

**BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
County of Cook and State of Illinois**

**Intergovernmental Agreement between the City of Chicago Department of Planning
and Development and the City Colleges of Chicago regarding Harry S. Truman
College**

THE CHANCELLOR

REPORTS

that the District has approved the construction of the Truman College Student Services Center and Parking Facility to serve the needs of their increasing student enrollment and faculty on property adjacent to the existing college building with an estimated completion date of February 2010; and

that funding is coming from multiple sources: City Colleges of Chicago, the State of Illinois Capital Development Board (CDB) and the City of Chicago Tax Increment Allocation Redevelopment Act (TIF) funds allocated for redevelopment, the 1999 Capital Improvement Project (CIP) Bonds and other sources that may become available in the future; and

that the Harry S. Truman College Student Services Center and Parking Facility qualifies for such financing when the City determines that the public works project would eradicate blight conditions and serve the general welfare of the City's residents; and

that the state has allocated \$14.8 million through the CDB and the District has deposited \$30.2 million dollars in an Escrow account for the abovementioned \$55 million project; and

that upon exhaustion of the state and the District funds currently held in Escrow the final \$10 million will be financed as follows, pursuant to the Trust Agreement between the District, the CDB and Harris Bank (previously Board approved June 5, 2008 in Board Report No. 28731) the District will incrementally deposit (within forty-eight hours of request by the CDB) up to a not-to-exceed amount of \$10,000,000 (Ten Million Dollars) commencing on or about September 2009 through January 2010; and

that, once the Intergovernmental Agreement is fully executed by the City and CCC, the City will issue a tax increment allocation revenue note to the District at an annual interest rate of 5% payable thru March 2021 in a principal amount not to exceed \$10,000,000 (Ten Million Dollars), to pay for or reimburse the District for costs of the TIF funded improvements; and

that, once the Intergovernmental Agreement is fully executed by the City and CCC, the City agrees to use funds on deposit in the Wilson Yard Redevelopment Project Area Special Tax Allocation Fund – Truman Project Account to make payments of principal and interest on a tax increment allocation revenue note, in a principal amount not to exceed \$10,000,000 (ten million dollars), in annual

payments of \$1,135,659 in accordance with the debt service schedule beginning March 1, 2010 to March 1, 2021 at a 5% annual interest rate or as per any mutually agreed upon revised payment schedule; and

THE CHANCELLOR

RECOMMENDS that the Board authorize the Chief Financial Officer and the Treasurer to loan the project an amount of \$10 million from the Operation and Maintenance restricted fund or other funds that may be deemed available and appropriate and authorize the Chairman to enter into an intergovernmental agreement with the City of Chicago, by and through its Department of Planning and Development, regarding the Truman College Student Services Center and Parking Facility.

FINANCIAL \$10,000,000 – Capital Fund

Respectfully submitted,

Wayne D. Watson
Chancellor

July 16, 2008-Administrative Services