

ORDINANCE NO. 8182-9

AN ORDINANCE of the City of Urbana,  
Illinois, Enabling the Issuance of  
Economic Development Revenue and  
Tax Supported Bonds.

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Be It Ordained by the City Council of the City of  
Urbana, Illinois, as follows:

Section 1. Short Title. This ordinance may be referred  
to as the City of Urbana, Illinois, Economic Development Revenue  
and Tax Supported Bonds Enabling Ordinance.

Section 2. Definitions. Whenever used in this ordinance,  
unless a different meaning clearly appears from the context:

(1) "Economic development project" means any (a) capital  
project, including one or more buildings and other structures,  
improvements, machinery and equipment whether or not on the same  
site or sites now existing or hereafter acquired, suitable for use  
by any manufacturing, industrial, research or commercial enterprise,  
including but not limited to, use as a factory, mill, processing  
plant, assembly plant, packaging plant, fabricating plant, office  
building, industrial distribution center, warehouse, repair, over-  
haul or service facility, freight terminal, research facility,  
test facility, commercial facility, and including also the sites  
thereof and other rights in land therefor whether improved or  
unimproved, site preparation and landscaping, and all appurtenances  
and facilities incidental thereto such as utilities, access roads,  
railroad sidings, truck docking and similar facilities, parking  
facilities, dockage, wharfage, and other improvements necessary or  
convenient thereto; or (b) any land, buildings, machinery or  
equipment comprising an addition to, or renovation, rehabilitation  
or improvement of any existing capital project.

(2) "Municipality" means the City of Urbana, Illinois.

Section 3. Declaration of Purpose. It is hereby determined and declared that the purpose of this ordinance is to relieve conditions of unemployment, to maintain existing levels of employment, and to encourage the increase of industry and commerce within the Municipality, thereby reducing the evils attendant upon unemployment, to increase the tax base of the Municipality, and to develop and redevelop business districts within the Municipality, which are all declared and determined to be public purposes and for the public safety, benefit and welfare of the residents of this Municipality.

Section 4. Powers. The Municipality shall have the power:

(1) To construct, acquire by gift, lease or purchase, reconstruct, improve, better or extend, or to finance the construction, acquisition, reconstruction, improvement, betterment, or extension of any economic development project within the Municipality or partially within and partially without the Municipality, and within a business district in need of development or redevelopment, and to acquire by gift, lease or purchase lands or rights in land in connection therewith.

(2) To issue its bonds to finance in whole or in part the cost of the construction, acquisition, reconstruction, improvement, betterment or extension of any economic development project within a business district development or redevelopment area. The Municipality need not acquire or hold title to such economic development project. The governing body of the Municipality in determining such cost may include all cost and estimated cost of the issuance of such bonds, all engineering, inspection, fiscal and legal expenses, and interest which it is estimated will accrue during the construction period and for 6 months thereafter on money

borrowed or which it is estimated will be borrowed pursuant to this ordinance.

(3) To rent, lease, sell or otherwise dispose of such economic development project or to loan the proceeds of its bonds to industrial or commercial enterprises (which may include corporations, partnerships or individuals engaged in business or commerce) in such manner that rents or other payments to be derived with respect to the economic development project shall be fixed and revised from time to time so as to produce income and revenues sufficient to provide for the prompt payment of interest upon all bonds issued under this ordinance, and to create a sinking fund to pay the principal of such bonds when due, and to provide for the operation and maintenance of such economic development project and for an adequate depreciation account in connection therewith.

(4) To pledge to the punctual payment of bonds authorized under this ordinance and interest thereon the income and revenues to be received with respect to such economic development project (including improvements, betterments or extensions thereto thereafter constructed or acquired) sufficient to pay such bonds and interest as they become due and to create and maintain reasonable reserves therefor.

(5) To mortgage or grant a security interest in such economic development project in favor of the holder or holders of bonds issued therefor.

