

ORDINANCE NO. 2363

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF TAX INCREMENT REVENUE BONDS (EVANS ROAD), SERIES 2013B OF THE VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS AND PLEDGING CERTAIN INCREMENTAL TAXES IN THE VILLAGE'S SPECIAL TAX ALLOCATION FUND FOR THE EVANS ROAD REDEVELOPMENT PROJECT AREA TO PAY THE PRINCIPAL AND INTEREST ON SUCH BONDS, AND RELATED MATTERS

WHEREAS, the Village of Rantoul, Champaign County, Illinois (the "Village"), has heretofore proceeded, pursuant to the provisions of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 *et seq.*, as supplemented and amended, the "Act"), and the Village's President and Board of Trustees (the "Corporate Authorities") do hereby determine, as follows:

- A. On December 11, 2012, the Corporate Authorities adopted Ordinance No. 2329, approving a redevelopment plan (the "Redevelopment Plan") and a redevelopment project (the "Redevelopment Project") under the Act with respect to the redevelopment project area described in such ordinance (the "Redevelopment Project Area").
- B. On December 11, 2012, the Corporate Authorities adopted Ordinance No. 2330, designating the Redevelopment Project Area a redevelopment project area under the Act.
- C. On December 11, 2012, the Corporate Authorities adopted Ordinance No. 2331, adopting the financing provisions of the Act and establishing "a Special Tax Allocation Fund" (the "Special Tax Allocation Fund") in connection therewith.
- D. The Village and Rantoul 57 Development, Inc., an Illinois corporation (the "Developer") have entered into a Redevelopment Agreement dated as of February 26, 2013 (the "Redevelopment Agreement") pursuant to which the Developer agrees to acquire and construct various private projects on land in the Redevelopment Project Area.
- E. It is now necessary and advisable to provide funds at this time for a portion of the related redevelopment project costs under the Act, the Redevelopment Plan and the Redevelopment Agreement (the "Redevelopment Project Costs") in an amount up to \$10,000,000.
- F. The Village has insufficient funds on hand to pay such Redevelopment Project Costs and does hereby determine that it is necessary and advisable at this time to borrow money, and in evidence thereof issue bonds of the Village, in an amount of not to exceed \$10,000,000 to pay such Redevelopment Project costs.

WHEREAS, pursuant to Section 11-74.4-7 of the Act, the Village may issue obligations under the Act and pay and retire such obligations, and interest thereon, from funds in the Special Tax Allocation Fund, as herein provided and referenced.

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS, as follows:

Section 1. Definitions. The following words and terms used in this Ordinance shall have the following meanings unless the context or use indicates another or different meaning.

“Act” means the Tax Increment Allocation Redevelopment Act, Chapter 65, Section 5/11-74.4-1 et seq., Illinois Compiled Statutes, as supplemented and amended, including but not limited to the Village’s home rule power and authority under Section 6 (Powers of Home Rule Units) of Article VII (Local Government) if the Constitution of the State of Illinois.

“Area” means the approximately 156-acre Redevelopment Project Area.

“Bond” or **“Bonds”** means the Village’s Tax Increment Revenue Bonds (Evans Road), Series 2013B, authorized under this Ordinance, including Bonds issued in exchange for or upon transfer or replacement of Bonds previously issued under this Ordinance and the Indenture.

“Bond Order” means, as applicable, a Bond Order executed by the Village President concurrently with the sale of the Bonds in which details of, related to and in connection with the Bonds shall be set forth or confirmed.

“Continuing Information Agreement” means the Continuing Information Agreement by and among the Village, the Developer and the Trustee in connection with the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended.

“Corporate Authorities” means the President and Board of Trustees of the Village of Rantoul, Champaign County, Illinois.

“Developer” means Rantoul 57 Development, Inc., an Illinois corporation.

“Development Area” means that part of the Area (approximately 72 acres) described in Exhibit B to the Indenture as the Development Area, upon which the Private Development is located.

“Eligible Investments” shall have the meaning in the Indenture.

“Government Securities” means bonds, certificates of indebtedness, treasury bills or other securities constituting direct obligations of the United States of America and all securities and obligations, the prompt payment of principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America.

