTALLATION OF BUS PASSENGER SHELTERS AT
SPECIFIED LOCATIONS.

Also a proposed order urging the Committee on Local Transportation to memorialize the Chicago Transit Authority to consider the installation of bus passenger shelters at the southeast and northeast corners of South Damen Avenue and West 47th Street, which was *Referred to the Committee on Local Transportation*.

Presented by

ALDERMAN STREETER (17th Ward):

Referred -- ESTABLISHMENT OF SCHOOL BUS STAND ON
PORTION OF WEST 79TH STREET.

A proposed order urging the Committee on Local Transportation to survey the area of 1013 to 1017 West 79th Street (the Ayas Child Day Care Center) for a school bus stand, which was *Referred to the Committee on Local Transportation.*

Presented by

ALDERMAN SHEAHAN (19th Ward):

Referred -- INSTALLATION OF BUS PASSENGER SHELTER AT
EAST 115th AND SOUTH VINCENNES AVENUE.

A proposed order urging the Committee on Local Transportation to memorialize the Chicago Transit Authority to consider the installation of a bus passenger shelter at the southeast corner of East 115th and South Vincennes Avenue, which was *Referred to the Committee on Local Transportation.*

Presented by

ALDERMAN SHERMAN (21st Ward):

Referred -- AMENDMENT OF CHAPTER 11.1, SECTION 11.1-7(B)
OF CHICAGO MUNICIPAL CODE EXEMPTING ACTIVE
POLICE PERSONNEL FROM RE-REGISTRATION
OF FIREARMS.

A proposed ordinance to amend Chapter 11.1, Section 11.1-7(b) of the Chicago Municipal Code exempting police officers from re-registration of firearms during their tenure of continuous active duty, which was *Referred to the Committee on Police and Fire.*

Presented by

ALDERMAN BANKS (36th Ward):

Referred -- INSTALLATION OF SIGN/SIGNBOARD AT
7000 WEST NORTH AVENUE.

A proposed order to direct the Commissioner of Inspectional Services to issue a sign permit to Doyle Signs, Incorporated to install a sign/signboard at 7000 West North Avenue for the Heart, Lung & Vascular Institute of Chicago, which was *Referred to the Committee on Zoning.*

Presented by

ALDERMAN ORBACH (46th Ward):

*Referred -- GRANT OF PRIVILEGE IN PUBLIC WAY
(CANOPY).*

A proposed order to authorize the City Comptroller to issue a permit to Midwest Hotels, Incorporated to maintain and use an existing canopy attached to the building or structure located at 4526 North Sheridan Road, which was *Referred to the Committee on Streets and Alleys.*

Presented by

ALDERMAN SCHULTER (47th Ward):

*Referred -- AMENDMENT OF CHAPTER 27, SECTION 27-411.2
OF CHICAGO MUNICIPAL CODE TO SET SPECIAL
FINE FOR ILLEGAL PARKING IN
HANDICAPPED SPACES.*

A proposed ordinance to amend Chapter 27, Section 27-411.2 of the Chicago Municipal Code which would set a fine of Fifty Dollars in addition to any costs or charges connected with the removal and storage of any motor vehicle unlawfully parked in any handicapped space, which was *Referred to the Committee on Traffic Control and Safety.*

*Referred -- AMENDMENT OF CHAPTER 27, SECTION 27-332.1
OF MUNICIPAL CODE TO EXEMPT HANDICAPPED
DRIVERS FROM PARKING METER FEE
PAYMENTS.*

Also a proposed ordinance to amend Chapter 27, Section 27-332.1 of the Chicago Municipal Code which would exempt handicapped drivers from the payment of parking meter fees and from certain imposed parking limitations with specific appropriate restrictions, which was *Referred to the Committee on Traffic Control and Safety.*

Presented by

ALDERMAN VOLINI (48th Ward):

TRIBUTE TO LATE JUDGE ARTHUR AARON ELLIS.

A proposed resolution reading as follows:

WHEREAS, God, the Almighty in his Infinite Wisdom, summoned Judge Arthur Aaron Ellis, a beloved and respected Judge to his eternal reward on November 18, 1984; and

WHEREAS, Judge Ellis was cut off amidst a distinguished and highly noteworthy career both as a talented trial lawyer and as a knowledgeable, fair and compassionate judge. He was also an outstanding boxer in his youth and kept his interest in the sport during his lifetime. He served his country during World War II and served as a sergeant in the South Pacific, with the U.S. Army; and

WHEREAS, Judge Ellis was active in the affairs of the community, serving as a member of the Board of Directors of the Chicago Loop Synagogue, a member of the Sinai congregation of Rogers Park and the Agudas Achim North Shore Synagogue, a member of the Jewish War Veterans and the Disabled War Veterans. He also served as a special assistant attorney general; and

WHEREAS, Judge Ellis was a warm, friendly and personable person, who was generous and charitable to his fellow man; now, therefore,

Be It Resolved, The Mayor and the members of the City Council of the City of Chicago, gathered here this 18th day of December, 1984, do hereby officially and personally mourn the sudden and untimely passing of Judge Arthur Aaron Ellis, and we extend our heartfelt sympathy to his mother, Sarah Ellis, and to his brothers, Harry, Morris and Abraham Ellis, and to his sisters, Mrs. Dorothy Kasdan, and Mrs. Phyllis Rosenfeld, and to the rest of his family; and

Be It Further Resolved, That a suitable copy of this resolution be submitted to the members of his family.

Alderman Volini moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Volini, seconded by Aldermen Evans, Burke and Stone, the foregoing proposed resolution was *Adopted*, by a rising vote.

5. FREE PERMITS, LICENSE FEE EXEMPTIONS, CANCELLATION
OF WARRANTS FOR COLLECTION, AND WATER RATE
EXEMPTIONS, ETC.

Proposed ordinances, orders, etc. described below were presented by the aldermen named and were *Referred to the Committee on Finance*, as follows:

License Fee Exemptions:

BY ALDERMAN RUSH (2nd Ward):

Michael Reese Hospital and Medical Center, S. Lake Shore Drive at E. 31st Street (5).

BY ALDERMAN EVANS (4th Ward):

Nicholas J. Pritzker Children's Psychiatric Unit of Michael Reese Hospital and Medical Center, 800 E. 55th Street.

BY ALDERMAN SHEAHAN (19th Ward):

Brandecker Rehabilitation Center, 9451 S. Hoyne Avenue.

Washington and Jane Smith Home, 2340 W. 113th Place.

