

The City Council of the City of Urbana, Champaign County, Illinois, met in regular public session at its regular meeting place in the City Hall Council Chambers in the City of Urbana at 7:30 o'clock P.M. on January, 6, 1975, with Hiram Paley, Mayor, W. J. Simpson, Deputy City Clerk, and the following named

Council Members present:

Glenn E. Lynch
Susan Bekenstein
Russell Beaumont
John A. Peterson
Frederic L. Walden
Hilary Moore

W. Edward Harris
Frances Day
Jeffrey T. Markland
Timothy V. Johnson
George V. Eighmey
Kenneth Appel

Marion Holshouser

Absent:

Daniel Richards

(Other Business)

The following ordinance was thereupon introduced and read

in full:

ORDINANCE NO. 7475-59

AN ORDINANCE providing for the acquisition by the City of Urbana, Illinois, of an economic development project within or near said City consisting of a warehousing and distribution center facility and appurtenant facilities, including the site thereof, and the leasing of the same to an industrial concern in accordance with the form of Lease Agreement approved by this resolution, in order to relieve conditions of unemployment, aid in the rehabilitation of returning veterans, and encourage the increase of industry within the State of Illinois, thereby reducing the evils attendant upon unemployment; authorizing the issuance and confirming the sale of

\$500,000 principal amount of Economic Development Revenue Bonds (McCrorry Project) of said City for the purpose of financing the cost of acquiring and constructing such economic development project and necessary expenses incidental thereto, which bonds will be payable solely out of the income and revenues derived from the leasing of such project; authorizing the execution and delivery of a Mortgage and Indenture of Trust securing said bonds and providing for the application of the proceeds thereof; and prescribing other matters pertaining thereto.

WHEREAS the City of Urbana, Illinois (hereinafter referred to as the "City") is authorized by an ordinance of the City adopted pursuant to the Home Rule provisions of the 1970 Illinois Constitution on May 20, 1974 (hereinafter referred to as the "Ordinance"), to acquire lands not more than ten miles from its territorial boundaries and to acquire and construct buildings and improvements thereon for the public purposes expressed in said Ordinance, and to lease the same as an economic development project to an industrial concern; and

WHEREAS the City is further authorized by the Ordinance to issue revenue bonds secured by a mortgage on the project acquired or constructed through the issuance of such revenue bonds and payable solely out of the income and revenues to be derived from the leasing of such projects; and

WHEREAS the City has made the necessary arrangements with the Bank of Illinois in Champaign, as Trustee of Land Trust Agreement No. 760 (hereinafter referred to as Land Trust No. 760) and McCrorry Corporation, a Delaware corporation duly qualified and authorized

to do business in the State of Illinois (hereinafter referred to as "Lessee" and "Sublessee", respectively), and appurtenant facilities within or near (but in no event further than ten miles from the territorial boundaries of) the City (hereinafter referred to as the "Project"), which will employ substantial numbers of residents of the City and the surrounding area with a resulting alleviation of unemployment, and a substantial increase in payrolls and other public benefits flowing from the conducting of warehouse and distribution operations; and

WHEREAS the issuance of revenue bonds by the City as hereinafter authorized and provided will serve the intended accomplishments and will in all respects conform to the provisions and requirements of the Ordinance; and

WHEREAS at or before the time of the issuance of any of said revenue bonds the City will enter into a Lease Agreement (hereinafter referred to as the "Lease") with Land Trust No. 760 for subletting to McCrory Corporation pursuant to a Lease dated May 7, 1974 (hereinafter referred to as the "Sublease") as hereinafter authorized and which, after execution thereof, will be duly recorded in the office of the County Clerk and ex-officio Recorder of Deeds of Champaign County, Illinois, and to which reference is hereby made for the rental, terms, conditions and obligations of the respective parties therein set forth; and

