



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Details (With Text)

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Type:	Ordinance	Status:			Approved
File created:	5/23/2022	In control:			Finance Committee
On agenda:	7/11/2022	Final action:			7/28/2022
Title:	PROPOSED ORDINANCE				

ORDINANCE FOR ISSUANCE OF LINE OF CREDIT AND PROPERTY TAX LOAN PROGRAM FOR LOCAL TAXING JURISDICTIONS

AN ORDINANCE authorizing the creation of a local taxing jurisdiction loan program and, to fund such program, authorizing and providing for the execution and delivery of a line of credit agreement and the issuance of general obligation tax anticipation notes evidencing borrowings by the County under a non-revolving line of credit.

WHEREAS, Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois provides that “a County which has a Chief Executive Officer elected by the electors of the County ... (is) a Home Rule Unit” and The County of Cook, Illinois (the “County”), has a Chief Executive Officer elected by the electors of the County and is therefore a Home Rule Unit and may, under the power granted by said Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, as supplemented by the Local Government Debt Reform Act of the State of Illinois, as amended, and the other Omnibus Bond Acts, as amended, exercise any power and perform any function pertaining to its government and affairs, including, but not limited to, the power to incur debt; and

WHEREAS, pursuant to its home rule powers, the County may incur debt payable from any lawful source without prior referendum approval; and

WHEREAS, the Board of Commissioners of the County (the “Board”) has not adopted any ordinance, resolution, order or motion or any County Code provisions which restrict or limit the exercise of the home rule powers of the County in the issuance of debt without referendum or which provide special rules or procedures for the exercise of such power; and

WHEREAS, as a result of ongoing efforts to modernize technology within various County property tax agencies, personnel shortages and turnover attributable to the COVID-19 pandemic and the complicated nature of the reassessment of property taxes in the City of Chicago, for the 2021 tax year (for amounts payable in calendar year 2022), the distribution of amounts related to second installment Cook County property tax bills for calendar year 2022 are likely to be delayed; and

WHEREAS, the delay in the receipt of second installment of property tax revenue may create operational cash flow shortfalls for certain local taxing jurisdictions within the County (the “Taxing Districts”); and

WHEREAS, pursuant to its home rule powers, Section 10 of Article VII of the 1970 Constitution of the State of Illinois and the Intergovernmental Cooperation Act, as amended, the County proposes to establish a Local Taxing District Loan Program (the “Program”) whereby the County would provide short-term operational cash flow assistance to certain Taxing Districts by purchasing tax anticipation warrants or similar obligations issued by such Taxing Districts pursuant to applicable law (the “Warrants”); and

WHEREAS, pursuant to its home rule powers, the County further proposes to fund the Program by

entering into a line of credit agreement with the hereinafter - defined Lender (the "Agreement") providing for a non-revolving line of credit (the "Line of Credit") and by issuing one or more general obligation tax anticipation notes of the County evidencing borrowings by the County under the Line of Credit (collectively, the "Notes"); and

WHEREAS, the Board finds that it is necessary, desirable and in the best interests of the County to authorize the Program and to authorize the Chief Financial Officer of the County or, in the event of a vacancy in the office of Chief Financial Officer or the absence or temporary or permanent incapacity of the Chief Financial Officer, the Acting Chief Financial Officer (the "Chief Financial Officer") and the staff of the County to take such actions as they determine to be necessary or desirable to establish, administer and operate the Program, all in accordance with the limitations set forth in this Ordinance; and

WHEREAS, the Board further finds that it is necessary, desirable and in the best interests of the County to borrow to fund the Program and to pay related costs of issuance, and, in evidence of such borrowing, to issue the Notes, as hereinafter authorized:

NOW THEREFORE BE IT ORDAINED, by the Board of Commissioners of The County of Cook, Illinois, as follows:

Sec. 1. Findings.

The Board hereby finds that it is necessary, desirable and in the best interests of the County, its residents and taxpayers that the County provide for the Program; and that the Agreement be executed and delivered and the Notes be issued to enable the County to fund the Program. The Board hereby further finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does hereby incorporate them into this Ordinance by this reference. The Board hereby further finds that the County is authorized by law to borrow upon the credit of the County to fund the Program and as evidence of such indebtedness to issue the Notes. The Board hereby further finds that such borrowing of money pertains to the government and affairs of the County, is necessary or advisable for the welfare of the government and affairs of the County, is for a proper public purpose or purposes and is in the public interest, and is authorized pursuant to applicable law; and these findings shall be deemed conclusive.