BY ALDERMAN BANKS (36th Ward):

Bethesda Home for the Aged, 2833 N. Nordica Avenue.

BY ALDERMAN OBERMAN (43rd Ward):

Saint Joseph Hospital, 2900 N. Lake Shore Drive.

Cancellation of Warrants for Collection:

BY ALDERMAN ROTI (1st Ward):

St. Peter's Church/Franciscan Fathers, 108 W. Madison Street -- elevator inspection.

BY ALDERMAN STREETER (17th Ward):

St. Sabina Church (Martin Luther King Center), 7811 S. Racine Avenue -- boiler and fuel burning inspection.

BY ALDERMAN SHEAHAN (19th Ward):

Washington and Jane Smith Home, 2340 W. 113th Place -- boiler and fuel burning equipment and unfired pressure vessel inspection.

BY ALDERMAN OBERMAN (43rd Ward):

Chicago Service for Work Rehabilitation, sundry locations -- building inspection.

Chicago Waldorf School, 2135 N. Kenmore Avenue -- sign and surcharge inspections.

Contemporary Art Workshop, 542 W. Grant Place -- sign and surcharge inspections.

The Moody Church, 1609 N. LaSalle Street -- sign and surcharge inspections.

Cancellation of Warrants for Collection:

BY ALDERMAN HANSEN (44th Ward):

Catholic Bishop of Chicago/Epheta Center and Hearing Conservation Service of the Daughters of the Heart of Mary, 330 W. Wellington Avenue -- boiler/fuel burning equipment and unfired pressure vessel inspection.

BY ALDERMAN ORR (49th Ward):

Archdiocese of Chicago Loyola Community Center, 1300 W. Loyola Avenue -- elevator inspection.

Archdiocese of Chicago/Saint Jerome Church, 1709 W. Lunt Avenue -- elevator inspection.

**APPROVAL OF JOURNAL OF
PROCEEDINGS.**

JOURNAL (December 12, 1984).

The City Clerk submitted the printed Official Journal of the Proceedings of the regular meeting held on December 12, 1984, at 10:00 A.M., signed by him as such City Clerk.

Alderman Burke moved to *Approve* said printed Official Journal and to dispense with the reading thereof. The question being put, the motion *Prevailed*.

UNFINISHED BUSINESS.

**AUTHORITY GRANTED FOR ALLOCATION OF STATE
OF ILLINOIS TAX AMNESTY REVENUE TO
CITY OF CHICAGO.**

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee of Finance, deferred and published in the Journal of the Proceedings of December 12, 1984, pages 11746 and 11750, recommending that the City Council pass a proposed resolution concerning the allocation of State of Illinois tax amnesty revenues to the City of Chicago.

On motion of Alderman Burke, the said proposed resolution was *Adopted* by yeas and nays as follows:

Yeas -- Aldermen Roti, Vrdolyak, Huels, Majerczyk, Burke, Brady, Kellam, Stemberk, Krystyniak, Henry, Nardulli, Hagopian, Santiago, Gabinski, Mell, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Hansen, McLaughlin, Orbach, Schuler, Stone -- 27.

Nays -- Aldermen Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Langford, Streeter, Kelley, Sherman, W. Davis, Smith, D. Davis, Frost, Natarus, Oberman, Volini -- 19.

The following is said resolution as adopted:

WHEREAS, The City of Chicago will receive revenue from the State of Illinois Tax Amnesty Program; and

WHEREAS, The City Council of the City of Chicago wishes to keep the expenditures of government at their lowest possible level; and

WHEREAS, It is imperative that a \$26 million property tax decrease recommended by the Committee on Finance for Chicago property taxpayers in 1985 not only be enacted, but maintained throughout 1985; and

WHEREAS, It is anticipated that salary increases may be provided for some City employees in 1985, as a result of collective bargaining agreements negotiated in 1984 and 1985, but no appropriations has or can be made in the proposed 1985 Annual Appropriation Ordinance to cover these anticipated salary increases because the exact sums are incapable of determination presently; now, therefore,

Be It Resolved, That any and all revenues received by the City from the State of Illinois Tax Amnesty Program are to be set aside for the sole purpose of providing any necessary salary increases for City of Chicago employees.

AUTHORITY GRANTED FOR SUBMISSION OF URBAN
DEVELOPMENT ACTION GRANT APPLICATION
FOR STUDIO NETWORK, INCORPORATED
PROJECT.

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Finance, deferred and published in the Journal of the Proceedings of December 7, 1984, pages 11517-11518, recommending that the City Council pass a proposed ordinance concerning the submission of an Urban Development Action Grant application for a project by Studio Network, Inc.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Huels, Majerczyk, Burke, Brady, Langford, Streeter, Kellam, Kelley, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Stone -- 44.

Nays -- Alderman Orr -- 1.

Alderman Stemberk moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, In order to develop viable urban communities, the Housing and Community Development Act of 1974, as amended, provides that Urban Development Action Grants are available to cities to help fund development projects which promote decent housing and stimulate private investment in urban communities; and

WHEREAS, The Studio Network, Inc. has proposed to acquire and rehabilitate property at 1032-1058 West Washington Street and 134 North Carpenter Street into a State-of-the-Art Local Origination Facility for the franchises of the areas of Chicago CATV; and

WHEREAS, The proposed project is expected to create 175 new permanent jobs; and

WHEREAS, The City of Chicago through its Department of Planning or City Council Committee on Finance desires to apply for an Urban Development Action Grant in the amount of \$1,500,000 to be used along with private funds in the amount of \$9,232,000 to implement and complete the proposed project; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Commissioner of the Department of Planning or the Chairman of the City Council Committee on Finance is hereby authorized to submit to the United States Department of Housing and Urban Development on behalf of the City of Chicago, an application for an Urban Development Action Grant in the amount of \$1,500,000 for partial funding of the Studio Network, Inc. Project.

SECTION 2. That the Commissioner of the Department of Planning or the Chairman of the City Council Committee on Finance is authorized to act in connection with the application, to give what assurances are necessary and to provide such additional information as may be required by the United States Department of Housing and Urban Development.

SECTION 3. In the event the application is approved, the Commissioner of the Department of Planning or the Chairman of the City Council Committee on Finance is hereby authorized to enter into and execute on behalf of the City of Chicago, an Urban Development Action Grant Agreement with the Department of Housing and Urban Development and any amendments thereto, for the partial funding of the Studio Network, Inc. Project.

SECTION 4. This ordinance shall be effective by and from the date of its passage.