“Incremental Property Taxes” means the ad valorem taxes, if any, arising from the taxes levied upon taxable real property in the Area by any and all taxing districts having the power to tax real property in the Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Area over and above the total Initial Equalized Assessed Value of each such piece of property, all as determined by the County Clerk of The County of Champaign, Illinois.

“Indenture” means the Trust Indenture by and between the Village and the Trustee (with respect to which undefined terms herein shall have the meanings therein) in connection with the Bonds.

“Independent” when used with respect to any specified person means such person who is in fact independent and is not connected with the Village as an officer, employee, underwriter, or person performing a similar function, and whenever it is herein provided that the opinion or report of any Independent person shall be furnished, such person shall be appointed by the Village, and such opinion or report shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

“Initial Equalized Assessed Value” means, as applicable to the Area and/or the Development Area, as the case may be, the equalized assessed value of taxable real property as last equalized or assessed by the Department of Revenue of the State of Illinois for County taxes for the year 2011.

“Municipal Incremental Property Taxes” means 25 percent (25%) of the Incremental Property Taxes derived solely from the Development Area.

“Net Incremental Property Taxes” means 75 percent (75%) of the Incremental Property Taxes derived solely from the Development Area.

“Limited Offering Memorandum” means the final Limited Offering Memorandum in connection with the sale of the Bonds.

“Ordinance” means this ordinance as originally adopted and as the same may from time to time be supplemented or amended in accordance with the terms hereof.

“Outstanding Bonds” means Bonds which are outstanding and unpaid; provided, however, such term shall not include Bonds (a) which have matured and for which moneys are on deposit with proper paying agents or are otherwise sufficiently available to pay all principal thereof and interest thereon; or (b) the provision for payment of which has been made by the Village pursuant to the Indenture.

“Pledged Incremental Property Taxes” means all Net Incremental Property Taxes and, subject to the applicable provisions of the Indenture, up to all of the Municipal Incremental Property Taxes, pledged hereunder by the Village as the payment source and security for the Bonds, as set forth in the Indenture.

“Private Development” means the Developer’s acquisition, construction and installation in the Development Area of a manufacturing and assembly plant and warehouse, and related facilities, improvements and costs.

“Qualified Investments” means investments in Government Securities and such other investments as may from time to time be permissible under the laws of the State of Illinois.

“Redevelopment Agreement” means the Redevelopment Agreement dated February 26, 2013, by and between the Village and the Developer.

“Redevelopment Plan” means the Village’s redevelopment plan under the Act with respect to the Area.

“Redevelopment Project” means the Village’s redevelopment project under the Act with respect to the Area.

“Redevelopment Project Costs” means the sum total of all reasonable or necessary costs or expenditures incurred or estimated to be incurred by the Village in implementing, and incidental to, the Redevelopment Project.

“Special Tax Allocation Fund” means the fund into which the Village will deposit all Incremental Property Taxes upon receipt.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., as Trustee under the Indenture, and its successors and assigns.

“Village” means the Village of Rantoul, Champaign County, Illinois, and its successors and assigns.

Section 2. Findings. The Village now finds it is necessary to provide funds to finance qualifying Redevelopment Project Costs, and that the Bonds be issued to enable the Village to pay a portion of such Redevelopment Project Costs.

Section 3. Bond Details.

(a) The Village shall issue in the name of the Village its Bonds designated as **“Tax Increment Revenue Bonds (Evans Road), Series 2013B”**. The Bonds shall be dated the date of their initial delivery, shall bear the date of authentication, shall be in fully registered form, shall be in minimum denominations of \$100,000 each and in integral multiples of \$5,000 in excess of \$100,000, shall be numbered 1 and upward, and shall, subject to rights of prior redemption as hereinafter provided, finally become due and payable on November 1, 2033 and shall bear interest at a rate of not to exceed 9% per annum. Final Bond details shall be set forth in the Indenture and confirmed by the Bond Order executed by the Village President following the sale of the Bonds.

(b) Each Bond shall bear interest from its dated date or from the most recent interest payment date to which interest has been paid or duly provided for until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on May 1 and November 1 of each year, commencing on or after May 1, 2014.