WHEREAS it has now been determined that the estimated amount necessary to finance the cost of acquiring and completing the Project, including necessary expenses incidental thereto, requires that revenue bonds of the City in the principal amount of \$500,000 should be authorized as hereinafter provided; and

WHEREAS the City has made the necessary arrangements for the issuance and sale of such revenue bonds; and

WHEREAS it is necessary, in connection with the issuance and sale of said revenue bonds, that the City execute and deliver a Mortgage and Indenture of Trust dated as of December 1, 1974 (hereinafter referred to as the "Indenture") to Bank of Illinois in Champaign, as Trustee for the bondholders (hereinafter referred to as the "Trustee"):

NOW, THEREFORE, Be It Ordained by the City Council of the City of Urbana, Champaign County, Illinois, as follows:

Section 1. The acquisition and completion of the Project and the leasing of the same to Land Trust No. 760 for subletting to McCrory Corporation as hereinafter provided is hereby authorized and determined to be in the public interest and for a public purpose, to relieve conditions of unemployment and under employment and to encourage the increase of industry and commerce within the City, thereby reducing the evils attendant upon unemployment and under employment and to provide for the increased welfare and prosperity of the residents of the City.

Section 2. For the purpose of financing the cost of acquiring and constructing the Project and acquiring a site therefor, including necessary expenses incidental thereto, there are hereby

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authorized to be issued the revenue bonds of the City in the principal sum of \$500,000, which bonds shall be designated "Economic Development Revenue Bonds (McCrorry Project)" (hereinafter referred to as the "Bonds"), denomination \$5000, and shall be payable as to principal and interest in lawful money of the United States of America at the principal office of the Trustee under the provisions of the Indenture.

The Bonds shall be dated December 1, 1974 and shall bear interest from such date payable semiannually on December 1 and June 1 of each year, commencing June 1, 1975, shall be numbered 1 to 100, inclusive, and shall mature on December 1 of each of the years, and shall bear interest at the respective rates, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>
1975	\$10,000	8-1/4%
1976	10,000	8-1/4%
1977	10,000	8-1/4%
1978	15,000	8-1/4%
1979	15,000	8-1/4%
1980	15,000	8-1/4%
1981	15,000	8-1/4%
1982	20,000	8-1/4%
1983	20,000	8-1/4%
1984	20,000	8-1/4%
1985	25,000	8-1/4%
1986	25,000	8-1/4%
1987	30,000	8-1/4%
1988	30,000	8-1/4%
1989	30,000	8-1/4%
1990	35,000	8-1/4%
1991	40,000	8-1/4%
1992	40,000	8-1/4%
1993	45,000	8-1/4%
1994	50,000	8-1/4%

The Bonds shall be subject to redemption at the times, under the circumstances, in the manner, at the prices and with the effect prescribed in the Indenture.

Section 3. The Bonds shall be limited obligations of the City, the principal of and interest on which shall be payable solely out of the revenues and receipts to be derived from the leasing of the Project. No holder or holders of any of the Bonds shall ever

to pay the Bonds or the interest or premium thereon, and the Bonds shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory provision. Such limitation shall be plainly stated on the face of each Bond together with a recital that such Bond has been issued under the provisions of this ordinance and the Ordinance.

Additional Bonds on a parity with Bonds authorized under this ordinance may be issued as permitted by the provisions of the Indenture.

Nothing in this ordinance or the Lease or the Sublease or the Indenture shall be construed as an obligation or commitment by the City to expend any of its funds other than (i) the proceeds of the sale of the Bonds, (ii) the income and revenues to be received from the Project, (iii) any proceeds accruing to the City of insurance on the Project, (iv) any moneys accruing to the City on account of any taking or condemnation of title to the whole or any part of the Project, (v) any other moneys derived by or accruing to the City from the Project, other than by taxation and (vi) any moneys arising out of the investment or reinvestment of said proceeds, rents, revenues or moneys, other than by taxation .

