

A RESOLUTION ALLOCATING AND RESERVING PRIVATE ACTIVITY BOND VOLUME CAP AND PROVIDING THE TERMS AND CONDITIONS OF SUCH ALLOCATION AND RESERVATION, AND RELATED MATTERS

WHEREAS, the City of Urbana, Champaign County, Illinois (the "Municipality"), is a "home rule unit" and "constitutional home rule city" under Section 6 of Article VII of the Constitution of Illinois and Section 146 of the Internal Revenue Code of 1986, as amended (the "Code"), with the authority to allocate and reserve the volume cap allocated to it in accordance with Section 146(e) (3) of the Code; and

WHEREAS, the Municipality proposes to issue up to \$10,000,000 principal amount Multifamily Housing Revenue Bonds, Series 2006 (Prairie Winds of Urbana, L.L.C. Project) (howsoever actually styled, the "Bonds"), to assist Prairie Winds of Urbana, L.L.C. (including another business form, as the case may be, the "Company"), in financing the acquisition of land and the construction, installation and equipping of a certain supportive living facility to be owned and operated by the Company at 1905 South Prairie Winds Drive within the Municipality (the "Project"); and

WHEREAS, pursuant to the Illinois Private Activity Bond Allocation Act (30 ILCS 345/1 et seq.), as supplemented and amended (the "Allocation Act"), it is now considered necessary and desirable and in the public interest of the residents of the Municipality for the Municipality to allocate and reserve all of its volume cap for calendar year 2006 to the issuance of the Bonds.

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

Section 1. Allocation and Reservation. Pursuant to Section 146 of the Code and the Allocation Act, the Municipality hereby allocates and reserves, subject to the terms and limitations of Section 2 of the Resolution below, the entire amount of the volume cap allocated to the Municipality for calendar year 2006 (i.e. \$3,134,240, based upon the amount of \$80.00 multiplied by the subcounty population estimate for the Municipality released by the Census Bureau on August 11, 2005 of 39,178), for application to the Bonds to finance the Project.

Section 2. Terms and Limitations. The allocation and reservation for the Bonds to finance the Project under Section 1 of this Resolution above shall be and is hereby subject to the terms and limitations, as follows:

(a) The allocation and reservation of the entire amount of volume cap allocated to the Municipality for application to the Bonds to finance the Project shall be given effect and completed, and the Bonds shall be issued, delivered and paid for, if at all, on or before December 1, 2006;

(b) Without any further action by the City Council of the Municipality, in the event that the Company abandons the Project or the provisions of part (a) of this Section 2 above are not met and completed on or before December 1, 2006, the allocation and reservation of the entire amount of the volume cap allocated to the Municipality under Section 1 above shall terminate and then and there be discharged and released unless the Municipality, by the written approval of the Mayor, otherwise agrees to extend such date under Section 3 of this Resolution below. In the event of any such termination, the Municipality reserves the right to allocate and reserve all or a portion of such volume cap to another project or to reallocate all or a

portion of such volume cap to the State of Illinois, any agency of the State of Illinois or any home rule or non-home rule unit of the State of Illinois.

Section 3. Agreement to Extend; Carryforward. The Mayor is hereby authorized to extend the date by which the Bonds shall be issued, delivered and paid for to a date after December 1, 2006, if it can reasonably be demonstrated that the Bonds to finance the Project are still required to finance the Project and that the Bonds shall be issued, delivered and paid for in a timely manner thereafter. If any such extension is to a date on or after January 1, 2007, or if any allocation or reservation is made to another project following a termination as provided in part (b) of Section 2 above, the Mayor is further authorized to file a Carryforward Election of Unused Private Activity Bond Cap (Form 8328) with the Internal Revenue Service in order to make the election on behalf of the Municipality pursuant to Section 146(f) of the Code to carryforward all or a portion of such unused volume cap.

Section 4. Supplemental Authority. The Mayor, the City Clerk and all other 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 further the purposes and intent of this Resolution, including without limitation, any allocation and reservation, reallocation or carryforward of the entire amount of the volume cap allocated to the Municipality for calendar year 2006 as provided in this Resolution.

Section 5. Conflict. Any ordinance, resolution or other action of the City Council of the Municipality inconsistent or in conflict with this Resolution shall be and is hereby superseded.

Section 6. Effective. This Resolution shall be effective immediately upon its passage and approval as required by law.

PASSED by the City Council this 6th day of March,
2006 .

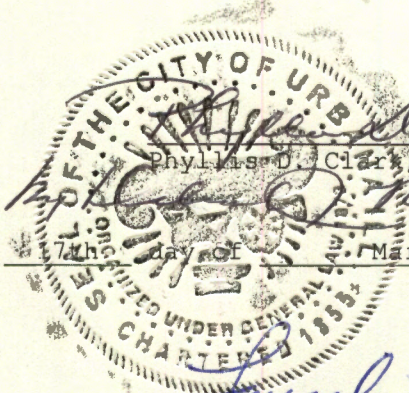
AYES: Barnes, Bowersox, Chynoweth, Lewis, Roberts, Smyth, Stevenson

NAYS:

ABSTAINS:

APPROVED by the Mayor this

2006 .



Phyllis D. Clark Clerk
Phyllis D. Clark, City Clerk
Robert Deputy Clerk
APPROVED by the Mayor this 7th day of March,
Laurel Lunt Prussing
Laurel Lunt Prussing, Mayor