Interest on each Bond shall be paid by check or draft of the Trustee from funds constituting Pledged Incremental Property Taxes if, as and when received by the Village, payable in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the applicable record date. The applicable record date is the April 15 or October 15 next preceding any regular interest payment date and the 15th day preceding any other interest payment date which may be occasioned by a redemption of Bonds on a day other than a regular interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the designated corporate trust office of the Registrar. If a regular interest payment date is not a business day at the place of payment, then payment may be made at that place on the next business day, and no interest shall accrue during the intervening period. The Book-Entry-Only provisions of the Indenture are incorporated herein by reference.

Section 4. Redemption. The Bonds are subject to optional and mandatory redemption prior to maturity at the option of the Village, in whole or in part, as provided in, and subject to the redemption procedures as set forth in, the Indenture.

Section 5. Form of the Bonds; Execution; Authentication. The Bonds shall be in substantially the form thereof set forth in the Indenture, and shall be executed on behalf of the Village and authenticated by the Trustee as set forth in the Indenture. The Bonds shall be issued and remain in fully registered form.

Section 6. Funds and Accounts; Investments. The Funds and related accounts are created in the Indenture. The moneys on deposit in the Funds and the Accounts shall be invested from time to time in Eligible Investments as provided in the Indenture.

Section 7. Indenture. The Indenture, in substantially the form thereof presented before the meeting of the Corporate Authorities at which this Ordinance is adopted, with such changes therein as the Village's officers executing the Indenture shall approve, with no further authority than this Ordinance, shall be and is hereby ratified, confirmed and approved, and the Village President and Village Clerk are authorized to execute and deliver the Indenture for and on behalf of the Village; and upon the execution thereof by the Village and the Trustee, the appropriate officers, agents, attorneys, consultants and employees of the Village are authorized to take all supplemental actions, including the execution and delivery of the Bonds, and of related supplemental opinions, certificates, receipts, agreements and other instruments, desirable or necessary to implement and otherwise give full effect to the Indenture and this Ordinance.

Section 8. Sale of the Bonds. The Bonds hereby authorized shall be sold and executed as provided in this Ordinance, the Bond Order and the Indenture, and thereupon delivered to William Blair & Company, L.L.C. (the "Underwriter"), upon receipt of the purchase price

therefor, the same being the par value of the Bonds less an applicable underwriter's discount of not more than 2% of the par value of the Bonds, all set forth in the Bond Purchase Agreement between the Village and the Underwriter.

The Village President is hereby authorized and directed to execute a Bond Order following the sale of the Bonds, and the Village President, Village Administrator, Village Clerk, Comptroller and such other officers of the Village as may be necessary are hereby authorized to execute the Indenture, the Bond Purchase Agreement, the Continuing Information Agreement, the Preliminary Offering Memorandum, the final Offering Memorandum and such other documents as may be desirable or necessary to implement the Redevelopment Project and to effect the issuance and delivery of the Bonds, with such changes therein as the Village's officers executing them shall approve, with no further authority than this Ordinance,. The execution thereof by such officers is hereby deemed conclusive evidence of their approval of any changes in the substantially final forms, as now or hereafter prepared, as may be desirable or necessary to effect the transactions contemplated by this Ordinance.

Section 9. Arbitrage. The Corporate Authorities certify and covenant with the purchasers and holders of the Bonds from time to time outstanding, that so long as any of the Bonds remain outstanding, moneys on deposit in any fund or account in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other sources, will not be used in a manner which will cause such Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code, and any lawful regulations promulgated or proposed thereunder, as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Corporate Authorities reserve the right, however, to make any investment of such moneys permitted by Illinois law and this Ordinance, if, when and to the extent that said Section 148(a) or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation or decision would not, in the opinion of counsel of recognized competence in such matters, result in making the interest on the Bonds subject to federal income taxation.

Section 10. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the Village and the registered owners of the Bonds, and no changes, additions or alterations of any kind shall be made hereto, except as herein provided.