Sec 2. Establishment of Program; Authorization of Warrant Purchases; Program Documentation.

The Program is hereby authorized and approved. There is hereby authorized the purchase by the County of an aggregate principal amount of not to exceed \$500,000,000 of Warrants, which Warrants shall bear no interest (other than, at the discretion of the County, upon the occurrence of a payment default), shall be due no later than March 1, 2023, and shall include such other terms as shall be determined by the Chief Financial Officer to be in the best interests of the County, subject to the provisions of this Ordinance. The County may require that a Taxing District authorize, execute and deliver a tax intercept agreement in connection with the sale of a Warrant to the County. The County may also require that a Taxing District covenant that it has not issued, and will not issue, any other tax anticipation warrants secured by the same taxes which secure a Warrant purchased by the County which become due and payable or are subject to redemption prior to maturity on or before the maturity date of such Warrant.

The Board hereby delegates to the Chief Financial Officer the approval of the form and provisions of any necessary agreement, contract, document or other instrument related to a purchase of a Warrant by the County, including, but not limited to, a form of Taxing District application for participation in the Program. The Chief Financial Officer and all other officers of the County, whether heretofore or hereafter taken or done, are hereby authorized to execute all documents and certificates and to take all such actions as may be necessary in connection with the Program and the purchase of any Warrant and to carry out and comply with the terms of this Ordinance. The Board hereby further delegates to the Chief Financial Officer the approval of Taxing District eligibility criteria for the participation in the Program.

Sec. 3. Note Details.

To fund the Program, the Notes shall be issued, in one or more series, as may be determined by the Chief Financial Officer, provided that the aggregate principal amount shall not exceed \$500,000,000. The Notes shall be designated substantially as "General Obligation Tax Anticipation Notes (Taxable)," with such additions or modifications as shall be determined to be necessary by the Chief Financial Officer at the time of the sale of the Notes. In connection with the issuance of the Notes, the County shall enter into the Agreement. The Agreement shall provide for the loan of the proceeds of the Notes to the County by the advance of funds under the Line of Credit.

The Notes shall be dated the date of issuance thereof (the "Dated Date") as may be provided in the notification of sale to be executed by the Chief Financial Officer and by which the final terms of the Notes shall be established, all as hereinafter provided (the "Notification of Sale").

The Notes shall be in fully registered form and shall become due and payable (subject to prepayment as hereinafter described) no later than August 1, 2023.

The Notes shall bear interest at a market rate to be negotiated by the County with the Lender, but in no event shall the rate or rates percent per annum exceed six percent (6.00%) per annum.

The Notes shall bear interest from the later of the Dated Date or the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Notes is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months unless otherwise provided in the Notification of Sale) being payable as set forth in the Notification of Sale.

Interest on the Notes shall be paid by check or draft of a financial institution, having fiduciary capacity and meeting all of the requirements set forth in this Ordinance and identified in the Notification of Sale (the "Trustee"), payable upon presentation thereof in lawful money of the United States of America, or by electronic funds transfer of lawful money of the United States of America, as may be provided, to the person in whose name the Notes are registered at the close of business on the applicable record date as set forth in the Notification of Sale (the "Record Date"), and mailed to the address or transferred to such account of such registered owner as it appears on the Note Register (as hereinafter defined) or at such other address or account as may be furnished in writing to the Trustee.

Principal of the Notes shall be paid upon surrender in lawful money of the United States of America at the principal office maintained for the purpose by the Trustee or its proper agent.

Sec. 4. Optional Redemption.

If so provided in the Notification of Sale, the Notes may be redeemable prior to maturity at the option of the County, in whole or in part on any date, at such times and at such optional redemption price, as shall be determined by the Chief Financial Officer and set forth in the Notification of Sale. Such optional redemption prices shall be expressed as a percentage of the principal amount of Notes to be redeemed, provided that such percentage shall not exceed one hundred three percent. The Notes or portion thereof subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as shall be determined by the Chief Financial Officer and set forth in the Notification of Sale.

Sec. 5. Execution of Notes; Registration of Notes; Persons Treated as Owners.

The Notes shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the County and shall be signed by the manual or duly authorized facsimile signatures of the President of the Board and the County Clerk of the County, as they shall determine, and in case any officer whose signature shall appear on the Notes shall cease to be such officer before the delivery of the Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Notes shall have thereon a certificate of authentication duly executed by the Trustee as authenticating agent of the County and showing the date of authentication. The Notes shall not be

valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Trustee by manual signature, and such certificate of authentication upon the Notes shall be conclusive evidence that the Notes have been authenticated and delivered under this Ordinance.