(6) To sell and convey such economic development project, including without limitation the sale and conveyance thereof subject to a mortgage or security interest as provided in this ordinance, for such price and at such time as the governing body of the Municipality may determine. However, no sale or conveyance of such industrial project shall ever be made in

such manner as to impair the rights or interests of the holder or holders of any bonds issued for the acquisition, construction, reconstruction, improvement, betterment or extension of any such economic development project.

(7) To pledge the full faith, credit and resources of the Municipality, including if necessary, the levy of taxes on all taxable property within the boundaries of the Municipality without limitation as to rate or amount for the benefit of the holder or holders of bonds, and of the coupons appertaining thereto, issued under the authority of this ordinance.

(8) To issue its bonds, to refund in whole or in part, bonds theretofore issued by such Municipality under authority of this ordinance.

Section 5. Financing. The financing of the construction, acquisition, reconstruction, improvement, betterment or extension of any economic development project may be authorized under this ordinance, and bonds may be authorized to be issued under this ordinance to provide funds for such purpose or purposes or for the refunding of bonds theretofore issued under this ordinance, by resolution or ordinance of the City Council which may be adopted at the same meeting at which it is introduced by a majority of all the members thereof then in office and shall take effect immediately upon adoption. The bonds shall bear interest at such rate or rates without regard to any limitation in any law, payable at such times, may be in one or more series, may bear such date or dates, may mature at such time or times not exceeding 40 years from their respective dates, may be payable in such medium of payment at such place or places, may carry such registration privileges, may be subject to such terms of redemption, may be executed in such manner, may contain such terms, covenants, and conditions, and may be in

such form, either coupon or registered, as such resolution or ordinance or subsequent resolutions or ordinances may provide. The bonds may be sold in such manner and upon such terms as may be deemed advisable by the City Council. Pending the preparation of the definitive bonds, interim receipts or certificates in such form and with such provisions as the City Council may determine, may be issued to the purchaser or purchasers of bonds sold pursuant to this ordinance.

Section 6. Bond Covenants. Any resolution or ordinance authorizing the issuance of bonds under this ordinance may contain covenants as to (a) the use and disposition of the income and revenues from or with respect to the economic development project for which the bonds are to be issued, including the creation and maintenance of reserves; (b) the issuance of other or additional bonds payable from the income and revenues from or with respect to such economic development project; (c) the maintenance and repair of such economic development project; (d) the insurance to be carried thereon and the use and disposition of insurance moneys; (e) the pledge of the full faith, credit and resources of the Municipality, including if necessary the levy of taxes on all taxable property within the boundaries of the Municipality; and (f) the terms and conditions upon which the holders of the bonds or any portion thereof or any trustees therefor, are entitled to the appointment of a receiver, and which receiver may enter and take possession of the economic development project if it is then owned by the Municipality and lease, sell or otherwise dispose of it and maintain it, prescribe rentals or other payments and collect, receive, and apply all income and revenues thereafter arising therefrom in the same manner and to the same extent as the Municipality itself might do. Any resolution or ordinance authorizing the

issuance of bonds under this ordinance may provide that the principal of and interest on any bonds issued under this ordinance shall be secured by a mortgage or deed of trust covering such economic development project for which the bonds are issued and may include any improvements or extensions thereafter made. Such mortgage or deed of trust may contain such covenants and agreements to properly safeguard the bonds as may be provided for in the resolution or ordinance authorizing such bonds but not inconsistent with this ordinance and shall be executed in the manner as may be provided for in such resolution or ordinance. The provisions of this ordinance and any such resolution or ordinance or resolutions or ordinances and any such mortgage or deed of trust is a contract with the holder or holders of the bonds and continues in effect until the principal of and the interest on the bonds so issued has been fully paid, and the duties of the Municipality and its City Council and officers under this ordinance and any such resolution or ordinance or resolutions or ordinances and any such mortgage or deed of trust are enforceable by any bondholder by mandamus, foreclosure of any such mortgage or deed of trust or other appropriate suit, action or proceedings in any court of competent jurisdiction.