Section 4. Each of the Bonds shall be executed on behalf of the City by its Mayor and attested by its City Clerk by their respective official manual signatures, shall have the corporate seal of the City impressed or imprinted thereon and shall be authenticated by the endorsement of the Trustee under the Indenture. Interest coupons attached to the Bonds shall be executed with the official facsimile signatures of said Mayor and City Clerk, which facsimile signatures shall have the same force and effect as if said officers had manually

signed each of said coupons.

The Bonds shall be fully negotiable but shall be registrable as to principal or as to both principal and interest in accordance with the provisions specified in the form of Bond set out in the Indenture.

Section 5. The Bonds and the coupons to be attached thereto and the Trustee's endorsement and the registration provision to appear on the reverse side of each Bond shall be in substantially the forms set forth in the Indenture, with necessary or appropriate variations, omissions and insertions as permitted or required by the Indenture.

Section 6. The Bonds shall be issued in compliance with and under authority of the provisions of the Ordinance, this ordinance and the Indenture.

Section 7. While any of the Bonds shall remain outstanding and unpaid, the City hereby covenants and agrees with the holders from time to time of such Bonds that it will not issue any additional Bonds or incur any obligations of any sort secured by a lien prior to or on a parity with the lien of the Bonds, except as expressly permitted under the provisions of the Indenture.

Section 8. It is hereby found, determined and declared by this City Council that the amounts of the rentals payable under the Lease Agreement are the amounts necessary in each year to pay the principal of and interest on the Bonds and that the rental

payment and other monetary obligations undertaken by Land Trust No. 760 in the Lease Agreement are sufficient to satisfy the rental and other monetary obligations required by the Ordinance to be undertaken by the lessee of an economic development project. No reserve funds or depreciation accounts are deemed advisable to be established by the City in connection with the retirement of the Bonds and the operation and maintenance of the Project. The Lease Agreement provides that Land Trust No. 760 or McCrory Corporation, as Sublessee, shall operate and maintain the Project and carry all proper insurance with respect thereto.

Section 9. There is hereby authorized the execution of a Lease Agreement dated as of December 1, 1974, by and between the City, as Lessor, and Land Trust No. 760, as Lessee, in substantially the form attached hereto as Exhibit A which is hereby approved and incorporated by reference and made a part hereof.

The Mayor is hereby authorized and directed to execute, acknowledge and deliver the Lease Agreement for and on behalf of the City, and the City Clerk is hereby authorized and directed to attest the same and the corporate seal of the City is hereby authorized to be affixed thereto. The Mayor and City Clerk are further authorized and directed to deliver to the Trustee an appropriate assignment and pledge of the rights of the City under and pursuant to the Lease Agreement, including the income, rentals, revenues, receipts and other amounts receivable by the City thereunder.

Section 10. To provide for the details of and to secure the Bonds under the Act, and to prescribe the terms and conditions upon which the Bonds are to be secured, executed, authenticated, accepted and held, the Mayor is hereby authorized and directed to execute an Indenture dated as of December 1, 1974 by and between the City and the Trustee, and the City Clerk is hereby authorized and directed to affix the corporate seal of the City thereto and to attest the same; and said Mayor and City Clerk are hereby authorized and directed to cause the Indenture to be delivered to, accepted, executed and acknowledged by the Trustee, said Indenture, which constitutes and is hereby incorporated by reference and made a part of this authorizing resolution, to be in substantially the form attached hereto as Exhibit B.

Section 11. The sale of the Bonds to the purchasers listed in Schedule 1 attached hereto, at a purchase price equal to 100% of the principal amount thereof plus accrued interest to the date of delivery, is hereby approved, ratified and confirmed and determined to be most advantageous to the interests of the City.