The County shall cause a book (the "Note Register") for the registration and for the transfer of the Notes as provided in this Ordinance to be kept at the designated office of the Trustee, which shall be the registrar of the County for the Notes. The Notes may be transferred, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer of a Note at the designated office of the Trustee, duly endorsed by or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the County shall execute and the Trustee shall authenticate, date, and deliver in the name of the transferee, a new fully registered Note of like tenor. The execution by the County of any fully registered Note shall constitute full and due authorization of such Note, and the Trustee shall thereby be authorized to authenticate, date, and deliver such Note. The person in whose name the Notes shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on the Notes shall be made only to or upon the order of the registered owner thereof or its legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Notes to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of the Notes for any transfer of the Notes, but the County or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such transfer.

The Trustee shall not be required to transfer or exchange the Notes during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date or during the period of fifteen (15) days preceding the giving of notice of redemption of the Notes.

Sec. 6. Security.

The obligation to make the payments due under the Notes shall be a lawful direct general obligation of the County payable from the general funds of the County and such other sources of payment as are otherwise lawfully available, including revenues derived from the payment of the principal of and interest (if any) on the Warrants.

Sec. 7. Form of Note.

The Notes shall be in substantially the form set forth in the Agreement.

Sec. 8. Sale of the Notes; Notification of Sale; Financing Team; Execution of Documents Authorized.

The Chief Financial Officer is hereby authorized to sell the Notes to the Lender, at such time as the Chief Financial Officer shall determine that the proceeds of such sale are needed and on such terms as he or she may deem to be in the best interests of the County and pursuant to and in accordance with the provisions of this Ordinance; provided that the purchase price of the Notes shall be at least one hundred percent (100%) of the principal amount of the Notes, plus accrued interest, if any, from the Dated Date to the date of delivery.

Subsequent to the sale of the Notes, the Chief Financial Officer shall file in the office of the County Clerk a Notification of Sale directed to the Board as an informational item identifying (i) the terms of the sale, (ii) the Dated Date of the Notes, (iii) the principal amount of the Note, (iv) the optional redemption provisions applicable to the Notes, and (v) the information regarding the title and designation of the Notes, together with any other matter authorized by this Ordinance to be determined by the Chief Financial Officer at the time of sale, and thereafter, the Notes shall be duly prepared and executed in the form and manner provided herein and delivered to the Purchaser in accordance with such terms of sale.

In connection with the issue and sale of the Notes, the selection of the following party or parties in the capacity as indicated is hereby expressly approved by the Board:

Capacity Party or Parties
Note Purchaser and
Line of Credit Provider (the "Lender") PNC Bank, National Association

Lender's Counsel Thompson Coburn LLP

Co-Bond Counsel Chapman and Cutler LLP
Hardwick Law Firm

The Chief Financial Officer is hereby expressly authorized and directed to select a Trustee for the Notes without further official action by or direction from the Board. The Trustee shall be a bank or corporate trust company having fiduciary powers.

The Chief Financial Officer and such other officers and officials of the County as may be necessary are hereby authorized to execute such documents, with appropriate revisions to reflect the terms and provisions of the Notes and this Ordinance and such other revisions in text as the President or the Chief Financial Officer shall determine are necessary or desirable in connection with the sale of the Notes, as may be necessary to effect the issuance and delivery of the Notes, including, but not limited to, the Agreement, and execution thereof by such County officers and officials is hereby deemed conclusive evidence of approval thereof with such changes, additions, insertions, omissions or deletions as such officers may determine, with no further official action of or direction by the Board, provided, however, that prior to the execution and delivery of the Bank Agreement, the Chief Financial Officer shall find and determine that no person holding any office of the County, either by election or appointment is in any manner financially interested, either directly in their own name or indirectly in the name of any other person, associate, trust or corporation, in the Bank Agreement.

Sec. 9. Creation of Funds and Appropriations.

In connection with the issue and sale of the Notes, funds are established and sale proceeds of the Notes and other funds of the County are hereby appropriated as follows:

A. All moneys appropriated or used by the County for the payment of the principal or redemption price of, or interest on, the Notes shall be deposited into the "General Obligation Tax Anticipation Note (Taxable), Debt Service Fund" (the "Debt Service Fund"), hereby created, which shall be the fund for the payment of principal of and interest on the Notes. The Debt Service Fund shall be held and maintained as a separate and segregated account by the Trustee. Accrued interest, if any, received upon delivery of the Notes shall be deposited into the Debt Service Fund and applied to pay first interest coming due on the Notes. Revenues derived from the payment of the principal of and interest (if any) on the Warrants shall be deposited into the Debt Service Fund.