**AUTHORITY GRANTED FOR EXECUTION OF LOAN AND
SECURITY AGREEMENT WITH ASPEN FOODS,
INCORPORATED.**

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Finance deferred and published in the Journal of the Proceedings of December 7, 1984, pages 11566 thru 11574, recommending that the City Council pass a proposed ordinance authorizing the execution of a loan and security agreement with Aspen Foods, Inc.

On motion of Alderman Burke, the said proposed ordinance was passed, by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Huels, Majerczyk, Burke, Brady, Langford, Streeter, Kellam, Kelley, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 45.

Nays -- None.

The following is said ordinance as passed:

WHEREAS, The Department of Economic Development was established on the 10th day of February, 1982, by ordinance of the City Council of the City of Chicago with its primary purpose the creation of additional employment opportunities in the City of Chicago through the attraction and expansion of industrial development; and

WHEREAS, By ordinance passed June 6, 1984, the City Council of the City of Chicago authorized the Department of Economic Development to use up to \$1,500,000 of Year X Community Development Block Grant Funds for purposes of making loans to companies to assist their business expansion with good potential for success thereby benefiting the communities in which they are located; and

WHEREAS, Aspen Foods, Inc., a food processing venture located at 1115 West Fulton Street, has applied to the Department of Economic Development for financial assistance in expanding its operations; and

WHEREAS, The Department of Economic Development has determined that Aspen's expansion plans have good potential for success, and for creating an estimated 30 new employment opportunities thereby making it a good candidate for assistance from the Department of Economic Development's loan program, known as the Business Development Loan Program; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Commissioner of the Department of Economic Development upon the granting of adequate security and review by the Corporation Counsel as to form and legality, is authorized to enter into and execute on behalf of the City of Chicago a Loan and Security Agreement to loan Aspen Foods, Inc. the sum of \$200,000 for purposes of acquisition of machinery and equipment, and construction as part of its business expansion program, said agreement being in substantially the form attached hereto as Exhibit A.

SECTION 2. This ordinance shall be effective by and from the date of its passage.

Exhibit A attached to this ordinance reads as follows:

This Agreement is entered into and executed this _____ day of _____, 19____, by and between the City of Chicago, Illinois, a Municipal corporation, by and through its Department of Economic Development ("Lender"), having its offices at 20

North Clark Street, Chicago, Illinois, and Aspen Foods, Inc., an Illinois corporation, with principal offices at 1115 West Fulton Street, Chicago, Illinois ("Borrower").

Recitals

Whereas, Borrower has a food processing facility; and

Whereas, Borrower desires to borrow and Lender desires to lend the sum of \$200,000 ("Loan") for purposes of acquisition of machinery and equipment, and construction as part of a business expansion program; and

Whereas, Borrower has agreed to provide adequate security to Lender.

Now, Therefore, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the parties agree as follows:

Section 1. The Recitals above are incorporated herein and made a part of this Agreement.

Section 2. Consideration.

Lender hereby agrees, in consideration of Borrower executing this Agreement and agreeing to be bound by its terms to make the Loan to Borrower.

In consideration of Lender making the above-mentioned Loan Borrower agrees for itself, its successors and assigns, to be bound by the terms of this Agreement.

Section 3. Loan.

The Loan shall be made upon the following terms and conditions:

A. The principal sum of the Loan shall be \$200,000.

B. The term of the Loan shall be seven years.

C. The rate of interest charged on the Loan per annum shall be 75% of that rate of interest charged by First National Bank of Chicago to its most credit-worthy customers upon 90-day unsecured loans in effect from time to time (the "Prime Rate"), payable monthly on the entire amount of said principal remaining from time to time unpaid. The aforesaid rate of interest for the principal sum shall be established as of the date this Agreement and that certain Note of even date herewith are executed; and shall be adjusted as of the first day each of January, April, July and October of each year the Loan remains outstanding. The first such interest adjustment of the Loan shall be January 1, 1985.

D. Principal payments together with interest thereon in an amount set forth on a Statement issued by Lender, to Borrower, shall commence on the 25th day of the month of December 1984, and will be due and payable pursuant to Statement on the 25th day of each succeeding month thereafter until paid in full.

E. The Loan shall be used to purchase machinery and equipment and for construction at Borrower's facility.

Section 4. Grant of Security Interest.

A. To secure the prompt payment to Lender of and the prompt, full and faithful performance of Borrower's liabilities to Lender, Borrower grants to Lender a security interest in that certain real estate located at 1115 West Fulton Street, Chicago, Illinois, and in and to all of Borrower's now owned and hereafter acquired: (i) goods (other than inventory), equipment, vehicles and fixtures, together with all replacements, additions, accessions or substitutions thereto and/or therefor; (ii) all products and proceeds of the foregoing including without limitation proceeds of insurance policies insuring the collateral (all of the foregoing real and personal property hereinafter individually and collectively referred to as "Collateral") said security interest subordinate only to the interest of Western National Bank of Cicero as security for its loan of not more than \$300,000.

B. The aforesaid grant of security interest shall be a condition precedent to any disbursement of proceeds under the Loan.

Section 5. Representations and Warranties of Borrower.

Borrower represents and warrants to the Lender that:

A. Corporate Status. It is a corporation duly organized and validly existing in good standing under the laws of the jurisdiction of its incorporation, with the corporate power and authority to own its properties and to transact the business in which it is engaged.

B. Corporate Power and Authority. It has the corporate power and authority to execute, deliver and carry out the terms and provisions of this Agreement and the Note executed thereunder, and all necessary corporate action with respect to the execution of the Agreement and all documents and instruments called for therein has been taken.

C. Binding Agreements. This Agreement constitutes a legal, valid and binding obligation of Borrower enforceable in accordance with its terms; the Note will, when issued by the Borrower, constitute the legal, valid and binding obligation of the Borrower enforceable against Borrower in accordance with its terms.

D. No Violation of Agreements. It is not in default in any respect under any indenture, mortgage, deed of trust, agreement, or other instrument to which it is a party or by which it is bound. Neither the execution by Borrower of this Agreement or the Note issued hereunder, nor the consummation of this transaction, will violate any order or decree of any court or governmental instrumentality, or will conflict with or result in the breach or default of any indenture, mortgage, deed of trust, agreement or other instrument to which it is a party or by which it is bound or, except as contemplated by this Agreement, result in the creation or imposition of any lien, charge, or encumbrance upon any of its property thereunder.

