

**A RESOLUTION SUPPLEMENTING AND AMENDING
RESOLUTION NO. 9697-R21, A RESOLUTION PROVIDING FOR THE
FINANCING BY THE CITY OF URBANA, ILLINOIS OF THE
ACQUISITION AND CONSTRUCTION OF CERTAIN NURSING HOME
FACILITIES, TO PROVIDE INCREASED JOB OPPORTUNITIES AND
RETAIN EXISTING JOBS AND THE REFUNDING OF CERTAIN PRIOR
BONDS; AUTHORIZING THE ISSUANCE OF ITS \$3,000,000 CAPITAL
IMPROVEMENT AND REFUNDING REVENUE BONDS (CLARK-LINDSEY
VILLAGE, INC. PROJECT), SERIES 1996, IN CONNECTION
THEREWITH; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN
AGREEMENT, A MORTGAGE AND SECURITY AGREEMENT, AND AN
ASSIGNMENT AGREEMENT SECURING SUCH BONDS; AUTHORIZING AND
PROVIDING FOR THE SALE OF SUCH BONDS; AUTHORIZING THE
EXECUTION AND DELIVERY OF AN ARBITRAGE REGULATION
AGREEMENT; AND RELATED MATTERS**

WHEREAS, the City of Urbana, Champaign County, Illinois, a home rule municipality (the "**Issuer**"), is authorized and empowered by the provisions of The Industrial Project Revenue Bond Act, Section 5/11-74-1 et seq. of Chapter 65 of the Illinois Compiled Statutes (as supplemented and amended, including by Section 6 (Powers of Home Rule Units) of Article VII (Local Government) of the Constitution of the State of Illinois (collectively, the "**Act**"), to issue its revenue bonds to finance and refinance the costs of certain "**industrial projects**", in order to promote the general health, safety, morals and welfare, to increase job opportunities and to retain existing jobs; and

WHEREAS, with notice having been published on October 29, 1996 in the *News-Gazette*, published in Champaign, Illinois, and of general circulation in the City of Urbana Illinois, the Issuer's City Council on November 18, 1996 held and conducted a public hearing concerning the issuance under the Act of not to exceed \$3,000,000 aggregate principal amount of revenue bonds to finance, among other things, the acquisition, construction and installation of buildings and equipment constituting a new kitchen building and related equipment, roof repairs and replacement and parking lot, at the Company's

present location, 101 W. Windsor Road, in Urbana, Illinois, and related and incidental facilities (the "**Project**") for Clark-Lindsey Village, Inc., an Illinois not-for-profit corporation (the "**Company**"); and

WHEREAS, on December 30, 1996 the Issuer issued \$3,000,000 initial principal amount Capital Improvement and Refunding Revenue Bonds (Clark-Lindsey Village, Inc. Project), Series 1996 (the "**Prior Bonds**"), to finance and refinance certain facilities for the Company, with respect to which the Issuer entered into a Loan Agreement (the "**Prior Loan Agreement**") with the Company, an Assignment and Agreement (the "**Prior Assignment**") with Busey Bank, as assignee, a Mortgage and Security Agreement (the "**Mortgage**") with the Company and an Assignment of Rents and Leases (the "**Lease Assignment**") with the Company and the Assignee, which Prior Bonds the Issuer deems desirable to adjust the interest rate and call provisions, currently refunding the Prior Bonds in advance of maturity; and

WHEREAS, the Issuer is willing to issue its revenue bonds to refinance the Project and to refund the Prior Bonds and to enter into Amendment to Loan Agreement to be dated as of December 1, 2002 (the "**Loan Agreement Amendment**"), with the Company upon terms which are to produce revenues sufficient to provide for the prompt payment when due of the principal of, premium, if any, and interest on such revenue bonds, all as set forth in the details and provisions of the Loan Agreement, as amended; and

WHEREAS, it is necessary and proper for the Issuer to authorize the refinancing of the Project and the technical refunding of the Prior Bonds and the issuance of the Issuer's Capital Improvement and Refunding Revenue Bonds (Clark-Lindsey Village, Inc. Project), Series 1996, in the aggregate principal amount of the principal balance of the Prior Bonds (the "**Bonds**"), for such purposes, and pursuant to arrangements made by the Company, Busey Bank, Urbana, Illinois (the "**Purchaser**") is to purchase the Bonds; and

WHEREAS, it is necessary to authorize the execution of the Loan Agreement Amendment by and between the Issuer and the Company under the terms of which the Issuer will lend proceeds of the sale of the Bonds to finance the Project and to refund the Prior Bonds, the payments thereunder to be paid by the Company in repayment of the loan to be sufficient to pay when due the principal of, premium, if any, and interest on the Bonds; and

WHEREAS, it is necessary for the Issuer to execute and deliver an Amendment to Assignment Agreement Amendment to be dated as of December 1, 2002 (the "**Assignment Amendment**") with Busey Bank, Urbana, Illinois, as Assignee (the "**Assignee**"), for the benefit of the holders from time to time of the Bonds, pursuant to which, among other things, the details of the Bonds are set forth and the Loan Agreement, as amended, is assigned to the Assignee; and