B. The sale proceeds of the Notes, net of any sale proceeds deposited pursuant to paragraph D below, shall be deposited into the Local Taxing District Loan Program Fund (the "Loan Program Fund"), hereby created. Moneys in the Loan Program Fund shall be withdrawn from time to time as needed for the purchase of Warrants pursuant to and in accordance with the Program.

C. Funds on deposit in Debt Service Fund and the Loan Program Fund may be invested at the direction of the Chief Financial Officer in any lawful manner.

D. The sum necessary, as determined by the Chief Financial Officer, of sale proceeds of the Notes, or other lawfully available funds of the County, shall be deposited into the "General Obligation Tax Anticipation Note Expense Fund" (the "Expense Fund"), hereby created, and shall be disbursed upon the delivery of the Notes by the Trustee at the written direction of the Chief Financial Officer or shall be used by the County to pay costs of issuance in accordance with normal County disbursement procedures. Any funds remaining to the credit of the Expense Fund on the date which is six months following the date of delivery of the Notes shall be transferred to the County Treasurer for deposit into such fund or account of the County as the Chief Financial Officer may direct.

Sec. 10. List of Noteholders.

The Trustee shall maintain a list of the names and addresses of the holders of the Notes and upon any transfer shall add the name and address of the new Noteholder and eliminate the name and address of the transferor Noteholder.

Sec. 11. Rights and Duties of Trustee.

If requested by the Trustee, the President and Chief Financial Officer are authorized to execute a mutually agreeable form of agreement between the County and the Trustee with respect to the obligations and duties of the Trustee as Trustee hereunder which may include the following:

- (a) to act as Trustee, registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Noteholders as set forth herein and to furnish such list to the County upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of the Notes as provided herein;
- (d) to cancel and/or destroy the Notes at maturity or upon earlier redemption or when submitted for exchange or transfer; and
- (e) to furnish the County within 60 days of maturity of the Notes a report or other confirmation of payments made with respect to interest, principal and redemption price on the Notes.

The County Clerk is hereby directed to file a certified copy of this Ordinance with the Trustee.

Sec. 12. Immunity of Officers and Employees of County.

No recourse shall be had for the payment of the principal of or premium or interest on the Notes or for any claim based thereon or upon any obligation, covenant or agreement in this Ordinance contained against any past, present or future elected or appointed commissioner, officer, director, member, employee or agent of the County, or of any successor public corporation, as such, either directly or through the County 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 elected or appointed commissioners, 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 the Notes.

Sec. 13. Prior Inconsistent Proceedings.

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

Sec. 14. Passage and Approval.

Approved and adopted this ____ day of _____, 2022.

TONI PRECKWINKLE, President
Cook County Board of Commissioners

Attest: KAREN A. YARBROUGH, County Clerk

State of Illinois)
) SS
County of Cook)

Certification of Ordinance and Minutes

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Cook, Illinois (the "County"), and that as such official I am the keeper of the records and files of the Board of Commissioners of the County (the "Board").

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Board held on the ___ day of _____, 2022, insofar as same relates to the adoption of an ordinance numbered _____ entitled:

AN ORDINANCE authorizing the creation of a local taxing jurisdiction loan program and, to fund such program, authorizing and providing for the execution and delivery of a line of credit agreement and the issuance of general obligation tax anticipation notes evidencing borrowings by the County under a non-revolving line of credit.

(the "Ordinance"), a true, correct and complete copy of which Ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Board on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; that an agenda for said meeting was posted on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and at least 48 hours in advance of holding said meeting at the location where said meeting was held and at the principal office of the Board; that said agenda described or made specific reference to said ordinance; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Counties Code, as amended, and that the Board have complied with all of the provisions of said Act and said Code, except as validly superseded by the home rule powers of the County, and with all of the procedural rules of the Board in the adoption of said ordinance.

In Witness Whereof, I have hereunto affixed my official signature and the seal of the County, this ___ day of _____, 2022.

County Clerk
[Seal]
County Clerk to Attach Agenda

Effective date: This ordinance shall be in effect immediately upon adoption.