E. The office where the Borrower keeps Borrower's books and records concerning the Secured Property and Borrower's chief place of business and chief executive office is and will be located at the address of Borrower set forth on the first page of this Agreement.

Section 6. Maintaining Records and Right to Inspect.

All Borrower's books, records and other documents relating directly to the receipt and disbursement of the Loan shall be subject to audit and examination by any duly authorized representative of the Lender. Such right shall extend until one year after the total amount of the Borrower Loan, including principal and all accrued interest, is repaid by Borrower to Lender.

Section 7. Reporting Requirements

Borrower is required to submit to Lender its annual financial statements audited by an independent certified public accountant satisfactory to the Lender, or, in the event such audited financial statements have not been compiled, a statement certified by an officer of Borrower, until the period set forth in Section 6 of the Agreement.

Section 8. Access To Project.

Borrower agrees that for the period set forth in Section 6 of this Agreement, any duly authorized representatives of Lender shall have, during normal business hours, access to any portion of premises owned, leased or otherwise occupied by Borrower.

Section 9. Time Of The Essence.

Time is of the essence under this Agreement.

Section 10. Prohibition Against Transfer Of Property.

Borrower, until the full principal and all accrued interest of this loan is repaid, agrees not to make or create or suffer to be made any sale, assignment, conveyance or transfer of any of the property described at Section 4 of this Agreement or any interest therein, or agree to do any of the same without the prior written approval of Lender.

Section 11. Limitation Upon Encumbrance Of Property.

During the term of the Loan, Borrower shall not engage in any additional financing or any other transaction creating any lien or other encumbrance upon the Secured Property, other than the lien granted pursuant to this Agreement.

Section 12. Events Of Default.

A. Acceleration. Any of the following events shall constitute an Event of Default (whether any such event shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) unless waived by Lender:

(1) Borrower shall fail to make any payment of principal or interest on the Note when the same becomes due and payable and said failure shall continue for a period of ten days;

(2) If Borrower fails to perform or observe any covenant, agreement or condition contained in this Agreement or in the Note, and said failure shall continue for a period of 60 days after notice from Lender;

(3) If any representation or warranty of Borrower contained in or made in writing pursuant to this Agreement shall prove to have been false, incorrect or misleading in any material respect on the date of such representation or warranty was made or deemed to have been made;

(4) Other Indebtedness. Any indebtedness of Borrower is not paid at maturity or becomes due and payable prior to its expressed maturity by reason of any default by Borrower in the performance or observance of any obligation or condition;

(5) Insolvency. Borrower becomes insolvent or admits in writing its inability to pay its debts as they mature, or applies for, consents to, or acquiesces in the appointment of a trustee or receiver for Borrower or any property thereof; or, in the absence of such application, consent, or acquiescence, a trustee or receiver is appointed for Borrower or for a substantial part of the property of Borrower and is not discharged within 60 days; or any bankruptcy, reorganization, debt arrangement, or other proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding is instituted by or against the Company and if instituted against Borrower is consented to or acquiesced in by Borrower remains for 60 days undismissed; or any warrant of attachment is issued against any substantial portion of the property of Borrower which is not released within 60 days of service;

(6) The uninsured loss, substantial theft/damage, destruction or the sale or encumbrance of any of the Secured Property described in Section 4 of this Agreement; or the occurrence of a levy, seizure or attachment of such property;

(7) If any material statement, report or certificate made or delivered by Borrower or any of its officers, employees or agents, to Lender is not true and correct;

(8) If Borrower fails to pay any of its liabilities, when due and payable or declared due and payable;

(9) If Borrower is enjoined, restrained or in any way prevented by court order from conducting all of any material part of its business affairs, or if a petition under any chapter of the United States Bankruptcy Code or any similar law or regulation is filed against Borrower for its dissolution or liquidation;

(10) Except as may otherwise be permitted hereunder; if a notice of lien, levy or assessment is filed of record with respect to all or any of Borrower's assets by the United States or any department, agency or instrumentality thereof or by any state, county, municipal or other governmental agency.

B. No Waiver By Delay. Any delay by Lender in instituting or prosecuting any action or proceeding or otherwise asserting its rights shall not, as long as the breach or default by Borrower shall be continuing, operate as a waiver of such rights or deprive it of or limit such rights in any way (it being the intent of this provision that Lender should not be constrained, so as to avoid the risk of being deprived of or limited in the exercise of the

remedies provided for in this Section because of concepts of waiver, laches, or otherwise to exercise such remedy at a time when it may still hope to otherwise resolve the problems created by the default involved; nor shall any waiver in fact be made by Lender with respect to any specific default by Borrower under this Section be considered or treated as a waiver of the rights of Lender with respect to any other defaults or of the same default on a future occasion made by Borrower under this Section.

Section 13. Remedies Upon Default.

A. In the case of the occurrence of an Event of Default pursuant to Section 12 the Note shall, at the discretion of Lender, without notice to Borrower or any other person, immediately become due and payable in full, together with all interest accrued thereon.

B. In the event of the occurrence of any Event of Default pursuant to Section 12, Lender may exercise any one or more or all of the following remedies, all of which are cumulative and non-exclusive:

(1) Any remedy contained in this Agreement;

(2) Any rights and remedies available to a secured creditor under the Uniform Commercial Code as enacted in Illinois as of the date of this Agreement, and any other applicable law.

Section 14. Equal Employment Opportunity.

A. Borrower agrees, for itself, its successors and assigns, that it will comply with Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 200d) and its regulations as promulgated in 15 CFR Subtitle A, part 8, and any amendments thereto; 42 U.S.C. 3123 and its regulations promulgated in 13 CFR 311 and any amendments thereto, as well as following the equal employment provisions outlined below for the period of time covered by this Agreement as set forth in Section 6.

B. Borrower will not discriminate against any employee or applicant for employment because of race, color, national origin, religion, handicap or sex. Borrower will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, national origin, religion, handicap or sex. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Borrower agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

C. The word "discrimination" as used herein shall be interpreted in accordance with federal law as construed by court decisions. The covenant may be enforced solely by the City of Chicago and solely against the party who breaches this covenant.

Section 15. Environmental Considerations.

The Company assured the EDC that it will comply with the federal environmental requirements as found in the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and the Council of Environmental Quality Guidelines (36 CFR 79, April 23, 1971).

Section 16. Location of Facilities.