Section 11. Amendment. The rights and obligations of the Village and of the owners of outstanding Bonds may from time to time be modified or amended by a supplemental ordinance adopted by the Corporate Authorities with the written consent of the registered owners of not less than two-thirds (2/3rds) of the principal amount of all outstanding Bonds (excluding any of such Bonds owned by or under the control of the Village); provided, however, that no such modification or amendment shall extend or change the maturity of or date of redemption prior to maturity, or reduce the interest rate on, or permit the creation of a preference or priority of any outstanding Bond or outstanding Bonds over any other outstanding Bond or outstanding Bonds, or otherwise alter or impair the obligation of the Village to pay from the Pledged Incremental Property Taxes the principal of and interest on any of the outstanding Bonds at the time, place, rate, and in the currency provided therein, or alter or impair the obligations of the

Village with respect to registration, transfer, exchange or notice or redemption of Bonds, without the written consent of the registered owners of all the outstanding Bonds affected; nor shall such modification or amendment reduce the percentage of the registered owners of outstanding Bonds required for the written consent of such modification or amendment without the written consent of the registered owners of all of the outstanding Bonds.

Section 12. Prior Inconsistent Proceedings. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance, are to the extent of such conflict hereby repealed. In the event of any inconsistency between the Ordinance and the Indenture, the terms of this Ordinance shall control.

Section 13. Immunity of Officers and Employees. No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Ordinance or the Indenture contained against any past, present or future officer, employee or agent of the Village, or of any successor public corporation, as such, either directly or through the Village or any successor public corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the passage of this Ordinance and the issuance of such Bonds.

Section 14. Tax Covenants. In order to preserve the exclusion of interest on the Bonds from gross income for federal tax purposes under Section 103 of the Internal Revenue Code of 1986 as existing on the date of issuance of the Bonds and as an inducement to purchasers of the Bonds, the Village represents, covenants and agrees that:

(a) No portion of the principal of or interest on the Bonds is (under the terms of the Bonds, this ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for any private business use or payments in respect of any private business use or payments in respect of such property or to be derived from payments (whether or not to the Village) in respect of such property or borrowed money used or to be used for a private business use.

(b) No Bond proceeds will be loaned to any person or entity other than another state or local governmental unit; and no Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Bond proceeds.

(c) The Village will not take any action or knowingly fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal tax purposes on the Bonds pursuant to Section 103 of the Code, nor will the Village act in any other manner which would adversely affect such exclusion.

(d) It shall not be an event of default under this Ordinance if the interest on any Bond is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the Bonds.

(e) The Village covenants that it will rebate any arbitrage profits to the United States to the extent required by the Code and the regulations promulgated thereunder.

(f) These covenants are based solely on current law in effect and in existence on the date of delivery of such Bonds.

The Village hereby authorizes the officials of the Village responsible for issuing the Bonds, the same being the Village President, Village Clerk and Comptroller to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be excludable from gross income for federal income tax purposes. In connection therewith, the Village further agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds as required pursuant to Section 148 of the Code and the regulations promulgated thereunder; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the Village in such compliance.

Section 15. Noncompliance with Tax Covenants. Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance (the “Tax Sections”) which are designed to preserve the exclusion of interest on the Bonds from gross income under federal law (the “Tax Exemption”) need not be complied with if the Village requests and receives a written opinion of nationally recognized bond counsel to the effect that such compliance is not required. In connection with the Tax Exemption, the Village agrees: (a) to provide such statements and representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds as required pursuant to Section 148 of the Code and the regulations promulgated thereunder; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ fiscal agents, financial advisors, attorneys, and other persons to assist the Village in such compliance.

Section 16. No Small Issuer Designation. In connection with Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, the Village expressly does not designate the Bonds as “qualified tax-exempt obligations” under such paragraph (3) of such Section 265(b), and the Village represents that the Village expects to issue more than \$10,000,000 of obligations during such calendar year for purposes of such paragraph (3) (B) of such Subsection 265(b).

Section 17. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 18. Repealer. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

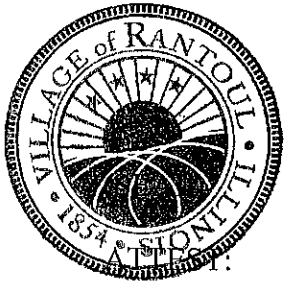
Section 19. Effective Date. This Ordinance shall be in full force and effect from and after its adoption and approval.

Upon motion by Trustee GAMEL, seconded by Trustee FOX, adopted this 8th day of October, 2013, by roll call vote (all in physical attendance), as follows:

AYES (Names): 6

NAYS (Names): 0

ABSENT, Etc. (Names): 0



APPROVED: October 8, 2013

Charles Amiel
Village President

Duke Spahn
Village Clerk