Sponsors: TONI PRECKWINKLE (President), JOHN P. DALEY, DENNIS DEER, STANLEY MOORE, BILL LOWRY, LARRY SUFFREDIN, DEBORAH SIMS

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
7/28/2022	1	Board of Commissioners	approve	Pass
7/27/2022	1	Finance Committee	recommend for approval	Pass
7/11/2022	1	Board of Commissioners	refer	Pass

PROPOSED ORDINANCE

ORDINANCE FOR ISSUANCE OF LINE OF CREDIT AND PROPERTY TAX LOAN PROGRAM FOR LOCAL TAXING JURISDICTIONS

AN ORDINANCE authorizing the creation of a local taxing jurisdiction loan program and, to fund such program, authorizing and providing for the execution and delivery of a line of credit agreement and the issuance of general obligation tax anticipation notes evidencing borrowings by the County under a non-revolving line of credit.

WHEREAS, Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois provides that “a County which has a Chief Executive Officer elected by the electors of the County ... (is) a Home Rule Unit” and The County of Cook, Illinois (the “*County*”), has a Chief Executive Officer elected by the electors of the County and is therefore a Home Rule Unit and may, under the power granted by said Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, as supplemented by the Local Government Debt Reform Act of the State of Illinois, as amended, and the other Omnibus Bond Acts, as amended, exercise any power and perform any function pertaining to its government and affairs, including, but not limited to, the power to incur debt; and

WHEREAS, pursuant to its home rule powers, the County may incur debt payable from any lawful source without prior referendum approval; and

WHEREAS, the Board of Commissioners of the County (the “*Board*”) has not adopted any ordinance, resolution, order or motion or any County Code provisions which restrict or limit the exercise of the home rule powers of the County in the issuance of debt without referendum or which provide special rules or procedures for the exercise of such power; and

WHEREAS, as a result of ongoing efforts to modernize technology within various County property tax agencies, personnel shortages and turnover attributable to the COVID-19 pandemic and the complicated nature of the reassessment of property taxes in the City of Chicago, for the 2021 tax year (for amounts payable in calendar year 2022), the distribution of amounts related to second installment Cook County property tax bills for calendar year 2022 are likely to be delayed; and

WHEREAS, the delay in the receipt of second installment of property tax revenue may create operational cash flow shortfalls for certain local taxing jurisdictions within the County (the “*Taxing Districts*”); and

WHEREAS, pursuant to its home rule powers, Section 10 of Article VII of the 1970 Constitution of the State of Illinois and the Intergovernmental Cooperation Act, as amended, the County proposes to establish a Local Taxing District Loan Program (the “*Program*”) whereby the County would provide short-term operational cash flow assistance to certain Taxing Districts by purchasing tax anticipation warrants or similar obligations issued by such Taxing Districts pursuant to applicable law (the “*Warrants*”); and

WHEREAS, pursuant to its home rule powers, the County further proposes to fund the Program by entering into a line of credit agreement with the hereinafter - defined Lender (the “*Agreement*”) providing for a non-revolving line of credit (the “*Line of Credit*”) and by issuing one or more general obligation tax anticipation notes of the County evidencing borrowings by the County under the Line of Credit (collectively, the “*Notes*”); and

WHEREAS, the Board finds that it is necessary, desirable and in the best interests of the County to authorize the Program and to authorize the Chief Financial Officer of the County or, in the event of a vacancy in the office of Chief Financial Officer or the absence or temporary or permanent incapacity of the Chief Financial Officer, the Acting Chief Financial Officer (the “*Chief Financial Officer*”) and the staff of the County to take such actions as they determine to be necessary or desirable to establish, administer and operate the Program, all in accordance with the limitations set forth in this Ordinance; and

WHEREAS, the Board further finds that it is necessary, desirable and in the best interests of the County to borrow to fund the Program and to pay related costs of issuance, and, in evidence of such borrowing, to issue the Notes, as hereinafter authorized:

NOW THEREFORE BE IT ORDAINED, by the Board of Commissioners of The County of Cook, Illinois, as follows:

Sec. 1. Findings.

The Board hereby finds that it is necessary, desirable and in the best interests of the County, its residents and taxpayers that the County provide for the Program; and that the Agreement be executed and delivered and the Notes be issued to enable the County to fund the Program. The Board hereby further finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does hereby incorporate them into this Ordinance by this reference. The Board hereby further finds that the County is authorized by law to borrow upon the credit of the County to fund the Program and as evidence of such indebtedness to issue the Notes. The Board hereby further finds that such borrowing of money pertains to the government and affairs of the County, is necessary or advisable for the welfare of the government and affairs of the County, is for a proper public purpose or purposes and is in the public interest, and is authorized pursuant to applicable law; and these findings shall be deemed conclusive.