Borrower pledges to Lender that its facilities which are either to be constructed and/or improved with the proceeds of this Loan are located at 1115 West Fulton Street, Chicago, Illinois, and that in occupying these facilities they are not relocating from another labor area nor has Borrower discontinued, liquidated or curtailed during the past 24 months any production unit similar to that which will be located at the above address. Borrower's expansion into the above-described property is not being undertaken with the intention of closing down or curtailing any already existing operation(s).

SECTION 17. Governing Law.

This Agreement is executed and delivered and is to be performed in the State of Illinois, and shall be construed and enforced in accordance with and governed by the laws of the State of Illinois, including all matters of construction, validity and performance.

SECTION 18. Additional Covenants and Conditions.

A. Affirmative Covenants. Borrower Will:

(1) Promptly notify Lender if and when any of Borrower's Equipment is placed in locations other than those identified in the Agreement.

(2) Maintain, preserve and keep its plants and properties in good repair, working order and condition.

(3) Promptly advise Lender in writing of the proposed opening of new places of business by Borrower or an affiliate of Borrower, or the closing of any existing places of business of Borrower or any affiliate of Borrower, of any changes in the name of Borrower or any affiliate of Borrower, or the use of any trade names by Borrower in its billing or any affiliate of Borrower, or of any material change in the condition of the Secured Property.

(4) Use all monies and other property obtained by Borrower from the Lender pursuant to this Agreement solely for business purposes of Borrower.

(5) Reimburse Lender on demand for all costs and expenses including reasonable Attorney's Fees, incurred by Lender in seeking to collect any Liabilities and to enforce any of Lender's rights under this Agreement.

(6) Notify Lender in writing, promptly upon its learning thereof, of any litigation affecting Borrower, whether or not the claim is considered by Borrower to be covered by insurance, and of the institution of any suit or administrative proceeding which may materially and adversely affect the operations, financial condition or business of Borrower's or Lender's security interest in the Secured Property.

SECTION 19. Severability.

Each covenant and agreement contained in this Agreement is intended to be, and shall be construed to be, a separate and independent covenant. If any term contained in this Agreement or the Note or any application thereof shall be invalid and unenforceable, the remainder of this Agreement and the Note and any other application of such term shall not be affected thereby.

In Witness Whereof, Borrower and Lender have caused this Agreement to be signed in their names and on their behalf as of the _____ day of _____, 19____.

AUTHORITY GRANTED FOR EXECUTION OF LOAN AND
SECURITY AGREEMENT WITH FIFTH CITY
AUTOMOTIVE SERVICE, INCORPORATED.

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Finance, deferred and published in the Journal of the Proceedings of December 7, 1984, pages 11574, thru 11581, recommending that the City Council pass a proposed ordinance authorizing the execution of a loan and security agreement with Fifth City Automotive Service, Inc.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Huels, Majerczyk, Burke, Brady, Langford, Streeter, Kellam, Kelley, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schulter, Volini, Orr, Stone--44.

Nays -- Alderman Pucinski--1.

The following is said ordinance as passed:

WHEREAS, The Department of Economic Development was established on the 10th day of February, 1982, by ordinance of the City Council of the City of Chicago with its primary purpose the creation of additional employment opportunities in the City of Chicago through the attraction and expansion of industrial development; and

WHEREAS, By ordinance passed June 6, 1984, the City Council of the City of Chicago authorized the Department of Economic Development to use up to \$1,500,000 of Year X Community Development Block Grant Funds for purposes of making loans to companies to assist their business expansion with good potential for successfully thereby benefiting the communities in which they are located; and

WHEREAS, Fifth City Automotive Services, Inc., a business venture located in the Lawndale community has applied to the Department of Economic Development for financial assistance in expanding its operations; and

WHEREAS, The Department of Economic Development has determined that the operation has good potential for success, and for creating new employment opportunities in the Lawndale community and it is a good candidate for assistance from the Department of Economic Development's loan program, known as the Business Development Loan Program; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Commissioner of the Department of Economic Development upon the granting of adequate security and review by the Corporation Counsel as to form and legality, is authorized to enter into and execute on behalf of the City of Chicago a Loan and Security Agreement to loan Fifth City Automotive Services, Inc. the sum of \$50,000 for purposes of expanding its business operations, said agreement being in substantially the form attached hereto as Exhibit A.

SECTION 2. This ordinance shall be effective by and from the date of its passage.

Exhibit A attached to this ordinance reads as follows:

This Agreement is entered into and executed this _____ day of _____, 19____, by and between the City of Chicago, Illinois, a Municipal corporation, by and through its Department of Economic Development ("Lender"), having its offices at 20 North Clark Street, Chicago, Illinois, and Fifth City Automotive Service, Inc., an Illinois corporation, with principal offices at 212 South Kedzie Avenue, Chicago, Illinois ("Borrower").

Recitals.

Whereas, Borrower has constructed an 18,000 square foot automotive service center located in the Lawndale Community; and

Whereas, Borrower desires to borrow and Lender desires to lend the sum of \$50,000 ("Loan") for business expansion purposes; and

Whereas, Borrower has agreed to provide adequate security to Lender.

Now, Therefore, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the parties agree as follows:

Section 1. The Recitals above are incorporated herein and made a part of this Agreement.

Section 2. Consideration.

Lender hereby agrees, in consideration of Borrower executing this Agreement and agreeing to be bound by its terms to make the Loan to Borrower.

In consideration of Lender making the above-mentioned Loan Borrower agrees for itself, its successors and assigns, to be bound by the terms of this Agreement.

Section 3. Loan.

Lender agrees to Loan Borrower the sum of \$50,000 to be used as working capital for Borrower's business expansion program on the following terms and conditions.

- A. The term of the Loan shall be for six years from execution date of this Agreement.
- B. The Loan shall bear interest at the rate of 9% per annum simple interest on the principal balance outstanding from time to time.
- C. Repayment shall be made as follows
 - a) for months 1 through 12 payments of interest only shall be made on the principal balance outstanding;
 - b) for months 13-72 equal monthly payments of principal and interest based upon a 60 month amortization schedule;
 - c) all payments shall be made on or before the 25th day of the month commencing the first full month after disbursement of Loan proceeds.

Section 4. Grant of Security Interest.

A. As security for the payment by Borrower of the Loan, its obligations hereunder and all other obligations of Borrower to Lender, Borrower hereby grants Lender a security interest in all personal and real property owned by Borrower and/or its parent company, Fifth City Industrial Promotion Corporation. Lender's security position shall be subordinate to that of Seaway National Bank, the senior lender in an amount not to exceed \$125,000.

B. The aforesaid grant of security interest shall be a condition precedent to any disbursement of proceeds under the Loan.

