AUTHORIZE A NEW AGREEMENT WITH JOHNSON RESEARCH GROUP, INC. TO PROVIDE CONSULTING SERVICES ON TAX INCREMENT FINANCING FUNDING (TIF) FOR THE CAPITAL IMPROVEMENT PROGRAM

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize a new agreement with Johnson Research Group, Inc. to provide consulting services for Tax Increment Financing Funding (TIF) for the Capital Improvement Program to the department of Facilities at an estimated annual cost set forth in the Compensation Section of this report. Vendor was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to the execution of their written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Contract Administrator : Hernandez, Miss Patricia / 773-553-2280
CPOR Number : 15-0324-CPOR-1675

VENDOR:

1) Vendor # 30433
JOHNSON RESEARCH GROUP, INC.
343 S. DEARBORN STREET
CHICAGO, IL 60604
Ann Moroney
312 235-0130

USER INFORMATION :

Contact:

11860 - Facility Operations & Maintenance

42 West Madison Street

Chicago, IL 60602

Taylor, Ms. Patricia L

773-553-2960

TERM:
The term of this agreement shall commence on June 25, 2015 and shall end on June 24, 2016. This agreement shall have two (2) options to renew for periods of one (1) year each.

EARLY TERMINATION RIGHT:
The Board shall have the right to terminate this agreement with 30 days written notice.

SCOPE OF SERVICES:
Vendor will serve as a special advisor to the Chief Financial Officer to develop a strategy with the Chicago Department of Planning and Development and the Chicago Department of Finance on tax increment

financial (TIF) initiatives to support the Modern Schools Across Chicago Program and other Capital Improvement Program initiatives. Vendor will focus on preparing detailed financial analyses of available TIF revenues for each TIF district, assessing TIF funding strategies, negotiating financial commitments with the City, reviewing appropriate school sites for TIF eligibility, consulting on written agreements with the City to formalize a revenue stream for funding of the Capital Improvement Program, and supporting the issuance of bonds from TIF revenues. Vendor will also develop strategies and mechanisms needed to coordinate aspects of the program, advise the Chief Financial Officer on alternative TIF strategies, present creative approaches for additional funding opportunities, and provide long range planning assistance to the Chief Financial Officer. Vendor will also conduct financial feasibility studies in specific TIF districts to verify future projections of available tax increment revenues as necessary.

DELIVERABLES:
Vendor will provide the following deliverables: monthly project reports, database of TIF revenues and potential revenue opportunities from existing TIF districts, a database of schools in or adjacent to TIF's, an updated funding matrix for the Modern Schools Across Chicago Program and other TIF agreements, feasibility analyses, and strategic planning documents, all as requested by the Chief Financial Officer.

OUTCOMES:
Vendor's services will result in revenue for the Capital Improvement Program over the next year, to help build new schools and additions and undertake major renovations. To date, the vendor has helped negotiate $800 million in intergovernmental agreements with the City of Chicago to fund new schools from TIF revenues and anticipates negotiating additional funding to complete the Modern Schools Across Chicago Program and other new initiatives.

COMPENSATION:
Vendor shall be paid as specified in the agreement. Estimated annual costs for the one (1) year term are set forth below:
$200,000, FY15-16, which amount is inclusive of all reimbursable expenses.

REIMBURSABLE EXPENSES:
Vendor shall be reimbursed for the following expenses: report preparation expenses, and copying charges agreed to in advance by the Chief Financial Officer. The total compensation amount reflected above is inclusive of all reimbursable expenses.

AUTHORIZATION:
Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize Chief Financial Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION:
This agreement is exempt from any M/WBE compliance requirements, as it was awarded under the District's CPOR process and not assigned any M/WBE goals. However, the vendor has committed to utilizing MBE subcontractors despite there being no requirement to do so.

Vendor has committed to utilizing:

MBE
Ernest Sawyer Enterprises Inc.
100 North LaSalle St., Ste. #1515
Chicago, IL 60602

Print Xpress
311 South Wacker Drive
Chicago, IL 60606

WBE
Johnson Research Group, Inc.
343 S. Dearborn St.
Chicago, IL 60604

LSC REVIEW:
Local School Council approval is not applicable to this report.

FINANCIAL:
Various Capital Funds
Facilities and Operations, Unit # 12150
$200,000 - FY 15-16
Future year funding is contingent upon budget appropriation and approval.

CFDA#: Not Applicable

GENERAL CONDITIONS:
Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness - The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:

SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:

BARBARA BYRD-BENNETT
Chief Executive Officer

Approved as to Legal Form:

JAMES L. BEBLEY
General Counsel