Sec 2. Establishment of Program; Authorization of Warrant Purchases; Program Documentation.

The Program is hereby authorized and approved. There is hereby authorized the purchase by the County of an aggregate principal amount of not to exceed \$500,000,000 of Warrants, which Warrants shall bear no interest (other than, at the discretion of the County, upon the occurrence of a payment default), shall be due no later than March 1, 2023, and shall include such other terms as shall be determined by the Chief Financial Officer to be in the best interests of the County, subject to the provisions of this Ordinance. The County may require that a Taxing District authorize, execute and deliver a tax intercept agreement in connection with the sale of a Warrant to the County. The County may also require that a Taxing District covenant that it has not issued, and will not issue, any other tax anticipation warrants secured by the same taxes which secure a Warrant purchased by the County which become due and payable or are subject to redemption prior to maturity on or before the maturity date of such Warrant.

The Board hereby delegates to the Chief Financial Officer the approval of the form and provisions of any necessary agreement, contract, document or other instrument related to a purchase of a Warrant by the County, including, but not limited to, a form of Taxing District application for participation in the Program. The Chief Financial Officer and all other officers of the County, whether heretofore or hereafter taken or done, are hereby authorized to execute all documents and certificates and to take all such actions as may be necessary in connection with the Program and the purchase of any Warrant and to carry out and comply with the terms of this Ordinance. The Board hereby further delegates to the Chief Financial Officer the approval of Taxing District eligibility criteria for the participation in the Program.

Sec. 3. Note Details.

To fund the Program, the Notes shall be issued, in one or more series, as may be determined by the Chief Financial Officer, *provided* that the aggregate principal amount shall not exceed \$500,000,000. The Notes shall be designated substantially as “General Obligation Tax Anticipation Notes (Taxable),” with such additions or modifications as shall be determined to be necessary by the Chief Financial Officer at the time of the sale of the Notes. In connection with the issuance of the Notes, the County shall enter into the Agreement. The Agreement shall provide for the loan of the proceeds of the Notes to the County by the advance of funds under the Line of Credit.

The Notes shall be dated the date of issuance thereof (the “*Dated Date*”) as may be provided in the notification of sale to be executed by the Chief Financial Officer and by which the final terms of the Notes shall be established, all as hereinafter provided (the “*Notification of Sale*”).

The Notes shall be in fully registered form and shall become due and payable (subject to prepayment as hereinafter described) no later than August 1, 2023.

The Notes shall bear interest at a market rate to be negotiated by the County with the Lender, but in no event shall the rate or rates percent per annum exceed six percent (6.00%) per annum.

The Notes shall bear interest from the later of the Dated Date or the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Notes is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months unless otherwise provided in the Notification of Sale) being payable as set forth in the Notification of Sale.

Interest on the Notes shall be paid by check or draft of a financial institution, having fiduciary capacity and meeting all of the requirements set forth in this Ordinance and identified in the Notification of Sale (the “*Trustee*”), payable upon presentation thereof in lawful money of the United States of America, or by electronic funds transfer of lawful money of the United States of America, as may be provided, to the person in whose name the Notes are registered at the close of business on the applicable record date as set forth in the Notification of Sale (the “*Record Date*”), and mailed to the address or transferred to such account of such registered owner as it appears on the Note Register (as hereinafter defined) or at such other address or account as may be furnished in writing to the Trustee.

Principal of the Notes shall be paid upon surrender in lawful money of the United States of America at the principal office maintained for the purpose by the Trustee or its proper agent.

Sec. 4. Optional Redemption.

If so provided in the Notification of Sale, the Notes may be redeemable prior to maturity at the option of the County, in whole or in part on any date, at such times and at such optional redemption price, as shall be determined by the Chief Financial Officer and set forth in the Notification of Sale. Such optional redemption prices shall be expressed as a percentage of the principal amount of Notes to be redeemed, *provided* that such percentage shall not exceed one hundred three percent. The Notes or portion thereof subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as shall be determined by the Chief Financial Officer and set forth in the Notification of Sale.

Sec. 5. Execution of Notes; Registration of Notes; Persons Treated as Owners.

The Notes shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the County and shall be signed by the manual or duly authorized facsimile signatures of the President of the Board and the County Clerk of the County, as they shall determine, and in case any officer whose signature shall appear on the Notes shall cease to be such officer before the delivery of the Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Notes shall have thereon a certificate of authentication duly executed by the Trustee as authenticating agent of the County and showing the date of authentication. The Notes shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Trustee by manual signature, and such certificate of authentication upon the Notes shall be conclusive evidence that the Notes have been authenticated and delivered under this Ordinance.