Section 7. Execution and Validity. The bonds bearing the signatures of the officers of the Municipality as designated in the resolution or ordinance authorizing the bonds, on the date of signing thereof, are valid and binding obligations notwithstanding that before the delivery thereof and payment therefor any or all of the persons whose signatures appear thereon have ceased to be officers of the Municipality. The resolution or ordinance authorizing the bonds and the form of bond may provide a recital that the bonds are issued pursuant to this ordinance,

which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 8. Lien of Bonds. All bonds issued under this ordinance have a lien upon the income and revenues delivered by the Municipality with respect to the economic development project for which the bonds have been issued, and the City Council may provide in the resolution or ordinance or resolutions or ordinances authorizing such bonds for the issuance of additional bonds to be equally and ratably secured by a lien upon such income and revenues or may provide that the lien upon such income and revenues for future bonds is subordinate.

Section 9. Liability for Bonds. The holders of the bonds issued under this ordinance or any trustee appointed under an indenture of trust authorizing bonds issued under this ordinance have the right to compel any exercise of taxing power of the Municipality to pay the bonds or the interest thereon as provided in the proceedings authorizing such bonds, and such bonds do constitute an indebtedness of the Municipality within the meaning of any constitutional or statutory provision. It shall be plainly stated on the face of each bond that it has been issued under the provisions of this ordinance and that it does constitute an indebtedness of the Municipality within the meaning of any constitutional or statutory provision.

Section 10. Disclosure of Interest. Any member of the City Council of the Municipality shall disclose any pecuniary interest in any employment, financing, agreement or other contract made under the provisions of this ordinance before any action by the City Council on it, and shall not vote on any such matter. Notwithstanding the provisions of any other law, any financing agreement or other contract made or procured in conformity with

the provisions of this section shall not be void by reason of the pecuniary interest of any member of the City Council of the Municipality therein; nor shall such person be subject to any penalty by reason of the making or procuring thereof.

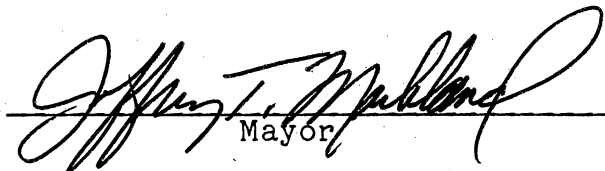
Section 11. Prior Acts. The provisions and conditions of this ordinance shall in no way affect the validity of any prior acts of the City Council with respect to economic development projects as defined in this ordinance.

Section 12. Repealer and Effective Date. All ordinances, resolutions, motions or orders in conflict with the provisions hereof be and they are hereby repealed; provided, however, that this ordinance shall neither amend nor repeal ordinance no. 7475-3, as amended by ordinance no. 8081-37.

Section 13. Effective Date. This ordinance shall be effective immediately upon its passage and approval.

Passed this 12th day of August, 1981.

Approved August 14, 1981.

  
Mayor

AYES: Barr, Peterson, Scott, Tiebout, Wascher and Whelan - 6.

NAYS: None

ABSENT: Wort - 1.

ATTEST:

  
City Clerk





STATE OF ILLINOIS     )  
                              ) SS  
COUNTY OF CHAMPAIGN )

CERTIFICATION OF ORDINANCE AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City Council (the "City Council") of the City of Urbana, Illinois (the "Municipality"), and as such Clerk I am the keeper of the official records and files of the Council and the Municipality.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the \_\_\_\_\_ meeting of the City Council held on the \_\_\_\_\_ day of \_\_\_\_\_, 1981, insofar as the same relates to the adoption of an ordinance entitled:

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a true and correct copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the members of the City Council on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was called and held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; and that said meeting was called and held in strict accordance with the provisions of "AN ACT in relation to meetings," approved July 11, 1957, as amended, and the applicable provisions of The Illinois Municipal Code, and that the City Council has complied with all of the applicable provisions of said Act and said Code.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the Municipality at Urbana, Illinois, this \_\_\_\_\_ day of \_\_\_\_\_, 1981.

\_\_\_\_\_  
City Clerk

(SEAL)