

RESOLUTION NO. 8586-R16

A RESOLUTION
AUTHORIZING THE EXECUTION AND DELIVERY OF
PRIVATE ACTIVITY BOND REALLOCATION AGREEMENTS

WHEREAS, the City of Urbana, Illinois (the "City") is a home rule unit under Section 6 of Article VII of the Constitution of Illinois; and

WHEREAS, the City on October 24, 1985, pursuant to Resolution No. 8586-R11, as amended on November 20, 1985, pursuant to Resolution No. 8586-R13, entered into a Memorandum of Intent (the "Memorandum of Intent") whereby the City agreed to issue up to \$5,000,000 of its industrial development bonds (the "bonds") to provide funds to Solo Cup Company, a Delaware corporation (the "Company") to acquire and construct machinery for the production of the Company's plastic cups and to construct and equip a building to be used incidental to shipping the Company's products (the "Project"), all of which is to be located at 1505 East Main Street in Urbana, Illinois; and

WHEREAS, pursuant to Section 103(n) of the Internal Revenue Code of 1954, as amended (the "Code"), the City is subject to a limitation on the aggregate amount of "private activity bonds", including the bonds, that it may issue in any calendar year, which limitation is such that in order to issue the bonds in the calendar year 1985, the City will require a reallocation of up to \$4,758,600 of the limitation available to the City to allocate under Section 103(n) of the Code; and

WHEREAS, pursuant to the Deficit Reduction Act of 1984, Executive Order No. 5 of 1985 of the Governor of the State of Illinois, and Section 6 of the Illinois Private Activity Bond Allocation Act, the Village of Northbrook, Cook County, Illinois (the "Village"), a home rule unit under Section 6 of Article VII of the Constitution of Illinois, may reallocate any unused allocation of its "Private Activity Bonds"; and

WHEREAS, the City has requested that the Village transfer up to \$4,758,600 of its unused allocation of its "Private Activity Bonds", which would otherwise remain unused to the Village in order to enable the City to complete the successful financing of the Project;

WHEREAS, the City and the Village desire to enter into a Private Activity Bond Reallocation Agreement dated as of the date thereof (the "Reallocation Agreement"), pursuant to which the Village will reallocate to the City up to \$4,758,600 of the allocation authority available to the Village under Section 103(n) of the Code to issue "private activity bonds".

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. The Mayor is hereby authorized and directed to execute the Reallocation Agreement by and between the City and the Village, and the Clerk is hereby authorized and directed to affix the seal of the City thereto and to attest the same; and said Mayor and Clerk are hereby authorized and directed to cause the Reallocation Agreement to be delivered to, accepted and executed by the Village, such Reallocation Agreement, which is hereby approved and incorporated by reference and made a part of this Resolution, to be in substantially the form presented before this meeting.

Section 2. Each member of the City Council and the Mayor, under penalty of perjury, whether voting for or against this Resolution, hereby certifies that the allocation or reallocation, as the case may be, described above and/or made in Article II of the Reallocation Agreement was not made in consideration of any gift, bribe, gratuity or direct or indirect campaign contribution.

Section 3. The Mayor and the Clerk, for and on behalf of the City be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this Resolution and the Reallocation Agreement, the execution and delivery of the bonds and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this Resolution and the Reallocation Agreement. The Mayor and the Clerk be, and they are hereby, further authorized and directed for and on behalf of the City, to execute all papers, documents, certificates, reports, elections, filings and other instruments that may be required for the carrying out of the authority conferred by this Resolution and the Reallocation Agreement or to evidence such authority and to exercise and otherwise take all necessary action to the full realization of the rights, accomplishments and purposes of the City under this Resolution and the Reallocation Agreement to discharge all of the obligations of the City hereunder and thereunder.

Section 4. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.

PASSED by the City Council this 16th day of December, 1985.

Ruth S. Brookens
Ruth S. Brookens, City Clerk



1985.

APPROVED by the Mayor this 16th day of December,



Jeffrey T. Markland, Mayor