The County shall cause a book (the "*Note Register*") for the registration and for the transfer of the Notes as provided in this Ordinance to be kept at the designated office of the Trustee, which shall be the registrar of the County for the Notes. The Notes may be transferred, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer of a Note at the designated office of the Trustee, duly endorsed by or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the County shall execute and the Trustee shall authenticate, date, and deliver in the name of the transferee, a new fully registered Note of like tenor. The execution by the County of any fully registered Note shall constitute full and due authorization of such Note, and the Trustee shall thereby be authorized to authenticate, date, and deliver such Note. The person in whose name the Notes shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on the Notes shall be made only to or upon the order of the registered owner thereof or its legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Notes to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of the Notes for any transfer of the Notes, but the County or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such transfer.

The Trustee shall not be required to transfer or exchange the Notes during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date or during the period of fifteen (15) days preceding the giving of notice of redemption of the Notes.

Sec. 6. Security.

The obligation to make the payments due under the Notes shall be a lawful direct general obligation of the County payable from the general funds of the County and such other sources of payment as are otherwise lawfully available, including revenues derived from the payment of the principal of and interest (if any) on the Warrants.

Sec. 7. Form of Note.

The Notes shall be in substantially the form set forth in the Agreement.

Sec. 8. Sale of the Notes; Notification of Sale; Financing Team; Execution of Documents Authorized.

The Chief Financial Officer is hereby authorized to sell the Notes to the Lender, at such time as the Chief Financial Officer

shall determine that the proceeds of such sale are needed and on such terms as he or she may deem to be in the best interests of the County and pursuant to and in accordance with the provisions of this Ordinance; *provided* that the purchase price of the Notes shall be at least one hundred percent (100%) of the principal amount of the Notes, plus accrued interest, if any, from the Dated Date to the date of delivery.

Subsequent to the sale of the Notes, the Chief Financial Officer shall file in the office of the County Clerk a Notification of Sale directed to the Board as an informational item identifying (i) the terms of the sale, (ii) the Dated Date of the Notes, (iii) the principal amount of the Note, (iv) the optional redemption provisions applicable to the Notes, and (v) the information regarding the title and designation of the Notes, together with any other matter authorized by this Ordinance to be determined by the Chief Financial Officer at the time of sale, and thereafter, the Notes shall be duly prepared and executed in the form and manner provided herein and delivered to the Purchaser in accordance with such terms of sale.

In connection with the issue and sale of the Notes, the selection of the following party or parties in the capacity as indicated is hereby expressly approved by the Board:

<u>Capacity</u>	<u>Party or Parties</u>
Note Purchaser and Line of Credit Provider (the “Lender”)	PNC Bank, National Association
Lender’s Counsel	Thompson Coburn LLP
Co-Bond Counsel	Chapman and Cutler LLP Hardwick Law Firm

The Chief Financial Officer is hereby expressly authorized and directed to select a Trustee for the Notes without further official action by or direction from the Board. The Trustee shall be a bank or corporate trust company having fiduciary powers.

The Chief Financial Officer and such other officers and officials of the County as may be necessary are hereby authorized to execute such documents, with appropriate revisions to reflect the terms and provisions of the Notes and this Ordinance and such other revisions in text as the President or the Chief Financial Officer shall determine are necessary or desirable in connection with the sale of the Notes, as may be necessary to effect the issuance and delivery of the Notes, including, but not limited to, the Agreement, and execution thereof by such County officers and officials is hereby deemed conclusive evidence of approval thereof with such changes, additions, insertions, omissions or deletions as such officers may determine, with no further official action of or direction by the Board, *provided, however*, that prior to the execution and delivery of the Bank Agreement, the Chief Financial Officer shall find and determine that no person holding any office of the County, either by election or appointment is in any manner financially interested, either directly in their own name or indirectly in the name of any other person, associate, trust or corporation, in the Bank Agreement.

Sec. 9. Creation of Funds and Appropriations.

