

ORDINANCE NO. 9899-2

AN ORDINANCE
AUTHORIZING THE EXECUTION AND DELIVERY
OF AN INTERGOVERNMENTAL COOPERATION AGREEMENT
AND CERTAIN DOCUMENTS IN CONNECTION THEREWITH;
AND RELATED MATTERS
(AssistUrbana Program – 1998 Series)

WHEREAS, pursuant to Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, the City of Urbana, Champaign County, Illinois, is a municipality and a home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the “Municipality”); and

WHEREAS, pursuant to the Constitution and the laws of the State of Illinois, and particularly Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, the Municipality is authorized to issue its revenue bonds in order to aid in providing an adequate supply of residential housing for low- and moderate-income persons and families within the Municipality, which constitutes a valid public purpose for the issuance of revenue bonds by the Municipality; and

WHEREAS, the Municipality has now determined that it is necessary, desirable and in the public interest to issue revenue bonds to provide an adequate supply of residential housing for low- and moderate-income persons and families within the Municipality; and

WHEREAS, pursuant to Section 10 of Article VII of the 1970 Constitution of the State of Illinois and the Intergovernmental Cooperation Act (*5 Illinois Compiled Statutes 1996, 220/1 et seq.*, as supplemented and amended), public agencies may exercise and enjoy with any other public agency in the State of Illinois any power, privilege or

authority which may be exercised by such public agency individually, and accordingly, it is now determined that it is necessary, desirable and in the public interest for the Municipality to enter into an Intergovernmental Cooperation Agreement (the "*Cooperation Agreement*") dated as of June 1, 1998, by and among the Municipality and certain other municipalities named therein (the "*Municipalities*"), to provide for the joint issuance of such revenue bonds to aid in providing an adequate supply of residential housing in such Municipalities (the "*Program*"); and

WHEREAS, to provide for the Program, the City of Aurora, Kane, DuPage, Will, and Kendall Counties, Illinois, the Village of Niles, Cook County, Illinois, and the City of Springfield, Sangamon County, Illinois (the "*Issuers*") propose to issue, sell and deliver not to exceed \$75,000,000 aggregate principal amount of Collateralized Single Family Mortgage Revenue Bonds, Series 1998 (the "*Bonds*") to obtain funds to finance the acquisition of mortgage-backed securities (the "*GNMA Securities*") of the Government National Mortgage Association ("*GNMA*"), evidencing a guarantee by GNMA of timely payment, the acquisition of mortgage-backed securities (the "*FNMA Securities*") of the Federal National Mortgage Association ("*FNMA*"), evidencing a guarantee by FNMA of timely payment, and the acquisition of mortgage-backed securities (the "*FHLMC Securities*") of the Federal Home Loan Mortgage Corporation ("*FHLMC*"), evidencing a guarantee by FHLMC of timely payment, of monthly principal of and interest on certain qualified mortgage loans under the Program (the "*Mortgage Loans*"), on behalf of the Municipality and the other Municipalities all under and in accordance with the Constitution and the laws of the State of Illinois; and

WHEREAS, the City Clerk of the Municipality has caused a notice of public hearing with respect to the plan of finance of the costs of the Program through the issuance of the Bonds to be published in the Champaign-Urbana *News Gazette*, a newspaper of general circulation in the Municipality, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "*Code*"), on May 29, 1998, and the City Council of the City of Peoria, Peoria County, Illinois, or its designee has conducted said public hearing on June 16, 1998; and

WHEREAS, a form of the Cooperation Agreement has been presented to and is before this meeting.

NOW, THEREFORE, be it ordained by the City Council of the City of Urbana, Champaign County, Illinois, as follows:

Section 1. That it is the finding and declaration of the City Council of the Municipality that the issuance of the Bonds by the Issuers is advantageous to the Municipality and therefore serves a valid public purpose; that this authorizing ordinance is adopted pursuant to the Constitution and the laws of the State of Illinois, and more particularly Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, Section 10 of Article VII of the 1970 Constitution of the State of Illinois and the Intergovernmental Cooperation Act; and that, by the adoption of this authorizing ordinance, the City Council of the Municipality hereby approves the issuance of the Bonds for the purposes as provided in the preambles hereto, the text hereof and the Notice of Public Hearing which is hereby incorporated herein by reference, which public approval shall satisfy the provisions of Section 147(f) of the Code.

Section 2. That the form, terms and provisions of the proposed Cooperation Agreement be, and they are hereby, in all respects approved; provided, however, that, during the Reservation Period as defined in the Cooperation Agreement, 50 percent of the Program Allocation allocated to the City of Urbana shall be set aside for use in buying securities with mortgage loans made to persons in households earning at or below 80 percent of median family income for Champaign County, Illinois, as periodically determined by the U.S. Department of Housing and Urban Development; that the Mayor of the Municipality be, and is hereby, authorized, empowered and directed to execute, and the City Clerk of the Municipality be, and is hereby, authorized, empowered and directed to attest and to affix the official seal of the Municipality to, the Cooperation Agreement in the name and on behalf of the Municipality, and thereupon to cause the Cooperation Agreement to be delivered to the other Municipalities; that the Cooperation Agreement is to be in substantially the form presented to and before this meeting and hereby approved or with such changes therein as shall be approved by the officer of the Municipality executing the Cooperation Agreement, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions therein from the form of Cooperation Agreement before this meeting; that from and after the execution and delivery of the Cooperation Agreement, the officers, officials, agents and employees of the Municipality are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Cooperation Agreement as executed; and that the Cooperation Agreement shall constitute and is hereby made a part of this authorizing ordinance and a copy of the Cooperation Agreement shall be placed in the official records

of the Municipality, and shall be available for public inspection at the principal office of the Municipality.

Section 3. That the Mayor, the City Clerk and the proper officers, officials, agents and employees of the Municipality are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents and certificates as may be necessary to carry out and comply with the provisions of the Cooperation Agreement and to further the purposes and intent of this authorizing ordinance, including the preamble to this authorizing ordinance.

Section 4. That all acts of the officers, officials, agents and employees of the Municipality heretofore or hereafter taken, which are in conformity with the purposes and intent of this authorizing ordinance and in furtherance of the issuance and sale of the Bonds, and the same hereby are, in all respects, ratified, confirmed and approved, including without limitation the publication of the Notice of Public Hearing.

Section 5. That the Municipality hereby transfers its 1998 unified volume cap in the amount of \$1,892,402 to the Issuers, which is hereby allocated by the Municipality to the issuance of the Bonds; and the Municipality hereby allocates all unified volume cap received by the Municipality from the Office of the Governor of the State of Illinois, pursuant to the request made by the Municipality on June 1, 1998, to the issuance of the Bonds.

Section 6. That after the Cooperation Agreement is executed by the Municipality, this authorizing ordinance shall be and remain irrevocable until the Bonds and the interest thereon shall have been fully paid, cancelled and discharged.

Section 7. That the provisions of this authorizing ordinance are hereby declared to be separable, and if any section, phrase or provision of this authorizing ordinance shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this authorizing ordinance.


Section 8. That all ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of this authorizing ordinance are, to the extent of such conflict, hereby superseded; and that this authorizing ordinance shall be in full force and effect upon its adoption and approval as provided by law.

PASSED by the City Council this 6th day of July, 1998.

AYES: Hayes, ~~Hugh~~ Kearns, Patt, Taylor, Whelan, Wyman

NAYS:

ABSTAINS:

 Phyllis D. Clark
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this 9th day of July, 1998.

Tod Satterthwaite
Tod Satterthwaite, Mayor