Section 12. The Mayor and City Clerk for and on behalf of the City are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the

Lease Agreement and the Indenture, and acceptance thereof by Land Trust No. 760 and the Trustee, respectively, the performance of all obligations of the City under and pursuant to the Lease Agreement and the Indenture and the execution and delivery of the Bonds; and the Trustee is hereby authorized to receive and receipt for the proceeds of the Bonds on behalf of the City and to hold, invest and disburse said proceeds in accordance with the provisions of the Indenture. All provisions of the Indenture, including those with respect to the acquisition and construction of the Project, the issuance, delivery and receipt of the proceeds of the Bonds and the receipt, custody, investment and application of the proceeds of said bonds and the income, rentals and other revenues to be derived from the Project, are hereby in all respects adopted, ratified and confirmed for and on behalf of the City.

Section 13. In accordance with the provisions of the Lease Agreement described in Section 9. hereof, Hiram Paley is hereby appointed Authorized Municipality Representative and Richard M. Franks is hereby appointed alternate Authorized Municipality Representative.

Section 14. The provisions of the Memorandum of Intent relating to the Bonds by and between the City and the Sublessee concerning affirmative action programs are hereby found to be in compliance with the requirements of the Ordinance.

Section 15. The provisions of this Ordinance are hereby declared to be severable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

Section 16. All ordinances and orders, or parts thereof, in conflict with the provisions of this ordinance, are, to the extent of such conflict, hereby repealed and this ordinance shall be in immediate effect from and after its adoption.

Adopted and approved this 6th day of JANUARY, 1975.

William Paley
Mayor

Attest:

Dorlene Eckert
City Clerk

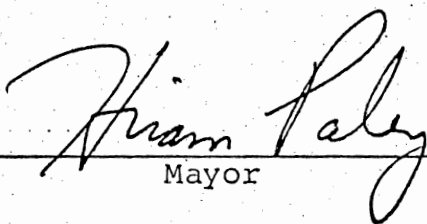
It was thereupon moved by Council Member Marion Holshouser and seconded by Council Member Timothy V. Johnson that said ordinance be adopted. Upon roll being called, the following voted:

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| <p>Aye:</p> <ul style="list-style-type: none"> Glenn E. Lynch Susan Bekenstein Russell Beaumont John A. Peterson Frederic L. Walden Hilary Moore George V. Eighmey W. Edward Harris Frances Day | <ul style="list-style-type: none"> Jeffrey T. Markland Timothy V. Johnson Kenneth Appel Marion Holshouser |
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Nay:

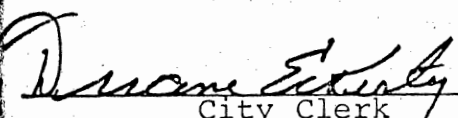
(Other Business)

Upon motion duly seconded and voted, the City Council
adjourned.



Mayor

Attest:



City Clerk

Schedule 1

<u>Bond Purchasers</u>	<u>Principal Amount of Bonds Purchased</u>
American National Bank of Champaign Box 3039; Champaign, Illinois 61820	\$ 25,000
Bank of Illinois in Champaign Box 128; Champaign, Illinois 61820	75,000
Busey First National Bank Box 429; Urbana, Illinois 61801	100,000
Champaign County Bank and Trust Co. Box 368; Urbana, Illinois 61801	50,000
The Champaign National Bank Box 250; Champaign, Illinois 61820	100,000
The Commercial Bank of Champaign Box 798; Champaign, Illinois 61820	50,000
The First National Bank in Champaign 30 Main Street; Champaign, Illinois 61820	100,000
Total	<u>\$500,000</u>

STATE OF ILLINOIS)
)
COUNTY OF CHAMPAIGN)

I, Duane Eckert hereby certify that I am the duly qualified and acting City Clerk of the City of Urbana, Illinois, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of the meeting of the City Council of said city held on January 6, 1975; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to \$500,000 Economic Development Revenue Bonds (McCrorry Project) of said city dated December 1, 1974.

WITNESS my official signature and the seal of said city this 13th day of JANUARY, 1975.

Duane Eckert
City Clerk

(SEAL)