In connection with the issue and sale of the Notes, funds are established and sale proceeds of the Notes and other funds of the County are hereby appropriated as follows:

A. All moneys appropriated or used by the County for the payment of the principal or redemption price of, or interest on, the Notes shall be deposited into the “General Obligation Tax Anticipation Note (Taxable), Debt Service Fund” (the “*Debt Service Fund*”), hereby created, which shall be the fund for the payment of principal of and interest on the Notes. The Debt Service Fund shall be held and maintained as a separate and segregated account by the Trustee. Accrued interest, if any, received upon delivery of the Notes shall be deposited into the Debt Service Fund and applied to pay first interest coming due on the Notes. Revenues derived from the payment of the principal of and interest (if any) on the Warrants shall be deposited into the Debt Service Fund.

B. The sale proceeds of the Notes, net of any sale proceeds deposited pursuant to paragraph D below, shall be deposited into the Local Taxing District Loan Program Fund (the “*Loan Program Fund*”), hereby created. Moneys in the Loan Program Fund shall be withdrawn from time to time as needed for the purchase of Warrants pursuant to and in accordance with the Program.

C. Funds on deposit in Debt Service Fund and the Loan Program Fund may be invested at the direction of the Chief Financial Officer in any lawful manner.

D. The sum necessary, as determined by the Chief Financial Officer, of sale proceeds of the Notes, or other lawfully

available funds of the County, shall be deposited into the “*General Obligation Tax Anticipation Note Expense Fund*” (the “*Expense Fund*”), hereby created, and shall be disbursed upon the delivery of the Notes by the Trustee at the written direction of the Chief Financial Officer or shall be used by the County to pay costs of issuance in accordance with normal County disbursement procedures. Any funds remaining to the credit of the Expense Fund on the date which is six months following the date of delivery of the Notes shall be transferred to the County Treasurer for deposit into such fund or account of the County as the Chief Financial Officer may direct.

Sec. 10. List of Noteholders.

The Trustee shall maintain a list of the names and addresses of the holders of the Notes and upon any transfer shall add the name and address of the new Noteholder and eliminate the name and address of the transferor Noteholder.

Sec. 11. Rights and Duties of Trustee.

If requested by the Trustee, the President and Chief Financial Officer are authorized to execute a mutually agreeable form of agreement between the County and the Trustee with respect to the obligations and duties of the Trustee as Trustee hereunder which may include the following:

- (a) to act as Trustee, registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Noteholders as set forth herein and to furnish such list to the County upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of the Notes as provided herein;
- (d) to cancel and/or destroy the Notes at maturity or upon earlier redemption or when submitted for exchange or transfer; and
- (e) to furnish the County within 60 days of maturity of the Notes a report or other confirmation of payments made with respect to interest, principal and redemption price on the Notes.

The County Clerk is hereby directed to file a certified copy of this Ordinance with the Trustee.

Sec. 12. Immunity of Officers and Employees of County.

No recourse shall be had for the payment of the principal of or premium or interest on the Notes or for any claim based thereon or upon any obligation, covenant or agreement in this Ordinance contained against any past, present or future elected or appointed commissioner, officer, director, member, employee or agent of the County, or of any successor public corporation, as such, either directly or through the County 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 elected or appointed commissioners, 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 the Notes.

Sec. 13. Prior Inconsistent Proceedings.

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

Sec. 14. Passage and Approval.

Approved and adopted this ____ day of _____, 2022.

TONI PRECKWINKLE, President
Cook County Board of Commissioners

Attest: KAREN A. YARBROUGH, County Clerk

State of Illinois)

County of Cook) SS
)

Certification of Ordinance and Minutes

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Cook, Illinois (the "County"), and that as such official I am the keeper of the records and files of the Board of Commissioners of the County (the "Board").

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Board held on the ___ day of _____, 2022, insofar as same relates to the adoption of an ordinance numbered _____ entitled:

AN ORDINANCE authorizing the creation of a local taxing jurisdiction loan program and, to fund such program, authorizing and providing for the execution and delivery of a line of credit agreement and the issuance of general obligation tax anticipation notes evidencing borrowings by the County under a non-revolving line of credit.

(the "Ordinance"), a true, correct and complete copy of which Ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Board on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; that an agenda for said meeting was posted on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and at least 48 hours in advance of holding said meeting at the location where said meeting was held and at the principal office of the Board; that said agenda described or made specific reference to said ordinance; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Counties Code, as amended, and that the Board have complied with all of the provisions of said Act and said Code, except as validly superseded by the home rule powers of the County, and with all of the procedural rules of the Board in the adoption of said ordinance.

In Witness Whereof, I have hereunto affixed my official signature and the seal of the County, this ___ day of _____, 2022.

County Clerk

[Seal]
County Clerk to Attach Agenda

Effective date: This ordinance shall be in effect immediately upon adoption.