Section 5. Representations and Warranties of Borrower.

Borrower represents and warrants to the Lender that:

A. Corporate Status. It is a corporation duly organized and validly existing in good standing under the laws of the jurisdiction of its incorporation, with the corporate power and authority to own its properties and to transact the business in which it is engaged.

B. Corporate Power and Authority. It has the corporate power and authority to execute, deliver and carry out the terms and provisions of this Agreement and the Note executed thereunder, and all necessary corporate action with respect to the execution of the Agreement and all documents and instruments called for therein has been taken,

C. Binding Agreements. This Agreement constitutes a legal, valid and binding obligation of Borrower enforceable in accordance with its terms; the Note will, when issued by the Borrower, constitute the legal, valid and binding obligation of the Borrower enforceable against Borrower in accordance with its terms.

D. No Violation of Agreements. It is not in default in any respect under any indenture, mortgage, deed of trust, agreement, or other instrument to which it is a party or by which it is bound. Neither the execution by Borrower of this Agreement or the note issued hereunder, nor the consummation of this transaction, will violate any order or decree of any court or governmental instrumentality, or will conflict with or result in the breach or default of any indenture, mortgage, deed of trust, agreement or other instrument to which it is a party or by which it is bound or, except as contemplated by this Agreement, result in the creation or imposition of any lien, charge, or encumbrance upon any of its property thereunder.

E. The office where the Borrower keeps Borrower's books and records concerning the Secured Property and Borrower's chief place of business and chief executive office is and will be located at the address of Borrower set forth on the first page of this Agreement.

Section 6. Maintaining Records and Right to Inspect.

All Borrower's books, records and other documents relating directly to the receipt and disbursement of the Loan shall be subject to audit and examination by any duly authorized representative of the Lender. Such right shall extend until one year after the total amount of the Borrower Loan, including principal and all accrued interest, is repaid by Borrower to Lender.

Section 7. Reporting Requirements.

Borrower is required to submit to Lender its annual financial statements audited by an independent certified public accountant satisfactory to the Lender, or, in the event such audited financial statements have not been compiled, a statement certified by an officer of Borrower, until the period set forth in Section 6 of the Agreement.

Section 8. Access to Project.

Borrower agrees that for the period set forth in Section 6 of this Agreement, any duly authorized representatives of Lender shall have, during normal business hours, access to any portion of premises owned, leased or otherwise occupied by Borrower.

Section 9. Time of the Essence.

Time is of the essence under this Agreement.

Section 10. Prohibition Against Transfer of Property.

Borrower, until the full principal and all accrued interest of this loan is repaid, agrees not to make or create or suffer to be made any sale, assignment, conveyance or transfer of any of the property described at Section 4 of this Agreement or any interest therein, or agree to do any of the same without the prior written approval of Lender.

Section 11. Limitation Upon Encumbrance of Property.

During the term of the Loan, Borrower shall not engage in any additional financing or any other transaction creating any lien or other encumbrance upon the Secured Property, other than the lien granted pursuant to this Agreement.

Section 12. Events of Default.

A. Acceleration. Any of the following events shall constitute an Event of Default (whether any such event shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) unless waived by Lender:

(1) Borrower shall fail to make any payment of principal or interest on the Note when the same becomes due and payable and said failure shall continue for a period of ten days;

(2) If Borrower fails to perform or observe any covenant, agreement or condition contained in this Agreement or in the Note, and said failure shall continue for a period of 60 days after notice from Lender;

(3) If any representation or warranty of Borrower contained in or made in writing pursuant to this Agreement shall prove to have been false, incorrect or misleading in any material respect on the date of such representation or warranty was made or deemed to have been made;

(4) Other Indebtedness. Any indebtedness of Borrower is not paid at maturity or becomes due and payable prior to its expressed maturity by reason of any default by Borrower in the performance or observance of any obligation or condition;

(5) Insolvency. Borrower becomes insolvent or admits in writing its inability to pay its debts as they mature, or applies for, consents to, or acquiesces in the appointment of a trustee or receiver for Borrower or any property thereof; or, in the absence of such application, consent, or acquiescence, a trustee or receiver is appointed for Borrower or for a substantial part of the property of Borrower and is not discharged within 60 days; or any bankruptcy, reorganization, debt arrangement, or other proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding is instituted by or against the Company and if instituted against Borrower is consented to or acquiesced in by Borrower remains for 60 days undismissed; or any warrant of attachment is issued against any substantial portion of the property of Borrower which is not released within 60 days of service;

(6) The uninsured loss, substantial theft/damage, destruction or the sale or encumbrance of any of the Secured Property described in Section 4 of this Agreement; or the occurrence of a levy, seizure or attachment of such property;

(7) If any material statement, report or certificate made or delivered by Borrower or any of its officers, employees or agents, to Lender is not true and correct;

(8) If Borrower fails to pay any of its liabilities, when due and payable or declared due and payable;

(9) If Borrower is enjoined, restrained or in any way prevented by court order from conducting all of any material part of its business affairs, or if a petition under any

chapter of the United States Bankruptcy Code or any similar law or regulation is filed against Borrower for its dissolution or liquidation;

(10) Except as may otherwise be permitted hereunder; if a notice of lien, levy or assessment is filed of record with respect to all or any of Borrower's assets by the United States or an, department, agency or instrumentality thereof or by any state, county, municipality or other governmental agency.

B. No Waiver By Delay. Any delay by Lender in instituting or prosecuting any action or proceeding or otherwise asserting its rights shall not, as long as the breach or default by Borrower shall be continuing, operate as a waiver of such rights or deprive it of or limit such rights in any way (it being the intent of this provision that Lender should not be constrained, so as to avoid the risk of being deprived of or limited in the exercise of the remedies provided for in this Section because of concepts of waiver, laches, or otherwise to exercise such remedy at a time when it may still hope to otherwise resolve the problems created by the default involved; nor shall any waiver in fact be made by Lender with respect to any specific default by Borrower under this Section be considered or treated as a waiver of the rights of Lender with respect to any other defaults or of the same default on a future occasion made by Borrower under this Section.

Section 13. Remedies Upon Default.

A. In the case of the occurrence of an Event of Default pursuant to Section 12 the Note shall, at the discretion of Lender, without notice to Borrower or any other person, immediately become due and payable in full, together with all interest accrued thereon.