WHEREAS, the Issuer has caused to be prepared and presented to this meeting the following documents, which the Issuer proposes to enter into:

1. The Loan Agreement Amendment by and between the Issuer and the Company;
2. The Assignment Amendment by and between the Issuer and the Assignee, setting forth, among other things, the form of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, AS FOLLOWS:

Section 1. Issuer Documents. That the form, terms and provisions of the proposed Loan Agreement Amendment and the Assignment Amendment, (collectively, including related documents, instruments and certificates, the "**Issuer Documents**") shall be, and they hereby are, in all respects approved, and that the Mayor and the City Clerk of the Issuer be, and they are hereby authorized, empowered and directed to execute and deliver the Issuer Documents in the name and on behalf of the Issuer, to cause the Issuer

Documents to be duly executed and delivered by the other parties thereto; that as security of the Bonds, the Assignment Amendment assigns to the Assignee all right, title and interest of the Issuer in and to the Loan Agreement Amendment (except for, among other Unassigned Rights, certain rights of the Issuer to indemnification, defense, payment of expenses, to give and receive notices and make determinations) and in and to the payments, revenues and receipts payable to the Issuer pursuant thereto, and such revenues are hereby and in the Assignment Amendment pledged for such purpose; that the Issuer Documents are to be in substantially the respective forms submitted to the meeting of the City Council of the Issuer at which this resolution is adopted and hereby approved, with such changes therein as shall be approved by the officials of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the forms of the Issuer Documents hereby approved; and that from and after the execution and delivery of the Issuer Documents, the appropriate officials, agents and employees of the Issuer 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 such Issuer Documents as executed.

Section 2. Bonds. That the Bonds shall be issued in the aggregate principal amount of the then outstanding principal balance of the Prior Bonds, bearing interest and maturing and coming due as to principal and interest, and having such other terms and provisions all as more specifically set forth in the Assignment Amendment, all such terms being hereby approved, and the Mayor or the City Administrator of the Issuer shall be and are hereby authorized, empowered and directed to cause the Bonds to be prepared in the form and having the other terms and provisions as set forth in the Assignment Amendment, as executed and delivered; that the Bonds shall be executed in the name of the Issuer with the manual or facsimile signature of its Mayor and

the manual or facsimile signature of its City Clerk and the seal of the Issuer shall be impressed or reproduced thereon, and that the Mayor or City Administrator or other appropriate officer of the Issuer shall cause the Bonds, as so executed and attested, to be delivered to the Assignee, as Registrar, for authentication, and the Registrar is hereby requested to authenticate the authorized aggregate principal amount of Bonds and upon payment therefor to deliver the Bonds to the Purchaser in accordance with and pursuant to the Assignment Amendment; and that the form of the Bonds in the Assignment Amendment as the form thereof appears in the Assignment Amendment, subject to appropriate insertions, modifications and revisions in order to comply with the provisions therefor set forth in the Assignment Amendment shall be, and the same hereby is, approved, and when the same shall be executed on behalf of the Issuer in the manner contemplated by the Assignment Amendment and this resolution in the authorized aggregate principal amount thereof, they shall represent the approved form of the Bonds of the Issuer. The provisions in the Assignment Amendment specifying Bond terms are hereby authorized and approved.

Section 3. Sale. That the sale and private placement arranged by the Company of the Bonds to and with the Purchaser upon the terms and conditions set out in the Bond Purchase Agreement shall be, and are, in all respects authorized and approved.

Section 4. Further Actions. That from and after the execution and delivery of the Issuer Documents, the proper officials, agents and employees of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents, including a Bond Purchase Agreement with the Purchaser, as may be necessary to carry out and comply with the provisions of the Issuer Documents as executed and to further the purposes and intent of this resolution, including the preamble hereto.

Section 5. General Approvals. That all acts and doings of the officials of the Issuer which are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the financing of the Project are hereby in all respects ratified, approved and confirmed. The Issuer hereby approves the plan of financing for the Project. The Bonds shall be issued in compliance with and under the authority of the provisions of the Act and this resolution. The Bonds are hereby designated as "qualified tax-exempt obligations."

Section 6. Separability. That the provisions of this resolution are hereby declared to be separable, and if any section, phrase or provision shall, for any reason, be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions.

Section 7. Conflict. That all ordinances, resolutions, orders or parts thereof in conflict with the provisions of this resolution are, to the extent of such conflict, hereby superseded.

Section 8. Effective. This resolution shall be in full force and effect from and after its passage and approval, in accordance with applicable law.

PASSED by the City Council this 16th day of December,
2002 .

AYES: Chynoweth, Hayes, Huth, Otto, Patt, Whelan, Wyman

NAYS:

ABSTAINS:

APPROVED by the Mayor this 19th day of December,
2002 .



Phyllis D. Clark
Phyllis D. Clark, City Clerk

Robert Clark
Deputy Clerk

Tod Satterthwaite
Tod Satterthwaite, Mayor