

RESOLUTION NO. 8283-R40

A RESOLUTION
INDICATING THE INTENT OF THE CITY COUNCIL
TO ISSUE ADDITIONAL BONDS IN CONNECTION WITH
THE JUMER'S CASTLE LODGE PROJECT

WHEREAS, on December 14, 1981, the City of Urbana, Illinois (the "City") issued \$3,030,000 Economic Development Revenue and Tax-Supported Bonds, Series of 1981 (Jumer's Castle Lodge Project); and

WHEREAS, Section 3.2 of the Loan Agreement, dated as of December 1, 1981 (the "Loan Agreement"), between the City and Jumer's Castle Lodge, Inc. (the "Company") provides that so long as the Company shall not be in default under the terms of the Loan Agreement and whenever the Company requests, the City may, but is not obligated to, authorize additional bonds in aggregate principal amounts specified from time-to-time by the Company in order to lend the proceeds therefrom to the Company for the purpose of financing the cost of completion of the Project to be financed from the proceeds of such Series 1981 Bonds; provided that, when issued for such purpose, the City shall comply with Section 207 of the Indenture of Trust dated as of December 1, 1981 (the "Indenture") between the City and the First National Bank of Springfield, Springfield, Illinois, as Trustee, and the Company shall comply with Section 4.2 of the Loan Agreement; and

WHEREAS, it is desirable and in the best interests of the economic development of the City that the City offer to issue, subject to the terms and conditions as hereinafter set forth, approximately \$940,000, as so requested by the Company, of additional Economic Development Revenue and Tax-Supported Bonds for the purpose of financing the costs of completion of the Jumer's Castle Lodge Project.

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

Section 1. That the City, subject to Section 2 hereof, does hereby express its intent to issue approximately \$940,000, as so requested by the Company, of its Economic Development Revenue and Tax-Supported Bonds as additional bonds to the \$3,030,000 aggregate principal amount of Economic Development Revenue and Tax-Supported Bonds, Series of 1981, (Jumer's Castle Lodge Project) issued on December 14, 1981. Such additional bonds may be issued in accordance with Sections 3.2 and 4.2 of the Loan Agreement and Section 207 of the Indenture, for the purpose of financing the cost of completion of the Project. Nothing contained in this Resolution shall be deemed to create any obligation on the part of the City to in fact later issue any such additional bonds for such purpose,

however, and any such additional bonds, if, as, and when later so authorized to be issued by the City, shall, in addition to the requirements of Sections 3.2 and 4.2 of the Loan Agreement and Section 207 of the Indenture as well as all other relevant provisions of such documents pertaining thereto, be in such aggregate principal amount and provide such terms and additional security therefore as shall be previously agreed upon and approved in writing by both the City and the Company.

Section 2. The intention of the City as so expressed in this Resolution is predicated upon assurances made by the Company that the Company shall use its best efforts to first assign its rights and interests under the Loan Agreement and the Project to Hotel Properties of America, Inc. or some other such entity, and thus otherwise obtain such funds as may be necessary for the purpose of financing the cost of completion of the Project before additional bonds may proceed to be issued by the City pursuant hereto.

Section 3. That this Resolution shall constitute "official action" as referred to in the regulations promulgated under Section 103 of the Internal Revenue Code, as amended.

PASSED by the City Council this March, 1983.



Ruth S. Brookens
Ruth S. Brookens, City Clerk

APPROVED by the Mayor this 11th day of March, 1983.

Jeffrey T. Markland
Jeffrey T. Markland, Mayor