B. In the event of the occurrence of any Event of Default pursuant to Section 12, Lender may exercise any one or more or all of the following remedies, all of which are cumulative and non-exclusive:

- (1) Any remedy contained in this Agreement;
- (2) Any rights and remedies available to a secured creditor under the Uniform Commercial Code as enacted in Illinois as of the date of this Agreement, and any other applicable law.

Section 14. Equal Employment Opportunity.

A. Borrower agrees, for itself, its successors and assigns, that it will comply with Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 200d) and its regulations as promulgated in 15 CFR Subtitle A, part 8, and any amendments thereto; 42 U.S.C. 3123 and its regulations promulgated in 13 CFR 311 and any amendments thereto, as well as following the equal employment provisions outlined below for the period of time covered by this Agreement as set forth in Section 6.

B. Borrower will not discriminate against any employee or applicant for employment because of race, color, national origin, religion, handicap or sex. Borrower will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, national origin, religion, handicap or sex. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, recruitment advertising,

layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Borrower agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

C. The word "discrimination" as used herein shall be interpreted in accordance with federal law as construed by court decisions. The covenant may be enforced solely by the City of Chicago and solely against the party who breaches this covenant.

Section 15. Environmental Considerations.

The company assured the EDC that it will comply with the federal environmental requirements as found in the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and the Council of Environmental Quality Guidelines (36 CFR 79, April 23, 1971).

Section 16. Location of Facilities.

Borrower pledges to Lender that its facilities which are either to be constructed and/or improved with the proceeds of this Loan are located at 212 South Kedzie Avenue, Chicago, Illinois, and that in occupying these facilities they are not relocating from another labor area nor has Borrower discontinued, liquidated or curtailed during the past 24 months any production unit similar to that which will be located at the above address. Borrower's expansion into the above-described property is not being undertaken with the intention of closing down or curtailing any already existing operation(s).

Section 17. Governing Law.

This Agreement is executed and delivered and is to be performed in the State of Illinois, and shall be construed and enforced in accordance with and governed by the laws of the State of Illinois, including all matters of construction, validity and performance.

Section 18. Additional Covenants and Conditions.

A. Affirmative Covenants. Borrower will:

(1) Promptly notify Lender if and when any of Borrower's Equipment is placed in locations other than those identified in the Agreement.

(2) Maintain, preserve and keep its plants and properties in good repair, working order and condition.

(3) Promptly advise Lender in writing of the proposed opening of new places of business by Borrower or an affiliate of Borrower, or the closing of any existing places of business of Borrower or any affiliate of Borrower, of any changes in the name of Borrower or any affiliate of Borrower, or the use of any trade names by Borrower in its billing or any affiliate of Borrower, or of any material change in the condition of the Secured Property.

(4) Use all monies and other property obtained by Borrower from the Lender pursuant to this Agreement solely for business purposes of Borrower.

(5) Reimburse Lender on demand for all costs and expenses including reasonable attorney's fees, incurred by Lender in seeking to collect any liabilities and to enforce any of Lender's rights under this Agreement.

(6) Notify Lender in writing, promptly upon its learning thereof, of any litigation affecting Borrower, whether or not the claim is considered by Borrower to be covered by insurance, and of the institution of any suit or administrative proceeding which may materially and adversely affect the operations, financial condition or business of Borrower's or Lender's security interest in the Secured Property.

Section 19. Severability.

Each covenant and agreement contained in this Agreement is intended to be and shall be construed to be, a separate and independent covenant. If any term contained in this Agreement or in the Note or any application thereof shall be invalid and unenforceable, the remainder of this Agreement and the Note and any other application of such term shall not be affected thereby.

In Witness Whereof, Borrower and Lender have caused this Agreement to be signed in their names and on their behalf as of the _____ day of _____, 19 _____.

[Signature forms omitted for printing purposes.]

CHAPTER 185, SECTION 185-46.3 OF MUNICIPAL CODE AMENDED CONCERNING PAYMENT OF WATER AND SEWER ASSESSMENTS.

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Finance, deferred and published in the Journal of the Proceedings of November 28, 1984, pages 11187-11188, recommending that the City Council pass a proposed ordinance amending Chapter 185, Section 185-46.3 of Municipal Code of Chicago, authorizing the Commissioner of Water to waive certification of payment of water and sewer assessments pursuant to Rule or Regulation.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Huels, Majerczyk, Burke, Brady, Langford, Streeter, Kellam, Kelley, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 45.

Nays -- None.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Municipal Code of the City of Chicago, Chapter 185, Section 185-46.3 is hereby amended by adding the language in italics below as follows:

185-46.3. Upon application and payment of an application fee, to be determined by the Commissioner of Water, the Commissioner of Water shall issue a certificate of payment to the Director of Revenue, which shall certify that all water and sewer assessments have been paid in full. *The Commissioner of Water shall have the power to issue a waiver of certification as provided for by Rules and Regulations promulgated by the Commissioner.*

SECTION 2. This ordinance shall be in full force and effect ten days after passage and due publication.

CHAPTER 200.1, SECTION 200.1-2B6 OF MUNICIPAL CODE
OF CHICAGO AMENDED CONCERNING ISSUANCE OF
TRANSACTION TAX STAMPS.

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Finance, deferred and published in the Journal of the Proceedings of November 28, 1984, page 11188, recommending that the City Council pass a proposed ordinance amending Chapter 200.1, Section 200.1-2B6 of Municipal Code of Chicago, authorizing the Director of Revenue to issue Transaction Stamps pursuant to the issuance of a waiver of certification of payment of water and sewer assessment by the Commissioner of the Department of Water.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Huels, Majerczyk, Burke, Brady, Langford, Streeter, Kellam, Kelley, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 45.

Nays -- None.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The Municipal Code of the City of Chicago, Chapter 200.1-2B6 is hereby amended by deleting the language appearing below within brackets and adding the language in italics below as follows:

6. The Director of Revenue shall issue no Transaction Tax stamps unless the Commissioner of Water issues a certificate of payment showing that as of the most

current billing, all water and sewer assessments are paid in full *[.] or otherwise issues a waiver of certification issued pursuant to Rules and Regulations promulgated by the Commissioner of Water.*

SECTION 2. The ordinance shall be in full force and effect ten days after passage and due publication.

CHAPTER 185 OF MUNICIPAL CODE OF CHICAGO AMENDED
SETTING FORTH PROCEDURES AND PENALTIES
REGARDING WATER REVENUES.

On motion of Alderman Burke, the City Council took up for consideration the report of the Committee on Finance, deferred and published in the Journal of the Proceedings of October 1, 1984, pages 9840 thru 9844, recommending that the City Council pass a proposed ordinance amending Chapter 185 of Municipal Code of Chicago authorizing procedures and penalties regarding Department of Water Revenues.

On motion of Alderman Burke, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Huels, Majerczyk, Burke, Brady, Langford, Streeter, Kellam, Kelley, Stemberk, Krystyniak, Henry, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 45.

Nays -- None.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That Chapter 185 of the Municipal Code of Chicago is hereby amended by inserting therein, in their proper numerical sequence, the following new sections, to be known respectively as Sections 185-34.1, 185-34.2, 185-34.3, 185-34.4 and 185-34.5 and to read in italics as follows:

185-34.1. For the purposes of Department of Water collection, each duplex, row house, cooperative or townhouse, whether metered or unmetered, shall be treated as a single family residence.

185-34.2. Water rates shall be due and payable on such date or dates as the Commissioner of Water determines and if such rates shall remain unpaid for 10 days thereafter, water may be turned off the premises, subject to the payment of such delinquent rates, and in such cases where the supply of water is turned off as above provided, water shall not be again turned on to said premises until all delinquent rates and penalties, and a sum authorized by the Commissioner of Water for turning water off and on, shall have been paid. The same penalty and charge may be made when payment is made to a collector sent to the premises.

185-34.3. *Before any duplexes, condominiums, cooperative apartments, townhouses or "premises" as defined in 185-1, are sold, the owner must first obtain a seller's permit from the Commissioner of Water. The owner must complete a seller's application permit and pay the required permit fee as stipulated by the Commissioner of Water. Said seller's permit will show, after an investigation by the Commissioner, that all water and sewer taxes, liens, assessments, charges for installation and disconnection of water services, and charges for emergency water repairs on private or public property, are paid in full to the cashier of the Department of Water.*

185-34.4. *The Commissioner of Water may deem it necessary to enter private or public property at the owner's expense, for the purpose of correcting violations and/or to protect the public health, safety, and welfare. Paraphrasing 83-4.1 and 185-4, the owner is responsible for water piping toward the building unit from the shut-off rod box to the furthest water outlet. In that meter vaults and vaulted sidewalks are usually on the outlet side of the shut-off rod box, it is, therefore, the owner's responsibility to construct and maintain same and to prevent frost or flood damage resulting therefrom. Any expenses incurred therein by the Department of Water must be borne by the owner or owners of such property before seller's permit may be issued. If Water Department expenses are not paid within 30 days from the date of the first notice, the water service may be terminated at owner's expense.*

185-34.5. *Where there is incompatibility among owners, trustees, or association members, on individually owned duplexes, townhouses, condominiums, cooperatives or similar structures that share a common water service, with or without a meter, and the City is compelled to make repairs or alterations thereon, either on public or private property to protect the public health, safety and welfare the City's expenses will be shared equally by all owners being supplied by said common water service. If after 30 days written notice one or more owners refuses to reimburse the City for their share of said expenses, the City may terminate, at the owner's expenses, water service to those units that are in arrears.*

SECTION 2. This ordinance shall be in full force and effect from and after its date of passage.

MISCELLANEOUS BUSINESS.

Rules Suspended -- TIME EXTENSION GRANTED FOR VACATION
OF PORTION OF NORTH WEST WATER STREET BETWEEN
WEST RANDOLPH STREET AND WEST WASHINGTON
STREET.

Alderman Cullerton moved to *Suspend the Rules Temporarily* for the immediate consideration of a proposed ordinance granting a time extension on a vacation for a portion of N. West Water Street between W. Randolph Street and W. Washington Street. The motion *Prevailed*.

The following is said proposed ordinance:

WHEREAS, The Time Extension Ordinance passed by the City Council December 28, 1983 (C.J. p. 4418 and 4419), providing for the vacation of that part of N. West Water Street between W. Randolph Street and W. Washington Street was not recorded within the required time period; and

WHEREAS, The City of Chicago, the Metropolitan Sanitary District and Riverside Park Ltd. require an additional six (6) months in order to complete the negotiations for the transfer of deeds for the property to be used for a City riverfront park and for the property needed for the Metropolitan Sanitary District Instream Aeration Facility Site; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the ordinance as passed on December 28, 1983, as printed in the Journal of Proceedings on said date, pages 4418 and 4419, providing for "Vacation of Portion of N. West Water Street between W. Randolph Street and W. Washington Street" be and the same is hereby amended by striking "six (6) months" appearing in Sections 3 and 4 of said ordinance, and substituting in lieu thereof "eighteen (18) months."

SECTION 2. This amending ordinance shall take effect and be in force from and after its passage.

On motion of Alderman Cullerton, the foregoing proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

PRESENCE OF VISITORS NOTED.

Honorable Harold Washington, Mayor, called the Council's attention to the presence of the following visitors:

37 students from Leyden High School West Campus, accompanied by Nancy Giovannoni;

45 students from Berkeley, Illinois.

Time Fixed for Next Succeeding Regular Meeting.

By unanimous consent, Alderman Burke thereupon presented a proposed ordinance which reads as follows:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the next succeeding regular meeting of the City Council of the City of Chicago to be held after the meeting held on Tuesday, the eighteenth (18th) day of December, 1984, at 10:00 A.M., be and the same is hereby fixed to be held on Friday, the twenty-first (21st) day of December, 1984, at 10:00 A.M., in the Council Chamber in the City Hall.

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

On motion of Alderman Burke, the foregoing proposed ordinance was *Passed*, by yeas and nays as follows:

Yeas -- Aldermen Roti, Rush, Tillman, Evans, Bloom, Sawyer, Beavers, Humes, Hutchinson, Vrdolyak, Huels, Majerczyk, Madrzyk, Burke, Brady, Langford, Streeter, Kellam, Sheahan, Kelley, Sherman, Stemberk, Krystyniak, Henry, Marzullo, Nardulli, W. Davis, Smith, D. Davis, Hagopian, Santiago, Gabinski, Mell, Frost, Kotlarz, Banks, Damato, Cullerton, Laurino, O'Connor, Pucinski, Natarus, Oberman, Hansen, McLaughlin, Orbach, Schuler, Volini, Orr, Stone -- 50.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

Adjournment.

Thereupon, Alderman Burke moved that the City Council do *Adjourn*. The motion *Prevailed* and the City Council *Stood Adjourned* to meet in regular meeting on Friday, December 21, 1984, at 10:00 A.M. in the Council Chamber in the City Hall.



WALTER S. KOZUBOWSKI,
City Clerk.